A sorry attempt to press-gang workers

Australian unions demand service fees from non-members

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On February 9, Australian Industrial Relations Commission (IRC) vice president Tony McIntyre upheld enterprise work agreements struck between the Electrical Trades Union and 600 contractors in Victoria. He decided they were legal under the federal government's Workplace Relations Act, even though they allowed the ETU to impose a $500 annual service fee on non-union members.

The Howard government's Employment Advocate Jonathon Hamberger opposed the decision, saying that it appeared “to involve an element of backdoor compulsory unionism” that was “inconsistent with the spirit of the freedom of association provisions of the Workplace Relations Act”.

In support of the union's submission, ETU secretary Dean Mighell argued that the “fees conform to the federal government's user-pays principles". Further, because conditions contained in union-negotiated work agreements flowed on to non-union members, the recipients should be made to contribute to the union's costs.

This week, encouraged by the IRC's decision, a number of unions covering workers in the health, retail and hospitality industries, as well as public sector unions, announced they would seek similar service fee clauses in future enterprise agreements.

The union bureaucrats figure that at last they have hit on a mechanism to stem the continuing decline in membership and to bolster their dwindling dues base. They reason that workers will opt to join the union and pay the lower membership fee, rather than wear the much higher service fee. If not, at least the service fee will help replenish union coffers.

Little wonder Australian Council of Trade Unions (ACTU) secretary Greg Combet hailed the IRC ruling as "extremely important” and “very significant" because it "recognised the union's role in negotiating outcomes at the enterprise level".

Regardless of Combet's enthusiasm, the reliance on such desperate methods to force workers to join unions only serves to illustrate that these organisations have lost the loyalty and active support of the working class and lack any means of winning it back.

In fact, the development reveals that the unions rely almost exclusively on the good grace of certain employers and sections of the state apparatus for their very existence.

The IRC judge ruled that service fees would first have to be endorsed by at least 50 percent of the workers at a given enterprise. However, their introduction would depend on the employer. As part of the enterprise agreement, the company would inform workers that, as a condition of their employment, they must pay the ETU an annual bargaining agent's fee of 1 percent of their gross wage or $500, whichever is the greater.

McIntyre stated that if employees failed to pay the ETU, “he or she would be in breach of his or her obligation to the employer and, accordingly, the company would be entitled to take such disciplinary action against the employee as was legally available to it”.

In other words, to collect its fees, the union will rely directly on employers to take disciplinary action—presumably including dismissal—against unwilling workers.

Union members who may think that the IRC ruling will somehow benefit them should reconsider. When one reviews the content of past enterprise deals, it is inconceivable that an employer would enter into such an arrangement with the union unless the enterprise agreement provided substantial concessions to the company.

Over the past 15 years, every union agreement has been based on the dismantling of hard-won conditions. Invariably, they have eliminated jobs, cut manning levels, scrapped demarcation and safety rules, introduced longer shifts, abolished penalty rates and imposed “flexible” working hours, often seven days a week.

The new service fees have nothing in common with the old “closed shop” policy once used to exclude non-union

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members from unionised workplaces and prevent employers from undermining established working conditions. Unlike the service fee, the closed shop was supported by, and relied directly on the active participation of, the majority of workers on site.

Nor will the introduction of the fee in any way assist union members who wish to fight to improve conditions. The service fee schema will strengthen the employers' hand because it will undermine any industrial action and legitimise scabbing. Of necessity, non-union workers who pay the fee will not be obliged to engage in industrial action around a new work contract and therefore cannot be barred from entering work sites by pickets.

The arbitration system

The other aspect worthy of note is the IRC's readiness to prop up the unions. The February 9 ruling again demonstrates not only the close historical relationship between the industrial court and the unions, but also their mutual dependence.

The industrial courts were central to the operation of the old arbitration system, which limited the class struggle within a framework acceptable to the capitalist system. Despite ritual declarations made by union leaders in the past decrying the IRC as "a bosses' court," they understood only too well that the system enshrined the legality of the unions and recognised the essential role they played in containing the working class.

The IRC and its various state equivalents certified and enforced a complicated system of awards governing wages, working conditions and industrial laws, and brought down rulings to settle contentious issues that arose between the unions and the employers.

The system of national regulation on which the old arrangements rested began to break down under the impact of changes in the world economy from the mid-1980s onward. The Labor government introduced a system allowing for non-union work contracts alongside union-negotiated collective agreements, but largely maintained the IRC's role in ratifying the agreements.

The final blow to the arbitration system was delivered in 1996 with the Howard government's introduction of the Workplace Relations Act. The IRC lost much of its ratifying role to a government-appointed Employment Advocate, who had the power to certify individual non-union work agreements. At the same time, national awards were stripped back to cover only a handful of basic items.

Since then, the unions have dedicated a good deal of time and energy to insisting that the IRC's power be restored and to extracting a commitment from the Labor party that it will do so if it returns to office.

Well before the Howard government's offensive, however, the unions had entered a stage of terminal decline. Thousands of workers, disgusted and disillusioned by the unions' 13-year collaboration with Labor administrations to scrap working conditions, deserted the unions in droves. Between 1990 and 1998, overall union membership plummeted from 40 percent of the workforce to 28 percent, and in the private sector from 31 percent to 21 percent.

Despite numerous well-funded campaigns, the ACTU and its affiliates have failed to stem, let alone reverse, this trend. Launching yet another campaign in April 1999, the ACTU admitted the unions would have to collectively recruit approximately 420,000 new members a year to even address the fall in membership. At that time the unions were only recruiting 210,000 annually.

Nearly two years down the track, after employing 15 training experts to instruct union officials and job delegates in the art of recruitment, and redirecting over 40 percent its budget to the task, the ACTU is unable to cite any stunning recruitment turnaround. Figures released by the Australian Bureau of Statistics last February showed that 10 months after the ACTU initiated its campaign, union membership fell by a further 2.4 percentage points to 25.7 percent of the workforce.

While the federal government is intent on pushing individual contracts, the unions have opened the door for them. Not only have they alienated workers by enforcing enterprise agreements that gave one concession after another to the employers. Under both Labor and Coalition governments they have also worked to straightjacket their members and prevent all attempts by workers to fight the introduction of anti-union legislation.

All the ACTU's schemes will not arrest the downward spiral in membership, simply because working people will continue to shun organisations that they regard as totally irrelevant to defending their interests. Imposing a service fee that is aimed at press-ganging workers into the unions will not help.

To their dismay, the unions may find that many non-union workers will refuse to pay the service fee or join the union. Workers may well prefer to forgo the so-called benefits flowing from union-negotiated agreements because past experience has shown that such deals involve trading off a raft of working conditions in exchange for a pittance of a pay increase.

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