

Breakaway Unions: A Study of the Australian Entertainment Industry

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Abstract

Previous research reveals that failure to resolve intra-union conflict may lead to the emergence of breakaways. Drawing on evidence from the Australian entertainment industry, this study examines the more unusual case of an attempt to secede by elements of the leadership (rather than membership) from the Australian Theatrical and Amusement Employees Association. Following secession, the breakaway group merged with a different union. The paper argues that the country's system of industrial relations shaped the form of the breakaway and ultimately provided the legal vehicle for the disaffected group to split from its parent union. It further shows how union breakaways are not necessarily caused by union merger activity although it often appears that they are.

1. Introduction

Breakaways or secessions of groups of members from established trade unions to form their own independent organisations have been of considerable interest to scholars of trade unions since the work of Lerner (1961). Much of the research on breakaway unions that has followed Lerner has been theoretically located in studies of union democracy, oligarchy and internal dissension or factionalism. While breakaways are often seen as synonymous with union factions (for a discussion of factions see Seifert, 1984), it is argued that they are analytically distinct by virtue of the possibility that factions may be contained and expressly accommodated within a union's existing governance structures (Lipset *et al.*, 1956; Prindle,

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1988). It may perhaps be more accurate to depict intra-union conflict as a continuum of which breakaways is the most extreme form. Or, to state it another way, breakaways are unlikely to be caused by cosmetic differences between opposing groups.

While the motivations of and barriers to union breakaways have been well documented by previous research (see below), considerably less is known about the processes through which disaffected groups struggle to secede or the efforts of parent unions to contain the attempt to break away. The present research addresses this gap by drawing on case study material from the Australian entertainment sector. In the more unusual situation of a leader rather than member-led split, the Queensland branch of the federally-registered Australian Theatrical and Amusement Employees Association (ATAEA) seceded from its federal body in 1992. The case of the Queensland branch breakaway from the ATAEA has previously been documented from a legal perspective. Principally, this analysis focused upon a discussion of the judgments of the courts that were involved in eventually resolving the dispute (Mourell, 1995; 1996). In addition, writers from a mainstream industrial relations perspective have briefly outlined the secession (see Campling & Michelson, 1997: 227). However, little data was provided by these studies on the contributing factors and internal processes which led to the breakaway, or to the actions of the federal ATAEA leadership in trying to manage the dissension. This work provides the key point of departure for the paper; namely, that it will present an analysis of the processes of a leader, rather than member-initiated union breakaway.

Locating the paper within the distinctive Australian institutional and legal framework which governs union registration, the study utilises the framework of Hemingway (1978) to show how the federal ATAEA organisation and the secessionist branch attempted to achieve their respective goals by mobilising certain resources available to them. The main argument of the paper is twofold: first, that the institutional and legal context provided the basis for enacting the breakaway's intentions by shaping the *form* that the breakaway union took. The secession from the ATAEA was also set against a wider backdrop of pending merger activity involving the ATAEA and other entertainment and media unions. The upcoming merger acted as a catalyst for the branch to secede as it had experienced, for a number of years, a deteriorating relationship with their union's federal leadership. However, the breakaway branch immediately sought protection in a merger with a different union – the Australian Workers Union (AWU). This sequence of events brings us to the second part of the argument: while it appears that union mergers tend to precipitate union breakaway activity (see

Waddington, 1995: 38, 149), the reality in this case was that the primary explanatory factors for the breakaway were evident much earlier than the issue of merger.

The structure of the paper is as follows. The second section defines the concept of breakaway trade unions and reviews the extant literature on breakaway unions both in the Australian context and elsewhere. Here, the framework developed by Hemingway to explain how opposing sides attempt to achieve their objectives in a situation of intra-union conflict is discussed. The third section briefly describes the methodology while the empirical data is presented in the fourth, fifth and sixth sections of the paper. The fourth section documents some organisational characteristics of the ATAEA while the fifth section explores the motivations for the breakaway union. The bargaining processes used by the opposing groups are examined in the sixth section of the paper. The final section draws together the main findings and conclusions of the research.

2. Breakaway Trade Unionism

Some have defined a breakaway as occurring when 'an unregistered group of workers resign their membership from their officially recognised parent union, and pursue the right of representation and recognition through the registration process and negotiation with management' (Faulkner, 1984: 4). Perhaps this definition is unduly narrow in industrial relations as it assumes that groups of members may not secede from their parent union and attempt to survive in any other fashion. Unlike Faulkner this paper contends that a union breakaway may also occur when state branches split from their federal or parent body without the consent of the latter. Even though the imperative for breakaway survival may not be as pressing under such circumstances because of the retention of the organisation's state registration (see below), the action, nevertheless, conforms to the essence of a breakaway – an unapproved schism or separation from the parent union body. This approach appears consistent with Waddington in the United Kingdom who defines a breakaway as 'a section of a union which secedes to become an independent organisation without the sanction of the executive of the original union' (Waddington, 1995: 12).

In Australia, the internal affairs of unions have historically been subject to a high level of government regulation. State intervention, for example, has both encouraged trade unions and imposed a number of restraints on them (Sykes & Glasbeek, 1972; Yerbury, 1984). Union participation in the country's system of compulsory conciliation and arbitration has been

inextricably related to the process of registration. Due to constitutional limitations arbitral bodies and tribunals can only make decisions binding upon the specific groups in dispute. This has meant that many trade unions need to be able to operate in the state arbitration systems as well as the federal system and to reflect this, a number of unions have co-existing or dual registration. In one survey conducted within New South Wales it was found that sixty percent of unions were registered in both the state and federal jurisdictions (Plowman & Spooner, 1989: 110).

However, the necessity of co-existing registration for many unions reveals a potential problem when internal factional differences arise. The landmark *Moore v. Doyle* case in 1969 established that state-registered unions have a separate legal status or personality from their federal organisation although in practice they typically constitute branches of the federally-registered trade union (see *Moore v. Doyle* (1969) 15 *Federal Law Reports* 59). The case in question involved the Transport Workers Union and had the effect of driving a 'legal wedge' between the New South Wales branch and the federal organisation of the union (see Bray & Rimmer, 1987: 227-230). For the most part, unions appear quite comfortable living with these dual or co-existing personalities but they can serve as a latent channel for discontent (Cockburn & Yerbury, 1982: 63). This is because there may be differences in rules (for example, the rules governing eligibility of membership) between the federal and state bodies. The Australian institutional and legal framework can therefore be manipulated by opposing factions in cases of intra-union conflict (Kampf, 1986). Scope clearly exists for the emergence of breakaways which are shaped by *geographical* considerations. For example, a state branch may, in law, be insulated from intervention by its federal organisation to the extent of merging with another union despite opposition to this course of action from the rest of its union (see R.M. Martin, 1980: 37).

The implications of the *Moore v. Doyle* decision has been the subject of litigation between other unions' state branches and their federal organisations (see McClelland, 1991; McEvoy, 1988). It was under the legal precedent established by *Moore v. Doyle* that the Queensland branch of the ATAEA also sought to secede. The shaping and subsequent resolution of intra-union tensions through the technical problems which arise in the administration of co-existing union registration has been further influenced by another feature of the Australian industrial relations system. The ability of groups of workers to secede from their unions and form their own employee organisations has, until very recently, been very difficult although not impossible to achieve (see Blain, 1984; Gardner & Palmer, 1997:

109-110). This difficulty has been exacerbated by the 'conveniently belong' rule, first introduced in 1909, which stipulated, with few exceptions, that an application for federal registration of a union shall only be granted if there is no organisation already registered to which the group of members applying for registration might 'conveniently belong'. The general effect of this rule, among others, is that it has offered protection and security to existing organisations and militated against the development of breakaways along lines other than by the possibilities evident under co-existing registration.

The system of registration further suggests that workers are 'unlikely to be able to exercise a choice between unions, thereby guaranteeing registered unions a core membership and an associated revenue flow' (Teicher, 1986: 149). Securing 'industrial legitimacy', therefore, is important if breakaway groups are to survive and prosper in Australia (Patmore, 1982: 45-46). Sometimes this may be influenced by employer reactions to the proposed breakaway. Previous studies have noted that breakaways which enjoy high levels of bargaining power are likely to experience a greater propensity for survival due to their ability to leverage recognition and concessions from employers (see Blain, 1984).

Having examined the Australian institutional and legal context, it is appropriate to briefly explore the wider breakaways literature. Previous empirical research has identified a number of issues which promote the emergence of breakaways. The literature is replete with such examples. In the United Kingdom, the Union of Democratic Mineworkers was formed after it split from the National Union of Mineworkers during the Miners' Strike of 1984-5 because it opposed the union's strike position (Adeney & Lloyd, 1986: 258). In a further case, the dismissal of a National Union of Journalists general secretary by the union's executive committee precipitated a breakaway in 1992 known as the British Association of Journalists (Gall, 1992: 11). In Australia, discontent over delays to establish an award and antipathy towards strike action were factors which contributed to the emergence of a secessionist group in the railways (Patmore, 1982). Finally, it has been claimed by the organisers of a breakaway union of shearers and rural workers that this action was the result of dissatisfaction with a recent merger involving their federal body. It was felt that a separate occupational union of pastoral workers would be better placed to achieve their industrial objectives than an organisation with a broad rural and manufacturing industry focus (Hearn & Knowles, 1996: 321).

This last example reveals a key issue – the ostensible nexus between union merger and breakaway activity. While it has been posited that there

is not necessarily any link between union size and breakaways (Allen, 1957: 58), the available empirical evidence would tend to suggest otherwise (see Waddington, 1995). That is, the propensity for union breakaways seems to increase following union merger activity. The issue of membership and even leadership satisfaction with a union merger is therefore a significant one because of the potential implications that might arise from this for breakaways. For instance, while mergers do not necessarily result in the disappearance of various sectional groups (Teicher, 1986), a merger may increase the risk that certain sectional interests are not met (Bright, 1981). Pressures for breakaways tend to increase in the context of greater membership heterogeneity and a centralised post-merger union structure (Lerner, 1961; Waddington, 1995). This suggests that a more bureaucratic structure may, if not managed carefully, be a side-effect of union mergers thereby leading to an attenuation of membership involvement in union affairs.

It has been claimed that while union leaders typically take note of overt opposition to their policies from the rank-and-file, particularly if the disgruntled members threaten to or actually leave the union, the threshold that such opposition must reach before the union's leaders will react and the type of action required from the leadership remains open to debate (Jackson, 1991: 23). Against this backdrop, the current study adopts the analytical framework of Hemingway (1978) in the United Kingdom to examine the process of a union breakaway. Such action, Hemingway believes, stems principally from differences in the 'situational logic' – a term which refers to the subjective interpretation of an issue held by those at different levels in the union. Specifically, the framework proposes a model of trade union government based on bargaining to resolve intra-union conflict. It posits that when disputation occurs, the parties will mobilise certain resources or tactics to secure the compliance of the opposition, the outcome to the conflict demonstrating the balance of control by the parties. It assumes the adoption of a wide variety of resources or tactics are a necessary part of effective trade union government and democratic processes and, at least at the outset of the conflict, that the opposing parties seek to achieve the totality of their objectives.

To operationalise the model, Hemingway contends that there are three types of resources available to disputing parties: institutional, alliance and action resources. Attempts at compliance begin with persuasion in the institutional domain. Institutional resources are derived from the formal machinery of union government and include the union's rule book or constitution, the ability to pass motions and resolutions condemning the

other party, and the use of the union's communications such as newsletters and bulletins. If persuasive strategies are not successful more manipulative strategies involving the utilisation of alliance resources are adopted. These include the forging of links with other unions, employers and public bodies to secure support for one's position. If these fail to achieve their objective a coercive strategy may be pursued. This involves the use of action resources which convey outright defiance towards the other party. It may, for example, include a refusal to accept constitutionally-valid decisions or the commencement of legal action against the opposition. The intention of coercive strategies is to allow the other party no choice but to co-operate; that is, it makes the consequences of non-compliance as unpleasant as possible (Hemingway, 1978: 11-22).

All resource types are potentially available in any conflict situation although it is hypothesised that 'a persuasive strategy using institutional resources will be most preferred, a coercive strategy using action resources least preferred, and between these falls manipulation within alliance resources' (Hemingway, 1978: 20). In other words, the model is premised on a hierarchical or evolutionary system as different sets of resources or tactics are adopted when lower-order resources fail to secure compliance from the other party. The different resources are therefore used to buttress each other and are not mutually exclusive.

Some trade union scholars have criticised the model as being unduly mechanistic in terms of the evolutionary process of bargaining, as well as failing to generalise on the circumstances in which intra-union conflicts both emerge and are resolved (see Martin, 1980: 132-133). Against the backdrop of these two criticisms, Martin implies that further understanding about why union conflicts progress through the available three strategies is required. The present study seeks to address this issue by testing the general proposition of Hemingway's model in a different institutional and legal setting. First, however, the following section will briefly outline the research methodology.

3. Methodology

The study adopted a single qualitative case-study methodology utilising interview data and various trade union records such as minutes of meetings and internal documents to capture the dynamic of the breakaway process. This research strategy was regarded as the most suitable to document and analyse the intra-union conflict because it would allow for a longitudinal examination of the processes to be located in their context. Case-study

research is a widely accepted methodology in the social sciences and a comprehensive argument has previously been made in support of such approaches (e.g. Hartley, 1994; Yin, 1989).

Tape-recorded interviews were conducted with both past and current senior full-time Australian Theatrical and Amusement Employees Association (ATAEA) officers between 1995 and 1997. The research participants included both national and regional officers and the largely semi-structured interviews generally took between one to two hours in duration. The Queensland branch breakaway from the ATAEA was selected for examination principally because studies had previously revealed the coercive use of action resources (for example, legal proceedings) to resolve the intra-union conflict (see Mourell, 1995; 1996). *Prima facie*, this suggests that, consistent with the hierarchical and cumulative nature of Hemingway's framework, the conflict covered the whole gamut of persuasive, manipulative and coercive strategies. The secession would, therefore, appear to provide a suitable illustration of the bargaining model of union government.

Given the sensitive nature of the breakaway issue, it was not possible to gain direct access to the Queensland branch nor to the AWU in the subsequent merger attempt between it and the breakaway branch. It would appear that this problem is confined not only to this study. Other researchers have acknowledged the problem of access to records and key informants in studies of breakaways (Hemingway, 1978: 26, 31-32; Juniper, 1994: 27-28). To ensure that the analysis of the breakaway presented as accurate a depiction of events as was feasible, documentary and interview evidence were carefully checked for inconsistencies.

4. The Australian Theatrical and Amusement Employees Association

Although there are indications that its origins date from 1896 as an employee organisation in the state of Victoria representing stage hands and limelight operators, the Australian Theatrical and Amusement Employees Association (ATAEA) was officially founded as a federal union in 1910 with initial coverage in areas such as theatre, amusements and cinema. Over time, the ATAEA assumed additional coverage over a diverse range of areas including racecourses and sportsgrounds, theme parks, television broadcasting, motion pictures and exhibition and performing arts centres. The union, therefore, was characterised by substantial membership heterogeneity. While the ATAEA has come to represent a wide range of occupations in the entertainment industry, a common thread which transcends this

diversity is that all its members were non-performers. In this regard, the union represented blue-collar workers, with the majority of its 13,700 members in 1991 (of which 10,300 were financial), concentrated in Victoria and New South Wales. Two-thirds of the union's membership were male (Internal ATAEA documents).

As noted, the range of sectors covered by the union was broad which meant that vast amounts of resources were required to service a scattered membership, most of whom had little in common. The interests of a full-time television technician, for example, were arguably quite different from those who worked as racecourse attendants (Interview with former ATAEA federal secretary, February 1995). Any attempt to foster greater unity amongst an already diverse membership was hampered by the union's structure. In the late 1980s the ATAEA operated a decentralised structure whereby each of the union's six state branches (New South Wales, Victoria, Queensland, South Australia, Western Australia and Tasmania) enjoyed a relatively autonomous existence and the locus of decision-making power rested with the branch. Membership dues varied across the state branches and subscriptions collected went directly to each of the respective branches. The devolved structure meant a small and weak federal office of the union; this was largely funded by a sustentation or capitation fee provided by the branches in proportion to their income. Constrained by limited financial power, the federal union did not produce a national newspaper or magazine.

In terms of union governance, the federal council was the supreme body of the ATAEA. It consisted of the secretary and president of each of the six branches in addition to the federal secretary. Between meetings of federal council the federal executive (which comprised all branch secretaries and the federal secretary) helped to implement union policy. The representation of personnel on federal council and federal executive meant that inevitably there was a close relationship between both levels of union management. Branch executive committees were a further layer in the union's governing structure and each state branch was managed by such a committee (see ATAEA rules).

5. The Deterioration of ATAEA Federal Union and Queensland Branch Relations

The early to mid-1980s was a period in which high levels of internecine warfare characterised the ATAEA. The union was beset with factional struggles as groups with different ideological positions attempted to assume control over the various branches. While the union had finally established

itself as a left-wing organisation by the mid-1980s (see Burgmann, 1985: 87), the struggle for control over the union by the 'left' and 'right' factions had preoccupied much of the ATAEA's focus and energies. However, unlike the factional struggles which had affected other branches, elements within the Queensland branch had tended to enjoy a long period of continuity in office; the branch president, for example, had reportedly served on the state and federal executives of the union since about 1940. The general stability within the branch did not mean that it was immune from factional contests as problems emerged in federal-state union relations. In contrast to its federal organisation, the Queensland branch remained aligned with the right-wing of the Australian labour movement. The effects of this division were noticeable: between November 1984 and October 1986 Queensland branch officers did not attend any federal meetings of the union (ATAEA federal executive minutes, 22-24 October 1986).

The differences between the federal union and the Queensland branch were not simply ideological. There were generational differences (the officers in Queensland were older than many other elected ATAEA officers) as well as differences over the appropriate method of servicing members. For example, in 1986 a federal industrial award was achieved by the federal office for members at the Queensland Performing Arts Centre. The Queensland branch believed that a state award was sufficient and that federal intervention at the Centre cast an aspersion on the reputation and ability of the branch officers. The significance of this event revolves around the constitutional supremacy of federal over state awards to the extent that they conflict. Traditionally, it had been the case where once a federal award had been made, that it was unlikely to revert back to a state award (see R.M. Martin, 1980: 35). The action was therefore construed as an attempt to restrict the autonomy of the branch. Tensions were again heightened in 1987 when the federal office believed that a state-registered agreement the branch had entered into for the upcoming Expo '88 event was not in the best interests of the membership (Affadavit of ATAEA federal secretary in *McJannet v. White*, Federal Court of Australia, undated). Around this time, concerns were also expressed by the federal office that the Queensland branch was not properly accounting for membership fees and, in particular, that the appropriate sustentation or capitation fees were not being remitted to the federal office (Interview with former NSW ATAEA secretary, November 1996).

As a general consequence of the internal dispute, the union began to experience a deterioration in its overall financial position. Some of the wider struggles had, for instance, only been resolved by costly litigation.

Increasing financial and organisational duress was further compounded by a widespread and enduring industrial dispute involving a major employer in the core cinema area from 1988. The employer tried to reduce labour costs and staff levels and had adopted an intransigent position. The dispute resulted in many hearings in the Australian Industrial Relations Commission and the High Court over a number of years which cost the ATAEA many thousands of dollars (see Nomchong & Nolan, 1995: 174-178).

Against a backdrop of costly internal and external disputation, the federal office of the ATAEA initiated steps from the late 1980s to shift the union towards a centralised model of funding and method (Interview with former Victorian ATAEA officer, March 1996). In spite of vitriolic opposition from the Queensland as well as the Western Australian branches to its introduction, central union funding within the ATAEA became a reality from October 1991. This transition strengthened the position of the federal ATAEA office in relation to the state branches although at the time that central funding commenced, it was reported the union only had reserves amounting to some five weeks operating costs (NSW ATAEA branch committee minutes, 23 September 1991). The majority of the union's branches could see merit in having a centrally-funded structure which might enable the union to better manage the effects of recent organisational haemorrhaging and further ensure that the union was able to operate effectively on a national basis.

It could also be argued that the move towards a centralised structure (and greater federal office control) was further precipitated by the merger discussions that the union was then having with Actors Equity of Australia and the Australian Journalists Association. Actors Equity, in particular, was an uncompromising supporter of centralised funding and argued forcefully that this arrangement be the structure for a merged organisation. As in other labour movements, widespread restructuring of Australian trade unions by way of merger was a key policy objective of the peak union body – the Australian Council of Trade Unions (ACTU) – from the late 1980s (ACTU, 1987). This objective was supported by legislation and government financial assistance and from all accounts was largely successful. Many Australian trade unions merged their organisations in the late 1980s and early 1990s (see Chaison, 1996: 121). The ATAEA was not immune from these wider developments and along with Actors Equity and the Australian Journalists Association merged in May 1992 to form the Media, Entertainment and Arts Alliance (for a discussion of this merger see Michelson, 1998).

The issues of centralisation and merger were inextricably related. The officers of the Queensland branch were reluctant to cede their autonomy and refused to hand over funds to the federal organisation until such time as a merger, which appeared imminent, actually occurred (ATAEA federal executive minutes, 16 October 1991). This suggests that there was support for a merger within the Queensland branch. This view was only partially correct; the ATAEA, which was regarded as part of the 'left' of the labour movement, was merging with other left-aligned trade unions (Actors Equity and the Australian Journalists Association). The political machinations and resulting compromises of these merger negotiations meant that current Queensland ATAEA branch officers would not hold paid office in the Queensland branch of the soon-to-be-formed Media, Entertainment and Arts Alliance. This development was seen as quite realistic by other ATAEA officers because the branch was generally regarded as weak and ineffective (Interview with MEAA assistant federal secretary, March 1996). Given the absence of any promised representation in the new union, among other factors, the Queensland branch officers were prepared to consider offers of merger from (right-wing) unions which might allow them to retain their structural and financial independence (Letter from Queensland branch president to ATAEA federal secretary, 19 June 1990).

Together, the issues of perceived federal office interference, state branch autonomy, the recent history of ideological differences, plans to centralise the union's financial arrangements and wider merger proposals which threatened to impose a series of organisational changes on the ATAEA, help explain the tensions and subsequent conflict between the Queensland branch and federal office of the ATAEA. The following section shows how the opposing parties attempted to achieve their respective goals or objectives by utilising a series of resources at their disposal. In the end an impasse was reached as relations between the two sides seemed irreparable. The Queensland branch then successfully broke away from its parent body aided by the system of co-existing union registration.

6. The Bargaining Process

Persuasive Strategies and Institutional Resources

The conflict between the Queensland branch and the federal union officers began in the institutional arena with both sides initially adopting persuasive strategies to secure their objectives. For all intents and purposes, until the mid-1980s a distinction between the Queensland state-registered ATAEA union and the Queensland branch of the federally-registered ATAEA union

had not been made. The staff, telephones and office premises were the same for both entities and members belonged to both unions by the signing of one membership card. This is not an uncommon situation among dual registered unions (Plowman & Spooner, 1989: 111). Partly reflecting the ideological struggles at the time, this situation changed in 1985-6 when separate membership cards were issued and some funds transferred from branch union accounts to the state union. New members recruited at Expo '88 held in Queensland in 1988 were joined up in the state-registered union. In this context, the claim that the branch had failed to comply with union policy by forwarding the correct amount of sustentation to the federal office was refuted. It was contended that the business of the state union had no bearing upon the branch's financial obligations to the federal office as this was a separate legal entity. The stand-off prompted the union's federal secretary to visit the branch to try and clarify the situation (ATAEA federal council minutes, 2-4 May 1990). However, this visit failed to resolve the issue.

The problems between the federal office and the Queensland branch persisted. The internal strains caused by the withholding of funds to the federal union were exacerbated when the union adopted a centralised structure in October 1991. Although the Queensland branch had forwarded some monies to the federal office it remained unfinancial under the union's new rules and therefore unable to exercise voting rights at federal meetings. Because the branch had not complied with the requirements of the new financial system, the federal union applied pressure on the Queensland branch to observe union policy. It would not, for instance, forward any monies to the non-financial branch as per the centralised approach until such time as the branch complied with the rules (ATAEA federal executive minutes, 16 October 1991). The federal union also attempted to persuade the branch to comply with policy by noting that if they continued to disregard the association's rules more direct measures might be taken. This included the possibility of initiating legal action or having the federal union formally intervene in the management of the branch.

Notwithstanding the possibility of direct action, the federal union appeared to be more willing to adopt a conciliatory approach than did the non-conforming branch. There were, of course, risks in using more direct measures. Even when the conflict was intensified (see below) the federal union looked for ways to use a persuasive strategy, thus supporting Hemingway's proposition that the different resources are not mutually exclusive. For example, to negate some of the more general criticisms of the Queensland branch the federal council of the ATAEA resolved to seek, in its merger

negotiations with Actors Equity and the Australian Journalists Association, the provision of a full-time industrial officer for the branch. The Queensland branch had previously attributed many of its problems (levelled at them by the federal office) to the fact that all its officers were honorary and that they effectively only worked part-time on union business (ATAEA extraordinary federal council minutes, 22-24 January 1992).

Despite such efforts it seemed that the use of institutional resources was not going to resolve the differences between the federal union and the branch. The conflict soon escalated to include a more manipulative approach using alliance resources or tactics.

Manipulative Strategies and Alliance Resources

The implementation of centralised funding and the likelihood of a merger with left-wing unions clearly put federal and state union relations under increased strain. This situation prompted moves by the Queensland branch to strengthen its association with a different trade union. Over a number of years the branch had developed a close working relationship with the right-aligned Australian Workers Union (AWU) in Queensland. A number of collaborative arrangements had been established between the two unions in theme parks, showgrounds and racecourses. The industrial collaboration between the AWU and the Queensland ATAEA branch threatened to erode the position of the federally-registered ATAEA in theme parks and other outdoor areas more generally within Queensland. The peak union body – the Australian Council of Trade Unions (ACTU) – had recently developed a policy whereby it sought to rationalise the number of trade unions operating within work enterprises. Consequently, the ATAEA sought to enlist the support of Actors Equity in jointly meeting with the secretary of the Australian Council of Trade Unions to argue for the maintenance of their union's position within these areas (ATAEA federal executive minutes, 15-16 April 1991).

Notwithstanding the lobbying efforts of its federal union to safeguard these areas from the AWU, the Queensland branch attempted to cement its relationship with the AWU in late 1991, in the process further aggravating relations with its parent union. Not only was the possibility of a merger with the AWU in Queensland starting to become apparent, but the branch secretary had also written to the Australian Industrial Relations Commission stating that he had no objection to the Commission awarding single-union coverage to the AWU at a large theme park (Movieworld) in South East Queensland. In particular, he noted that the AWU could represent all employees of Movieworld who were eligible for membership of the

ATAEA (Letter from Queensland ATAEA branch secretary to the Australian Industrial Relations Commission, 8 November 1991).

This prompted an immediate and hostile response from the federal union which castigated the branch for its actions; ATAEA members who worked at Movieworld did so under a federal rather than state award. An ultimatum was delivered to the branch that, unless it repudiated the conferral of exclusive award coverage at Movieworld to the AWU, steps would be taken to enforce the union's rules and policies (Letter from ATAEA federal secretary to Queensland branch secretary, 2 December 1991). However, it seemed clear by this stage that more substantive action was needed to secure compliance from the rebel Queensland branch. Triggered by the branch's use of alliance resources and its behaviour regarding Movieworld, the patience of the federal union had finally expired. It quickly moved to apply a more coercive approach to the situation.

Coercive Strategies and Action Resources

Despite the use of persuasive and manipulative strategies, it was clear to the federal union that such strategies had not been successful; the leadership of the Queensland branch still refused to comply with the union's rules. Prior to the implementation of centralised funding it became apparent to the union's federal executive that the Queensland branch may openly defy union policy and not be bound by the constitutionally-valid decision to forward all monies to the federal organisation. It was reported that the Queensland branch membership were opposed to centralised funding while the branch executive had decided that it would 'play it by ear' (ATAEA federal executive minutes, 26 June 1991). Shortly after, this defiance became overt by the absence of Queensland delegates at federal executive meetings. Under the union's rules delegates were required to attend such meetings.

At this point federal intervention in the branch seemed necessary. In late 1991 the federal secretary initiated formal disciplinary proceedings against the branch with the aim of removing the Queensland branch executive from office. Specifically, three charges were levelled against the branch executive:

1. They have failed to transfer funds to the account of federal council as required by the rules (numbers 33, 35, 35a).
2. They have grossly neglected their duty by entering into an agreement with the Queensland branch of the AWU which contravenes rules 4(a), 4(d) and 4(g) of the ATAEA and which contravenes ATAEA

policy in pursuing federal award regulation of the amusement and theme park industry in South East Queensland.

3. They have grossly neglected their duty in carrying out the work of the branch, in particular to recruit and service members engaged in film and television and the amusement and theme park industry in South East Queensland.

(Letter from ATAEA federal secretary to federal president, 11 December 1991)

In addition to laying these charges, two industrial officers, one from each of the two largest branches (New South Wales and Victoria) were seconded to the federal office for a short period of time. From late 1991 both officers spent time in Queensland attempting to recruit and service members of the branch of the federally-registered union. In recent years the membership of the branch had declined substantially while membership of the Queensland ATAEA state-registered union had increased. For example, at 31 December 1989 there were 588 members of the Queensland branch with this figure falling to 148 by June 1992 (Affidavit of ATAEA federal secretary in *McJannet v. White*, Federal Court of Australia, undated). There appeared to be no rational explanation for the decline which resulted in an implied accusation by the federal union that there had been a channelling of branch members into the state union.

Concurrent with the commencement of (internal) union intervention in the Queensland branch, a member of the Victorian branch of the ATAEA initiated (external) court action against the branch seeking compliance with the rules. The use of a more coercive strategy by its federal organisation to resolve the conflict prompted the Queensland branch to give an undertaking that all monies owed would be forwarded to the federal office and that it had formally withdrawn its comments regarding the coverage of ATAEA members at Movieworld by the AWU. However, situations of apparent consent may disguise dissent. Despite steps to restore relations with the federal union and neutralise its use of action resources in the dispute, the repudiation of comments concerning AWU coverage at Movieworld specifically excluded the Queensland ATAEA state-registered union. It appeared to apply only to the Queensland branch of the federally-registered union (ATAEA federal executive minutes, 12 December 1991). Under such circumstances it was believed that an extraordinary meeting of the union's federal council to hear the formal charges laid against the branch was still warranted; this took place in early 1992.

At this meeting the Queensland branch secretary defended the decision not to forward monies onto the federal union stating that this was not the wish of either the branch membership or executive. In addition, he argued that it was not the Queensland branch of the federal union that was proposing to merge with the AWU but the state-registered ATAEA union. Under section 13(4) of the then Queensland *Industrial Relations Act* unions with less than 2,000 members faced the prospect of de-registration. A merger with the much larger AWU would help ensure the survival of the ATAEA state union. The branch secretary tried to further convince his colleagues that it was better to work with the AWU in places such as Movieworld and that if the union tried to resist AWU expansion plans in Queensland theme parks the AWU would simply 'wipe them out' (ATAEA extraordinary federal council minutes, 22-24 January 1992).

Despite such claims to justify the actions of the Queensland branch, the federal council found that while the third charge outlined above was not proven, the first and second charges were. The penalty imposed on the branch executive was to be recommended by an extraordinary Queensland branch general meeting of the membership to the ATAEA federal council. Thus, the Queensland membership would have some influence on the severity of penalty imposed on their branch executive. This could be understood as an example of the federal union attempting to use an institutional resource to try and defuse the conflict.

However, the reaction of the Queensland branch secretary to the found charges was predictable. He believed that recent events were simply an attempt to remove him from office so that the federal union could take over the branch. The secretary threatened the union's federal council with legal action if it tried to forcibly remove him from office (Letter from Queensland branch secretary to ATAEA federal secretary, 31 March 1992). The Queensland branch officers sought further support for their position by trying to elicit branch membership outrage at the actions of the federal union. Utilising institutional resources, newsletters condemning the intrusion of the federal union with claims that this threatened the independence and autonomy of the branch, were circulated. Further attempts to resolve the impasse appeared futile as relations between the federal and state union (branch) seemed irreparable by this stage. When the ATAEA merged with Actors Equity and the Australian Journalists Association in mid-1992 the Queensland state union specifically excluded itself from this event.

Breakaway and Merger as the Outcome

Upon ceding from its parent union, the state-registered ATAEA sought to merge with the state-registered organisation of the AWU in Queensland. Prima facie, this satisfied a longstanding objective of the branch for, as early as 1974, it had expressed interest in the possibility of a merger with the AWU (ATAEA federal council minutes, 9-10 December 1974). The attraction of the AWU was threefold: first, the AWU's state rules gave it broader coverage rights in Queensland than did its federal rules (*The Courier Mail*, 21 May 1994: 15). This provision gave the branch considerable autonomy. Second, as a 'right-wing' union the AWU shared the same political or ideological views as the Queensland branch of the ATAEA. Finally, like the ATAEA, the AWU in Queensland had also resisted moves by its federal organisation to centralise union finances. However, unlike the ATAEA, it was successful in efforts not to participate in centralised financial arrangements (see Hearn & Knowles, 1996: 336-338). This outcome could be attributed to the historical dominance and power of the branch within the AWU. For example, there is a high concentration of membership of the AWU in Queensland. In the late 1980s 57,000 members or half the national total were represented by the Queensland branch (Hearn & Knowles, 1996: 336). For its part, the Queensland ATAEA state union was an attractive proposition to the AWU as the latter union was well known for securing membership growth through merger (Griffin & Scarcebrook, 1989: 261).

The ATAEA (now the Media, Entertainment and Arts Alliance) sought orders restraining the proposed merger between the Queensland state-registered unions of the ATAEA and the AWU. Therefore, the culmination of the lengthy internal ATAEA conflict was litigation (see *McJannet v. White* (1994) 122 *Australian Law Reports* 82). At issue was the problem of co-existing registration of trade unions in the state and federal industrial jurisdictions and the subsequent control of property and assets in the context of union merger activity. The case was prolonged and difficult; a Federal Court decision which overturned the AWU-ATAEA merger (which by this stage had taken place in the Queensland state industrial system) was appealed to the High Court, which in 1995 declared that the state union merger was in fact valid (see Mourell, 1995; 1996). This reversal upheld the principle established by *Moore v. Doyle* that state branches can control their own assets and make decisions independent of their federal union. The Queensland ATAEA state union had successfully split from its parent body and merged with a competing trade union. Action resources allowing the other side no room to manoeuvre were ultimately used to resolve the dispute.

7. Discussion and Conclusions

Historically, trade unions in Australia have been subject to various restraints as a result of statutory regulation. The restraints on matters such as the right to engage in industrial action or the internal administration of unions are part of the costs associated with the process of union registration (Yerbury, 1984: 100). The registration process confers a range of benefits on unions including the ability to participate in the country's conciliation and arbitration system. Constitutional provisions limiting the powers of the Commonwealth necessarily encourage union registration in both federal and state jurisdictions. In the context of the present study the institutional framework, most notably the registration process, is central to the subject of breakaway unionism (see also Teicher, 1986: 150).

The problem of joint legal personality of state branches established by *Moore v. Doyle* was apparent in the case of the ATAEA. This is not to suggest that the legal precedent was an explanatory factor for the secession. Impetus for the breakaway was compounded by ideological differences, generational differences, polarisation over the issue of a federally-sponsored centralisation of union finances and method, and perceived federal office interference in branch operations. The research therefore revealed that union breakaways are not always driven by differences between the rank-and-file and union leaders; they can also occur because of rivalries between different levels of union leadership. The Queensland branch secession illustrated the more uncommon situation of intra-union conflict that was leader rather than member-driven.

The role played by the system of co-existing or dual registration was that it provided the basis for enacting the breakaway's intentions. It also influenced the manifestation of the ATAEA intra-union dispute from the mid-1980s. Evidence of this included the operational distinction that was made between the state union and the branch of the federal union, the strengthening of the state union by the purported channelling of members from the branch into the state-registered organisation, and the failure of the Queensland branch officers to participate in federal union meetings. For its part, there had been federal office intervention in the branch at various times including the priority given to pursuing federal rather than state awards.

Utilising Hemingway's bargaining model of intra-union conflict to examine the secession, the study showed the different types of resources or tactics available to the opposing groups. Consistent with the hypothesised evolutionary approach of the model, the conflict began in the institutional domain with a persuasive strategy the preferred option. The federal union, however, was forced to adopt more direct measures as the Queensland

branch failed to comply with persuasive and manipulative strategies to conform to established union policy. The branch was also responsible for escalating the dispute by strengthening its links with a competing trade union – the AWU. Tentative steps towards merger with the right-wing AWU and the unauthorised conferral of ATAEA coverage rights to the AWU at Movieworld ultimately lead to a coercive strategy and the use of action resources by the federal union. Even when the federal union had initiated legal proceedings against the branch, there were occasions when it tried to convince the branch to comply with its directives using institutional tactics.

Despite federal efforts to the contrary, the Queensland branch (state union) split in 1992 from its parent body. However, the dispute was not finally settled until 1995 following legal action. This indicates that the resolution of intra-union conflict can be a prolonged, costly and difficult process. Moreover, the analysis reveals here that the balance of control in the dispute rested with the Queensland branch and that its use of resources were superior to those of the federal or parent union. This conclusion is linked to the industrial relations framework; disaffected groups within unions may use the different jurisdictional ‘resources’ (federal and state) available to sanction any proposed split. This is what occurred with the Queensland ATAEA breakaway which seceded in its capacity as the state-registered organisation. Constrained by the country’s legal structures, the bargaining ability of the federal body to secure its objectives was negligible at best.

This finding helps to satisfy Martin’s critique of the Hemingway model in that it does not sufficiently explain why intra-union conflicts appear to systematically progress through the three strategies (Martin, 1980: 132-133). While the behaviour of the opposing ATAEA groups conformed to Hemingway’s escalating pattern of strategies and resources, the different institutional setting of this study showed that ultimately, the process of exerting control through ‘bargaining’ did not take place as expressly posited by the model. This suggests that the model is less robust in Australia where disputation may be channelled through the system of co-existing registration (cf. Kampf, 1986).

The Queensland branch breakaway did not endure for long as a separate entity and subsequently fused with a different union. Its immediate survival was premised on merger as it faced the prospect of de-registration under Queensland’s then industrial legislation. The breakaway’s long term future would be safeguarded or made immutable by the formal merger with the AWU. The desire by the branch to retain its autonomy was not inconsistent

with this merger. The Queensland branch of the AWU also favoured, and was successful, in retaining a decentralised structure and orientation. Somewhat paradoxically, therefore, a merger with the AWU would increase the likelihood that the Queensland branch of the ATAEA could determine its own course of affairs.

While some have previously noted that the direction of causality for union merger and union breakaway activity extends both ways (Waddington, 1995), the evidence from this case argues that a more modest conclusion be drawn. The factors that gave rise to the breakaway were largely unrelated to (and emerged much earlier than) the proposed merger between the ATAEA, Actors Equity and the Australian Journalists Association. The merger was the catalyst or trigger for the secession rather than the cause of it. In contrast, the breakaway union's subsequent merger with the AWU in Queensland was shaped by the then institutional and legal regime. This suggests that more research examining the exact nature of the relationship between merger and breakaway activity is still warranted. However, it is posited that in the absence of legal support or employer recognition of a breakaway, union breakaway survival may be premised on future merger activity.

This study has explored the situation of a breakaway union in the Australian entertainment sector. The analysis revealed that rather than being mediated through the union movement (for example, the ACTU or Labor Councils) the mode of conflict resolution was based on the legal system. In addition, the origins of the breakaway in Queensland engages with the argument of Kampf (1986: 18) who contends that unions with co-existing registration which operate in a decentralised federal structure, may be more susceptible to a desire for independence and regional identity. This certainly seemed the case when the ATAEA centralised its financial structure in late 1991. In order to expand our understanding of union breakaways future studies could further explore the motivations for secessions, examine breakaways which are membership-driven, include in their research designs those attempts to secede that are confined within one state (intra-branch conflict), and investigate breakaways that are resolved in ways other than through the legal framework.

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