Changes in Trade Union Strategies and Roles between 1980 and Now

Name

Course

Instructor

Date

**Trade union changes in strategies and roles between 1980 and now in Australia**

Before the 1990s, employment terms and conditions for most Australian workers highly relied on substantially prescriptive employer awards determined by third parties on their behalf and who had been removed from the workplace. Such emphasis on an aggregated industry assisted in establishing uniformity in businesses. However, in the current century, the situation is a bit different as the awards represent a level around which employment conditions and wages can be negotiated. Additionally, legislative changes have led to the establishment of collective-bargaining agreements which are legally enforceable and in the form of certified agreements.

During the 1980s, the negotiation of collective agreements was a major union activity. They attracted more workers by providing several benefits such as wage premium. Nonetheless, trade unions are currently facing challenges in the maintenance of their influence in attracting more workers to join the unions. For instance, in December 2010, there were 25,193 current agreements. But by 2013 September, the number had declined to 15, 222 which was less than the five previous years. Due to such drawbacks, the labor unions are currently in pursuance of different and unique strategies to revitalize their strategies (Cooper and Ellem, 2008). The unions have however begun applying strategies such as diversification of their membership options to allow the employees to acquaint themselves with the labor union at a low fee while limiting their voting rights. Their major emphasis is to incorporate a huge employee base who are sure of the membership value and do not doubt the value of the labor union.

Currently, there is an increased desire among labor unions to innovate with the contemporary forms of working. However, the increase in union transition might cause substantial challenges in initiating the needed turnaround. Also, innovation strategies need to be viable and radical to avoid the case of digital disruption. Relevantly, during the 1980ss, trade unions did not innovate or establish radical ideas regarding business enterprises. The union’s business models were not in pace with the digital era leading to multiple setbacks to the labor union.

In response to the increased unemployment rates and simultaneous inflation during the 1980s, the Australian unions negotiated for the establishment of fair incomes and prices which would eventually shape policies regarding employee wages. During this era, there was also an increase in union attacks by the conservative state governments as well as employers. Strategic changes during the 1980s had drifted employment far from union-dense enterprises. In the 1990s, the force was, however, overdriven by the employer actions and the government influence.

The formal transitions in the industrial relations systems have been connected to a dramatic shift in the roles and strategies of trade unions. The membership in trade unions has declined approximately by 50 % of the employees in the mid-1970s to 31% by 1996 (Ebbinghaus, 2002). The structures of the trade unions have also undergone major changes. In the past era, there was an excess of 300 distinct trade unions with most of them being small and occupationally based. However, currently, small occupational based unions have reduced. This implies that the unions'strategies have also changed as most of them have concentrated on large industries and business enterprises. In this regard, major changes have been evident in the labor unions in Australia with some major forces driving the changes forcing the firms, labor unions, and the government to respond to the major transitions.

**Comparison of Trade unionism**

**In the UK**

In comparison, trade unions in the United Kingdom and Australia have historically adapted a voluntarism strategy which prefers collective bargaining and avoids the use of law when possible. This strategy has been grounded on the historical mistrust of judiciary and the class-biased statute which resulted in the traditional voluntarism standpoint within UK trade unions. In the UK, trade unions’ role has been changing and experienced major setbacks from the 1980s. As compared to Australia, the labor force in trade unions has declined throughout the years. This is attributed to the fact that the trade union density level in the UK decreased to almost 30% in 2000 from an initial 50% in the mid-1980s. This decrease is most feasible in the private sector in which a trade union represents only 18% of the total private sector workforce. However, the public sector labor force accounts for almost 60% of UK trade union density (Brook, 2002). These metrics indicate a declining trade union role in the UK‘s labor force.

Correspondingly, the industrial relations system in the UK is based on voluntarism. Employers and trade unions in this country were voluntarily agreed on issues related to collective bargaining, and the state was noninterventionist. As indicated by Hyman (2001) the traditional voluntarism highlighted that the state governments were reluctant to intervene in labor relations directly. In contrast, Australia has no history of voluntarism in its industrial relations system as compared to the UK. Before Australia enacted the Employment Contract Act 1992, the government assumed an active role in issues relating to industrial relations based on a series of legislative support for labor tribunals and courts as well as labor laws.

Trade unions in both UK and Australia have traditionally used a collective bargaining strategy to push to interests of its members in public and private sector in which collective agreements cover almost one-third of the English labor force. Nonetheless, the workers in the UK covered by collective bargaining agreements for the period between 1984 and 1990 gradually reduced from 71% to 54%. Additionally, the proportion of employers that recognized trade unions reduced from 66% in 1984 to 48% in 1994. In Australia, 721,000 workers were covered by collective bargaining agreements by 1990s. However, the number has declined from 40 to 50 percent after the 1991 Act was enacted (Abbott, 1997).

The declining role and scope of trade unions in both Australia and UK have been attributed to the changes in laws from mid-1980s such as the Employment Contracts Act 1991 in Australia and the Employment Act and Trade Union Act in the UK (Abbott, 1997). The UK labor laws were primarily aimed at undermining the power of trade unions by making them more responsive for their memberships and limiting the legal scope of industrial actions. In comparison, Australia laws were equally aimed at limiting the legal scope of industrial actions but were mainly meant to dismantle trade union mechanism that supported collective bargaining centralized processes. UK reforms aimed at increasing state intervention in industrial relations processes while Australia reforms were to remove state involvement in industrial relations processes. Lastly, it is notable for highlighting that the provisions contained in the Workplace Relations Act 1996 do not limit the organization and actions of trade unions in the same manner as UK legislation as the UK has more comprehensive reforms than Australia.

**In the United States**

Since ages, trade unions in America are believed to be very weak in term of union membership. This implies that most Americans have not affiliated themselves with any trade union despite being workers. In the country, the unions have been traditionally hostile particular on organized labor (Blanchflower and Freeman, 1992). The employers also lack interest in negotiating with the unions or establishing any agreements with them. This implies that strategies and roles of the labor union have been hindered or even disrupted as the collective bargaining structure in America is only traditionally related to the most significant sectors such as the automobile industry.

In U.S labor union organizing reached its peak in the early 20th century as more of 40 percent of the workers in the country registered in various trade unions. However, during this period, unionism in America targeted a particular group in the labor market. The major focus group was the white men with full-time jobs in the industrial sectors. They were regarded as the major union members like in many other nations (Carter, 2001). Additionally, the labor union movement strategies were focused on meeting the needs of these member groups while ignoring the needs of the other work groups within the labor market. The U.S labor union had left behind a huge number of workers. Due to the lack of a societal- wide push for the establishment of a welfare state, collective bargaining led to the private welfare state.

Trade unions have undergone a major drawback for the past 20 years. This is because only approximately 13 percent of the workers in America are organized in trade unions. The decline in the labor movements has increased tremendously reaching 13% by 1999 (Perlman, 2010). During these years the union members who were organized reached sixteen million with the unorganized members being 110 million. With the society growing increasingly unequal, the U.S trade unions also isolated most workers and became politically irrelevant.

Additionally, there has been an increased tendency towards polarization of trends concerning collective bargaining. There exist major conflicts within the labor market which are directly related to conflicting labor union and movements. Also, it is clear that new agreements are being set up between the management and the unions which show an increase in partnership agreements. The established strategies were in association with the election of new leaders and also aimed at providing solutions to the increased trade union marginalization. Furthermore, the strategies aimed at establishing an increased commitment to the creation of partnerships which are more oriented to performance.

In general, it seems that organized labor faced huge criticism and hostility in the United States in 19980 and 1990s. This is termed as the major reason as to why the density of trade unions declined over the past ten years. Even though such changes were felt worldwide, the employer criticism and hostility towards labor highly prevailed in the U.S. the hostility was based in areas such as strikes, decertification, and concession bargaining. In the 1970s, the employers systematically attempted to maintain workplaces which were Union free through intimidation, delays and information campaigns (Clawson, 1999). Also, the decline in membership was due to the downsizing of the traditional industry sectors as well as the emergence of contemporary employment sectors. The decline in membership, however, was linked to the belief that the unions weak in terms of negotiations.

**Conclusion**

In conclusion, trade unions in Australia, UK and U.S. have undergone major changes in their strategies and roles. The changes have been driven by factors such as technology, changes in the labor market and state legislation. Nonetheless, the changes have caused a decline in union membership. Due to such drawbacks, the labor unions are currently in pursuance of different and unique strategies to revitalize their strategies. The unions have however begun applying strategies such as diversification of their membership options to allow the employees to acquaint themselves with the labor union at a low fee. Also, the government, business enterprises, and the labor unions have established new mechanisms to respond to the changes.

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