Or: Getting Back into the Community

Unions aren't seen much in daily life nowadays. They're also increasingly unpopular. Can the 'outlaws' go 'legit'?

Public culture and opinion is ambiguous about unions. Two examples spring to mind. The Hancock Committee of Review of Australian Industrial Law and Systems said that "the role of trade unions is accepted and endorsed within our society". It also reported that there was a considerable public distaste for industrial action. The second example is that similar proportions of Australians belong to unions and profess allegiance to churches and organised religion.

Yet it extremely unlikely that the Queensland or any other government would even consider, let alone gain support for, curtailing the activities of churches. Church and religion are culturally legitimate, trade unions are not. A relevant indication of the position of unions in the public culture is their treatment in soap opera and television drama. There are almost no occasions in such programs when someone, as a matter of course, says they have been to a union meeting or talked to their delegate. Compare this with the frequency with which church attendance and participation are mentioned as unexceptional events.

The lack of legitimation of unions and unionism is particularly serious now that overt anti-union sentiments are being voiced. Notably, there is little reflex opposition, even by many union members, to criticism of unions and union activity. In considering programs to advance acceptance and
recognition of unionism, it is instructive to consider the success of Aborigines and women in raising the level of black and feminist consciousness. The successes of these two groups, even though discrimination has not been eliminated, have been marked. At the very least, public anti-black and anti-women sentiments are unacceptable and those espousing them criticised.

The underlying theme of this article is the need to legitimise unions and unionism in Australian workplaces and the public culture. This requires the development among the members of unions of what will be termed "union consciousness". It is in three parts: the future facing unions in Australia, using the example of Queensland in particular, the major influences affecting that future, and the range of strategies available to unions in determining their own future.

The starting point is to outline three alternative futures. These are drawn from the experiences of other places, though it is not argued that what happens overseas will necessarily happen in Australia. Set out in a stylised manner the three futures are:

**The Silicon Future**
- no or very limited union membership
- unions in traditional industries
- conservative and timid *rump* unionism
- management in high technology and service sectors successful in maintaining union-free workplaces.

**The Volvo Future**
- high level of voluntary unionism
- high level of membership participation
- innovative and self-confident unionism
- management negotiating with workplace union representatives on technology, work organisation, health and safety and investment.

**The Hyundai Future**
- house or enterprise unionism
- restricted industry or national organisation
- enterprise based welfare arrangements
- management consulting with workers on workplace matters and work incentives.

Each of these solutions is an amalgam of the trends and ideas in particular places; they are not descriptions of actual and existing arrangements. The Silicon Future draws on trends in California and the Southern United States where, despite a few successes, union membership is low and collective bargaining limited. In Houston, Texas, which is the centre of space research, only some four percent of the workforce belongs to unions; some years ago, the only union in Silicon Valley was that covering the few public bus drivers.

While the Volvo Future draws on the Nordic experience, workers in Sweden, Norway and Finland do not live in an industrial and political Nirvana. Nonetheless, in Sweden for example, 85 percent of the workforce are union members; there are sustained educational activities for all union members; and it is a legal requirement that employers negotiate with the workplace representatives before making any changes in work organisation or technology. On the other hand — and it is a salutary warning — the mayhem of rightwing governments in Denmark has, in a decade, destroyed the economic and social fabric of a progressive welfare democracy.

The Hyundai Future is based on trends in Japan, South Korea, and the industrialising nations of South East Asia. The apparently consensual employer-employee relations are based on house or enterprise unions (there are at least 50,000 such unions in Japan) which have limited inter-industry solidarity. Political organisation is also limited and there is little prospect of reforming left governments gaining office. In part, this results from the destruction of the strong leftwing and communist unions in the 1940s and 1950s. It also results from the wooing by welfare of permanent or "life-time" workers; much of this has been at the expense of immigrant and women workers in the temporary sector.

Before considering what unions can do to affect the future, it is useful to examine the economic context in which they are operating and the demands of the conservative forces. Here, the most salutary example of the pressures on trade unionism is Queensland, and I shall preface my
THE AMALGAMATED METAL WORKERS UNION

congratulates the Australian Left Review on twenty-five years of covering the political and social issues of the left in Australia. The union hopes the ALR will continue to examine problems of vital concern to the broad masses of Australian working people. We look forward to helping the ALR celebrate its fiftieth anniversary.

THE BUILDING WORKERS INDUSTRIAL UNION

would like to congratulate the Australian Left Review on reaching its hundredth issue, and wishes it continued success for its 2nd hundred.
discussion of the Australian situation with a short outline of the factors influential in the Queensland example — factors which have made it the leading edge of the anti-union assault.

The first important factor is that in Queensland manufacturing is a less important part of the economy than in New South Wales and Victoria. Moreover, much of the manufacturing consists of low level processing of agricultural and mineral commodities. In consequence, there is a lower level of skills, the manufacturing sector is less dynamic and is a less substantial base for the union movement. A second feature is that there was an over-expansion in the so-called resources boom; job losses are occurring in heavy engineering and electricity generation and are prospective in construction. More generally, high unemployment is endemic and there are limited new job opportunities. This is especially marked in the provincial areas and even in areas such as Mackay and the Bowen Basin which developed extremely rapidly in the 1970s.

The Queensland economy is highly administered with an intricate net of regulations involving the government, public service, statutory authorities and autonomous agencies. This combines with the significance of "rents" from minerals and land development as sources of corporate and personal profit. Furthermore, the regulations themselves provide opportunity for rent incomes. For example, CSR Ltd has included the value of cane assignments in the selling price of Goondi Mill. Even the Lindeman Island affray can be seen in such terms. Arrangements of this kind make the whole system attractive to corruption and "insider" dealing. In Queensland, it is important to have someone to guide you through the system. As a corollary, those outside the system which, virtually by definition, includes unions, are placed at a decided disadvantage.

These economic factors, taken together, are corrosive of unionism. In particular, the industrial power of unions has been reduced and it is more difficult to establish breakthrough agreements and to achieve general improvements in wages and conditions. Furthermore, unions and the public service have become ready targets for the deregulators and free marketeers. In addition, since unemployment bears hardest on the young, not only are there fewer new entrants for unions to recruit, but also young people are susceptible to the blandishments of anti-unionism. This is made worse by the increased significance of "grace and favour" arrangements in obtaining employment. The majority of people obtain employment through "contacts", not through application for openly advertised positions. Research shows this to be especially true with "small businesses" whose proprietors are also, by and large, the most prone to discrimination and anti-union sentiments. In such circumstances, whom one knows, and what attitudes one professes will be critical in getting, or not getting, a job.

The motives of the conservatives

The demands of the conservative forces are being made in a context which is highly unfavourable for unions. The conservative demands vary from "the control of the excesses of unions" to the complete "freedom from unions". For the first time for 100 years, the prospect of a "union-free economy" is being actively pursued in Australia. Many of the established employer groups eschew the most extreme of the conservative provisions and accept the need for unions. However, the extreme positions make the established employers appear almost respectable and it needs to be remembered that all employer groups support the use of common law and commercial law actions against unions. While unions may wish to make common cause with the established employers against the extreme right, this should not be allowed to be seen as endorsement for deregulatory "reforms". Indeed, the differences within the conservative forces may be more apparent than real.

As well as understanding what the conservatives want, it is useful to understand their motives. For one group, the main objective is personal profit: this is the province of the "white shoe brigade". These are local "entrepreneurs" pursuing speculative and development opportunities which are frequently aided by contact with government sources. Unions, environmental groups and democratic politics are obstacles to the pursuit of private gain. Queensland anti-union legislation is seen as one way of removing some of these obstacles.
THE BUILDING WORKERS INDUSTRIAL UNION

Queensland Branch

would like to congratulate the
Left Review on reaching its
hundredth issue, and best
wishes for the second hundred.

H R Hamilton
State Secretary

A J McLean
State President

366 Upper Roma Street, Brisbane 4000. Ph: (07) 229 6355. Telex 41834

UACA

Union of College Academics

The Union of Australian College Academics representing 6,500 advanced education teachers and researchers congratulates ALR on the occasion of its hundredth issue. As a union committed to universal free public education and a growing public sector, we have found ALR's consistent and progressive editorial stance on these issues to be commendable. Many of our members, in a variety of discipline areas, find ALR a useful reference source for objective and informed debate on social and political issues.

Keep up the good work!

GRAHAIME McCULLOCH
GENERAL SECRETARY
The second objective is the maintenance and expansion of profits in the corporate sector. While the Australian economy is dominated by a few large corporate groups there is considerably more competition between them than previously. This stems, among other things, from changes in levels of protection, greater linkage with the world economy and the increased emphasis on financial performance. These changes have made increased productivity and reduced unit-costs more urgent issues for management. At the same time, the emphasis on financial performance has meant that accounting targets are set for the corporation as a whole and for its constituent parts. Management has become more concerned with finance and less concerned with production and personnel. As accountants, and those with finance-first attitudes, displace technically oriented managers (and this is one of the first consequences of most take-overs), attitudes to unions tend to become more intractable.

The Japanese future is the most likely. Unions are in a weak position to challenge it ...

The third reason underlying the conservative push is ideology. A belief in the market and individualism is now dominant especially among economists and accountants and is rapidly becoming a world view. Individualism and market rationality are being assiduously propagated as neutral, positive doctrines. Market solutions, it is argued, are objective; they avoid the problems of forcing values on others. The classic example is that for purists the test of the validity of a contract is whether it was freely entered into. If, for example, a worker agrees, without coercion, to work at half the prevailing wage rate, that is a valid contract. Questions of fairness do not arise. It is a small step from this to link freedom of contract to the rule of law and to present unions as preventing free, and hence, fair contracts. The argument that unions are somehow outside the law or given favoured status is being heavily propounded in Australia. Repetition by luminaries such as Messrs. Stone, Morgan and Hay will doubtless make up for its dubious intellectual honesty.

The fourth feature underlying conservative arguments is the authoritarian demand for control and managerial prerogatives. This is deeply ingrained in Australian management. So, too, is the feeling that unions introduce conflict into the workplace from outside. The SEQEB and Robe River disputes are prominent examples of the push for managerial authority but there are countless smaller cases. It is less obvious, but very significant, that the “old” demand for managerial prerogatives is being linked to that for detailed financial controls.

Changes sought

Three linked sets of changes are being proposed by the conservatives: deregulation, legal controls and the promotion of house or enterprise unions. Deregulation of the labour market means reducing the level of award coverage and removing minimum standards. While this will commence as somewhat anodyne proposals for employer-employee agreements, it will reduce occupation and industry-wide standards and, over time, promote a general lowering of wages and conditions. It will also increase income inequalities; reduced income tax scales and consumption taxes will compound the inequalities.

Deregulation of the labour market will have to be backed with legal controls over unions; making closed shops illegal, abolishing preference and rights of entry; annual union membership; compulsory secret ballots and greater use of injunctions are all likely developments. The third set of changes will be the development of house or enterprise unions. This will occur in two ways: first by subversion along the lines of the Queensland Power Workers Association. Arguably, such developments are easier for trade unions to handle than the second way of positive encouragement of employees not to join “industrial” unions. United States corporations have developed this to a high art: IBM, for example, is virtually union-free everywhere in the world. Such corporations have sophisticated and individualised personnel procedures which are directed at ensuring that employees do not want union involvement in workplace activities. Some of these techniques can be transplanted to Australia and, in conjunction with various kinds of management-initiated participation and group-oriented activities, will erode unionism here. The gain for the corporation is not lower wages and conditions, but what it claims is greater flexibility in the use of its workforce.

Strategies for unions

This is to suggest that the Hyundai future is the most likely. Unions are in a weak position to challenge it. There is falling membership, an ageing membership, and a lack of activity at the workplace. Partly, this results from the structural and economic features discussed earlier, and partly from the fear felt by many union members. Some other features are very pertinent: first, there is a shift in the distribution of union members from the wage and industrial area to the salaried and service-cum-public administration sector. This has some implications for the depth of union culture among the membership. These more recent recruits to unionism are clearly committed to their own organisation. The extent to which the members, as distinct from
officials, have internalised their membership and obligations to the union movement is an open question. There are also some organisational and structural weaknesses impeding unions. Almost all unions have a majority of their members in a few locations and a long tail of sites with a few members. In consequence, they have logistical difficulties in servicing all their membership. Those members in the scattered locations are often in too small numbers to form effective workplace groups. In multi-union workplaces there is, by and large, little encouragement to form joint-union bodies. Thus, even in large workplaces, some union members may be isolated. Those who are isolated, whether by distance or organisational structures are all the more prone to the blandishments of employers and the temptations of house unionism. In the forthcoming world of secret ballots, not only will they be less likely to vote, but their voting intention will be less predictable. More generally, their continued membership cannot be guaranteed if they have neither the incentive of preference nor the visit of a union official.

There are four broad strategies open to unions to avoid the Silicon or Hyundai futures. These are:

1. Slog it out.

This means competing in authoritarianism with employers and by industrial campaigns forcing the abandonment of anti-union developments. It is for unions to assess the probability of success. However, the outcomes in the United Kingdom and, more recently, in France, suggest caution. Moreover, even if unions were successful, this would only be the stimulus for a more determined conservative assault.

2. Wait it out.

This strategy might find favour with those who rely on political initiatives. Essentially it involves waiting for the demise of conservative government in Queensland in particular, or a change in direction on the part of the federal government. As well as assessing the likelihood of the former event it is worthwhile considering whether matters would be all that different. This is not to suggest that a Labor government would be anti-union but, rather, for the present at least, the climate of ideas has moved against centralism, regulation and legislatively supported unionism. Increasingly, the effectiveness of unions will be proportional to the level of willing involvement of their members.

3. Repackage unions.

Some people are arguing that the unions’ problem is their “image” which should be remodelled and promoted through slick promotional campaigns. This is likely to be of dubious effect. Most promotion campaigns act to reinforce established attitudes rather than fundamentally redirect them.

Likewise, most advertising and packaging is directed at selling brands of an already acceptable product. Advertising and sports sponsorship does not sell beer; it seeks market share for XXXX, Swan or Fosters. Something similar might be possible for individual unions — one union could mount an effective campaign to recruit members from another. This is very different from promoting unionism in general. In essence, the capitalist market system is individualistic and it is implausible that a collective idea such as unionism can be marketed through conventional consumerist channels.

4. New old-fashioned unionism.

The basis of this would be to renew the basic strengths of unions. These are involved members and a sustained belief in collectivism. Three tests of these are, first, when
members thinking (or disagree) with union recommendations; second, when it becomes a reflex action to buy union-made goods and services; third, when, as a matter of course, union members should extend to families as well as work groups. This is imperative if the blandishments of enterprise unions are to be countered.

Unions should be concentrating their activity on existing members and potential members. It is not feasible to convert rural fundamentalists, who do not all reside in the country, to unionism. Some of the potential members are working in almost union-free industries of which the recreation and service sectors are prominent cases. Others, however, are working in industries which are apparently more highly unionised. For example, only 50 percent of employees in manufacturing are union members. Two other groups of potential members are important: first, young entrants to the workforce who have had no exposure to unions in their school or tertiary education. The second group are women returning to the labour force after a period of child rearing. Women comprise over 40 percent of the workforce and something like 17 workforce and something like 75 percent of all women have one or more periods out of the workforce. On each occasion they need to be convinced to rejoin a union.

Another aspect of new old-fashioned unionism is to adopt the new technologies and the new styles. Personal and individualised letters, membership cards and invitations are readily produced on quite cheap computer equipment. So, too, are effective publications. This is not a matter of replacing old ideas with new ones, but of putting new fashions and styles to work for the old ideas. Perhaps, for example, T-shirts, posters as good as record covers, and badges which compete with costume jewellery need to be investigated — even union badges which can also be used as ear-studs.

A third aspect of this renewed unionism is to “know your enemies”. The seductive charms of personnel practices and human resource management have already been noted. One can add to this the complete trust in the market which is imbibed by economists and which they transmit readily and freely. This is not a matter of individuals —

though care in choosing advice and consultants is important — but of combating ideas and ideologies. The market and individualism are core parts of the school and tertiary education systems and trade unions need to consider ways and means of ensuring a balance.

This leads to the final aspect which is the development of alternative ideas. The free market approach and anti-unionism are attractive because they are being advanced as solutions to economic stagnation and unemployment. The so-called “rightwing think-tanks” have been an active part of this. Unless alternative ideas are developed and expounded, those of the right will prevail. In other words, one of the longer-term aspects of new old-fashioned unionism must be to provide members with a coherent set of ideas about the diseconomies of market society. People join unions for security, but they also join them to achieve real improvements in their lives. Unions which maintain the interest of their members will, of necessity, be unions which are espousing feasible change.

Summary

Of necessity, a lot has been left unsaid in this article. Unions need to address the problems of “no-strike” contracts and “single-union” agreements which are being proffered by Japanese companies and by the Murdoch group in the United Kingdom. These are attractive to some unions there and are promoting strong divisions between unions. Unions also need to address the practicalities of inter-organisational co-operation and to develop common positions towards management initiatives. In many respects, however, these will develop more easily out of a renewed level of identification by workers, first with their own union and then with unionism in general.

HOWARD GUille teaches industrial relations at Brisbane CAE.