

Trade unions in australia

[Parts of the World](#), [Australia](#)



Once upon a time it was quite important for employees to be part of a union as it entitled them to have a collective voice, and power to build a pleasurable workplace. There have been many factors that have contributed to this decline in union memberships such as changes in workplace structure as well as increase in employee numbers (Patmore, 1992, pg 227). Changes in legislation by the Howard government with the implementation of the 1996 Workplace Relations Act and later the Workchoices Act restricted trade unions in a large way therefore contributing to the decline in members.

The increasing use of Human Resources within businesses is also impacting as employees are choosing to directly consult management over issues rather than involving a third party. With the Labour party regaining power in 2007 the legislations have now been adjusted in favour of trade unions. However they are going to have to continue to work hard so employees choose to join unions and begin to go against this declining trend of union memberships (Cooper, 2004, pg 207). Introduction:

A trade union is ‘ an organisation of employees whose focus is the protection and negotiation of pay rates and conditions of employment’ (Balnave et al, pg 536, 2007). By people joining together as a collective not an individual, produces a greater amount of power when dealing with issues such as wages and working conditions (Balnave et al, 2007, pg125). It is this power that influences changes to occur in employment relations and as a result employees become satisfied with their workplace.

Trade unions for many years now have played a key role in Australia’s structure of employee relations (Balnave et al, 2007, pg 124). It can be

noted that trade unions in Australia date back to as early as the rebellions made my convicts in regards to their living conditions and have moved forward to the current issues of employees such as work conditions, pay rates and various other factors (ACTU website). From the years 1850-1990, trade unions were officially established in Australia (ACTU website) and various unions were formed such as the shearers union, seaman union and miners union (ACTU website).

In 1901 the NSW Industrial Arbitration Act was passed. This act was brought about in the hope of creating productive workplaces by improving the standards of workplaces (ACTU website). Also this act issued compulsory arbitration so that if a dispute did arise within the workplace, it must be brought to the Industrial Relations Committee (ACTU website). Since the 1980's trade unions in Australia have declined significantly (Patmore, 1992, pg 225). at a rate of 1% per year then increased to 2% per year in the 1990's. (Balnave et al, 2007, pg 137).

There are several reasons as to why this has occurred such as the structure of the workplace, for example the increase in casual labour (Patmore, 1992, pg 227), changes in economic markets, increase in flexibility given to employers over employees, increase in managerial rights and the behaviour of unions overtime (Balnave et al, 2007, pg 138) . The biggest change of all for trade unions in Australia came about in 1996, with the reintroduction of the liberal party under the power of John Howard. It was here that the development of the Workplace Relations Act occurred.

This act saw the introduction of Australian Work Agreements (AWA's). These agreements allowed for employers to work closely with their employees to set their own working conditions that would be suited to their work practices. The years following saw the Australian Council of Trade Unions along with the Labour government campaigning against Howard's idea of industrial relations (Cooper, 2008, pg 285). In late 2007, the labour government regained power of the federal parliament. From here the Rudd government moved to create the 'Forward with Fairness' policy that still stands to date (Cooper, 2008, pg 286).

This was more beneficial for the unions. The unions however will remain tarnished from Howard's workchoices for quiet sometime and must focus on recruiting new members (Brigden, 2008, pg 365) if unions are going to remain within Australia. Human Resources practices have also impacted on unions as managers within a workplace are encouraged to now work directly with their employees, rather than including a third party such as a trade union (Balnave et al, 2007, pg 169). Because of this, trade union members will continue to decline

Benefits of joining a union: Joining a union can be extremely beneficial for its members. A union offers its members the chance to join a collective support rather than fight individually. It increases economic benefits, increases productivity and workplace protection (Balnave et al, 2007, pg 131).

The culture of the workplace may also influence one's decision to join a union. When faced with a problem it is a lot easier to proceed to fight this problem

if you are part of a collective rather than approach the problem as an individual.

In the case of trade unions, the advantage of being part of a collective means that the union can approach management so that matters between management and employees are discussed on a more even slate (Balnave et al, 2007, pg 133). Also being part of a collective group means that members are represented in front of a tribunal, and therefore have equal chance of success (Balnave et al, 2007, pg 135). This is something that a member would expect of their membership.

Trade unions also prove effective when they act as lobby groups as a means of getting both parliament and the public's attention something that would be difficult to do as an individual (Balnave et al, 2007, pg 135). Trade unions are said to increase economic benefits as the presence and influences of a union may create changes in wages and working conditions (Balnave et al, 2007, pg 134). If an employee is satisfied with their wage and conditions then it is most likely that they will be more productive and therefore a greater asset for the company.

Being part of a union enables protection for an employee in many areas including training, recruitment, wages and conditions of the workplace (Balnave et al, 2007, pg 132). This protection is important for an employee if their employer is expecting them to be efficient within the workplace. Lastly if the culture of the workplace is very union orientated, an employee is not going to feel comfortable if they too are not a member and vice versa.

Therefore culture has an influence. There is also the argument that unions do

not offer as many benefits as promised and members do not achieve any benefits.

In terms of economic benefit, yes a union may influence an increase in wages, however in return management may increase work pressure on employees (Balnave et al, 2007, pg 134). At the same time, the decline in union membership numbers is affecting the ability of unions to effectively influence management (Balnave et al, 2007, 133). Because of this employees do not see the benefits in joining a union. Membership declines and impact of legislation: Since the 1980's union memberships have declined in Australia at an alarming rate (2004).

Memberships in 1988 stood at 42% opposed to 2003 with a small percentage of 23% (2004). This decline in membership can be explained by different variables such as change in workplace structure such as the move to more casual positions, workplaces employing larger groups of people and poor economic performance. The employers ability to make better wages also tests the need for unions (Patmore, 1992, pg 227). Due to the close relationships that Trade unions share with the labour party many unions had relied on this relationship to make the conditions and wages for their members more pleasurable (Patmore, 1992, pg 231).

So the re- election of the liberal government in the 90's impacted significantly on the declining number of union members as there was no positive relationship between unions and the liberal party. From here on in the traditional Australian model of industrial relations was tarnished as yet again the people had chosen a government who had introduced an anti-

union plan (Barnes, 2005, 370). The first initial major change by the Howard government was the introduction of Workplace Relations ACT of 1996. This Act saw the introduction of Australian Workplace Agreements (AWAs).

These agreements enabled the employer and employee to formulate their own agreement conditions without any input from unions. The agreements had to pass the ' No Disadvantage Test' ensuring that an employee would in no way be disadvantaged by these individual AWA agreements (Balnave et al, 2007, pg 146). After winning the Australian people's vote in the 2004 election, Howard's government implemented changes to legislation which are considered to be the most significant in Australia's history of industrial relations since the Conciliation and Arbitration Act of 1904 (Riley & Sarina, 2005, pg 343).

These changes involved amendments to the Workplace Relations Act of 1996, to generate The Workplace Relations Act 2005, which is also known as Workchoices. The prime aim of workchoices was to shift the power in the workplace to be in favour of employers (Barnes, 2005, pg 373). This introduction of this act really impacted on the involvement of trade unions in countless ways. Firstly they destroyed the ' No disadvantage Test', therefore there was no way in which to test employees were receiving basic wages and that their conditions of work were up to standards (Riley & Sarina, 2005, pg 342).

Also the unions were no longer able to enter workplaces and were restricted to visiting workplaces for recruitment only twice a year. If these rules were breached, penalties did apply (Cooper, 2004, pg 202). Not only were unions

unable to easily approach members and employees, but the Workchoices Act made it difficult for unions to partake in industrial action such as strikes (Barnes, 2005, pg 373). Because of the restrictions that workchoices placed on unions, members were not reaping the benefits they were promised.

As a result memberships continued to decline (2004). In response to Howard's Workchoices Act the Labour government decided to campaign against workchoice in the hope of winning the opinions of the broader community (Barnes, 2005, pg373). Together with the Australian Council of Trade Unions (ACTU), the Labour government launched a television campaign that dealt with issues such as job security, and a large level of unfairness that they believed was occurring in the workplace (Barnes, 2005, pg 375).

The campaigns must have been some what effective as Labour was elected into power at the end of 2007. This was a great turning point for unions as it was the first time after more then a decade that they had not been confronted with an anti-union government (Brigden, 2008, pg 365). Rudd's government worked quickly to make amendment to the liberal government's workchoices with the implementation of the Workplace Relations Amendment (Transition to Forward with Fairness) Act 2008.

With this new Act came the removal of AWAs and putting in place a new ' no disadvantage test'. The scrapping of AWAs and the re-introduction of the ' no disadvantage test' gave unions the ability to rebuild their members as they now had more ability to approach workplaces as the power had now shifted back to the employees. Due to the impact of Howard's adjustments to

industrial relations legislations with the introduction of Workplace Relations Act in 1996 then to the inclusion of the Workchoices Act 2006 unions were restricted on their ability to influence employees.

This impacted greatly on the decline in union members. The Fair Work Act 2008 implemented by Rudd's government looks more promising for the continuation of unions, however to re-gain full respect unions are going to have to double their efforts and increase their efforts in years to come (Cooper, 2004, pg 203). Effect of Human Resources on Employees and Union memberships: With the decrease in unions, there has been a noted increase in the use of human resources techniques in the workplace (Balnave et al, 2007, pg 169).

Human Resources is the element of a business that deals traditionally with pay and recruitment as well as planning and business performance (Griffiths & Lloyd-Walker, 2007, pg 2). The techniques adopted by Human resources focus on the individual and their performance within the workplace (Balnave et al, 2007 pg, 169). For instance businesses are more focused on including employees in their decision making process and rewarding them through reward systems.

Also there are fewer management levels within workplaces which enables employees to be placed on a similar level to higher management (Patmore, 1992, pg 239). This day and age, HR within a workplace is focused on helping the workforce directly rather than including a third party such as a union (Balnave et al, 2007, pg 169). Employees join unions for various reasons as already discussed such as the ability to be heard as a collective

voice rather than as an individual, protection from employers, economic benefits and the culture of a workplace (Balnave et al, 2007, pg 169).

Human Resources techniques offer the ability for employees to become more involved with their workplace decisions, it is possible that employees feel that they are able to easily approach management. Because of this employees feel that there is less need for them to become union members. Therefore because employees are able to voice their opinions and take part in the decision making process of their company, it is more than likely that employees will directly approach their management team rather than involving a third party such as a trade union.

This inturn has an impact on the declining rate of trade union members.

Conclusion: Trade unions have played an important role in industrial relations in Australia (Balnave et al, 2007, pg 124). Originally trade union membership was popular as it offered employees many benefits such as a collective voice and it gives employees a greater amount of power to achieve the pleasant working conditions they are after. For many years now trade union memberships have been declining due to various factors such as the change in workplace structure to more casual employment and companies employing larger work forces.

However one of the biggest impacts of all was the re-election of the liberal government in 1996. The drastic changes the government made to industrial relations with the introduction of the Workplace Relations Act 1996 and later the Workplace Relations Act 2005. These acts placed large restrictions on unions and as a result the number of union memberships continued to

decline. It wasn't until the Rudd government was elected in 2007 that changes were made to these legislations that enabled unions to play a part in industrial relations once again.

The modern practice of Human Resources in the workplace is also said to have impacted on the decline of union membership. Through the use of Human Resources techniques companies are now more inclined to directly deal with their employees rather than have a third party involved. This is well suited to employees and they may feel more comfortable just approaching management rather than be apart of a union which involve fees. The re-election of the labour government in 2007 lead to the changes in legislation that unions needed if they are going to regain their level of importance in industrial relations.

However unions are going to have to work hard at doubling their efforts at recruiting employees if trade unions are going to have a positive history in Australia (Cooper, 2004, pg 208).

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