



Union influence out of control: Ferguson

Exclusive

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Former ACTU president and cabinet minister Martin Ferguson has warned union influence over the Labor Party is "getting out of control" and the union movement's grip on the selection of ALP candidates is causing Labor MPs to resist changes to the industrial relation system.

Describing the continued opposition by Labor MPs and unions to reducing penalty rates as "depressing", Mr Ferguson blamed the "knee-jerk reaction" of some ALP politicians on "the huge influence of some unions within the Labor Party and their unwillingness to buck the system".

Mr Ferguson also criticised unions that attacked the parliamentary Labor Party's decision to "face up to reality" and strike an agreement last week with the Turnbull government over the trade agreement with China.

"They got canned by a couple of ACTU affiliates," he told *The Australian Financial Review*. "You just shake your head and wonder what the future of the Labor Party is when these people are dictating to the party."

Australian Workers Union national secretary Scott McDine accused Mr

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Ferguson of hypocrisy. "He needs to look no further than his time at the ACTU," he said. "He went from being a union boss to being a member of an ALP cabinet to being a lobbyist."

Mr Ferguson reiterated his view that some union executives and politicians had a "head in the sand" attitude about penalty rates but declined to criticise Labor leader Bill Shorten.

"I think Bill is trying to take the party forward in a very difficult environ-

ment," he said. "The influence of the unions has not occurred overnight since Bill took over. It's cemented in place over the last 10 to 15 years and I think it's getting out of control."

Asked how union influence was getting out of control, he said: "The way they have got a stranglehold over pre-selections, and also the way they seem more than ever to be dictating to the parliamentary party all the different policy positions. Unfortunately, all too many of them (Labor MPs) are just falling into line."

Mr McDine said low-paid workers belonging to Mr Ferguson's former union, United Voice, relied on penalty rates. "I think Martin's lost his grip on reality and he's now a well-paid advocate for the business community," he said. "He's just a hired gun."

Asked for a response to Mr Ferguson's comments, a spokesman for Mr Shorten said that he and Labor "are about solutions in health, jobs and education for all Australians, for today and the decades to come".

"Labor has a positive plan to advance Australia beyond the mining boom by building an education and innovation economy for all Australians," the spokesman said.

Mr Ferguson criticised the "arbitrary and reckless decision" by the Victorian Labor government to declare a public holiday on the eve of this year's AFL grand final. "Yes, there were restaurants and bars open in the Melbourne CBD, and some may have done good business, but outside the CBD it was more a case of businesses closing, reducing hours or staff, or accepting a loss because of the prohibitive penalty rates," he said.

As chairman of Tourism Accommodation Australia, Mr Ferguson is campaigning for cuts to Sunday and public holiday penalty rates and changes designed to encourage employers to convert employees from casual to part-time employment status.