

# ACT Employment Policy

## ***Goal***

Remove barriers to creating jobs faced by employers and remove barriers and disincentives faced by individuals in seeking work.

## ***Background***

- High taxation and too much regulation are reducing wage levels and employment.
- The Employment Relations Act 2001 is destroying jobs and it created special privileges for union officials to the detriment of freedom of contract between employers and employees.
- Welfare locks many people into poverty.
- The Employment Court has been a failure.

## ***Principles***

### **Freedom**

The freedom to offer one's labour as one sees fit is a fundamental right. To deny adults freedom of contract in the name of 'protecting them' from exploitation, demeans and patronises all workers and all employers.

### **Regulations Curtail Employment**

Bad labour and product market regulations don't just impair freedom, they reduce employment and increase unemployment. That's why the rate of unemployment in the United States and the United Kingdom has been much lower than in the more highly regulated markets of Europe.

### **No Specialist Courts**

General courts are, or should be, capable of handling all legal issues that arise from employment.

### **Lower Taxation Increases Jobs**

Lowering the burden of taxation (via lower government expenditure) and lowering high marginal tax rates (especially for families) increases the number of jobs available.

### **Incentives**

The tax/benefit/welfare system should encourage self-reliance and provide incentives that encourage constructive behaviour.

### **A commonsense approach to employment would involve the following:**

- Acknowledging that legislation since 2000 is destroying jobs and potential jobs and therefore requires major change.
- Acknowledging that unemployment is a significant economic waste through lost production and the costs of raising taxes to fund welfare and therefore steps to change today's situation are an investment in our future.
- Recognise that achieving full employment and economic growth requires a full range of policies aimed at allowing markets to work.
- Lowering taxes to help people shift from welfare to work.
- Acknowledging that a job, not welfare, is the only way to escape poverty. Welfare should be time limited for the able-bodied, not a life-style choice.
- Recognise that prosperity is fostered by reducing taxes, removing crippling regulations and reducing welfare dependency.

### ***Policy detail***

- Remove crippling regulations that benefit those with jobs at the expense of those without jobs and that cause involuntary unemployment.
- Repeal the Employment Relations Act 2001.
- Abolish all minimum wage laws and cut taxes significantly. (Refer Tax Policy)
- Abolish the specialist Employment Court which has been an abject failure, and all other specialist employment authorities, tribunals and courts.
- Restore the common law freedom of contract between employers and employees.
- Restore common law freedoms of association and of speech in hiring labour and in communicating with staff.
- Replace all other regulations affecting employment with common law remedies.
- Introduce a work test and a 40-hour work or training week on eligibility for the unemployment benefit and those on the DPB with children older than five.

If you believe that high taxes and excessive regulation are stifling new job creation and robbing the unemployed of the chance to escape the poverty trap, then **give ACT your Party vote, for greater opportunity for all.**