

# Union membership in Australia continues to fall as workers face deepening wage cuts

**Martin Scott****27 January 2023**

Over the past three decades, the percentage of Australian workers who are union members has fallen from 39.6 percent to 12.5 percent, according to data released by the Australian Bureau of Statistics (ABS) in December.

This protracted decline has taken place as the unions have completely transformed themselves into the direct enforcers of wage suppression, as well as the evisceration of working conditions, in line with the demands of big business and finance capital.

These attacks are becoming even more intense amid rapid rises in the cost of living. Workers have been sold out in one dispute after another, and almost every union-management enterprise agreement rammed through has slashed real wages.

In the September quarter last year, new union-negotiated enterprise agreements delivered average nominal annual wage rises of just 2.6 percent, compared with 3.1 percent in non-union deals, according to the Department of Workplace Relations. The official annual inflation rate, now at 7.8 percent, had already reached 7.1 percent in the September quarter. Those figures, however, are far below real increases to the cost of living, including such essentials as food and electricity, meaning workers have suffered major pay cuts.

In the past three years, average union-brokered wage rises have been higher than non-union deals in only six quarters.

Union membership in the private sector is substantially lower than the overall rate, at just 8.2 percent, according to ABS figures obtained recently by the *Australian Financial Review*. Just 779,700 private-sector workers were union members in their main jobs in August 2022, a decline of 18.5 percent from the 956,200 recorded in 2016.

The unions covering manufacturing, mining and other industrial workers have faced the sharpest decline in membership in recent years.

Since 2016, membership of the construction and general division of the Construction Forestry Maritime Mining and Energy Union (CFMMEU) has plummeted 34.3 percent to 63,372. The union has suppressed opposition to the job-cutting sparked by a host of construction firms collapsing, and has helped expand casual work throughout all of its divisions.

The Australian Manufacturing Workers Union (AMWU) has lost almost 20,000 members, 25.6 percent of the 2016 total,

while membership of the Australian Workers Union (AWU) has fallen 18.9 percent to 70,900. The AMWU, in close collaboration with state and federal Labor governments, presided over the complete shutdown of the Australian car industry between 1984 and 2017, destroying tens of thousands of jobs.

Australia's largest industrial union, the United Workers Union (UWU) has 12.5 percent fewer members now than the 171,039 covered by United Voice and the National Union of Workers in 2016, prior to their amalgamation. Since the 2019 formation of the "super-union" the UWU has sold out workers in multiple important disputes.

In every case, the union leadership has kept workers isolated from the broader working class, blocked workers' demands to halt production and provided little or no strike pay, undermining workers' ability to maintain an ongoing strike. Most recently, the UWU has forced through a 4.5 percent pay "rise" at the Pampas pastry and bread factory in Melbourne, over substantial opposition from workers.

While the total number of union members in the public sector has increased by 35,500 over the past six years, the proportion of the workforce covered has fallen 5.1 percentage points to 33.7 percent.

The increase in public sector union members is almost entirely due to the growth of the two largest unions in Australia, the Australian Nursing and Midwifery Federation (ANMF) and the Australian Education Union (AEU). Between 2016 and 2021, membership of the AEU swelled 6.3 percent to 200,751, while the ANMF now has 322,065 members, a 24.4 percent increase since 2016.

The anger of health workers over the increasingly dire and unsafe conditions they have faced during the COVID-19 pandemic has accelerated the growth of the ANMF. While the union's membership grew 8.8 percent between 2016 and 2019, it has surged 14.3 percent since 2019.

But this anger finds no expression in the ANMF or any other union claiming to represent workers who have been on the frontlines of the pandemic. The bureaucracies have enforced the removal of virtually all public health measures against the virus and are now utterly silent on the ongoing catastrophe. More broadly, they are enforcing increasingly unbearable

conditions in the hospitals, which are in a state of complete breakdown.

While teachers and nurses have been recruited into the unions on the pretext of taking up a fight to improve their increasingly dire wages and conditions, these workers have been subjected to some of the harshest betrayals at the hands of the union apparatus.

Around the country, unions covering education, health and other parts of the public sector have collaborated with Labor and Liberal-National governments to enforce sub-inflationary pay rise caps.

Last year, the Victorian branch of the AEU, in league with the state Labor government, rammed through a 2 percent per annum pay “rise,” far below the rate of inflation, despite major opposition from workers.

Public-sector nurses in New South Wales (NSW) held four statewide strikes last year, but at every stage the union leadership has worked to isolate workers and limit the impact of their actions. The struggle of health workers has now been diverted into a campaign for Labor ahead of the March state election, although the party is openly hostile to nurses’ demands for real pay increases and mandatory nurse-to-patient ratios.

The decline in union membership is the product of the decades-long destruction of wages, conditions and entire industries, in which the union bureaucracies, along with successive Labor governments, have played the central role.

An ever-growing proportion of the jobs that remain are casual positions, often through third-party labour-hire or sham contracting arrangements that deprive workers of basic entitlements such as sick pay and annual leave.

The unions are not workers’ organisations in any way, shape or form. Their role is to enforce the demands of corporations and governments for ever-lower labour costs, in order to make “Australian” businesses more competitive on an international scale.

Tim Lyons, former assistant secretary of the Australian Council of Trade Unions (ACTU) said last month, “dire is way too weak an adjective” to describe the dwindling influence of the unions and “existential crisis barely covers it.”

Growing numbers of workers see no compelling reason to pay membership dues to well-resourced bureaucracies that block their struggles and enforce management demands for massive cuts to real wages, jobs and conditions. The only answer the union apparatus has is to lobby the federal Labor government to implement legislative change to compel workers to join the union against their will.

Numerous unions and peak union bodies have called for the legalisation of compulsory bargaining fees for non-members who “benefit” from union-negotiated enterprise agreements.

Unions New South Wales made a submission to last year’s Jobs and Skills Summit calling for the introduction of bargaining fees of up to 70 percent of annual membership dues.

Perhaps the most staggeringly duplicitous of these calls came from Gerard Hayes, national president of the Health Services Union (HSU), who labelled it a “moral issue.” Hayes spoke of “that \$10,000 you just get for nothing” in reference to an entirely hypothetical pay rise of 25 percent (over an unspecified number of years) for aged-care workers that *may* result from a case before the Fair Work Commission.

In fact, while this claim was used to promote Labor in the lead-up to the May 2022 federal election, the government has so far committed to just a 15 percent “phased” pay increase that will not take full effect until 2024.

Union leaders worry that the further decline in membership will cause them to lose their privileged position at the negotiating table. They are also pitching to fear in the ruling class that the shrinking influence of the union apparatus—which has served as the chief organ of class suppression for decades—will render it unable to control an upsurge of the working class in opposition to the wage-slashing austerity agenda of the federal Labor government.

This is the main concern behind the moves to coerce workers into the unions, as well as industrial relations legislation enacted by Labor in December. The new laws are aimed at increasing the reach of the unions, and the power of the industrial courts, to shut down disputes and prevent an eruption of class unrest.

There is growing anger and opposition throughout the working class. But the experiences of recent years, and decades, demonstrates that is not enough. Workers cannot advance a fight for improved wages and conditions within the straitjacket imposed by the highly privileged, state and corporate-aligned union leaderships.

The only way forward is to form new organisations of their own, rank-and-file committees completely independent of the union apparatus. It is only through these committees that workers can develop a democratic discussion, formulate demands based on their actual needs, and prepare a plan to fight for them.



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