

Relationship between australian trade unions and the federal government between t...



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Relationship between Australian Trade Unions and the Federal Government between the 1980s and Now

In the beginning of the 1980s, while responding to the perseverance of concurrent price increases and joblessness, the Australian Labor Party and the unions in Australia discussed a Prices and Incomes Accord which ended up shaping the policy on wages and several other sectors throughout the 1983-96 reign of the ALP's government (Peetz, 1997). Within this time, unions also experienced concerted attacks from owners and conservative state administrations as a result of employers responding to modifications in produce marketplaces emerging from reforms in market liberal. Operational adjustments during the 1980s had moved employment away from industries that were union-dense. However, this power was prevailed over in the 1990s by the influence of the actions of employers and the state as the freshly elected conservative Howard government weighed in towards the close of the 1990s. The largely established capabilities of unions for industrial activism and for undertaking politics with the ALP, a party that they had profound membership and monetary connections, became a problem in a structure where the setting of wage had moved to enterprise negotiating from awards while the tribunal was replaced by the workplace as the midpoint of action. As the 1990s came to the end, the density of unions had declined to less than half the density in the 1970s (Peetz & Bailey, 2012).

This paper aims at comparing the relationship between the trade unions and the Australian federal government in the 1980s and now. In the second section, the paper will highlight the relations between trade unions and

political forces in the 1980s, followed by a look at the relations presently and finally a comparison with China and India.

In the 1960s, several militant unions were locked up in battles with employers and governments. Governments had to depend on penal powers to neutralize the union activists. The Prices and Incomes Accord in 1984, brokered by the Australian Labor Party, broke this militant wave. Since 1984, industrial militancy was weakened and a freshly incorporated trade union movement led reductions in real pay. The Mudginberri and Dollar Sweets dispute in 1985 and 1986 respectively successfully supported legal sanctions to overcome industrial action by the unions (Peetz, 1998). In 1989, there was a pilot's strike in which the Federal Labor Government used RAAF aircrafts and pilots to dismantle the industrial action staged by Australian Federation of Air Pilots which was not within the Prices and Incomes Accord. In the 1980s under the Hawke Labor Government, Australia witnessed a push or economic reform that encompassed deregulation of several markets that were previously regulated such as the labor market (Cole, 2007). The move was fast followed by the Keating Labor Government in 1991 using the Enterprise Bargaining Agreements. After the 1996 Howard Liberal Government, more pressure was laid on reforms in industrial relations with the aim of reducing the industrial power that trade unions in Australia had. An Australian Workplace Agreement was introduced the regulated contractual treaties between an individual worker and an employer in terms of wages and conditions while lowering the minimum conditions were encompassed within industrial awards.

Recently, membership of unions has experienced a considerable decline (Schnabel, 2013). While in 1990 unions claimed 40.5% of the workforce in Australia, in 2000 it had declined to 24.7% (ABS, 2004). ACTU figures reveal that trade unions had 2,376,900 members in 1983 and by 2002 the number had declined to 1,833,700 and still reducing. According to the Australian Bureau of Statistics (2005), the weakening of the density of union, in part gives a reflection of the shifting part-time/full-time working arrangements of the Australian labor force in employment. The decline is also attributed to other reasons such as the union movement's failure to respond to changes in the structure of the practices at the workplace, amendments in production techniques towards amplified technology use, and the globalization impact on the movement of domestic industries (Peetz, 1998). In more recent days, the decline could be partly attributed to the success of exclusion of unions and policies of individualization followed by employers and the government as well as an increase in the utilization of non-union joint pacts and individual settlements.

The demise of the "blue-collar working class" and changes in the structure that condensed the Australian manufacturing segment, starting mid-1970s, hit at the core of the union membership that is dominated by the males. The shift in the direction of an economy that is service-based further intensified the condition. Unions lagged in trying to organize the low-paid sectors that are female-dominated. Although many have suggested that this element was the king-hit for unionism in Australia, the political and regulatory amendment arguably intensified its effect (Blanchflower, 2007).

The Hawke Labor government election and the initiation of the Accord between the government and unions in 1983 through the ACTU, is perceived as the height of union political power. Although theoretically, the agreement was tripartite comprising employers, under the Accord unions basically negotiated with the government to decide pay claims in exchange for enhancements to the social wage via Medicare, superannuation and modifications to tertiary education. The era of the Accord, without doubt, positioned Australian unions close to the core of federal policymaking. That influence, however, was only effective in the period when the Labor government was in power. It was also not constant even through the life of the governments of Hawke and Keating. Schnabel (2013) argues that the Accord speeded the reduction in membership of unions, in excess of 15% during the years of the Accord (1983-1996) and strengthened union reliance on the government at the cost of rank-and-file activism.

Currently, unions are a pale shadow of their previous selves, commanding merely 17% of the Australian workforce (ABS, 2016). Despite reported stabilization of the decline at the beginning of the 2000s, the move did not subsequently succeed in growing at an adequate rate to counter the workforce development thus the density went on reducing. The low density implies that Australian unions hold a narrow position to stand against the sources of progressing disparity and the weakening influence of workers. The rise in unfairness has been related partly to the reduction in density of unions (Pontusson, 2013) inclusive of the reduced role of unions in the government workings (Noah, 2010). According to Peetz (2015), unions in Australia are in a much weaker state today than during the years of the

Accord. Despite the unions maintaining their connections with the labor party, post-2007 the ALP administration often ignored the unions especially when compared to the 1980s and 1990s Accord period. Generally, the government used more time courting business and not the unions. Union officials have taken a noticeable part of their time mingling with internal politics of ALP. Leaders of the ALP as well have put a noticeable part of their time managing discussions concerning whether and probably how the influence of unions in the ALP should be managed. The current narrower focus of the unions and their links to the Labor Party that were initially a section of the resolution are currently constituting the problem (Peetz, 2015).

The regulatory transformation that began in the Accord and is still going on, and which devolved bargaining and progressively dismantled the system of arbitration, has demoted unions to the economic and political fringe.

A position has occurred in which unions are unable to effectively contest the propagation of work arrangements that are not standard such as amplified casualization and autonomous contracting (Barnes & Markey, 2015).

Consequently, unions have become institutionally sidelined. Paradoxically, the capacity of the unions to impact change on the ground via the power of membership is constrained by the difficulties in consolidating non-standard employees.

Unions in Australia have encountered a progressively unfriendly political atmosphere that has driven the regulatory adjustment (Brunori, Ferreira, & Peragine, 2013). It all began with the notorious WorkChoices framework by

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the Howard government that gave privilege to individual bargaining, limited access of unions to places of work and enforced larger obstacles to industrial action (Baker, Johnson, & Denniss, 2014). The unions, however, have not received these changes passively but instead they have made attempts to reverse their fortunes through consolidations, adopting fresh organizing methods, and campaigning politically. Despite these attempts, they have encountered a nearly impeccable storm that is determined to go on disrupting conventional industries and jobs. They also continue to face an escalation of competitive forces on labor via the execution of multilateral trade treaties and the political concentration on industrial relations modifications.

There are a number of aspects in which the current state of trade unions in Australia compares with that of China and India. On matters of registration of trade unions, the FW Act (2014) stipulates that in Australia the lowest number of reps is 50. Ghosh, and Nandan (2015) indicate that in India there is no limit to the least figure of representatives while in China the trade union legislation does not provide this threshold. The rights to representation in trade unions are not provided in Australia and China while in India trade unions that are recognized have exclusive rights of bargaining. In order for a trade union to be registered in Australia, it has to be a constitutional corporation with some or all of its workers being employed by the federal system. Chan (2014) notes that in China, it's a requirement for trade unions to give in their registration to the next degree of corporation for approval, while according to Sinha, Sinha, and Shekhar (2017), in India applications can be submitted to the registrar provided a group having at least seven

members in the union satisfies the necessary regulations. On Trade Unions affiliating with international companies, China and India provide no legislation on this matter while in Australia the FW Act (2014) provides that employer associations registered by the federal state are able to engage in transnational affiliations.

While no legal provisions are made in China and India for the procedures of making decisions in trade unions, Australian legislation provides that trade union decisions be made by the absolute majority of the committee of management or members of the union via general meetings (Stewart & Stanford, 2017). The authors also note that dissolution of trade unions in Australia is done through a formal application to the federal court or cancellation of registration. The case is however different in China according to Chan (2014) where dissolution is only undertaken through termination of enterprise and not by individuals or organizations as they will. In India, a notice of dissolution should be formulated by the secretary and seven members 14 days before the dissolution date.

According to the Australian Fair Work Amendment Act of 2012, FW Act (2014), a number of requirements have been stipulated that should be adhered to in managing trade unions, such as supremacies and roles of the union board and the aims of the union. In India, Sinha, Sinha, and Shekhar (2017) note that the Trade Union Act contains the provisions for the administration of trade unions. Chan (2014) states that in China, the guidelines for administration are contained in the constitution of Trade Unions of China. These procedures are outlined by the National Congress of the Trade Unions and secured by the state. The Australian and Chinese <https://assignbuster.com/relationship-between-australian-trade-unions-and-the-federal-government-between-the-1980s-and-now/>

legislations do not provide requirements for associations between trade unions, persons, and employer companies while in India, Ghosh, and Nandan (2015) report that the law provides that individuals aged 15 and above qualify to be a member of a trade union and is, therefore, substance to the instructions governing the trade unions. Representatives of a trade union are elected through a collegiate voting system in Australia, democratically in accordance to the laws of the Indian Trade Unions Act in India, and democratically during assemblies of union members in China.

In conclusion, trade unions in Australia have been considerably impacted by the shifting characters and policies in the systems of employment relations since the 1980s. This paper has highlighted the connection between the trade unions and the federal government in the 1980s and now. Membership of trade unions has been observed to be on a rapid decline despite efforts by the unions to stabilize the decline. The report has also shown that despite trade unions having close financial and membership ties with the Australian Labor Party- a party which they participated in its formation, the government formed by the party often neglected the interests of the unions and even held discussions on how to manage the trade union's influence in the party despite receiving resources that they badly needed from the unions. The state of unions in Australia currently is worse than it was in the era of the accord. Employers are more empowered now to the extent that unions cannot exert their influence in defending the employees. Therefore, a lot needs to be done if the unions are to be part of the solution to their problems and the general problem of unionism.

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