

What's a job?

Ken Phillips

RUDE BY ANY NAME

At a recent industrial relations conference in Melbourne, a high profile national union leader turned vitriol into an art form against the business leaders he was allegedly debating. As far as he was concerned, he won the debate because he cowered the other parties into quiet submission.

What was most interesting was the way he hurled abuse, then cracked a joke treating the employer representatives as if they were friends and the verbal abuse was just banter between mates.

It was a display of the psychology that permeates the industrial relations scene in Australia. At its ugliest, the process is a milder version of the psychology of domination operating when a parent hits their child and then gives it an affectionate hug. It's a process that's designed to deliver control to the abuser, by inducing psychological confusion in the abused, where love and violence are joined.

This is mostly how the union movement conducts its own affairs. The abuse process is the dominant behavioural pattern inside its own organisations. This is translated to its external relationships, but normally with higher levels of sophistication. The pattern of behaviour goes like this.

Senior union officials tour the boardrooms of Australia telling seriously connected executives that, together, they can run Australia's businesses. Commonly, the executives and union officials share board seats on superannuation funds and government

industry advisory committees. They network in a rarefied atmosphere of privileged access.

These networks are often critical for businesses trying to secure government approval for major projects, or for encouraging governments to spend up on infrastructure from which businesses become commercial beneficiaries. This is particularly the case at the level of the states.

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gotiations in any particular large business, a set piece of theatre is played out. Unions will make disparaging remarks about the business and its leaders, designed to let the union 'troops' know that hard negotiations are under way. On the surface, negotiations may appear to be difficult. Junior union officials and company managers may be engaged in protracted discussions over minuscule items that drag on for ages. But when all seems lost, a common-sense break-through occurs when the senior executives and senior union officials meet and come to a settlement.

In fact, the process is nothing more than a set piece drama in which everyone is supposed to know and adhere to their roles. The union officials publicly malign businesses and executives with a wink and a grin, indicating to the executives that, 'you understand it's all a game'. The executives stay firmly polite and professional and rarely respond. For the executives, awareness of the value of the relationship between government and union overrides their concern about abusive actions of the union.

It doesn't always work like this and sometimes goes astray for the unions. Some companies—and even industry sectors—buck the process. But mostly it works at the big end of town and is an important dynamic of the indus-

trial relations system. Some industry associations and leaders see their main role as facilitating and managing these relationships.

But the problem is that the game lacks a focus on business performance. Everything is about cutting a deal and moving on to the next deal. Many executives have looked after their own careers, all the while knowing that the businesses they direct have huge performance problems as a result of

industrial relations deals. But as long as competitors have similar deals and the underperformance in their own business is not publicly exposed, the process can continue.

Unfortunately, this behaviour is what induces an endemic incapacity to keep up with the rate of performance increases demanded by global competition. Australian manufacturing is particularly afflicted; so too is the construction sector.

It's hard to change this situation. The psychological processes and behaviours are deep-seated and passed on from executive to executive and union official to official. Changes to industrial relations legislation affect the process, but don't change its core.

What's critical to the continuation of the system is the processes by which governments hands out tenders and approvals for projects.

In this respect, the Federal Government's new tender approval process for the construction industry is significant. Effectively, the new process bans government tender letting to any business that signs prohibited industrial agreements. This is likely to change union-business relationships. In fact it's already affecting the construction industry.

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REVIEW

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