

W(h)ither Australian Unions?

David H. Plowman *

Abstract

Recent years have seen Australian unions suffer major membership losses. Unions now represent only 46 per cent of the workforce and less than one third of the private sector workforce. The paper examines union membership trends and analysis the appropriate environment, structures and strategies for addressing union decline.

1. Introduction

It has been observed that trade union movement enters the 1990s at the height of its political strength. The Accord with the Labor Government has given the union movement, through the ACTU, unprecedented access to national decision making machinery. The ACTU has become a major partner in the business of managing the nation. This has given it status, influence and a supportive union environment. Despite this supportive environment, and the industrial relations institutional arrangements which are conducive to union development, the Australian union movement is suffering from a major haemorrhaging of members. Membership loss has presented unions with a legitimacy problem in sectors where it represents a minority of workers. If the membership loss continues, the viability of union movement must be called into question.

* *Industrial Relations Research Centre, University of New South Wales. An amended version of a paper prepared for M. Costa and M. Easson (eds) **What should Unions Do?**, forthcoming.*

This paper examines union membership and suggests that are some fundamental structural and long-term issues which must be addressed by the union movement if it is to arrest membership decline. In addressing these issues the paper is divided into four major parts. The first documents the decline in union membership with a view to identifying factors in that decline. The second part of the paper discusses the appropriate environment which would be conducive to membership retention and growth. The third part of the paper addresses the question of the appropriate union structures for promoting membership growth. The fourth part of the paper canvasses union strategies for promoting membership retention and recruitment. The concluding section summaries the major points of the paper.

2. Union Membership

There are two major sources of statistical information on unions, both produced by the Australian Bureau of Statistics. The first of these is *Trade Union Statistics* (Catalogue Number 6323.0) which provides information on union membership to 1913, with some projections to as far back as 1891. This series is based upon annual returns from unions. Union density, based on this series for select years, is given in Table 1.

This series would suggest that trade union density peaked at 63 per cent of the workforce in 1953. That proportion shrunk to 49 percent by 1970 but by 1985 had recovered to 57 per cent. Further deterioration occurred after 1985 with a decline to 53 per cent by 1988. This decline was arrested and, in part, reversed by 1989 when the proportion stood at 54 per cent.

The series would suggest that over a forty-year period trade union membership, as a proportion of the workforce has oscillated between 49 and 63 per cent. The figure in 1990 approximated the average for the period and is not a source of concern.

The second source of union membership is *Trade Union Members* (Catalogue No. 6325). This series is based on a household survey of employees. The series was commenced in 1976. A second survey was undertaken in 1982 and a third in 1986. Since the last date surveys have been undertaken every second year. The results of these surveys can be found in Table 2.

It is evident that this series gives a very different account of the state of union affairs. Far from union membership fluctuating around a reasonably constant proportion of the workforce, this series suggests minimal gains in absolute membership, and a steady decline in the proportion of the work

Table 1. Union Membership and Density, Select Years, 1945-1990

Year	Union Membership (^{'000})	Union Density (%)
1945	1,200.3	54.2
1953	1,679.7	63.0
1960	1,912.3	58.0
1965	2,116.3	55.0
1970	2,331.4	49.0
1975	2,834.2	56.0
1980	2,955.9	55.0
1985	3,154.2	57.0
1986	3,186.2	55.0
1987	3,240.1	55.0
1988	3,213.0	53.0
1989	3,410.3	54.0
1990	3,422.2	54.0

Source: ABS, Cat. No. 6323.0

Table 2. Survey of Union Membership and Density, 1976-1990

Year	Union Membership (^{'000})	Union Density (%)
1976	2,512.7	50.2
1982	2,567.6	48.0
1986	2,593.9	45.3
1988	2,535.9	41.3
1990	2,659.6	40.5

Source: ABS Cat. No. 6325.0

force unionised between 1976 and 1990. The decline of ten percentage points over a fourteen year period is an even sharper decline than that experienced in the United States of America. The fact that this decline has

continued during periods of supportive federal and state Labor Governments should be a cause of concern to unions. It suggests that under less supportive administrations the decline could have been sharper and that under future Conservative administrations further declines may result. Clearly unions no longer speak for the majority of workers. This is particularly so in the private sector where, in 1990, less than one in three members of the workforce was unionised (30.8 per cent).

There is little solace in the union movement in the fact that some membership loss has been the result of structural changes in the economy, and that membership loss is a feature of most industrialised societies. As noted, membership loss in Australia has been more dramatic than in most other countries. Unlike some of these other countries, the Australian loss has taken place under very supportive government administrations. Structural changes, at best, account for half of the union membership loss (Crean and Rimmer 1990).

3. The Question of Image

Some years ago Les Cupper, then a member of staff at Melbourne University, undertook a survey of students at a number of Victorian Technical Colleges. The survey was designed to test students' knowledge of, and attitudes towards, unions. Two major findings emerged. Firstly, students knew very little about unions. For example, when asked to pick the President of the ACTU from a list of four names, as many students nominated Malcolm Fraser (then Prime Minister) as they did the incumbent, Bob Hawke. The second major finding was the general anti-union attitude of these children from working class parents and backgrounds. Few of these students suggested they were eager to embrace unionism (Cupper 1975).

This study is illustrative of two of the major difficulties confronting unions. Firstly, there is a general ignorance of the role of unions and their contribution to a pluralist democratic society. Secondly, and more importantly, there is a negative public perception of unions. In many cases the poor perception is not restricted to the public and encompasses members. Often union officials are seen to have priorities which are different to those of the members. Certain union practices, for example the first-on-last-off principle have disadvantaged a number of members by making unions less sensitive to the employment effects of their actions. Pre-Accord wage and hours campaigns have cost many jobs in the manufacturing sector, a situation intensified by the removal of tariff protection. Job gains under the

Accord have not removed the memory of previous job losses. This puts unions in a very difficult position. To achieve gains in living standards it is often necessary to engage in industrial action which could affect members' work opportunities. Not to engage in such action, in the interests of protecting job opportunities, can cause some members to question the need to belong to a union.

In the Australian context it could be claimed that this dilemma is heightened by organisational structures which make unions less sensitive to the effects of their activities on members' well-being. The occupational basis of Australian unions means that though many unions have the bulk of their members in a small number of industries, they also have members in a large range of other industries or avocations. Unions with a small membership in a precarious industry may feel that they have little to lose in attempting to flow wage and other gains to this small membership. That membership, however, may well prefer less generous employment conditions to having their employment base eroded. Conversely, the occupational basis of unions can militate against long-term employment to the extent that unions veto technological innovation so as to reduce the blurring influence on membership eligibility of such innovation.

The ACTU has undertaken a campaign to improve the public's knowledge and perception of unions. This campaign, and comparable activities at the union and shop-floor levels, is an important ingredient in the fight to redress membership loss.

4. Appropriate Union Structures

Australian unions were modelled, in essence, on their British counterparts. The arbitration acts cemented this structure and led to unions being essentially occupationally based organisations. Under their registration provisions unions were entitled to recruit select and defined occupational classifications of workers. This occupational basis has led to Australian workplaces being multi-union and multi-award establishments.

This traditional union structure is not appropriate in situations where technological and other changes blur the distinctions between classifications of workers. Very simple technologies have the potential to put unions out of existence. For example, the building of two bridges in Sydney in the early 1970s had the effect of halving the membership of the Firemen and Deckhands' Union which used to ferry vehicles across the rivers in question. Further, occupationally-based unions are a potential impediment to the

types of flexibility and mobility, accompanied by multi-skilling and career paths, which are now seen as vital to the survival of Australia's manufacturing base, a heartland of union membership.

The ACTU has sought to address this structural problem. In *Australia Reconstructed* it supports the rationalisation of unions through mergers and amalgamations. It argues that:

Australia needs to develop a smaller number of larger unions. Through amalgamations, substantially more resources become available to increase the range and quality of services provided to members. Specifically, more research, education and organisational resources are freed and duplication is avoided. Unions members thus get more efficient service and more value for money because amalgamation simplifies union structure, allowing greater co-ordination and cohesion between unions, at all levels. (p. 190)

Australia Reconstructed recommends, *inter alia*, that:

The Australian trade union movement should plan to have no more than twenty union organisations within two years. The ACTU Executive should formulate proposals of union groupings for this purpose. ACTU officers need to initiate close working arrangements and strategies for action for unions in their groupings, leading to amalgamation as rapidly as possible.

The ACTU and Governments should initiate action to ensure that no further organisations can secure registration, other than those which are products of amalgamations.

The ACTU should also initiate rationalisation of industry coverage between unions, where a clear advantage exists for this to be done. The membership, of course, should be fully consulted and must agree before such exchange takes place and, in line with ACTU policy, resources should be provided to assist unions in the amalgamation process. (p. 191)

This form of rationalisation has been further advanced through other ACTU and union sources, such as *Future Strategies for the Trade Union Movement* and *Can Unions Survive?* The strategy has also been assisted by legislation which places impediments on small unions and which makes union amalgamation easier. In addition, by way of section 118 of the Act, the Industrial Relations Commission has been granted added powers to reduce demarcation disputes, including the capacity to grant exclusive jurisdiction to a particular union.

A number of amalgamations have taken place. Eager not to be left out of any potential pickings, an amalgamation craze has unfolded.

In October 1990 the ACTU issued a draft document entitled *Summary of Union Restructuring Proposals by Industry and by Union*. The document identified 13 amalgamations which were in process, 32 cases were amalgamation discussions were in progress (in one instance involving seven unions) and four cases were union federations were being considered. The document then identified the unions then represented in each industry, and those the ACTU considered to be "principal" union(s), "significant" unions and "other" unions. The intention is that only "principal" unions would have negotiation rights and that "other" unions would not be able to enrol new members.

The classification of unions into the above categories was not welcomed by those unions relegated to the less important classifications. It led to an acrimonious and name-calling debate at the ACTU Congress of 1991. It also led to a number of strategies by which unions disadvantaged by the proposals sought to shore up their future. These paved the way for ACTU acceptance of a conglomerate, rather than industry, union structure. Union amalgamations, in all probability based upon ideological compatibilities, will result in few, bigger unions which recruit across a range of industries and occupations.

Like their conglomerate company counterparts, such conglomerate unions will be less vulnerable to sectoral shifts and structural changes in the economy. In essence, however, conglomerate unions are merely aggregations of occupational unions and will continue to suffer many of the difficulties associated with their component parts. Such a union structure may guarantee the longer survival of a number of existing unions. It may do little beyond that.

5. Strategies

There is need for unions, not only to develop the appropriate external (public perception) and internal (structural) environments, but also to have appropriate strategies for reverting the membership decline. Four strategies are discussed in this section of the paper: identifying areas of deficiency; the development of a new range of "downstream" union functions; the development of what might be called a "social agenda" approach; and preference and closed shop arrangements.

5.1 Identifying Deficiencies

The need to identify areas of deficiencies is a major part of remedying membership drift and enticing new members. In some measure these deficiencies are identified by membership patterns. These patterns suggest whether or not different groupings find union membership worthwhile. Trade union statistics enable some identification of membership differences on the basis of age, gender, industry, employment pattern and occupational grouping and geography.

Table 3 indicates the most recent information regarding union membership by age and by gender.

Table 3: Trade Union Membership by Gender and Age, 1990

Age	Males	Females			Total
		1	2	3	
15-19	25.3	38.2*	24.3	24.7	25.0
20-24	34.7	33.2	31.7	32.1	33.0
25-34	46.6	35.2	38.1	36.2	42.3
35-44	49.5	35.7	36.3	35.9	43.5
45-54	50.8	37.3	42.0	38.3	45.6
55-59	54.4	36.9	43.8	38.8	49.6
60-64	49.9	35.4	44.8	38.9	47.1
Total	45.0	35.7	33.0	34.6	40.5

Source: ABS, Cat. No. 6325.0

* Because of small sample size relative standard error can exceed 25 per cent.

1. Married. 2 Unmarried. 3. Total.

The table suggest a number of things. Males have a higher propensity to unionise than females at all ages. Married females tend to have a lower propensity of unionise than unmarried females. The aggregate proportion of membership exceeds the national average for all ages except those under 24 years. There is a correlation between age and union membership. The figures suggest that if the existing union levels for the under 24 age groups are projected to the future than the level of unionisation will deteriorate significantly.

The relatively small unionisation rates of the under 24 and of females is influenced, in part, by the fact that these are groups with a high incidence of part-time employment. As Table 4 indicates, casual and part-time employment is associated with a lower incidence of unionisation. It is apparent from this Table that casual employment is accompanied by a lower incidence of unionisation, irrespective of industry. This factor explains, in part, the lower levels of unionisation among the under 24 (which includes a large number of students who are employed part-time) and females (a high proportion of whom are in casual employment).

Two considerations are worthy of note. In the first place, part-time employment is the first introduction of many, not only to work but also to unions. This is particularly so in the liquor and retail industries. The impressions gained of union activities in these industries are likely to influence union membership when many casual employees subsequently take on full-time employment.

The second consideration relates to the lower propensity of females to unionised, even when in full-time employment. As noted, unionisation levels are even lower for married females. Though there are many factors

Table 4. Proportion of Employees Who are Union Members, By Industry and Employment Status, 1990

Industry	Permanent	Casual	Total
Agriculture etc	15.9%	8.7%	12.7%
Mining	65.5	13.4	62.9
Manufacture	48.4	22.7	46.1
Electricity, gas, water	80.5	15.5	79.4
Construction	51.0	23.8	45.4
Wholesale & retail	22.9	21.9	22.6
Transport & storage	63.5	18.0	57.6
Communication	77.3	27.3	76.0
Finance etc	32.1	8.1	28.7
Public admin., defence	63.5	13.6	60.0
Community services	55.7	16.1	49.1
Recreation etc	28.7	20.8	25.0
Total	45.7	18.8	40.5

Source: ABS Cat. No. 6325.0

inducing these lower levels of unionisation, it is difficult for unions to escape criticism that they have neglected many areas of interest to women workers. Sylvia Winters has written that "trade unions in Australia are becoming increasingly dependent upon their female membership, yet very few unions acknowledge this or commit sufficient resources to the particular needs of their female members. To continue to disregard the existence of female unionists, or their special needs, may prove to be costly for individual unions and for the unions generally" (Winters, 1987, p.155). Wilkinson acknowledges attempts by the union movement to take account of this increased dependence upon females members (1980 over one third of union members were females). She notes that "if the 1950s and 1960s were characterised by inaction by unions on matters affecting their women members, the 1970s may be said to be characterised by action to develop and implement policies specifically related to working women". She instances the drive for equal pay and the development of ACTU policies in areas of child care, maternity leave, discrimination in employment, occupational health and safety and union education.

Despite these policy changes the majority of women continue to avoid union membership. This, in part, may be because policies have not been translated into action. For example, a major concern to married women is the provision of child care facilities. This factor may determine the extent to which many women work, or whether they work at all. Although the ACTU itself has established a child care facility in the western suburbs of Melbourne, child care does not appear to be a major area of union concern. As indicated below, in 1990 only about 20,000 members of the workforce (less than 1 per cent of employees) enjoyed child care facilities or education expenses as an employment benefit. Nearly 80 per cent of these employees did not belong to a union.

The above analysis suggests a need to develop strategies to counter the low levels of unionisation among women, in particular married women, young workers and non-permanent members of the work force. Table 4 further suggests that only four sectors (agricultural with 12.7%, finance with 28.7%, retail with 22.6 per cent and recreational, personal and other services with 25%) have unionisation levels below the national average of 40.5 per cent. Leaving aside agriculture, these figures suggest that unions have not been able to make headway in major employment sectors and areas of rapid employment growth. In addition to a large number of female and casual workers, these industries have a large number of small enterprises. In the past union organising and recruiting strategies have been designed around large establishments. Unions will have to devote resource to line fishing rather than net fishing if they are to gain additional territory in growth

industries, such as the tourist industry. Travel agencies are typically small concerns. The recently published Australian Workplace Industrial Relations Survey confirms that there is a high correlation between the size of the enterprise and union membership. If employment growth is in the small enterprise sector, it follows that unions must develop strategies to recruit in these areas. Similar strategies need to be developed for recruiting in medium sized firms.

There are variations in union membership according to occupational status and type of employment sector. Two major areas of differences concern manual and non-manual workers, and public and private sector employees. Table 5 indicates differences in unionisation between white and blue collar workers.

Table 5: White-collar and Blue-collar Unionism 1969-81

	'69	'71	'76	'78	'81
White Collar density (%)	29.6	33.3	38.3	39.8	39.5
Blue Collar Density (%)	53.1	52.5	55.0	51.6	53.4

Source: Rimmer, Plowman and Taylor 1986.

Table 6 indicates differences between public and private sector employment unionisation in recent years.

Table 6: Private and Public Sector Union Density 1982-90

Year	Public Sector Union Density (%)	Private Sector Union Density (%)
1982	73	39
1986	71	34
1988	68	32
1990	67	31

Source: ABS, Cat. No. 6325.0

There have been marked variations in union density by State. Table 7 indicates these changes for the period 1970-75 and 1976-88. Commenting

on these statistics Crean and Rimmer (p. 16) note that "union security arrangements are especially vulnerable to government action ... There is evidence to show that union membership is affected when conservative governments withdraw union security provisions from their own employees, or limit the power of tribunals to order union preference". Unionisation grew most rapidly in the two Territories between 1970 and 1975 largely because of the influence of the federal (Labor) government in awarding union preference. It grew slowest in Queensland where the government had acted against compulsory unionism in 1966. Conversely unionisation fell most in the two Territories (mainly before 1982 when Coalition Governments were in office), in Queensland where unions were under persistent government attack and in Western Australia where legislation against compulsory unionism was enacted in 1979. This analysis would suggest that reliance upon supportive legislation does not provide a viable long term strategy for union survival. What governments can give they can also take.

Table 7: Changes in Union Density by State and Territories 1970-1988

State/Territory	Change in Density 1970-75(%)	Change in Density 1976-88(%)
New South Wales	8	-9
Victoria	7	-8
Queensland	2	-14
South Australia	6	-6
Western Australia	6	-13
Tasmania	5	-8
Northern Territory	16	-16
Australian Capital Territory	11	-21
Total	7	-9

Source: Crean and Rimmer, 1990.

From the foregoing, areas of recruitment deficiencies which unions need address include women (in particular married women), non-permanent employees, and young employees. There is the need to target a number of

industry sectors - finance, retailing and recreational services - as well as the white collar area. Greater attention has to be devoted to recruiting in the private sector. Government measures may be supportive in the short term but can act perversely over the longer term. Thus membership strategies which rely on long-term government support are not likely to be effective.

5.2 Downstream Services and the Social Agenda Approach

In a recent article Les Fallick (1991) has noted that the development of a small number of large unions requires unions to "think seriously about which functions they wish to develop in order to maintain their relevance, effectiveness and appeal". The problem for giant unions, he writes,

is how to engender the loyalty and commitment of rank and file members, how to develop democratic and accountable structures that encourage people to participate and how to stay in touch with the members.

Fallick considers that there are two major main ways in which unions can achieve these objectives. The first is the development of "downstream" union functions in addition to the traditional wages and conditions functions. The types of functions he suggests include superannuation, credit cards, legal advice, pensions and welfare advice and family referral services. Fallick instances the Canadian experience in which unions "are evolving 'backwards' towards a more traditional view of trade unions in the community. This view saw unions as a generalised economic and social welfare agency for working people".

The second set of functions which Fallick considers need to be developed are "research, economic policy development and the creation of a united front of socio-political, environmental and economic campaigning groups".

In essence, this second approach may be considered to be the "micro" level equivalent of strategic unionism advanced by the ACTU in *Australia Reconstructed*. It is a notion derived from an analysis of the trade union policies of a number of European and Scandinavian countries. These policies are "comprehensive, integrated and framed . . . to achieve long-term goals and are not used simply as short-term responses". At the macro level this approach has underpinned the Accord between the ACTU and the Government. The results of this approach in terms of union membership is difficult to determine. The Accord has led to, or been accompanied by, the growth of some 1.5 million jobs. Few of the job earners have joined unions as is evident from Table 2. Indeed, the Accord has been accompanied by

an eight percentage drop in the proportion of the workforce unionised. It is highly likely, however, that in the absence of the Accord membership would have fallen faster. Further, the influence of the Accord approach on membership may be a longer term one. If so, the Accord, may have sown the seeds for a future harvest.

Strategic unionism, as operationalized through the Accord, does indicate a major difficulty for the “social agenda” approach as a vehicle for union influence and membership. A fundamental issue is why workers join unions. The evidence to date suggests that union membership is motivated by considerations of improving wages and employment conditions rather than by environmental or social agenda considerations. Strategic unionism and a social agenda approach often force unions to forego short-term industrial gains. This can be difficult to sell to members. As a part of the Accord, for example, the ACTU has had to take on a policing role to ensure that unions honour their “no further claims” commitments under national wage guide-lines. Unions forming coalitions with environmental groups will quickly come into conflict with other unions seeking to protect jobs in such industries as uranium mining and timber felling. Further, individual unions may have difficulty sustaining such coalitions. In the late 1960s, for example, it was fashionable for building sector unions to place “green bans” on areas they considered should not be developed. This approach has had to be modified. The unions found they did not have the expertise or resources to adjudicate on all sites which lobbyists wished to have protected and have essentially transferred that role to the National Trust. Further, as employment in the building industry fell, unions came under pressure from their own members to lift many of the bans.

Thus strategic unionism and social agenda unionism are not trouble-free approaches to continued relevance and membership.

Fallick’s first strategy, that of providing a range of services, is also not a problem-free one to the extent that the services (for example child care facilities) result from negotiations with employers. The problem here, as already encountered in such areas as leave allowances, wage increases and superannuation, is that of the free loader. It has been difficult in the Australian context to isolate union won gains to unionists. Many employees are in a position where they can gain the benefits of unionism without becoming members. Unions should attempt to develop strategies which reduce the problem of free loading. As discussed below, union preference and closed shop provisions are not necessarily satisfactory solutions to this problem. The notion of associate membership discussed below, or some form of “fee-for-service” (a usual situation in the single-unit bargaining context of the USA) might be considered.

The range of potential services to be offered by unions is developed by Crean and Rimmer (1990). These note that the "diverse structural changes suggest an array of measures that the union movement must develop if it is to stem the fall in unionisation and secure greater following in the growing parts of the workforce". They note the need to improve the range of individual services "to win the support from more individualistic (often white-collar) workers". Examples of such services include free legal representation over work issues and dismissal. Another example is the Privilege Card offered by the ACTU Financial Services and which entitles holders to cheap personal loans, cut-price conveyancing on home purchases, discounts on consumer purchases and travel, and investment advice. One could imagine that union involvement in superannuation funds has the potential to open up an extensive system of individual services. In the present climate cheap mortgage rates would prove a winner and a source of membership.

Crean and Rimmer address the issue of "problem industries" already identified in this paper. They note that many employees in industries where union membership is low have a low award wage and no over-award payments. With appropriate organisation unions in these industries should be able to provide the traditional bread and butter services which have been the major source of union membership in the past.

The need to develop policies to assist women employees is also addressed. Crean and Rimmer note the need to involve women in union leadership roles. Unions have also been active in seeking the elimination of a range of discriminatory practices.

These authors also suggest the need for educational and other policies to "lift the appeal of unions to younger workers". They note that the ACTU has issued "teaching kits" to inform high school students about the benefits of unionism.

Crean and Rimmer also note the need to develop special policies for employees in precarious forms of employment. Such policies could include reduced membership subscriptions, improving union preference and other "union security" arrangements, extending conditions where they had not previously applied, negotiating the implementation of contract work and other precarious jobs as a means of maintaining control over such practices, and maintaining award wage loadings and other benefits to such employees". These authors also note the need to increase the numbers of union organisers so "that they can organise employees in new - usually small - private business". This, they note, "depends upon unions raising their subscriptions and rationalising their own organisational structures". The notion of associate membership may have applicability to employees in non-permanent forms of employment.

The concept of associate membership has been developed by unions in the United States. The peak union body in that country, the AFL-CIO, has recommended that unions offer "associated memberships" to workers not part of organised bargaining units (Costa and Duffy 1991, p. 127). Associate membership may be useful for small employment businesses. In the event of enterprise bargaining becoming an important part of the industrial landscape (and New South Wales has legislated for the provision of such bargaining without external union involvement, similar legislation existed in Queensland) associate membership may provide a useful half-way house. Lane Kirkland, President of the AFL-CIO, has noted that associate membership has allowed unions the chance to "maintain and develop a relationship between workers who want access to collective action ... but where the exigencies make it impossible to establish a contractual relationship with the employer" (*ibid*).

The traditional bread and butter union services, the improvement and maintenance of employment conditions, will continue to be important. It is clear from the above, however, that product (or benefit) differentiation is becoming increasingly important. Unions have generally acted on the basis of homogenised members with common interests and needs. That has led to unions catering, in the main, for the needs of male middle aged workers. That group continues to support the union movement, but at the expense of other groups. Benefit differentiation is needed to gain the support of other groups. Unions' rather limited success on this front is suggested by Table 8.

Table 8 suggests that unions have not been particularly successful outside of standard employment conditions. Even in these areas (for example, sick leave, annual leave, long service leave and, latterly, superannuation) the evidence suggests that being a member of a union has no significant advantage. Special interest group areas of neglect are highlighted. For example, child care facilities can be considered of great importance to women. Less than one per cent of employees receive this benefit, the majority of whom are non-unionists. Study leave may be considered of importance to young employees. Only 2.4 per cent of employees have access to this benefit. Again the majority of recipients are non-unionists. Indeed, the majority of beneficiaries of most of these differentiated benefits are not unionists. It would be tempting to put this down to "management perks". The evidence suggests, however, that a significant proportion of non-unionist beneficiaries receive below median weekly earnings, as is the case with unionist recipients. Table 8 suggests that there is scope for unions to selectively develop a range of specialist and differentiated services. Some of these could be offered by individual unions or via the ACTU, others could result from variations to awards.

Table 8: Select Benefits, by Union Membership, August 1990

Benefit	Total (‘000)	% of Wk’ Force	%Union ^a	%Non-Union
holiday expenses	245.1	3.7	55	45
low inter. finance	167.9	2.6	56	44
goods & services	1150.6	17.5	38	62
housing	213.9	3.3	37	63
electricity	130.7	2.0	25	75
telephone	560.9	8.5	30	70
transport	1131.7	17.2	31	69
medical	227.9	3.5	42	58
club fees	110.8	1.5	25	75
entertainment allow.	130.4	2.0	19	81
shares	171.1	2.6	31	69
study leave	155.1	2.4	45	55
superannuation	3389.7	51.6	52	48
child care/ed. exp.	19.9	0.3	22	78
sick leave	5180.1	78.9	46	54
annual leave	5211.8	79.3	46	54
long service leave	4347.7	66.2	52	48
no benefit	721.4	10.9	15	85

Source: ABS Cat. No. 6325.0

^a proportion of recipients by union membership.

5.3 Union Preference and the Closed Shop

At differing times the various Arbitration Acts have provided for preference to unionists. There has been little consistency in union preference legislation. Labor Governments have generally supported preference, other governments have sought to restrict or remove such preference. It has been argued that the High Court’s decisions in the 1972 Clerks case and the 1973 Uniroyal case “support the principles of wide-ranging preference, and preference leading to 100 percent unionisation” (Wright, 1983, p. 246)

Unions should be wary of ultra reliance upon legislative forms of union security. Evidence has already been given in this paper of the effects of government policy on union membership. Nevertheless, unions should make use of supportive legislation. ACTU policy upon industrial legislat-

ing favours the extension of union preference to all aspects of employment including hiring, promotion, discretionary selection of leave, and retention and redeployment in redundancy situations. Despite this, award provisions for union preference are relatively uncommon. In 1989 only 411 federal awards (27 per cent) provided for union preference. This would seem to be an area in which unions could make gains, particularly if the major form of union security, the closed shop, becomes the subject of hostile legislation.

Though industrial tribunals may provide for union preference, they may not provide for compulsory unionism. Despite this compulsory unionism, in the form of the closed shop, is widespread. Wright (1980) estimates that about 50 per cent of all union members were covered by some form of closed shop arrangement. Rawson (1990) estimates that in 1990 at least 25 per cent of unionists were unwilling conscripts who would have left their union if it was not for the closed shop. Closed shop arrangements are usually accompanied by check-off facilities. It has been argued that the growth in closed shop arrangements played a large part in the union expansion of the early 1970s, particularly in the retail, banking, insurance and public sectors (Lansbury 1977).

The closed shop is clearly an important factor in union membership. Though in some industries (for example stevedoring, maritime and construction) it has operated on a *de facto* basis, in others (notably the public sector, retail, banking and insurance) it has been the result of union-management agreements.

It is doubtful whether other employment sectors can be brought under closed shop arrangements. Contemporary management is less enamoured of closed shop arrangements. Union strategy needs to be directed at possible reversals on the closed shop front, and the possibility of legislating outlawing this form of compulsory unionism. Already employers have pulled out of the closed shop agreement in the banking industry and sections of the retail industry. This has adversely affected membership in the industries. The decline in public sector union membership identified earlier is, in part, the result of the Fraser and other conservative governments removing the check-off system in the public sector.

Though in the short term union membership will suffer if closed shop arrangements are diminished it could be argued that the long term effects could be beneficial to the union movement. The closed shop confers a number of benefits. It also makes for a conscript membership and reduces union incentive to seek members outside of the closed areas. It is paradoxical, for example, that two of the areas of lowest unionisation (retail and finance) are also areas in which unions have enjoyed closed shop arrangements with major employers for many years. Closed shop arrangements

make unions too dependent upon the goodwill of governments and employers, and unions would be advised against excessive dependence upon this form of union security.

6. Conclusion

There is no easy or ready-made fix-it the decline in membership currently experienced by unions. This paper has suggested that two longer term underlying factors need addressing, namely improving the public perception of unions and making union structures more responsive to members', rather than organisational, needs. The paper has highlighted the need for unions to give greater attention to the statistical information they supply to the Australian Bureau of Statistics. It has also highlighted select groups - women, casual employees, young workers - for which unions will need to develop special recruitment strategies. These strategies could include the provision of differentiated benefits, and differing forms of membership. To maximise their recruiting strategies unions need address the free rider problem. They should make use of supportive legislation - such as union preference provisions - but be wary of ultra reliance upon government induced forms of union security.

References

- ACTU/TDC (1987) *Australia Reconstructed* A.G.P.S. Canberra.
- ACTU (1987) *Future Strategies for the Trade Union Movement*, Melbourne.
- Costa, M. and Duffy, M. (1991) *Labor, Prosperity and the Nineties: Beyond the Bonsai Economy*, Federation Press, Sydney.
- Creat, S. and Rimmer, M. (1990) *Australian Unions - Adjustments to Change*, National Key Centre in Industrial Relations, Monash University.
- Fallick, L. (1991) "The Evolving Functions of Trade Unions", *Social Alternatives*, Vol. 11, No. 1.
- Kollmorgen, S. and Naughton, R. (1990) *Trade Union Structure; Change from Within*, Working Paper No. 58, Centre for Industrial Relations and Labour Studies, University of Melbourne.
- Lansbury, R. D. (1977) "Growth and Unionization of White Collar Workers in Australia: Some Recent Trends", *The Journal of Industrial Relations*, Vol. 19, No. 1.
- Rawson, D. W. (1990) "What People Thought About Trade Unions in January 1990", Australian National University, mimeo.
- Wilkinson, J. (1983) "Unions and Women Workers", in B. Ford and D. Plowman (eds) *Australian Unions: An Industrial Relations Perspective*, Macmillan, Melbourne.

- Winters, S. (1987) "Women and the Future of Unions", in S. J. Frenkel (ed) *Union Strategy and Industrial Change*, New South Wales University Press, Kensington.
- Wright, M. (1981) "Unionisation in Australia and Coverage of the Closed Shop", *Australian Bulletin of Labour*, Vol. 7, No. 3.
- Wright, M. (1983) "Union Preference and the Closed Shop", in B. Ford and D. Plowman (ed) *Australian Unions: An Industrial Relations Perspective*, Macmillan, Melbourne.