Australia:

Union betrayals cut wages

Terry Cook
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A report released this week by the Australian Bureau of Statistics (ABS) reveals that over the past four years the wages and conditions of trade union members in many key industries have fallen below those of non-union workers.

The report shows that while the rate of pay for union workers in eight of the industries surveyed were marginally higher than their non-union counterparts the opposite was the case in nine other major industries. This revelation makes a mockery of any claim by the union leadership that workers can defend their interests through the unions, even in narrow economic terms.

The sharpest falls in relative wage levels were recorded in industries once renowned as strongholds of unionism. For example non-union members in manufacturing received between $7 to $10 a week less than union members in 1994, but by mid-1998 this trend had reversed.

In August last year unionised manufacturing workers employed in full-time jobs received average weekly earnings of $676 while non-union workers were paid $680 per week. The same trend was noted in mining, the utilities, the retailing and wholesale sectors and the public health, public administration and communication services.

While union members in agriculture, construction, hospitality and transport continue to receive higher pay than non-union workers, the gap is narrowing rapidly--from $33 to $20 per week for full-time workers.

At the same time the ABS survey records that union membership in manufacturing plummeted from 40.4 to 35 percent between 1994 and 1998 while union numbers overall fell from 34.5 to 28.1 percent in the same period.

The union bureaucracy has attempted to dismiss the ABS survey results. Australian Manufacturing Workers Union national secretary Doug Cameron, also a leader of the Australian Council of Trade Unions (ACTU), said the report was "an aberration".

However, the situation facing workers is far from an aberration. It is the direct outcome of over a decade of collaboration by the unions with the employers and successive federal and state governments, both Labor and Liberal, to restructure industry, lower wages and cut working conditions.

The unions have suppressed wages struggles to boost profits, arguing that this would result in greater investment and jobs. However, despite a massive transfer of wealth from wages and salaries to profits, the employers continued to downsize workforces and slash working conditions.

Cameron inadvertently referred to the unions' role in curbing wage rises. He said the ABS report could not be correct because, "The non-union sector traditionally follows on, and we have had employers asking us to slow down."

One factor behind the results is that thousands of workers, unable to advance their conditions through traditional means and lacking any real alternative to the betrayals of unions, have been driven into working under individual contracts.

These contracts often offered substantial pay rises initially but they were accompanied by cuts in working conditions and jobs. However, the alternative deals cut by the unions not only slashed conditions but also failed to increase wages.

This was the case at the CRA mining operation at Weipa in northern Queensland in late 1995. Some 11,000 workers out of the 16,000-strong workforce had signed contracts after the unions failed to gain a wage

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rise in more than three years.

After calling national mine and waterfront work stoppages in December 1995 over the developments at Weipa the ACTU's only answer was to offer to match and even deepen the sacrifice of conditions enshrined in the individual contracts, in return for matching pay rises to those given to individual contract workers, if only CRA (now Rio Tinto) would re-establish its relations with the unions.

Neither individual contracts nor the unions offer any way forward for workers. New organisations must be built that defend the independent interests of the entire working class, regardless of the impact on corporate balance sheets and the dictates of the financial markets.

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