

# Australian Industrial Relations through Covid19/Les relations industrielles au travers de la COVID-19 en Australie

Stéphane Le Queux (James Cook University & Département des relations industrielles, Université Laval) et David Peetz (FASSA, Griffith University)

**58e Congrès annuel de l'Association canadienne des relations industrielles (ACRI)**

**Le travail et l'emploi en temps de crise: quels impacts, quelle gestion et quelles voies de sortie?**

**Session : La crise liée à la pandémie, une opportunité pour changer de modèle de développement de l'emploi? (28 Mai 2021)**



# BACKGROUND PAPER



- **Australie .La question du contrat social en collatéral de la crise sanitaire : « All in this together » ?** Stéphane LE QUEUX et David PEETZ
- <http://www.ires.fr/index.php/publications/chronique-internationale-de-l-ires/item/6288-australie-la-question-du-contrat-social-en-collateral-de-la-crise-sanitaire-all-in-this-together>
- Chronique Internationale de l'IRES No172, 2020, p.71-81.

# Abstract

---

- The public **health effects** of COVID-19 were **less severe** in Australia than elsewhere.
- Successful containment of the pandemic made an **early recovery** more feasible, though the impact on the economy and jobs, was initially considerable and **uneven**.
- A **wage subsidy** was introduced in response to pressure from social partners, and a form of **social dialogue** was surprisingly encouraged by the Liberal-National Coalition to facilitate an industrial relations reform program.
- However, such dialogue seemed **difficult to sustain** in light of the other aspects of its agenda.
- The so-called “**Omnibus Bill**” proposed the Government late 2020 still under discussion at time of publication was **opposed** by trade unions in a “*Stop the Bus!*” campaign.
- We presented the major points of contention with an emphasis on the notion of *status* of employment, noting that the Bill lay the ground for employers to **enshrine “permanent casual”** modes of employment relationship.
- Contractual (“bogus” or “sham”) and casual forms of employment have become an **important feature** of the Australian labour market and this in turn has important consequences in terms of working conditions, benefits and rights, the nature of collective coverage and access to collective representation.

- **The COVID-19 pandemic led to sharp deterioration in the Australian economy and the labour market, though not as severely as first anticipated, principally due to an expensive wage subsidy ('JobKeeper') introduced early in the pandemic, and fiscal stimulus.**
- **Quarterly growth in gross domestic product (GDP) went from +0.4% in December quarter 2019 to -7.0% in June quarter 2020.**
  - **but grew by 3.4% and 3.1% in September and December quarters of 2020.**
- **Unemployment rose from 5.2% in March 2020 to peak at 7.5% in July 2020**
  - **then fell to 6.3% by January 2021**
- **Employment fell by 872,000 or 6.7% over two months to May 2020,**
  - **then grew by 448,000 from July 2020 to January 2021**
- **Underemployment rose from 9.3% to 14.1%.**
  - **then fell to 8.7%.**
- **The biggest problem is continuing low wages growth (Kohler, 2021).**

Last economic data confirms the trends towards recovery

- **Key statistics** (Released 3/03/2021)
- The Australian economy rose 3.1% in seasonally adjusted chain volume measures
- Through the year GDP fell 1.1%
- The terms of trade rose 4.7% (iron ore)
- Household saving ratio decreased to 12.0% from 18.7%
- <https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-national-income-expenditure-and-product/dec-2020#economic-overview>

# Labour Force, Australia - Key statistics

---

## Reference period April 2021 / Released 20/05/2021 Seasonally adjusted

	Mar-21	Apr-21	Monthly change	Monthly change (%)	Yearly change	Yearly change (%)
<b>Employed people</b>	13,071,000	13,040,400	-30,600	-0.2%	637,900	5.1%
<b>Unemployed people</b>	789,900	756,200	-33,600	-4.3%	-89,100	-10.5%
<b>Unemployment rate</b>	5.7%	5.5%	-0.2 pts	na	-0.9 pts	na
<b>Underemployment rate</b>	8.0%	7.8%	-0.2 pts	na	-5.9 pts	na
<b>Participation rate</b>	66.3%	66.0%	-0.3 pts	na	2.4 pts	na
<b>Monthly hours worked in all jobs</b>	1,806 million	1,793 million	-13 million	-0.7%	200 million	12.5%

The headline unemployment figure, sitting at 5.5 per cent ...does not capture the reality of working life for millions of Australians unable to find enough work to support themselves or their families, or trapped in insecure, unreliable employment.

More than 1 million people are underemployed, unable to find enough work.

The Morrison Government has been exclusively referring to the unemployment data as evidence that the economic recovery is being shared by working people, but this figure hides the impact of underemployment and insecure work, both of which are systemic issues.

<https://www.actu.org.au/actu-media/media-releases/2021/more-than-one-million-australians-desperate-for-more-hours-and-reliable-incomes>

# An Uncharacteristic Move towards Social Dialogue Failed

- On 26 May 2020, the Prime Minister Scott Morrison announced the Australian Government's 'JobMaker' plan in [an address at the National Press Club- external site](#). Part of this plan was to explore reforms to the industrial relations system to regrow jobs lost in the COVID-19 pandemic.

The Attorney-General chaired five working groups made up of employee, employer and industry representatives. The working groups covered the following areas where the Government considered there were known problems in the industrial relations system and where, it was claimed, there was the greatest opportunity for job creation:

1. **Casuals and fixed term employees**
2. **Award Simplification**
3. **Enterprise Agreements**
4. **Greenfields Agreements**
5. **Compliance and Enforcement**

<https://www.ag.gov.au/industrial-relations/industrial-relations-reform>



The Bill implementing the government's agendas on these issues largely failed.

The 2<sup>nd</sup>, 3<sup>rd</sup> & 4<sup>th</sup> agendas were dropped, after opposition from unions and others led to the provisions being rejected in the Senate.

The 5<sup>th</sup> agenda (the only one favouring workers) was withdrawn by the government (a 'dummy spit') after the other items were rejected.

Only part of the 1<sup>st</sup> item (casuals) remained, overturning two Federal Court decisions that favoured casual employees. It was the immediate motivator for employer groups in pushing for the Bill in the first place.

# BUT

1. Casuals and fixed term employees (*i.e. reducing rights of casual workers*)
2. Award Simplification (*i.e. reducing minimum standards*)
3. Enterprise Agreements (*i.e. permitting sub-standard agreements*)
4. Greenfields Agreements (*i.e. allowing 8-year strike-free periods*)
5. Compliance and Enforcement (*i.e. increasing penalties on wage theft*)

<https://www.ag.gov.au/industrial-relations/industrial-relations-reform>

# JOBKEEPER & JOBSEEKER: SLASHED TOO EARLY?

- A Recovery **budget**: the Government “has discovered the money tree”

It's "less hard hats, more soft hearts, as the budget pivots to women and the care sector".

“Many will say it's not enough for aged care, and not enough for women, who were the biggest victims of the COVID recession in its early months. But it's a lot more than we might have expected...”

- See: *The Conversation* Australia (M. Grattan, 11/05/2021)



“To the extent that it diverted attention from elsewhere, the focus on industrial relations reform as the vehicle for recovery probably reduced, rather than increased, economic growth and recovery.”

David Peetz,  
forthcoming in *The Economic and Labour Relations Review*.

# BACK TO NORMAL IN THE 'NEW NORMAL'?

- BACK TO UNION BASHING?
- BACK TO CAMPAIGNING ABOUT WAGES: AUSTRALIA NEEDS A PAY RISE...



- ANY PROSPECT FOR MULTI-LEVEL BARGAINING?
- REKINDLING AUSTRALIA: WHERE IS THE FAIR GO 'GONE'?