

THE CHANGING AUSTRALIAN WORK ENVIRONMENT

AIM: To outline key sociological approaches to work organization, and to describe the development of the employment system after white settlement in Australia. To explain the early expectation of the male wage as a family wage, and the global competitive pressures leading to current requirements for equality of opportunity and enterprise bargaining. To provide an example for examination of the history and employment context in countries other than Australia.

CONSENSUS AND CONFLICT PERSPECTIVES ON WORK

Adam Smith, who wrote the 'Wealth of Nations' in the 18th century, produced a celebrated description of the division of labour under capitalism. He noted that the productive development of skill and dexterity was closely related to the employer's attempt to finely divide the work process into a multiplicity of discrete tasks, with wage rates varying according to the supply of workers available to undertake the work. Productivity was increased by breaking down the total production process into the rapid repetition of simple tasks for which many workers were paid poorly, in comparison with a few who became a managerial elite. (A basic form of the division of labour is also sexual. Women have usually been left or made responsible for the unpaid work of rearing children, and this has also shaped their other work undertakings, both unpaid and paid.) Smith believed that each person trading in the marketplace has only narrow ends in view, but that the result of all these trading actions benefits all. He believed that the best outcomes would be gained when producers can adjust supply in response to consumer demand, unhindered by government regulation or other restraints on trade.

Those who believe that self interest serves the collective interest, and that the market will allocate in the collective interest in the longer run are often called upon to recognize that in any market people have very different degrees of power to set the bargaining outcomes to their liking. Adam Smith's consensus based perspective profoundly influenced 19th century sociologists, including Marx, who saw things somewhat differently. Smith described the price of a product as primarily defined by the interactions of supply and demand, or the 'invisible hand' of the market. Marx thought that the value of a product is created by the cost of all the work necessary to produce it, which is in turn related to the cost of keeping the workers and their children alive. Marx saw the increasing division of labour as something which not only increased the productivity of workers, but also made their work boring, meaningless, stressful and cheap for the capitalist to consume. He stressed the capitalist tendency to seek new markets and reduce the worker's standard of living through constantly aiming for cheaper methods of production through technology.

Marx used the word capital to describe money which is spent with the aim of gaining more money. This exchange is conceptually different from spending money to purchase something to meet a more immediate use. Marx called profit surplus value. He hated it because he saw it as expropriation, by an already wealthy employer, of some of the value which was created by underpaid workers. He saw workers as constantly driven to work harder, until the capitalist could find machines to replace them. He did not see the employer and worker as entering into a bargain 'freely', because the latter were a multitude who had no choice but to work or starve. If the workers could become powerful enough, Marx thought, they could overthrow the capitalists, then organise production so that they reaped all its rewards themselves.

Later, the concept of socio-economic status, or social class, began to be conceptualised in many ways, partly according to whether the sociologist conceptualised society as a predominantly consensus or conflict driven enterprise. Marx had defined social class in terms of the

relationships of various groups with varying degrees of power to influence the changing mode and processes of production. In the latter half of the 19th century workers began to organise trade unions to bargain collectively, using the strike as their only weapon. Max Weber and others built upon the ideas of both Smith and Marx. Mill and Weber discussed the processes by which a range of groups may attain the power to erect market barriers to the unfettered operation of supply and demand, in order to pursue their own interests and reduce the access of potential market competitors to the benefits they possess. A wide range of collusive or protective trade practices, including trade unionism, apprenticeship, and professional organization, may all be partially understood in this light and are discussed again in later chapters, along with government.

In the mid 20th century, following Durkheim's basic principles of social consensus, Talcott Parsons argued that order, stability and cooperation in society are generally based on a broad value consensus, and that the existing forms of social stratification and their accompanying economic benefits are reflections of this. From this perspective, people acting in privileged economic or social positions are doing so legitimately, as a result of some special merit they possess which is broadly agreed upon. They are viewed as operating not just in their own interests, but also in those of the whole society. In this sociological analysis, social class is often conceptualised primarily as a social ladder rather than a social relationship. The people climbing it are ranked according to such attributes as income, job, education and tastes. Sociologists have been very interested in the potential role of education in reproducing or transforming individual or group opportunities. At the end of the 19th century, as capitalism began to require the complex mass skill development necessary for its increasing and diverse production, mass education was established and funded by government. Education has been seen as central to the development of production, democracy and all civilization. It provides populations with basic reading, writing, and vocational skills. It may provide a conveyor belt into higher social stratas for some fortunate individuals. On the other hand, education has also been seen as a structure which primarily assists the reproduction of an existing and unequal social order globally and locally.

AUSTRALIAN ORIGINS OF WAGE FIXING AND THE FAMILY WAGE

The indigenous people of Australia were nomadic hunters and gatherers who were displaced when Britain began, at the end of the 18th century, to send convicts to Australian jails instead of keeping them in England. Many foreign settlers who came on their own account soon joined the convicts and their masters. The sexual division of labour, trade union organization and education have all been major forces shaping the labour market as Australia gradually integrated into the emerging international marketplace over the next two centuries. After the penal colony settlements, the gold rushes of the 1850s led each state based economy to expand more rapidly. Between 1860 and 1890 permanent trade unions began to develop and negotiate with employers directly. They also lobbied members of state parliaments in Australia's six states and related territories, in order to achieve minimum standards through legislation. Unions followed the British model. They were formed by skilled tradesmen and were based on occupational groupings. State Labor Councils were also set up. In 1927 a federal conference of unions established the Australian Council of Trade Unions (ACTU). One of its principle goals was better organization of the workers by the transformation of the trade union movement from a craft to an industrial basis, through the establishment of one union in each industry.

Early in the 20th century, state governments enacted legislation to establish wages boards or conciliation and arbitration tribunals which could settle disputes and decide upon minimum conditions which should apply to groups of employers and workers. The state commissions made legally binding awards or agreements which set out work entitlements. Because they were able to make judgements covering groups of employers and workers, the scope of the industrial

commissions' powers contrasted with those of the common law courts, which had been inherited from Britain. The latter could deal only with disputes between individuals. The pressure for the development of the state commissions came in part from the formation of Labor parties in key states. These were closely tied to the unions and adopted conciliation and arbitration as a central plank of their policy. Most unions were in favour of arbitration as a result of knowledge that the British common law, transplanted to Australia, mainly favoured rich and patient men. They also remembered the treatment of workers during the depression of the 1890's when their collective bargaining power was substantially reduced because of widespread unemployment.

The state commissions were not empowered to deal with disputes which related to employers and workers in more than one state. However, the Commonwealth Parliament, which was established in 1901 as a result of a federation of the states, was granted power under the new Constitution to establish machinery to deal with such matters. The Commonwealth tribunal was established in 1904 with the passing of the Conciliation and Arbitration Act. The Commonwealth Commission has historically been the dominant tribunal in the Australian industrial relations system. The Constitution provided that where a law of a state is inconsistent with a law of the Commonwealth, the latter should prevail to the extent of the inconsistency. The High Court has found that the same principle applies to Commonwealth awards in cases of their inconsistency with state awards. Conditions in awards made between employers and workers prevail over laws where inconsistencies occur. Many federal awards have a direct parent relationship with state awards so that decisions at the federal level are flowed on to the state level.

During the 19th century, technical and further education colleges were established and skilled male workers sought to improve their bargaining position partly through enshrining apprenticeship training and entry requirements in awards. Apprenticeship agreements outlined graduated rates of pay for young men in technical training, the particular tasks they would be taught to do, and the length of time over which they would be trained. Employers accepted apprenticeship partly because the money foregone in training the worker in the early years of the apprenticeship, when they were not very skilled, was recouped in later years when the worker was more productive yet still indentured to his employer. It was agreed that entry to skilled work had to be undertaken through an apprenticeship and employers were reluctant to take on new workers during recessions. This meant that skilled tradesmen were usually in short supply in times of economic boom and they could successfully demand more wages.

This system gave the skilled men in key industries substantial bargaining power to make wage gains in boom times through the federal commission, which could then be flowed on gradually to weaker groups. Skilled workers aimed to protect and enhance the employment and bargaining power of skilled males and also to protect themselves from competition from unskilled workers, migrants and women. A close relationship increasingly developed between the industrial and political strategies of labour and Australian government in general. The Immigration Restriction Act of 1901 was strongly supported by the trade union movement as a means of ensuring workers maintained a strong industrial bargaining position through keeping all labour in short supply. The Act effectively excluded non-white immigrants. By 1905 the Australian Labor Party had adopted as its first objective, 'the cultivation of an Australian sentiment based upon racial purity.'

The Harvester Judgement of 1907 made by Justice Higgins in the Commonwealth Commission was centrally important in defining the concept of a fair minimum wage. The judgement was also important in protecting Australian industry against competition from cheaper foreign products. Under the Excise Tariff Act of 1906 employers who could show they were paying the 'fair minimum' could apply for a certificate of exemption which would allow their products tariff protection from overseas competition. Higgins defined the reasonable minimum as the wage

provided to a man which is sufficient to support a wife and two to three children. A system was established based on the idea that industry protection through tariffs should be provided by the taxpayer, in exchange for employers paying a male wage large enough to provide for a family. It was later established that where women performed 'women's work' they should be paid a female minimum wage, but when competing for the same job as men they should be paid the same rate. This institutionalised the practice of defining jobs by gender. No employer would employ a woman in a 'man's' job if she had to be paid the male wage. This was because she would probably not be as strong as a man, and any on the job training would be wasted when she left to have children. In 1919 the female minimum wage was set at 54% of the male basic wage.

OUT OF THE HOME AND INTO PAID WORK

The form of Australian labour market regulation largely resulted from the demands of the skilled male workers in manufacturing, construction, mining and other key productive sectors and was based on the notion of the necessity of a man's economic support of a wife and children. Through their industrial militancy and related ability to gain wage increases in the industrial commissions such men were, in a sense, 'breadwinners' for the whole Australian community. However, the increasing internationalisation of the capitalist system and women's increasing entry into the workforce also heralded a growing acceptance of the principle of equal pay for work of equal value, the separation of the wage and welfare systems, and recognition of the need to remove discrimination and promote equal opportunity and equal competition.

The period 1948 to 1968 was one of comparatively unbroken economic boom which laid the groundwork for the dismantling of many barriers to employment. Two million people migrated to Australia two decades, and yet unemployment remained negligible. Although manufacturing accounted for the largest increase in the gross national product, the largest area of employment expansion were in service sector occupations. Many women went into service areas partly because they were historically denied entry to training and employment in manufacturing, and partly because their socialisation, schooling, and family responsibilities predisposed them to service work. By the mid sixties, more effective methods of contraception made it easier than ever before for a married woman to combine family planning with paid work. Many women joined trade unions and pursued equal pay and the dismantling of discriminatory laws and employment practices. They were aided in their struggles by general labour shortages.

In 1972, election of the Whitlam Labor government saw the dawn of an era which harnessed the aspirations of trade unionists as usual, but also recognised women, migrants, Aborigines and environmentalists as major political forces in their own right. This development also eroded earlier political and economic divisions related to membership of Roman Catholic or Protestant religions. There was an explosion of health and welfare related legislation and services at a time when the economy was also booming. By the 1970s the ethnic structure of Australia's population had undergone a substantial change compared with 1947, when 78% of migrants had been born in the UK or Ireland. As a result of an inability to fill immigration targets with British people, many more migrants of non-English speaking origin were being accepted to meet the needs of continuing economic boom. In 1972 the government revoked the White Australia policy and replaced it with a policy for the avoidance of discrimination on the grounds of colour of skin or nationality. In 1973 Australia ratified ILO Convention No 111 on Discrimination in Employment and Occupation and state committees to address these matters were set up. This heralded a series of legislative initiatives by state governments to remove discrimination at work and in society.

The labour requirements of the post war boom and the increasing demands of women to enter paid work meant that everyone called for better education. Throughout the post-war period

school retention rates increased and by 1987 the participation of girls in secondary schooling had overtaken that of boys, with 57% of girls going on to year twelve compared with 50% of boys. The imbalance was partly because many boys left school earlier to take up apprenticeships. Tertiary education participation and spending expanded rapidly. The Whitlam government abolished university fees, which caused a major increase in the proportion of mature age females who undertook study. The rising participation of women in tertiary education throughout the post war period led to courses in which they were already over represented, such as teaching, becoming even more feminised. Overrepresentation of males in many other education areas, particularly those leading to the medical, legal or other professions decreased, except in traditional male bastions such as engineering, construction, and many related apprenticeships.

The boost in special purpose grants provided to the states during the Whitlam period increased the power of the Commonwealth to determine state government policy and service provision. A focus on education funding was necessary to support the requirements of the boom economy, and education was also seen as a tool to change social attitudes and garner Labor votes. This strongly appealed to teachers; many of whom were women. Men often left the teaching service to take up more lucrative employment in the private sector. The path breaking Karmel Report of 1973 promoted equality of opportunity, defined in terms of equality of outcomes. It argued that in a society which treats people equally, one would expect girls, migrants, Aboriginal and rural children, and others from lower income families to be represented in educational institutions on a roughly proportional basis. In fact, however, these groups were underrepresented in the secondary and tertiary levels of education in Australia.

The report argued that Australian education institutions were designed to reflect and meet the needs of Anglo-Saxon, middle class male children more effectively than the needs of other social groups. The Schools Commission recommended increases to school funding targeted on a needs basis, greater diversification of curricula to meet the varying needs of student populations, and greater parent and community participation in the management of schools. The provision of funding to Catholic schools in working class areas healed divisions between traditional Labour supporters by reformulating an old and bitter debate about state aid to church schools, in terms of the general necessity to provide much greater access and opportunity for the disadvantaged, irrespective of whether they were educated in government or religious schools. The Whitlam government established a process of debate about all levels of education which encouraged the participation of parents, teachers and students across Australia. This also greatly increased public understanding of the rationale for targeting attention to a variety of forms of inequality of opportunity which had not generally been discussed in earlier decades.

TOWARDS EQUAL PAY AND EQUAL OPPORTUNITY

During the 20th century the idea that the male wage should be set to provide for the support of a dependant wife and children was gradually replaced by the view that men and women should have equal potential to be breadwinners, and should have the right to compete on equal terms in the labour market. In the 1972 national wage and equal pay cases the commission came to the conclusion that award rates should be considered without regard to the sex of the employee. This ended the institutionalised justification for unequal pay. The family component was explicitly discarded from the minimum wage concept. The Commission stated that it believed itself to be an industrial tribunal, not a social welfare agency, and that the care of unmet family needs should principally be a task for governments. In 1973 the Commonwealth government introduced legislation providing twelve weeks paid maternity leave to its employees. State governments followed with legislation for similar paid provisions for its workers. In 1977, the first explicit family policy was adopted by all Australian governments. In 1979 the Australian Conciliation

and Arbitration Commission introduced into awards the requirement that all women should have unpaid maternity leave of up to twelve months and the right to return to their jobs at the end of the leave period. This is the standard provision in federal or state awards.

Before the 1970s women faced an enormous range of public and private sector regulations and practices which in turn related to the expectation of their retirement from work or their reversion to temporary status on marriage. They found many jobs barred to them, or requiring higher qualifications for entry than were necessary for men. They were denied on the job training and faced discriminatory promotion and retrenchment criteria. The enactment of the first state based Anti-discrimination legislation commenced in South Australia in 1975. The current NSW Anti-Discrimination Act states that it is against the law to discriminate against or harass someone because of their sex, pregnancy, race, colour, nationality, ethnic or ethno-religious background, marital status, family responsibilities, physical or intellectual disability, homosexuality or age. The NSW Anti-Discrimination Board administers the act. Complaints of discrimination are investigated, and, where possible, resolved by conciliation. Complaints which cannot be conciliated are referred to the Equal Opportunity Tribunal which was established in 1981. Some states introduced requirements for equal employment opportunity plans to promote greater equality for groups stereotypically underrepresented in public service positions.

Labour shortages until the mid seventies assisted the demand by women's groups and some trade unions for discriminatory employment regulations to be lifted. The dismantling of restrictive regulations continued after the end of economic boom and the demise of full employment, driven by political activity and a changed social consciousness. Between 1975 and 1985 women's employment increased by 26.5% (although much of it was in part time work) while men's increased by only 7%. The entry of women into paid work in the post war period has generally meant they have increased their numbers in many employment areas, including many of the professions, such as medicine and law, which were formerly male bastions. However, women employees remained concentrated in the service sector, with over two thirds working as teachers, nurses, clerks, sales people and community service providers. Income inequality between men and women gradually decreased, and by 1993, average weekly earnings for males were \$692 compared with \$550 for females. The ACTU's emphasis when pursuing equal pay during the 1980s and beyond was primarily on maintaining the wages of all the low paid.

MANAGEMENT THROUGH 'THE ACCORD'

Over the second half of the 20th century there was an average 2% per annum decline in Australia's terms of trade. The rate of decline had, until recent years, been accelerating. Without higher levels of international competitiveness for Australian products, the twin problems of poor export performance and rising levels of imports would have lead to continually increasing Australian foreign debt and also to increasing expenditure on servicing it. The Whitlam government tried to pay for the cost of its welfare expenditure partly by dismantling the tariff barriers protecting internationally uncompetitive Australian industries. It assumed that cutting tariff protection to force Australian industry to become more competitive would lead to people in declining areas of employment being able to make a transition to new growth areas, assisted by high levels of government support for training and employment in new or expanding industries.

In 1973 the Labor government brought in a 25% general tariff cut, and the Australian dollar was revalued against the US dollar, with the result that the cost of domestic goods relative to imports increased considerably. The tariff cuts were made quickly, with little consultation with unions or employers. At this time unions were making strong wage gains on behalf of their membership, assisted by an environment where buoyant economic conditions, a centralised wages system, and

high levels of government spending meant their bargaining power was strong. The Commonwealth had supported the ACTU claim for a general wage increase in 1973 on the basis of redressing the balance between wages and profits which had moved steadily against wage earners during the 23 years of Liberal government before Whitlam came to power. The Cabinet discussion of this was the first of a series of wages versus services debates which arose as the cost of maintaining expenditure levels in both areas became increasingly untenable. In 1973 the Commonwealth also sought Constitutional powers by referenda to control prices and incomes. This was defeated, wages pressure mounted and inflation increased.

The level of business closure and rising unemployment which resulted from sudden tariff reductions, revaluation of the dollar, wage increases, inflation and consequent disinvestment, were exacerbated in 1973/74 by a sharp international rise in commodity prices, which affected the economic performance of all OECD countries. The Australian government attempted to rein in its public sector expansion, and with ACTU agreement won through the Commission a wages system based on wage indexation to cost of living increases. This produced a much lower growth rate in average earnings, and therefore a relaxation of inflationary pressures. However, before the effects of these control measures were felt, political crisis occurred. In 1975, in an unprecedented political move, the Upper House held up funding for government programs instituted in the Lower House, the Governor General dismissed the parliament as unworkable, and a new federal election was held. The Liberal coalition government had a landslide victory, but it was no more effective than the previous government had been in managing the economy. It did not directly challenge across the board tariff protection, but presided over an economy plagued by an increasing balance of payments problem, falling investment, low business confidence, industrial unrest and militant defence of the welfare gains that had been made earlier.

The Hawke Labour Government came to power in early 1983. At the time, growth rates were low and unemployment and inflation were both around 10%. Government needed to reform Australian economic and social institutions and expectations, to reflect the fact that high living standards, low unemployment levels and all related reductions in inequality would only be able to come about with a strong, internationally competitive economy. It was also clear that this could only be achieved with the understanding and support of the powerful trade unions and the broader community. Supportive unions called for ACTU policies to extend 'beyond the narrow traditional focus' of Australian trade unions on income distribution, in order to focus instead on national wealth creation through economic growth and productivity enhancement. The prices and incomes accord, a regularly re-negotiated agreement between the Labor government and the ACTU to work co-operatively to manage the economy in the interests of Australia, was established in 1983. Accord partners began to centrally address the long-term problem of Australia's increasingly unacceptable terms of trade. This problem was characterised in part as Australian over-dependence on rural and mineral sectors to generate export income, and underdevelopment of value added manufacturing and services industries.

Although employers were not parties to the Labor accord, eleven tripartite (government, employer and union) industry councils were set up covering the manufacturing industries. They conducted stock takes of their industry sectors and developed strategic plans for import replacement, export expansion and modernisation of industry. This process moved manufacturing employers and unions away from an automatic reliance on barrier protection towards planning strategies which also involved economic incentives for microeconomic reform to make organizations more competitive in the longer term. The 1987 national wage case decision ended the union movement's history of reference to the principle of comparative wage justice, which had allowed gains made by stronger groups of workers to be flowed on to other groups who could argue the comparability of their situation with that of the workers who had first won

the increase. Instead, the Commission provided a \$10 wage increase for all, but required that any of a further increase of 4% should be conditional upon productivity offsets gained through collective bargaining at the enterprise level.

SPENDING TO PROMOTE EQUAL OPPORTUNITY AND INDEPENDENCE

In 1984 the Commonwealth committee of inquiry into labour market programs laid the groundwork for dismantling the industrial significance of the apprenticeship system by introducing one-year traineeships comprising apprenticeship style on and off the job education in order to promote workforce entry for young people. The trainee rate of pay corresponded to the relevant award rate, but, unlike apprentices, trainees were not paid for time spent in off the job training. Traineeships grew slowly, and were developed primarily in service sector areas rather than in manufacturing. However, inquiry had begun to address the constraints imposed by the traditional four year apprenticeship which made youth unemployment a major problem during recession, and led to skilled labour shortages and high levels of industrial militancy during economic boom. In 1988 the jobs, education and training program was introduced which aimed at increasing school retention rates, increased assistance and better targeting of labour market programs and education supplements, and getting sole parents back into the workforce by providing child care places and related support.

In 1983 state based anti-discrimination initiatives were further entrenched when Australia signed the Convention on the Elimination of All Forms of Discrimination Against Women. In 1984 the Commonwealth Sex Discrimination Act was passed and the following year the Human Rights/Equal Employment Opportunity Commission was set up to administer this act which sought to eliminate discrimination on the grounds of sex, marital status or pregnancy in the areas of work, accommodation, education and provision of goods, facilities and services, and in the disposal of land, the activities of clubs, and the administration of Commonwealth laws and programs. The Act also aimed to reduce sexual harassment in the workplace and educational institutions. In 1986 the Affirmative (Equal Opportunity for Women) Act phased in the requirement for larger organization to prepare plans consisting of a statistical analysis of their workforce by sex, marital status and ethnicity; a review of personnel practices, including recruitment, selection, promotion, training and staff development; and a set of strategies for the elimination of all practices found to be discriminatory. In 1992 the Commonwealth passed the Disability Discrimination Act to promote the employment of injured or ageing people.

Award based superannuation (retirement saving) was introduced in the 1986 national wage case and was supplemented in 1992 by Commonwealth legislation which introduced a superannuation guarantee affecting all employers, and providing superannuation entitlement for all workers. An employer has to provide a minimum level of award based superannuation support for employees or lodge a superannuation guarantee statement with the Australian Taxation Office and pay a charge based on the size of the organization's annual payroll. Industry managed superannuation funds have become spectacular new players in the financial services sector as a result. In less than a decade superannuation funds came to a point where they controlled about \$12 billion in funds and \$80 billion in assets. The issue of how these funds should be managed in the individual, organisational and community interest is now of central concern in Australia. Retirement planning and funding also has a major potential role in regional development.

TOWARDS INCREASED COMPETITION ON A NATIONAL PLAYING FIELD

Under the Accord the trade union movement and the Commonwealth Labor government co-operated to achieve gradual tariff reduction, greater competitiveness through industry reform, and

an increasingly decentralised and enterprise based approach to wage fixing. The strategy centred on the co-ordination of wages policy with macro-economic policy and welfare provision in order to control inflation, unemployment and the growth of social inequality. The process of industry and labour market reform involved incremental changes to all Commonwealth and state government regulation, service provision and awards, in order to promote national standards which provide a level playing field of regulation on which businesses and individuals are required to compete. Liberal and Labor governments have both carried out the development of a more open economy and consistent national standards to replace state based laws.

In 1987 the ACTU began to assist the creation of large industry based unions towards amalgamations of those with occupationally based coverage. This was accompanied by an acceptance of the need to promote productivity by ending rigid job demarcations and encouraging multi-skilling of workers. The ACTU also promoted a single workplace bargaining unit to increase the potential for more effective enterprise based planning. The restructuring of awards was undertaken to promote labour market flexibility, clarity and removal of discrimination. As a result, the rate of decline in union membership, which was already a feature of the much faster growth of services than manufacturing, increased substantially. In 1990 there were 140 federally registered unions, and only 54 by 1994. The unionised proportion of the workforce fell to less than a third of the workforce and has since continued to decline. Over 70% of workplaces with between 5 and 20 workers have no union members and more than 66% of workplaces in the private sector are ununionised. A central issue for trade unions is how to rebuild membership. I think unions can do this by promoting Australian services growth globally and supporting suitably designed regional management, employment and funding structures which also promote skills development, research and all related communication, especially in poorer communities.

A third of the Australian population live in NSW. In 1989 in the NSW Minister for Industrial Relations in a Liberal coalition government received a vital report entitled 'Transforming Industrial Relations in Australia'. Its approach meshed with the direction already being taken at the Commonwealth level by the Labor Accord partners, a fact which its author, John Niland, was at pains to point out. The general thrust was to apply further pressures to promote the competitiveness of industry and the deregulation of the workforce within a framework of national minimum standards which enterprises could exceed. It argued that industrial relations should be handled as far as possible at an industry or enterprise level, with or without the involvement of unions, albeit with recognition of the need for certain centrally determined and administered guidelines. It stressed the right of individuals to choose whether or not to join a trade union, and supported enterprise bargaining over wages within a framework which guaranteed the provision of minimum standards and the right to strike at the commencement of the bargaining process. Niland deplored the effects of having many separate tribunals and recommended that their work be integrated and standardised to the maximum extent possible. During the 1990s enterprise bargaining was entrenched by state and federal legislation. In spite of the different emphases of governments, their movement has always been towards an opening of the economy and labour market deregulation supported by national standards and safety nets.

In 1990 the newly established Council of Australian Governments (COAG) agreed to mutual recognition of state laws and regulations in all areas where national standards were not seen as essential to the efficient working of the Australian economy. Work began to achieve national agreement on policy and services related to health and safety, the environment, supporting occupations and training and a range of welfare issues. Following the Hilmer Report, COAG agreed that all governments would review every form of regulation that affects competition to determine if it is in the public interest. The Competition Policy Reform Act of 1995 indicated that legislation should not restrict competition unless it could be demonstrated that the benefits to

the community as a whole outweighed the costs, and that the objectives of the legislation could only be achieved by restricting competition. The Trade Prices Commission and the Prices Surveillance Authority were abolished and a new body, the Australian Competition and Consumer Commission, took on their powers and functions. All proposals for new legislation that restrict competition should now be accompanied by evidence that the legislation is consistent with the public interest. All legislation must be reviewed at least once every ten years to assess whether it has achieved its goals. The Act promotes the expectation that public and private sector service providers should compete according to the same rules.

The Commonwealth Workplace Relations Act introduced by the Liberal coalition government set out to promote the simplification of all federal awards so that they would provide a minimum rates safety net covering 20 'allowable matters'. The Australian Industrial Relations Commission (AIRC) aimed to maintain the safety net and assist the resolution of disputes where all attempts to reach an agreement had failed. This new legislation differentiated between certified agreements and Australian workplace agreements. The former were agreements made between employers and employees represented by a trade union. They must be certified by the AIRC and applied to all employees in the group, provided that a majority of them have endorsed the agreement. Australian workplace agreements, on the other hand, are individual agreements, which only apply to people who have individually signed them. The parties negotiating an Australian workplace agreement could use a bargaining agent, such as a trade union or an employer organization. To be approved the agreement had to be filed with a new body called the Employment Advocate. Both collective agreements and Australian workplace agreements are subject to no-disadvantage tests. This means that agreements cannot result in a reduction in employees' overall conditions of employment when compared with relevant awards and laws. For collective agreements the benchmark for the no disadvantage test are conditions in the relevant award, whereas for individual agreements the no-disadvantage test is a global test, which must ensure that the overall package provides conditions no less favourable than the award.

The Workplace Relations Act required the AIRC to take account of the Racial Discrimination Act, the Sex Discrimination Act and the Disability Discrimination Act in its deliberations relating to employment. The Commission was also required to take into account the provisions of any law of a state or territory relating to the safety, health and welfare of employees. It must also take note of the principles embodied in the ILO Convention on family responsibilities and help to reconcile employment and family duties. In relation to pay equity issues the Act sought to give effect to relevant ILO Conventions on employment, discrimination and equal remuneration. However, the Commission must refrain from consideration or determination of a matter if satisfied that an adequate remedy already existed under state or territory law.

A national, decentralised, industrial relations system applying to all workers is being built. Industry restructuring has led to job shedding and to employers seeking flexibility by increased hiring on a contract basis, including in many areas where lifetime employment had previously been the norm for males. The result of encouraging enterprise agreements and individual employment contracts has been reduction in award and trade union coverage. It is widely acknowledged that in a decentralised bargaining system there is a likelihood of increasing inequalities between high and low-income earners. There is debate about the appropriate level of minimum wage rates and the effects of this on unemployment levels. The ability of Australia to compete effectively in the international economy should clearly influence the level at which minimum pay and work related welfare standards are set nationally. The question of how the costs of providing them should be distributed between employers, workers and taxpayers is a related major issue. However, setting low rates of minimum pay ensures the establishment of meagre welfare services and support, since it would be inappropriate to create a structure which

provides people with economic incentives for preferring unemployment. Clear minimum standards of protection need to apply and be accessible to all Australians. Equally, the whole population should be helped to make their contribution towards the economic, social, cultural or spiritual enrichment of the society. This is discussed in later lectures.

IMPROVING STANDARDS THROUGH EDUCATION RESTRUCTURING

In 1990 COAG agreed to establish mutual recognition legislation and national standards for occupations and training related to health and the environment. This was accompanied by the development of a national competency based training strategy in technical and further education. Competency based standards are specified levels attained as a result of practical tuition in the undertaking of tasks which are closely related to the expected outcomes of work. The aim is to achieve more diverse and vocationally relevant education which cost-effectively meets employer needs while maintaining training quality. The strategy is based on acceptance of the need for multi-skilling and accelerated progression through training if demonstrated competency warrants it. There is general recognition in Australia of the need to provide more flexible training opportunities and better career development options. A national framework for the recognition of training was established. It set up a register of endorsed national standards, accredited courses, and recognised public and private sector training programs and providers as a result of the advice of government recognition authorities in each state and territory. The process was assisted by a network of Industry Training Advisory Bodies, representing government, employers and workers, with the brief of developing a coherent national framework of articulated education and training.

While state governments mainly fund colleges of technical and further education, universities are predominantly a Commonwealth responsibility. The former provide a wide and flexible range of long and short vocational education programs while the latter primarily provide pre-service professional education and a range of related academic disciplines. Universities are self-accrediting bodies which have the freedom to determine their own curriculum content, teaching methods and assessment arrangements. The cost to students of university education has increased substantially as a result of the gradual re-introduction of fees for all post-secondary education courses. The higher education contribution scheme allows a student to make a discounted up-front payment for studies, or to undertake educational loan repayment after work re-entry. The taxpayer contribution for undergraduate study at a university is less than that provided for a full-time equivalent course in the technical and further education environment, where the employer also bears more of the educational cost. Recent reviews of the higher education sector argued that vocational and university education should be seen as a post-secondary continuum, that a robust education accreditation process represents a safeguard for students in terms of ensuring quality of provision, and that such a process should be separated from the current process of self-accreditation of awards by universities. The potential role of universities in regional and national development is discussed in a later chapter on creative communication in the information age.

A range of incentives for individual employers to develop training has been integral to the national direction under Labor and Liberal governments alike. As a result of this the separation between degrees, apprenticeship, traineeship and other formerly distinct types of education and training are likely, over time, to diminish. Ideally, it is expected that people should be able to undertake a logical educational progression, which meets the needs of their specific job requirements, interests, and abilities. Training should be delivered in public and private sector organizations, in a variety of forms, such as on and off the job, part-time or full-time, or in distance mode, depending what students and their employers require. The Commonwealth government is committed to establishing more effective incentives and services to individually assist people receiving social security payments to increase their self reliance as a result of

training, work for the dole schemes, or through a variety of flexible employment forms which are appropriate for the needs of the long term unemployed, lone parents, disabled people and the ageing population. Universities could provide education and research support which is better designed to assist this process. For example, the development of an Australian national communications strategy and a related trade strategy could be supported by transparent university education, available internationally via TV and computer, depending on the clients' needs.

CONCLUSION

Current work organization in Australia depends on key historical, economic and political factors in a uniquely Australian settlement context. Discriminatory institutions were established early in the twentieth century in the belief that all men should be guaranteed a wage which includes sufficient money for the support of dependant family members. Over time this view was replaced by the expectation that there should be equality of opportunity for all individuals competing in the labour market. In an era when the welfare state was embryonic, Australian governments sought to introduce protection for the family primarily through the combination of a guaranteed minimum 'family wage' for males and a centralised wage fixing system. An effect of this was to systemically entrench women's subordinate status. In the post war period it became increasingly clear that the country could not afford to continue with high tariffs to protect Australian products, as well as increasing wages and welfare expansion. The nation made a difficult transition which centrally involved the development of anti-discrimination related legislation, enterprise bargaining, and education restructuring. The aim was to become a society where barriers to international competitiveness and to equal competition between individuals in the labour market have been removed, but where a minimum standard of living is guaranteed to all. The necessity to develop accessible, high quality, health, education and welfare services, and to be able to comparatively evaluate the performance of service providers, becomes more urgent as national wellbeing depends increasingly on the quality and economic performance of its services and information sectors.

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