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## BOOK REVIEWS

David Peetz, *Brave New Workplace: How individual contracts are changing our jobs*. Sydney: Allen and Unwin, 2006. 262 pages.

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David Peetz's important new book, *Brave New Workplace*, explores the spectacular disintegration of the Australian labour movement within the context of the individualisation of work and community life that is occurring throughout developed societies. Given that union density in Australia declined from 50% in 1985 to 28% in 1995 and today is 22%, we cannot call decline merely a crisis, or argue that Australia's decline is simply part of an international pattern. Within the international turn (in developed countries) to casual employment and employer deregulation, the disintegration of the power of Australia's long-established, self-confidently effective labour movement, stands out horribly. Peetz is Australia's pre-eminent labour-friendly industrial relations academic and this new book is of exceptional value to the movement as well as to academics and policy makers.

The book is structured around three themes, which are interwoven throughout. The first theme charts and analyses the individualisation of work and employment spreading through developed capitalist societies, focusing on managerial strategies in a 'them and us' perspective. In Australia, individualisation is a rapidly spreading misery, transforming individual and collective life on all levels. Peetz focuses particularly on the decade-long State and corporate push to substitute individual contracts of employment for collective regulation. Turning workers into small businesses who contract out their own labour has not been without a struggle, and the book is filled with examples of corporate attempts and worker response. Many if not most of the examples are drawn from the resources sector.

The second theme focuses on the unique Australian arbitration system, charting its crystallisation at the beginning of the 20th century and disintegration in the 1990s.

The third strand in this book is the site of hope. In addressing the failure of what he calls 'arbitral unionism', Peetz looks first at the ways in which Australian labour has failed to 'embed' itself in workers' lives, communities and workplaces. Then he moves to discuss the promise of community unionism, drawing on international practice and Australian examples. Here, the focus is surprisingly American. More on this later.

In one sense, this triptych formulation is familiar: first, explanation of 'their' power, then, exploration of 'our' failures, third, a review of our hopeful

strategies for rebirth. But in another sense, the tryptich offers unexpected insights for Canadians.

The Australian labour regime is, as Peetz notes, unique. From the beginning of the 20th century, labour-capital relations have been governed by an arbitration system, rather than collective bargaining. Tribunals, or Industrial Relations Commissions, set wages and standards via test cases, and established 'Awards'. The results of the test case brought by a strong union then flowed on to the entire labour force. Workers became members of unions passively, or were covered by union-won conditions without joining. Organising, in the sense of recruiting new members as infill in unionised workplaces, occurred quasi-automatically, or it might not occur at all. With the exception of some key blue collar industries and a few of the licensed professions, no priority was given to penetrating 'greenfield' worksites. In other words, for a century, Australian workers were governed by a highly regulated system in which unions petitioned the State to set terms of employment, and gained their members through the process. Neither organising, nor the involvement of the rank and file, were necessary to this sanitised process in most industries.

By the early 1990s, the Australian Labor Party, entering its fourth term in national office, and the peak union body, the Australian Council of Trade Unions, collaborated to reconstruct the labour regime to move towards collective bargaining, weakening the Industrial Relations Commissions and pattern bargaining. When the hard-right Coalition led by the Liberal Party won office in 1996, it continued the push towards 'enterprise' (workplace collective bargaining), but foregrounded individual contracts of employment rather than collective bargaining. When the same Howard government was re-elected for its fourth term in 2004, and took control of both Houses of Parliament in mid-2005, it brought in WorkChoices, a reform bill to eliminate the presence of unions from the workplace. Peetz does not, I believe, stress sufficiently the line of continuity in decentralising the labour regime, from the ALP in office (1983-1996) through the Howard government (1996 - Present), from arbitration to decentralised collective bargaining to individual contracts. While the book's statistics and analysis are compelling and elegant in demonstrating the correlation between decline in union membership and decline of collective bargaining, I could have wished that it explored more fully the significance of the exceptionally rapid breakdown of full-time employment in the 1980s and growth of precarious employment, under Labor governments, for the labour movement, workplace citizenship and the arbitration system.

In 2005 the Howard government enacted a further Workplace Reform Act. WorkChoices came into effect in March 2006. By everyone's analysis, WorkChoices has wrought a revolution in work, employment and labour relations. The behemoth legislation, called a 'simplification' of employment systems, is more than 800 pages long, with an additional 500 pages in

explanation. There are now six different employment regimes which govern workers. These can cover only five basic conditions: minimum wages; annual leave of four weeks per year; sick/carers' leave of ten days per year; the 38 hour workweek; unpaid parental leave of 52 months. But of the 4 weeks annual leave, 2 can be cashed out. The 38 hour work week can be averaged out over an unspecified period of time, allowing overtime to go up in smoke.

Unfair dismissal protection no longer exists in companies with less than 100 workers. For those with more than 100, 'operational reasons' can be invoked to dismiss workers, with no definition offered.

Even in a unionised workplace, an employer can offer a union member an individual contract (AWA), and can fire her if she refuses to sign it. In Greenfield sites (and these can be creatively defined), the employer can unilaterally write the Employer Greenfield Agreement, setting all conditions for up to five years.

All strikes are now unprotected unless given sanction by the tribunal. It is also illegal for a union to propose to an employer – verbally or in writing – that he negotiate training; or contracting out; or unfair dismissal. The fine is \$33,000 each time any one issue is raised in any way at all.

Is this really individualisation? Peetz asks. In reality, most Australian Workplace Agreements (AWAs) are standard documents, the same for all workers in a workplace. But signing them does individualise workers, and does fulfill their principal goal: to destroy the union in the workplace, and the sense of collective identity that union bargaining creates and maintains.

The third theme in *Brave New Workplace* is hope and resistance. Peetz develops this theme from the starting point of 'the eventual failure of arbitral unionism'. His list of the 'long-term negative effects' include compulsory membership, complacency, lack of rank and file participation, inter-union raiding, lack of concern with organising. Unions would, he argues, 'solve' a member's issue for the member, rather than engaging him in the solution. This is labelled a 'transactional' relationship between the union and its members. And, the author argues, it worked as long as arbitration dominated, but when it was weakened, the lack of involvement of members in the life of the union made it easy for the employer to brand the union an interloper.

But is this very different from the situation in which business unionism finds itself in a collective bargaining regime? These criticisms about the passivity of the union bureaucracy sound very familiar to Canadian trade unionists. They are not, I think, specific to arbitral labour regimes.

For Peetz, the 'transactional' union is a servicing union. He enters into the problematic romanticism of the American organising model:

(t)he differences between organising approaches and servicing approaches are fundamental. Under a servicing approach, workers have a transactional

relationship with the union; under an organising approach, workers identify with the union—they genuinely feel that they ‘own’ the union and indeed they are the union. Under a servicing approach, paid officials tell members how the union office will solve their problems—members thus blame the union when it does not get results. Under an organising approach, members decide the issues and problems that matter to them, work together and with the union office to solve them: they own the problems... (165).

Two questions emerge from Peetz’ espousal of the organising model. First, is servicing what the arbitration era unions actually did? Second, what would a fully ‘organising’ union look like, and would it be what workers need, now?

In Australia as in the U.S., but not in Canada, it has been quite common to oppose organising to servicing (Lerner 1996). Servicing has come to be seen as make-work that desk-bound porkchoppers protect themselves with in order to do as little work as possible. Servicing equals carrying out bureaucratic tasks, focusing on the minutiae of grievances and arbitration that have bogged down trade unionism in a welter of institutional ticky-tacky. Servicing stands in the way of organising, and has come to symbolise the do-nothing unionism of the 1970s and 1980s, and the arbitration era in Australia. Among the new Australian organisers, it is seen in just the way the American transformers see it: a sheltered workshop created and protected by the Industrial Relations Commission in the pre union -amalgamation and pre-collective bargaining days.

But this is the era of precarious employment, and living precariously. In Australia the breakdown of employment security has eroded employment in the core industries like mining and telecommunications, construction and education as well as banking. As employers proliferate the forms of employment tenure, and workers with the same demographic and skill profile are paid differently, have differing degrees of security, and may be pitted against each other while working side by side, they have urgent need for servicing protection by their union, and often need help with an individual problem that is not shared with the collectivity. Responding to members’ needs—collective and individual-- is what unions are all about. Far from being a shabby, bureaucratic task, servicing has now become a precious and essential way for a union to connect with its anxious and threatened members. The Telstra union in Australia has pioneered in keeping these links going, even after its installer-members were forced into redefining themselves as small businessmen.

In fact, organising and servicing are the two faces of what every union needs to do and do well. Listen to Teresa Conrow, who has taught the Organising Model in Canada and Australia:

There is often a false separation between servicing and organizing. We are frequently led to believe that we must either service our membership or organize

them, because we cannot do both. It's an odd distinction. One cannot be done without the other (1991).

Peetz (166):

It does not mean that unions opt out of providing services to their members altogether. Organising unions engage in a combination of organising and servicing activities. Under arbitral unionism, unions had over-emphasised the servicing activities.

The U.S. organising model, which has been very influential among those Australian unions who are turning to organising, proposes to do far less servicing, and to train members rather than skilled union staff, to do whatever servicing remains to be done. What price will Australian unions pay for the turn away from servicing, if they pursue this approach?

When *Brave New Workplace* looks for the way forward, it proposes a triangulated strategy:

- Reform the corporation to give workers greater voice.
- Change the role of government so as to enshrine citizenship in the workplace.
- Develop community unionism.

For Peetz, the primary goal of resistance, and reformulation of life in late capitalist society, is not to renew trade unions. Rather it is to rebuild collective identity, and a sense of citizenship and ownership in the workplace, the community, the State. In other words, to rebuild community.

Facing down the corporate-state alliance, and identifying corporations as prime definers of the new alienation, Peetz returns to a very pure Marxist formulation of the political relationship between capital and the state. But when he turns to 'how is it to be done?', he looks towards the American community organising theorists like Saul Alinsky. For Peetz, all union organising needs to be community unionism, and his dissection of the Pilbara mining experience in forging links among the five formerly competing unions, and between unions and community organisations, is fascinating.

Community unionism comes in many forms, and elsewhere I have identified a spectrum of practice (Lipsig-Mumme, 2003, 2004). At one pole is instrumental community unionism: the union asks the community for support on an issue it is fighting. This is transient, and issue specific. For example, a teachers' strike. At the other pole, community unionism creates a hybrid organisation, developed out of the structural fusion of union and community groups, because their long-term collaborative work has led them to become a hybrid organisation, part community and part union. In between the two poles

are intermediary forms of collaboration. For example, when community organisations and union(s) identify together a large issue that is of importance to them, they may work together over a long period to make fundamental changes, but remain discrete organisational entities. For example, a struggle to stop a mill from closing. Or a struggle to re-invigorate downtown business in a rural community.

In his focus on the transformative possibilities of community unionism, Peetz acknowledges that it has not yet caught on much in Australia and New Zealand. Nor has it, durably, in most developed countries. And where it has, it has been in the face of community-based catastrophic threat.

For community unionism to become more than a wistful ideal, I think we need to add a dimension to its spectrum of practices. In fact, community unionism needs to add a new goal: the creation of new communities of work for the exploded working class of the individualised economy. In other words, to bring the workplace citizenship focus back into community unionism (Lipsig-Mumme 2007).

By stirring us to consider these issues, David Peetz' *Brave New Workplace* raises a range of challenging questions for Canadians, as well.

## REFERENCES

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