

# In the dark on new agreements



**Phil Teece**

Manager,  
personnel &  
industrial relations

Australian Workplace Agreements (AWAs) are among the most important industrial relations changes of the past twenty years. Yet information on them is disturbingly scarce. Introduced by the *Workplace Relations Act 1996*, AWAs bring individual employment contracts into the formal Australian industrial system for the first time.

ALIA's information booklet, *Making Australian workplace agreements*, explains them and sets out the precise process for negotiating them. It is free to all ALIA members. Some will probably be involved in making AWAs soon. Others may be subject to them already. But we do not know. AWAs are largely 'secret' documents.

The legislation makes it an offence for any third person to divulge the parties to an AWA. And the Office of the Employment Advocate, which approves them, is barred from revealing any detail which might identify the people making them. This has resulted in not only the names of the parties, but also the conditions negotiated, being largely unknown. None of the AWAs completed to date is formally available for scrutiny by anybody, including those academics and researchers who would normally play a leading role in monitoring and analysing the emerging effects of an important new piece of employment law. Even a Senate committee was recently unable to acquire the information it needed to make any sort of judgement about what impact AWAs are having across Australian industry.

This can only encourage rumour, scare-mongering and uncertainty. It may well be that AWAs will be used in entirely positive ways to introduce new workplace arrangements which are quite satisfactory to both employers and employees. If so, what is wrong with demonstrating that fact by revealing the documents' contents without naming the parties to them? This would more than meet legal requirements. At the same time, the community would be able to assess just what is resulting from an important new approach to setting conditions at work.

There is already more than enough uncertainty and insecurity in Australian workplaces. It threatens to defeat even the most well-meaning efforts of government and industry to lift productivity and improve performance. Some is perhaps unavoidable in such rapidly-changing times. But much of it is not necessary. And the murky waters presently lapping around AWAs can only help opponents wanting to paint a bleak picture.

Insecurity is not just a matter for employees to worry about either. It is clearly a factor in Australia's delayed economic recovery. And, though perhaps less obviously, it is impeding moves to modernise workplaces and working arrangements.

For those who doubt the extent to which security is declining in Australian workplaces, the OECD's *1997 Employment Outlook* should be illuminating. Several explanations stand out strongly. Across all OECD countries average time spent with the same employer is 9.8 years. The shortest average tenure of any country is in Australia, at 6.4 years. For all OECD countries, forty-four per cent of employees have been with their current employer for less than five years. The country with the highest proportion is Australia where sixty per cent of workers have been with their present employer for less than five years. When job tenure is disaggregated by age, gender, occupation, education and industry location, Australia has the lowest levels of security among all OECD nations, in all categories. Not surprisingly, OECD retention-rate projections for the next five years suggest Australia will have the least stable workplaces of all countries surveyed.

At the same time Australia has one of the developed world's most casualised workforces. And we have the highest labour turnover rate of any country except Spain. More than a quarter of jobs are part-time and half of all Australian workers are in non-standard employment. In other words, they do not occupy traditional five-day, full-time, standard-hours positions.

Compared to the relatively benign working environment which most Australians experienced only a few short years ago, this is upheaval of huge dimensions. Arguably, it is too big a mouthful for anyone to swallow easily. So much so that knee-jerk opposition to all change, though undesirable, is very understandable. And when so little effort is made to alleviate uncertainty as a critical element in change management, negative reactions become inevitable.

These are precisely the circumstances which produced immense social disorder in the industrial revolution, almost two hundred years ago. Then, as now, the issue should have been not *whether* industry, technology and society as a whole should change, but rather whether it should do so without the slightest consideration for the *effects* on ordinary people.

At present there is little indication that Australia sees the risks involved in repeating the same mistakes. As one of the world's better iconoclasts, John Ralston Saul, has put it: 'why are we so eager to revive the crises of the industrial revolution (when) we are only just beginning to come out of the profound divisions it created?' Why indeed. Farmers have known for centuries that good milk comes from happy cows. Perhaps it is time for our policy-makers and executives to take a lesson from them. ■