



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

SUPERANNUATION LAWS AMENDMENT (2004 MEASURES NO. 2) BILL 2004

Consideration of House of Representatives Message

SPEECH

Thursday, 24 June 2004

BY AUTHORITY OF THE SENATE

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Questioner
Speaker Cherry, Sen John

Source Senate
Proof No
Responder
Question No.

Senator CHERRY (Queensland) (4.34 pm)—The Democrats will be insisting on the amendments at this stage of the debate. We have taken the opportunity since the debate yesterday to get in contact with both major peak bodies—the ACCI from the employer side and the ACTU from the union side—to check the concerns that the government has raised about this matter. It is a legitimate matter about the extent to which you phase in a change to an earnings base, which will obviously affect remuneration. It is something which the chamber has to be aware of. We cannot be absolute about it. I do not think the arguments put up by the ACCI frankly stack up, and that is the difficulty I have had.

Right throughout the debate about the superannuation guarantee—unfortunately, I have a very long memory—in 1989, 1990, 1991, 1992, 1993 and 1994, the ACCI constantly argued they could not afford to pay superannuation. It would break the bank—Senator Campbell would remember all the arguments at the time—it would be the end of civilisation as we know it and everybody would end up unemployed. That was their broad summary of the economic analysis at the time—in fact, it has been their broad summary of the economic analysis at every national wage case ever since. Each of those assertions has been found to be largely not held out within the economy as a whole.

I put the argument to the ACTU that if we did not hold out on 2010 we might be disadvantaging workers, and they felt that was an argument that did not stack up. They were quite confident that they would establish a reasonable outcome within one bargaining round that would be beneficial to both employers and employees rather than having to wait for two bargaining rounds. They also made the point—and I think it is an important point—that the original introduction of the superannuation guarantee in 1990, 1991 and 1992 was a national wage case offset and that the workers have actually already paid for their superannuation by reduced wage increases during the nineties. The workers in this area, because of the anomaly in the treatment of the determination of the wage base, have actually been disadvantaged for 13 years for a wage rise they have already paid the offset on. The ACCI are arguing that they want those workers to pay for their offset twice: once in 1992 in terms of the wage base and again now by being able to hold it over their heads over two bargaining rounds.

I really do not think this chamber should be in the business of benefiting employers against unions in a bargaining round dealing with the phase-in of this particular measure. I accept that there is a need for a reasonable phase-in period, but I do not believe that two bargaining rounds are reasonable in defining that. I accept it might be reasonable to do it over one bargaining period—maybe with a little leverage on the other side of it—but certainly two bargaining periods would be unreasonable. The workers have already paid for this superannuation increase in the wage offsets during the national wage cases of the 1990s and they should not have to pay for it again now.