

Kim Beazley's rejection of AWAs is sending the wrong signals to the electorate, writes Ian McAuley.

We associate strong political leadership with a determination to take a tough stance and to hold firmly to a stated policy position.

This association is dangerous, however, particularly for politicians in opposition Parties. Those who study and teach leadership at Harvard's Kennedy School of Government Ronald Heifetz, Marty Linsky, David Kuechle, and others warn about the risks faced by 'tough' leaders. The advice of those who see politics as a negotiation with an electorate is to be tough on principles, but flexible on positions.

The Australian Labor Party in the 2004 Federal election and now, in the build-up to the 2007 election, has been guided by an almost polar opposite strategy. It's been tough on positions but flexible on principles. It is adept at developing firm and detailed 'position statements,' but it fails to connect these with any unifying thread of principles.

In the 2004 campaign, Medicare Gold and the short-lived forestry proposals provide cases in point. They were detailed and specific, but it was left to a confused electorate to infer what principles guided these proposals, and the electorate became even more confused when these proposals were dropped without explanation.

To be fair on Labor, our political institutions and traditions push opposition Parties into premature 'position' statements. The so-called 'Charter of Budget Honesty' is designed to force the Opposition into providing explicit fiscal detail about its proposals, so that the Government, with a politicised public service to help it, can find fault and subject the Opposition proposals to ridicule.

A stock question of journalists is to ask politicians, 'What is your position?' on the issue of the day, and to accuse politicians of vagueness when they do not answer specifically. As an example, we can recall Mike Carlton's interview with Mark Latham on Labor's policy on the Iraq war. Latham had outlined a principled stance, with reference to the need for Australian troops to discharge their international responsibilities. But that wasn't enough for Carlton; Latham was being 'wishy washy' he said, and he eventually goaded Latham into his famous 'back by Christmas' statement.

In fact, all Latham said was that he was 'hoping' to have soldiers back by Christmas, but the damage was done; to the electorate it was a categorical statement.

Has Kim Beazley made a similar mistake in his promise to abolish Australian Workplace Agreements?

By any reasonable analysis, the Commonwealth's new Industrial Relations laws, 'WorkChoices,' is bad legislation. It severely disadvantages those whose labour-market bargaining power is already weak. Contrary to its rhetoric about flexibility, it is complex and entrenches an ancient master-servant model of workplace relations. What flexibility it provides is all on one side. Through use of individual contracts it allows for workplace discrimination not on the basis of productivity or effort, but on the basis of negotiating ability research shows that workplace rewards go disproportionately to those with skills in self-presentation, or more colloquially, a capacity to bullshit about one's abilities and achievements.

And in the long term, WorkChoices will reduce national productivity, as industries try to compete on the basis of labour costs and as young people are drawn prematurely out of education to fill unskilled jobs.

But is a firm rejection of AWAs the right response? In his categorical statement about AWAs Beazley is inviting his opponents to posit a false dichotomy; we either have WorkChoices or a reversion to a prescriptive, legalistic, 'one size fits all' system of industrial awards. Beazley's statement did refer to 'individual flexibility,' but that qualification has been lost in the din.

The principles by which Labor should stand have to do with protection of the vulnerable, protection of all from a race to the bottom, freedom of association, the right to collective bargaining, flexibility to cater for different people's needs, and the need to ensure Australia has a well-qualified workforce capable of earning high rewards from work. But, while most people in the Labor Party probably agree with these principles, this is not the message being heard in the electorate. The message is that Labor will revert to a traditional inflexible workplace system.

That is probably why Beazley's statement has failed to elicit an electoral recovery for the Labor Party. Australia's workers are sufficiently heterogeneous to be fearful of any hint of rigidity. Only 60 per cent of employed Australians work under traditional conditions with award conditions such as paid leave; the rest are casuals, self-employed, or on other arrangements, and most probably prefer it that way. Of the 2.4 million Australians working part-time, three quarters are satisfied with part-time arrangements.

Of course many of those 40 per cent not working under traditional arrangements are exploited. But many, particularly those with trade skills or professional qualifications, freely choose non-traditional arrangements. Many people prefer self-employment because it allows for more autonomy and responsibility. In some professions where skills are in short supply such as mining, engineers actually insist on being employed as contractors.

Many people, while respecting the contribution unions have made over the years, dislike the legal restraints around award conditions, and there are cases where award provisions, intended to protect some workers, have unintended but perverse effects of disadvantaging other workers. While industries such as accommodation and hospitality are notorious for exploitation and for offering dead-end jobs, they are also sought-after by young people for initial work experience, as a stepping stone to other employment.

Even the same employment conditions will have different effects on different people. Although they may be cleaning the same hotel rooms for the same miserable pay, the needs of an 18-year-old university student and an unskilled immigrant lacking in English language are vastly different. A young person who has completed a plumbing apprenticeship will find self-employment with an Australian Business Number an ideal work situation but self-employment is a sham when it is offered as a take-it-or-leave-it contract for an unskilled casual worker in a supermarket. Even if he or she works for only one company, a skilled computer programmer with young children may find a self-employment contract preferable to a more rigid payroll relationship, but that would be an unconscionable deal for someone doing routine work for the same company.

I am not suggesting that it will be easy for a government to devise ways of providing protection for those who need it and flexibility for those who want it. That is the very reason it would be wise for Labor to avoid the specifics at this stage, while being clear on its principles.

Once in office, Labor can then consult with stakeholders and use the resources of government to do the detailed design to put its principles into practice, without being constrained by some earlier 'position' statement.

Most importantly, it won't get shot down in the meantime.