



# AUSTRALIAN HOTELS ASSOCIATION

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## MEDIA RELEASE

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### AIRC HIGHLIGHTS CHALLENGES IN CREATION OF NEW WORKPLACE RELATIONS SYSTEM

*Statement from AHA National Chief Executive Officer, Bill Healey following today's release of new modern awards by the Australian Industrial Relations Commission (AIRC):*

Today's release of new modern awards in key industries by the AIRC highlights the challenges confronting Australia in transforming our legalistic, centralised, occupationally-based industrial relations system (established at the beginning of the 20th century) into one responsive to the needs of a service economy.

The Federal Government had hoped the award modernisation process would not be about trying to drag old awards kicking and screaming into the 21<sup>st</sup> century. It was supposed to be about starting from scratch and re-thinking a new, modern, relevant and decent minimum safety net for the industries or occupations covered by the award.

Despite this request, the AIRC has delivered a modern award that is predominately a "cut and paste" of the current federal hospitality award. We have missed the opportunity to revamp an antiquated, legalistic award to one that is more operationally-friendly for the service sector, particularly small business. Rather than creating a template to foster improved relationships at the workplace, it has maintained an arrangement that will require ongoing interpretation by external parties. New modern awards will also increase operating costs to low-margin businesses.

The AIRC has ignored the Government's assurances that the review process would not disadvantage employees or lead to an increase of costs to employers.

The Fair Work Bill provides the AIRC's new incarnation, Fair Work Australia, with significant power to intervene in workplace arrangements. Today's announcements provide tangible evidence that more needs to be done to ensure this revamped independent body will help to establish a workplace relations system that delivers fairness and productivity improvements by fostering direct bargaining by employees and their staff at the enterprise level.

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*The Australian Hotels Association (AHA) is the pre-eminent tourism and hospitality industry organisation in Australia. It has around 5000 members operating general and accommodation hotels. It has a national office and branches in each State and Territory. It also has a discrete branch to represent the interests of its accommodation members that covers four and five-star properties.*