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**Title:**  
Statement: Industrial democracy

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# STATEMENT

from the Premier

Date.....September 11, 1975  
Embargo.....

State Administration Centre,  
Victoria Square, Adelaide,  
South Australia 5001  
228 4811

## INDUSTRIAL DEMOCRACY.

The Premier of South Australia, Mr. Don Dunstan, said today that Australia faced economic disaster unless it resolved the conflicts in its industrial organisation.

Premier Dunstan was addressing a luncheon of the American Chamber of Commerce in Sydney.

The entrepreneurs had for years not only preached the practical benefit, but the moral rightness of the profit motives - giving as little as you could for as much as you could get, said Mr. Dunstan.

The operation of that profit motive produced tight union organisation so that the workers could protect themselves from the effects of management-mindedness. "Enterprises can hardly now complain when they find that the union organisation they have caused is ~~imbued~~ <sup>imbued</sup> with the motive they have extolled. The fact is that now many union organisations feel compelled to use that same profit motive to maximise returns for their members' labour," said Mr. Dunstan.

"This is the more so in societies where union organisation is fragmented because the fragmentation is an inducement to compete for greater rewards for union membership.

"The difference between industrial conflict in Sweden and Germany as contrasted with England, The United States of America and Australia is very marked".

The conflict could be resolved said the Premier, but only in one way. All elements in society affected by industrial organisations - its shareholders, its workers, its customers and the community at large, must be communicated with and involved in the decision affecting the welfare of the organisation.

"If an organisation faces liquidity or market problems, that affects the security of its shareholders, its workers and the community, and rational decisions about capital provision, wage demands and marketing can only be made with the understanding, participation and involvement of the people concerned.

The South Australian Labor Government is proceeding with an industrial democracy programme to this end. It is not enforced, but voluntary and experimental. It must be given time to grow voluntarily.

"The principle is communication, co-operation and involvement in contrast to alienation, exploitation and conflict", Mr. Dunstan said.



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