

# Industrial Relations in Australia

# IR covers a wide array of organisational life:

- Pay rates
- Working hours & conditions
- Leave & holidays
- Training & development
- Organisational restructuring
- Introduction of new technology & work practices

Power is at the heart of IR

Organised labour vs organised capital

Australia has a long history of organised labour & many notable examples of confrontation between labour & capital.

Australia was the 1st country to get the 8 hour working day - 1856

Constitutional convention 1898  
gave IR power to the Federal  
Govt.

1904 - Conciliation & Arbitration  
Act, but  
Separate State industrial structures

Ratified agreements between labour & capital (Awards) about wages & conditions made at both Federal & State level, depending on location of enterprise.

# Aust. IR is a court based system

- Adversarial
- Binding, quick judgements
- Minimises economic dislocation

# Arbitration & Conciliation -

- Conciliation - mutual agreement ratified by court
- Arbitration- legally enforced agreement, industry wide pay & conditions

A&C developed as part of Aust.  
'social contract'

Protection of industry  
Protection of profitability  
Protection of labour

# 1907 - Harvester judgement - Basic Wage (Metals Award)

Living wage for male worker,  
dependent wife, 3 children in rented  
house - 42 /s per week

# Change in the social contract

- Industry policy - tariffs to free markets
- Social policy - White Australia to multiculturalism
- IR policy - Arbitration to enterprise bargaining
- Gradual change in these since the 1960s

# Contested Arena of IR

- Role of A&C courts
- Role of trade unions
- Role of industry wide awards

Increased change in last 15 years

Increased agreement flexibility -  
conditions, work practices

Gradual lessening of A&C  
authorities to set binding  
agreements

# Structural Efficiency Principle (1988)

- Allowed enterprise bargaining & firm-based agreements
- Trade off between productivity and pay increases
- Change from cost of living to capacity to pay

# Structural Efficiency Principle

- Increased productivity
- Longer working hours
- Reduction in unionism (approx. 1/3 workforce)
- ‘Social safety net’ - Accords Mk I - VII

# Enterprise bargaining - 1993

- Binding firm level agreements
- Aiming to increase productivity & competitiveness
- Beginnings of individual contracts for Award labour (Weipa dispute)
- Individual bargaining - employment relations - IR+ Personnel + T&D
- Issues of power & trust

# Aust. Workplace Agreements 1997

- Increased enterprise bargaining
- Decreased role of Industrial (A&C) Commission
- Potential for removal of 3rd parties (unions) from negotiation
- IR success depends on individual bargaining position
- Increases in competitive flexibility & social inequality