

# A change of HEART

*The Accord was the linchpin of union strategy in the 80s. Now its record is under severe scrutiny, and many of its erstwhile union supporters have had second thoughts. Clare Curran spoke to the authors of an upcoming book which charts this change of heart.*

**T**he 80s began with a brave new experiment for the labour movement manifested in an Accord which, it was hoped, would provide ordinary people with more ability to intervene in determining the conditions that governed their lives.

*But according to the authors of a forthcoming book, Surviving the Accord: From Restraint to Renewal, something has gone horribly wrong with the experiment—something that has as much to do with those who set it up as the forces acting against it. Four of the authors, Meg Smith, Peter Ewer, Chris Lloyd and John Rainford, were until recently research officers for the Metal and Engineering Workers Union (MEWU). They and co-authors Steve Rix (Public Sector Research Centre, UNSW), and Ian*

*Hampson (Science, Wollongong University) argue that the last eight years of accord between labour and a Labor government have provided few real benefits for working people and have inadvertently allowed the conditions to emerge for a new and more sophisticated conservative agenda, one that much of the Left hasn't grasped or is powerless to avert.*

*ALR's Clare Curran interviewed four of the authors, Peter Ewer, Chris Lloyd, Steve Rix and John Rainford, about the book and their controversial claims.*

**Why did you write this book? Why did you get together as a group?**

**Peter:** It came about as the result of our collective despair about the trajectory of the union movement, a mood that



really became chronic for us around the time of the introduction of Accord Mark VI at the beginning of last year. At that time it became obvious that large parts of the union movement were determined to bastardise restructuring in the interests of a fairly amorphous and unclear vision of productivity bargaining at the enterprise.

**What do you mean "bastardise restructuring"?**

**Peter:** Accord Mark VI was made up of a number of contradictory elements. Particularly contradictory was the way it anticipated the system would be topped up by flexibility components to be negotiated at the industry or enterprise level. In the recession it seemed perfectly obvious that this sort of flexibility would amount to tradeoffs, speedups, and a general emphasis on short term productivity improvements that would not give scope for the training based restructuring that we've been pursuing in the metal industry award. The real question was whether the union movement continued to pursue a national agenda of restructuring or whether it allowed it to be dissolved into enterprise bargaining.

**And you would argue it took the latter course?**

**Peter:** That was the framework within which Accord Mark VI was negotiated. At the end of 1989 Keating was telling corporate interests around the world that the next wages system would allow for uneven wage increases across industries and enterprises, which he called flexibility in the interests of productivity bargaining. And the programmatic form of that push was the Accord Mark VI flexibility component which had a very uncertain relationship to the national agenda with skills based restructuring.

**And the union movement just went along with this process?**

**Peter:** It would appear that those parts of the union movement leading the skills based restructuring never really understood what restructuring involved. They believed it could be turned off and on like a tap as the needs arose. Before Accord Mark VI there were three outstanding restructuring matters of real strategic importance. The first was the recognition of training boards in the award system as providers of skills standards; the second was the development of those standards; the third would have been the provision of adequate paid training leave in the award to make the skills approach realistic and available to people. Those three things were outstanding before Accord Mark VI and they're still outstanding 18 months later.

**Was it intentional that they were moved off the agenda?**

**Peter:** I don't know if it was intentional, but certainly there was a push from Keating at the end of 1989 for an uneven access to wage increases at an enterprise level which really cut across the national approach that had been taken. This is essentially what Chris Lloyd was saying in *ALR* in July 1990, and this book arose out of our despair of not being able to have those views taken seriously. Chris couldn't get

a hearing for those views within the movement—and that led to the *ALR* article. The reaction to that showed how little thought was being put into strategic issues about workplace change, particularly on the Left. The state of Accord Mark VI and the fiasco that surrounded it has just intensified our interest in finding some sort of alternative.

**It sounds as though there's not much discussion of these issues in the union Left. Are you six the only people talking about these things?**

**Peter:** No, I think there's a great degree of disillusionment and concern among the Left, but the inability of those views to come forward shows a decline of the Left in organisational and ideological terms. The collapse of the Communist Party of Australia (CPA) has removed one major venue through which alternative views on the Left could be put forward. And there's a general ideological crisis that we're all confronted with. The rise of neo-conservatism, the collapse of the command economies, the seeming triumph of economic liberalism, each has implications not just for conservatism but for the labour movement. I think a lot of people on the Left are concerned privately—though perhaps not in the terms that we're putting it in—about the failure of productivity bargaining, enterprise bargaining and the Accord Mark VI. There would be widespread concern on the Left that that strategy has failed and that the Left has contributed to it as indeed the Left has contributed to the failure of the Accord.

**How has the Left contributed to the failure of the Accord?**

**Peter:** Only the Left in the union movement could disable the incomes policy component of the Accord, which rested for its practical implementation on Left endorsement or acquiescence. The Right certainly has never been able to smash a wages system and has hardly ever sought to do so. The Left in our view is directly responsible for the course of the Accord and for the fate of the movement under the Accord.

The reasons why the Left failed really touch on a strategic miscalculation which took place in the early 80s. The Left had for many years pursued its political objective in the union movement by wages struggle. Those overaward campaigns in the late 70s were showing signs of flagging. They benefitted militant pockets of the union movement, but segmented the working class in many senses, because the overaward campaign didn't mobilise people in a way that it's often claimed. And it's said that the overaward campaign relied on pockets of usually maintenance workers in the metal industry to break through and comparative wage justice to take care of the rest. But that's hardly a mobilising strategy. With that experience and also after the profound recession in 1982/83, the Left turned to the Accord and attempted to shift the point of militancy from wages to industry policy. The Left realised that incomes policy on its own would fail and it would degenerate into wage restraint. Social interventions into economic performance were going to be needed if anything progressive was going to be made of the Accord, and that's where the industry development campaign came in.

The problem is that it's very difficult for union members to influence industry policy. It's essentially a project of union officials and union bureaucrats on delegations to Canberra. The possibilities for mass activism and struggle are pretty limited. We're not arguing against industry policy, but we're saying that like wages militancy in isolation, industry policy in isolation is a one dimensional strategy that's very difficult to mobilise organised labour around.

Where seems to be very little debate in the last few years about alternatives to current trends. Does this mean that people do accept and are reasonably happy with what's going on, and if so, are you just a radical breakaway?

Peter: My personal view is that there is a wider constituency of concern, if you want to put it in those terms.

**"The Left is directly responsible for the fate of the movement under the Accord."**

How does it manifest itself?

Peter: That's precisely the difficulty. There are no forums where that can take place. I don't think we're isolated heretics or malcontents. I think there's wider concern, but there is also a very pervasive orthodoxy inside the union movement which is stultifying debate. The way in which the Accord is being elevated to an article of faith is symptomatic of that.

John: The last ACTU Congress was an example of that. Where was there any debate other than on the issue of union rationalisation? And even then most of the 40 odd speakers were protecting their own position.

Peter: I think that the inertia on the Left is reflected in the way that the Right, which has never been graced with a huge number of strategic thinkers, is now putting forward quite sophisticated political views which aren't finding any response from the Left. The views of Michael Costa and Mark Duffy (ALR 129, June) are a case in point; whatever you think about it, theirs is a very sophisticated piece of political analysis. Who would have thought that at the end of an effective wage freeze, thanks to the union movement's own miscalculations over Accord Mark VI, the chief public critics of that cut in living standards have been the Right, not the Left?

Are you saying that the Accord was essentially flawed and should never have happened?

Peter: We're saying that the Accord is a symptom of labour's deeper policy crisis, a crisis which has been com-

ing to a head for some time. The principles of union practice in this country have relied on what Francis Castles has called "wage earner security"; that is, you attempt to protect essentially male craft tradespeople in employment through restrictive means mainly directed at other workers. It's that policy tradition that's in crisis and the Accord is a symptom of that.

Chris: The Accord was always a double edged sword in that it was an expression of a range of historical tendencies within the labour movement. The early Accord did offer a range points of intervention, but subsequent versions of the Accord solidly built out those interventions, increasingly narrowing the focus purely to issues related to wages, when at the beginning there was always the possibility of getting inside the process and giving the labour movement more power. But that didn't happen.

So it wasn't the contract which was flawed, but the implementation of it?

Chris: The possibilities of the Accord were there, but as it developed it narrowed its focus rather than opening it up. As a result, no-one was able to exploit such things as award restructuring to the fullest extent. It's very easy to forget the atmosphere of 1982/83, when the Accord was first conceived. We'd come through seven years of conservatism under Fraser. Once Labor was elected, the labour movement made a number of assumptions about taking control of the economic levers of power. The assumption was that suddenly we were going to be able to dictate industry policies—and that misled us into a whole series of programmatic errors. It was quite clearly naive to think we were going to be allowed to do those things in the first place. It was also absolutely absurdly naive of us to think that our members would grasp these new levers of power—levers which were in any case more of a chimera than a reality.

You're saying that you were naive, and that you thought you had a lot more power than you actually did. When did it become apparent to you that there was something fundamentally wrong?

Chris: In the week leading up to the Federal election in March 1990 negotiations of the federal metal industry award were at a point where we had to either accept tradeoff clauses in our award or we had to argue further for paid training leave. We were in arguably the most powerful industrial position we'd been in for many years, one week before a Federal election and one week before a national metalworkers strike. But the classic age-old labourist tendency took over; the threat of Labor losing the election, the need to keep Labor in power. And so we backed down on our core tenet that skill formation is the responsibility of the employer.

Who is "we"? The metalworkers?

Chris: It isn't reasonable to lay blame at the feet of the metalworkers. The pressure on the negotiators involved in that particular negotiation were enormous, aided and

abetted by the ACTU in its intimate relationship with elements of the ALP. I think it's useful to say now that quite a few of us then began to realise that the enterprise bargaining agenda had cemented itself far more in to the consciousness of the leadership, both on the Right and Left of the trade union movement, than we'd expected, and that enterprise bargaining was really the shadowy form behind all sorts of restructuring. We were looking down the throat of what seemed to be the dismantling of the current centralised wage fixing system.

### So what's your alternative?

**Chris:** I think we're starting from a more grassroots approach towards how the labour movement organises, and identifying where power in the labour movement lies. It certainly didn't lie in sitting on the government committees that supposedly manoeuvred economic policy. It means going back to the workplace and beginning to become relevant again to our membership.

**Peter:** What we call the crisis of organised labour at the moment has its roots in the way we have tried to organise workers in the past. We've tried to do that essentially through division, through locking up parcels of skill, by locking up discrete areas of the labour process, cementing those through craft demarcation and then allowing comparative wage justice to trickle through the working class. That organising practice has reached a terminal crisis for a whole series of reasons—some technologically induced, some politically induced—but at any rate, the days of craft unionism are at an end. The question is whether we go back to the workplace, resolve that political tradition in favour of unity, or whether we allow capital to redefine and reorganise labour on the basis of corporate structures. That is what enterprise bargaining is doing, and it would appear at the moment that the union movement is more comfortable with division and simply wanting to recast that division away from craft and occupations to corporate structures rather than pursuing a more solidaristic approach to a whole series of issues—wages, skills and the way work is organised.

**How do you propose the movement should go about this? Have you come up with some kind of blueprint or series of steps that need to happen?**

**Chris:** We make no pretence to be putting up a programmatic blueprint for the Left. It is not our job—and neither should it be our job to dictate to the public sector, to the environment movement or to any other social movement, how they should act. What we're trying to do is find ways of making those connections with collective action. So we take as an organising point the nature of work itself and where the labour movement can harness the organisation, the skills, the relationships that go on in the labour process and connect that to other collective action.

This suggests, for instance, moving beyond a simple health and safety consciousness to a broader environmental consciousness in the workplace—not just health and safety problems, but the community of health and safety for that

plant. Yet organised labour, and its mouthpieces in government and industry, generally argues that your job's at stake if you question the validity of the process that's polluting your own community environment.

**John:** There's an urgency about what we are saying. If we're not able to throw off this undemocratic cloak we've worn since 1983 and empower members at the workplace, then the relevance of unionism at the workplace must surely be questioned much more than it is now. We all believe that unless some sort of program like this is taken up there is a very dim future for unionism.

**Chris:** This crisis of credibility for unions is accentuated by the process by which the most hardline employers and their ideologues argue that unions are effectively no longer relevant because they don't know anything about what people are doing inside their workplace; it's an enterprise-based culture, and the people who know your enterprise best are of course none other than your boss.

**Peter:** The great subtlety of this current direction by some employers and the conservatives is that they are leaving behind outright opposition to wage struggle; their opposition to unionism has moved to a more sophisticated attempt to snap the linkages between workers and trade unions. And it's actually the trade union movement that's opening up space for enterprise bargaining through its own strategies.

There is another, more flexible, perspective which some employers adopt, which has proved quite beguiling to progressive people who now form what you would now call the workplace change industry. Within the project of enterprise bargaining, management is prepared to devolve autonomy, devolve responsibility, prepared to embrace group work. But it's only prepared to do so where the devolution, the responsibility, the autonomy can be internalised and controlled by the corporation. And that's how the workplace change industry and the advocates of industrial democracy get so tangled up with enterprise bargaining.

**So you think this workplace change culture has gone off the rails?**

**Chris:** It's gone off the rails because people are confusing industrial democracy and participative workplaces with enterprise bargaining. The focal point for this enterprise bargaining culture is the primary processing of commodities in the low value-added sector but large plant area of the economy—an area where it is quite easy to mould an enterprise-based culture because you don't have to draw on public sector skills systems. It's a vastly difficult thing for the majority of Australia's workers who work for medium to small size companies which do not have the luxury of establishing these consultative edifices.

**Is what you're arguing realistic?**

**Steve:** The critique is accurate. For myself I want to see politics back on the agenda. I'm personally fed up with the

hour movement being involved in debates in the context of having accepted the key elements of the conservative construction of society and getting into the problem of going round and round in an ever diminishing circle trying to defeat the conservatives on their own terms.

**Peter:** there is a point at which political principles and political ideas have to be reactivated and debated. And if that happens is there's some debate around these issues, I think that most of us would rest fairly content.

**Have you thought about the outcome of the launch of this book?**

**Peter:** Other than an end to paid employment? There's a very realistic purpose to at least part of the book—and that is that we are trying to establish an ideological and political context for the sort of skills-based restructuring and workplace change that we'd like to see. The political and ideological base on the Left for skills-based restructuring has never been adequately put, and in our view never been adequately debated.

**Chris:** One of the reasons that I was personally interested in that too often I've had thrown in my face by my comrades on the Left the argument that I was merely supporting a restructuring process that was anti-union, and which came from craft unionists who were interested in preserving the privileges of male-dominated minorities. To me, it was increasingly alarming that the Left in the trade union movement was seeing restructuring as the sole preserve of the bosses and not the preserve of the Left of the trade union movement. There is no understanding that skills-based restructuring, if used in the right way, is a lever with which to get more control and more influence.

**Is the union movement in real jeopardy?**

**Chris:** This is without a doubt the largest crisis of legitimacy the trade union movement has faced. We have watched the trade union movement in Britain and the United States being gradually whittled away. We have managed to survive that process better than most. We now come to a point where unions have created a legitimacy crisis with their own members.

**John:** I don't think there's any doubt about this crisis of legitimacy. I think that's accepted right across the board. The previous ACTU Congress spent a lot of time on that and its solution was 20 or so super unions. But the interesting thing to observe about that is that those propositions about union rationalisation have not been put to the members themselves. Rather it's been driven by agreement at the top and through legislation.

**Chris:** The Australian trade union movement is one of the largest asset-rich groups in Australia, and yet these assets are never disposed towards setting up training systems, for instance—because that's not seen as a union's job. Yet if anything might extoll the value of modern-day trade unionism to an individual worker it's that they might

receive their nationally accredited skill qualifications from a union training centre. This may initially cost substantial capital, but after that capital's in place, it would probably pay for itself in a new open market for training.

For 10 years we've had CPI increases always below what we expected, which has meant that a union organiser's relationship to his or her members has been to go in there and try to find out what they had to trade for that next increase, rather than directly negotiating about wages. We have now realised that this view of tradeoffs was a backward looking one, one designed to lead us into a trap. It took our attention away from going into the hours in which labour operates, the way in which labour's organised around people's needs, be it child care, or schooling or recreation. Even though we knew that the growth in employment was in part time and casual employment, we effectively said that those people weren't relevant to trade unions. In fact we didn't want them. What we should have said is that these people have a legitimate demand for that sort of work, and we should have asked how we could organise to link that to issues like better use of recreational activity, how we could organise working time so that people don't have to spend every every Saturday in the shopping centre, and every Sunday on the beach with everybody else.

**Peter:** And asking how to deliver those benefits in a way that's really egalitarian. For example, there's a big push on for the 12 hour shift, particularly in maintenance areas of the manufacturing industry. You might ask: if that's approved of by members on the job then why shouldn't they work 12 hour shifts and get the benefits outside the job in increased leisure time? But making that decision will reinforce the gender bias of the workforce, and going to 12 hour shifts effectively locks out women from a whole series of trades. How many women with family responsibilities can entertain movement into a trade when the men already there voted to go on a 12 hour shift?

**Chris:** We've effectively vacated this field to the Right. They are dictating the terms on which change will happen; they are thinking through the demographic changes in society. The conventional view that we will always have a nuclear family-based society is a myth. But we didn't recognise that back in the period when we called those sorts of things tradeoffs; consequently we rejected any attempt to tamper with them. But the Right didn't. The Right sat down and thought quite consciously that there would be massive social changes and it began to gear towards them. As a result, we are left without any clothes at all, and no agenda to put up about working hours and conditions.

The book does not attempt to provide a blueprint for how to rectify that situation, but rather to examine the basic issues: the nature of work itself, why people work part-time, why capital has to be used more efficiently, and not just for profit, but also for environmental purposes. Apart from the question of school hours, the only winners from the five-day working week, eight hours a day, 9 am to 5pm, are organised sport and religion.