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Unions and the Battle for Survival Part One

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Unions love to Battle, who or what they battle is not important; it is the *act* of Battle they live for.

When Howard introduced Work Choices he sparked the union movement to life.

Work Choices invigorated the Union movement; it saved them from their slow but steady decline into irrelevance.

Under Work Choices, suddenly union officials had a job to do; they had to save Australian workers from losing out under AWA's. They did their job well; a lot of community good will was gathered. Thanks to Work Choices, suddenly Unions became necessary again.

Work Choices united all of the Unions; they had a common enemy to fight. They pooled resources and became a cohesive force. Unified, they sang out to Australia in one voice. The community responded to their cry and the rest is history.

You must remember, Union Officials thrive on hardship; struggling against a barrier is their chosen activity, hating is their natural state. Conflict is their drug of choice.

That is why, despite being handed the most Union friendly laws possible in modern times you see them still complaining; still demanding; still flailing against the Government. Take from you with one hand and punch you in the face with the other. That is the Union way.

But don't let their bitter complaints fool you; as far as the Battle for Survival goes...right now, Unions could not be happier.

The emotions that most normal people deplore and avoid are the ones Union Officials are drawn to. Just look at that the human smudge of misery that currently fronts the ACTU. Who would ever think there could be so much happiness to be gained from being so bitterly unhappy? That is why, despite having all they need and more, Unions are right now planning their campaign to push for more from the Government should they win the next election.

So, at the moment, despite what you may hear to the contrary, unions have never had it better.

Right now, unionism is thriving; like bad 80's fashion, suddenly it's back and we are all expected to wear it.

In the last few years Unions have shed many of their previous activities; this means they are now positioned to focus on the core activity; growth.

Once upon a time union officials were the Industrial Police. They enforced compliance with Awards and collected back pay for workers.

At least 50% of the time, Officials dealt with individual grievances by members, on issues of employer non compliance. Officials conducted time and wages inspections, put together the case for recovery of wages and negotiated with the employer for recovery. A lot of time and effort went into helping one person, who was usually on their way out of the workplace and as such about to resign their membership anyway.

Unions don't have to waste time with this sort of activity any more; the Fair Work Ombudsman does it for them. The Ombudsman's staffs include of ex police, military or forensically inclined ex union officials. They are diligent, thorough and their methods ensure employers comply with industrial instruments. Employees can instigate an investigation anonymously with the click of a mouse on a website. An enormous amount of money is being collected by the Ombudsman and Employers are rightly terrified of them.

Many Unions have outsourced the activity of unfair dismissals and related applications on behalf of individuals to law firms. Again, this is activity that is time intensive and benefits only one person who has exited the workplace.

Once upon a time Union Officials were expected to recruit new members for the union every week.

Recruitment of new members is now often being outsourced. Last month on the 7.30 report I revealed information about a new specialist recruitment firm, Work Partners. Work Partners are hired guns for sale; they recruit for any Union for a fee per member signed up. \$550 per person recruited is the fee charged. Work Partners hire sales teams to hit workplaces and sign up workers to the union. They are incredibly successful and Union's all over Australia are using their services.

It is alarming that Work Partners sales teams are walking unchallenged into workplaces and recruiting members for Unions. These people are not Union Officials and are being allowed right of entry to workplaces by uninformed managers who can't even follow basic right of entry checks.

Work Partners say they are signing up 1000 members a week for their client Unions. Based on the information I have I doubt that this is an exaggeration.

So, think about it, without having to help workers out with wages recovery, unfair dismissals or recruitment of new members, what is a Union Official left to do?

There is only one thing left to do, Conduct Collective Bargaining activity; the core activity exalted in the new Fair Work Act.

Collective Bargaining is the Union Movement's chief weapon in their Battle for Survival. Through a Collective Bargaining Agreement, a Union controls a business.

A Collective Agreement has the potential to weave the Union into the very fabric of the workplace; it can mesh the company and the union organisation together to form one body, one corporation. A Union friendly Collective Agreement makes it so that to rip the union out of the company is to rip the workplace in two.

For an example, let's look briefly to the Construction Industry. Collective Agreements make the Union a part of the training requirements, the hiring process and the induction and safety programs. Membership dues are paid by the employer straight to the Union on behalf of the employees. The Agreement mandates the employer put Superannuation money into the Union Super Fund, the same Fund the employer borrows from when raising capital for new projects. Of course these new projects need Collective Agreements and the projects only employ Union members, which is easy because the employer pay the union dues anyway. Employers contribute to training organisations run by the Union which issue qualifications to the workers employed by the Employer on the projects funded by the Union Super Funds. Building Employment Revolution monies flow like rivers of Gold to companies with Union Collective Agreements.

Collective Bargaining is the Union Movement's key to Survival.

If we consider the environment Unions are in now, we can look to several factors;

If we consider resources available to Unions, such as money and skills;

Pre Work Choices, when Unions were slowly fading into obscurity, many set up alternative income streams to keep them afloat. Unable to function on a shrinking income stream of reducing membership fees, Unions looked out to the world, they made investments, purchased businesses and property. They became entrepreneurial.

More recently, Unions have benefited from Government Grants for training and education. In addition, there has been a surge in membership fees.

As a result, most Unions are currently more financially comfortable than they have been for a long time.

A significant amount of funds is being invested in training of Union Officials. The ACTU training arm is well funded and well run. Budding Union Officials have access to traineeships and other learning programs domestically and internationally. Union bosses of the future are currently being fed through the educational conveyor belt; they commence their career as graduates of a new accredited course of 12 months duration, called 'Certificate 4 in Unionism'. They are taught sophisticated methods of leadership, marketing and the ability to control people.

The Union movement offers a good career path for many and consequently it now attracts a new breed of Union operatives. Committed ideologues, they are smart, capable and driven. For the uneducated there is an ALP seat and for the educated and academically inclined there are positions globally as international union bureaucrats.

Union Officials now have the *money the skills the good staff* to collectively Bargain.

If we consider legislation:

The new laws are very good for Unions when seen in context with the other factors I have mentioned and will mention. Collective Bargaining gives Unions incredible relevance and opportunity to get wins for workers. Collective Bargaining isn't the only way to get a pay rise, but with the way everybody is interpreting the legislation you would think that it was. And Unions aren't necessary for Collective Bargaining but the way everybody is acting you would think they were.

What is most disappointing about the Fair Work Act is not the Act itself but the business community's response to it. The general vibe is that Labor is in; therefore Unions are back in charge. There is nothing to be done about it. The only way to move forward is to give over and make Collective Agreements with Unions.

Union Officials now have the *legislative imperative* to collectively Bargain.

If we consider the enemy of Unions: Business:

Since the introduction of the Fair Work Act, Business has pretty much thrown in the towel.

Since the new legislation came into force, a plethora of firms have provided training on the legislation and unfortunately, they have focused on telling Business what they can't do instead of what they can do, or even better, on how to do it. All over the country, Human Resources people are lining up to have a big scary list of *don'ts* and *must nots* drummed into them. Name

an outcome you seek and a HRM will now parrot off a reason why you can't have it.

Broadly speaking, the Human Resources Management movement has constructed a giant web of complex rules that frighten and paralyse the average manager or business owner. Our business community sincerely believe that when it comes to managing workers, firing undesirables, communicating with their workforce and dealing with Unions they are pretty much not allowed to say or do anything they need to do. Want someone sacked? HR will tell you it can't be done. Want to get or keep the Union out of your business? HR will tell you it can't be done. Human Resources professionals have wrapped Business in a giant mass of red tape and conceitedly placed themselves as the politically correct guardians of the workplace in a do nothing capacity.

So in terms of the enemy in the battle for survival, Business is ill informed, overwhelmed with feelings of hopelessness, lacking in industrial savvy and hamstrung by their HRM populace.

Union Officials now have a weakened opposition.

If we consider the Government:

Unions think Rudd is a Dud and barely tolerate him but Unions hate, fear and love Gillard all at once. Most importantly though, they know they can beat her. I have no doubt Gillard underestimates the Union movement and will eventually be caught off guard by their methods. They will dominate her in due course; and of course, in the unlikely event that they can't, they will simply sack her.

But right now, Gillard has their back. She plays the role of a useful and comforting mother duck. When the Union's are naughty she tucks them under her wings and quacks soothing nonsense at the electorate. Her public fight with the Teachers Union is a magician's trick of distraction; we focus on the piffle of media skirmishes and we fail to notice the rolled gold assistance and protection all Union's are afforded.

Union Officials now have the Government they control.

If we consider our current environment:

If we think about how Unions are regarded in the community, things have moved in their favour. Unions have embraced new social marketing methods, their image is rehabilitated. Even the whinging mealy mouthed leader of the Teachers Union has significant community support at this moment.

Our society at the moment has warned to Unions, the swelling of the desire for the nanny state works for Unions. The idea *that nothing bad is allowed to happen to anyone and that if it does*

someone must be held to account suits unionism. Unions are positioning themselves as the nice guys who are there to look after you at work. Union recruitment methods that are being taught now are all about selling one simple idea, the idea that belonging to a collective is better than standing alone. Selling the services of Unions is now out and selling the *idea* of Unions is now in. This works because the idea of what a union is, is different for everyone, the vague idea of the collective tailors itself into the mind of the individual and becomes whatever the mind wants it to be.

In this new softly softly feely touchy you mustn't say anything to upset anyone age, Union Officials are poised to profit.

Whilst Unions made up the rules for the workplace they certainly don't follow them. Whilst Business complies with new HR principles and Managers remain paralysed with the fear of doing the wrong thing, Union Officials gad about doing and saying whatever they want. I must say Union Organisator's find it hysterically funny that they have got all of the managers they deal with tied up in knots whilst they rampage freely.

Certainly all Unions are different and vary immensely, there are the stodgy and slow Unions, the entrepreneurial and inventive Unions and the corporatized Unions; those blue collar Unions in blue chip companies.

Certainly, by far the best place a Union can exist is within a publicly listed organisation. Here they have a management culture willing to embrace symbiotic relationships with Unions. Such relationships deliver Unions access to vast amounts of shareholder money and an easy life for the Union Organisator.

All Unions now exist in a fertile environment that will allow them to grow.

To summarise the position of Unions in the Battle for Survival, they have the people, the time, the money, the Government is on their side and Business is a weak opponent. As things stand right now, it is quite clear the Unions can quite easily win the Battle for Survival.

So... note to business, the Unions are coming and your giant girly gaggle of HRM pansies won't save you.

Unions and the Battle for Survival

Part Two

It is of course, unthinkable to end this presentation on a negative and defeatist note.

Let me tell you the parable of two men, John and Bill, lost, unarmed and on foot on an African plain. They notice a Lion watching them. Panicking, Bill says, *how on earth will we survive, what on earth can we do?* John replies *I am going to run as fast as I can.* Bill cries *but John, you cannot possibly run faster than a Lion!* I don't have to Bill, says John; *I just have to run faster than YOU.*

Those businesses that want to survive and prosper simply need to make themselves harder to infiltrate and control than their competitors. Unions will always pick the easier targets.

Business needs to get stronger at resisting Union infiltration and control.

And how does a business make itself harder to infiltrate and control than their competitors?

Now, more than ever, Business needs assistance. They need to be taught what they *can* do and not what they can't do.

A training program for Business is desperately needed. Trade Union Training must be developed and offered in conjunction with a practical support program for Management. A training college has got to be established. The equivalent to a Cert 4 in Unionism must be offered to employers. Build it and they will come.

The HRM populace must be pushed back and told to stay out of the Industrial Relations discipline. We need to see the emergence of a group of managers and business owners who are capable in the methods of clever and practical Industrial Relations. Union power needs to be challenged and controlled.

Business must learn how to properly conduct Collective Bargaining; the core activity exalted in the new Fair Work Act.

A Collective Agreement is the sole product Union's can offer members and the means to which they gain power in a business. To deny a Union a foothold in your business, you must make a Collective Agreement directly with your workforce. Contrary to widely held opinion, a Collective Agreement gives you a virtual guarantee of a Union free workplace. And yes, making a Collective Agreement can be done quite easily without Union interference. Of course, you can only do it if you are taught correctly.

Business must learn how to use the new laws to their advantage.

Resisting and eroding Union presence is possible and relatively easy to achieve, when you have had the right training.

Eliminating the union from your Business can be achieved, providing you have had the correct schooling.

Knowledge is power and right now, Business needs some knowledge.

We now need to do something to help the Business Community help themselves. We must act so that Business is not the biggest loser in the Unions' Battle for Survival. We must organise ourselves to become organised. We must collectively act to form a collective for action. Today, I've made the case for the establishment of a training institute and now I put out the call for action. Is there anybody out there that agrees with me?

About the Author

Grace Collier is an Industrial Relations Management Consultant and Commentator.

Grace formed Industrial Relations Consulting (IRC) in 2003. IRC specializes in helping companies protect themselves from Union interference by building direct relationships with their employees.

Grace has been successfully making Collective Agreements without Union involvement and removing Unions from Australian Workplaces for almost a decade.