

# **BOOK REVIEW**



**Book Review:****The Struggle for Australian Industrial Relations**

by *Braham Dabscheck*, 1995 (Melbourne, Oxford University Press)  
\$A26.95, paperback, pp. xiv + 194.

What is different about modern Australian industrial relations is that the clash between labour and capital at the fault line of capitalism is being fought out not only within the realm of the established social institutional framework, but more importantly around the very nature of that framework. The features of what some term the social structure of accumulation are today key subjects of political and social contest and nowhere has this been more visible than in the area of industrial relations institutions. The work under review is a very forceful, and at times, passionate, contribution to recent debates surrounding these processes of transformation. Dabscheck who has been a long-standing and lively contributor to the controversies in Australian industrial relations does nothing in this new book, billed as a sequel to his *Australian Industrial Relations in the 1980s*, which will dull his reputation.

On offer are essentially a set of five substantive essays, all but one addressing what are seen as the key issues to emerge in Australian industrial relations over the past decade or so. These issues are identified as decentralisation and a concomitant reduction in the standing of the Australian Industrial Relations Commission, the acceleration of enterprise bargaining, and the nature and rôle of unions in this changing set of institutional arrangements. The non-thematic essay is the opening chapter where the reader encounters the author's latest expedition into the terrain of industrial relations theory.

The period with which the essays are concerned sees the ushering in of what might be regarded as a grand Weberian project—the pursuit of a nirvana of high efficiency through the propagation of a fundamentalist economic rationalism derived from the sacred writings of first year economics texts. Among the key words that have been used in the legitimation process for this new regime are “competitiveness”, “freedom”, “choice” and naturally “deregulation”. The priests of this fundamentalism are located throughout society in such places as government bureaucracies and agencies, in universities, especially in economics departments and business schools, in the ranks of consultants, in the fourth estate, and not surprisingly, in the nooks and crannies of the burgeoning finance sector. New converts are to be found not only among the previous “nervous nellys” of the business world, but also in the leading ranks of the Australian Labor Party (ALP) and among leftist “radicals” of the 60s. The “lower North Shore” view of the world, as some Sydney-siders aptly describe these developments, has become the common currency of discourse. Predictably, industrial relations arrangements and

institutions became one of the prime missionary targets for this fundamentalism.

The plain fact is that the late eighties and early nineties have seen the agenda of capital largely taken on board by the ruling federal ALP government. Senior party spokespersons have seemingly become the joint purveyors of the rhetoric of capital through the continual promulgation of the terminology of competitiveness, best practice, benchmarking, free trade, deregulation, privatisation, contractualism, individualism and so on. Continual parroting of statements regarding a massive productivity potential, which is said to exist if industrial relations were put in order, has taken on the characteristics of an orchestrated promotional campaign. Dabscheck is no admirer of the logic behind this new rhetoric, nor for that matter of its predecessors.

In the essays he concentrates on the visible issues seen through a more or less traditional institutionalist lens. He largely ignores some of the less obvious though perhaps even more significant matters such as the managerial offensive being waged from the boardroom with its reverberations being felt at the workplace. Neither does he become embroiled in the issue of whether human resource management (HRM) has acquired more than a foothold in Australian industrial relations. He also skirts the question of how some senior corporate managers are attempting to detach Australian workers from their tradition of unionism. But despite these oversights Dabscheck demonstrates that he is not prepared to be marginalised or incorporated by the proponents of the current folk wisdom of the market.

His theory of *Australian* industrial relations is very much a Balkanesque one, reflecting the narrow and crude pluralist ideas of earlier writers in political science. Because such theories share similar blood lines to those of the economist's world of competitive markets they also share many of the congenital shortcomings. But Dabscheck's theory also echoes the influences of what have long been regarded as among the classics of Labour Economics and Industrial Relations. Here the work of Arthur Ross and Clark Kerr, amongst others, is very much in evidence. The elements of the world of industrial relations according to Dabscheck are "interactors" who/which (they can be both individuals and institutions) bounce around what are termed 'orbits of interaction', inevitably coming into collision from time to time, and with varying degrees of intensity. In place of the trench warfare and journey root metaphors which have been identified with industrial relations of late, what is provided here is an astrophysical image. Motivational elements are derived from some of the earlier ideas of Dahrendorf with interactors assumed to be driven to bolster their authority. What might be regarded as the core proposition of Dabscheck's "theory of industrial relations" is to be found in his Proposition 6 which reads: "Interactors are motivated by the desire to enhance their authority within orbits of interaction" (p. 14).

Though the theory is largely packed up and put out of sight in later chapters, except for a brief reappearance in the Epilogue (and one might ask why this has

been done), it is clearly intended to provide an analytical template for the reader. Unfortunately, it is much too far removed from social theory and significantly side-steps any careful consideration of the historical and spatial dynamics, and internal workings, of capitalism. But the rest of the book provides some genuine insights and excellent critiques.

On the merits of the trend towards increased decentralism in industrial relations since the mid-eighties Dabscheck is clearly agnostic. He carefully traces the progressive break away from the centralism of the early *Accords* and delves into the very mixed supporting evidence upon which this path was taken. In the story he tells it becomes apparent that the perceived imperatives of economic management clearly came to override the equity considerations reflected in many of the former institutional characteristics of Australian industrial relations. What is often overlooked, or pushed aside, is that the various tribunals in Australia have been as much part of the wider fabric of social equity, as they have been economic institutions. But while Dabscheck highlights this duality he also suggests that the Australian Industrial Relations Commission has drifted a little off track itself especially in the episode over the salary levels of its members. Not only that but the Commission has also found that well-known landmark High Court rulings have wrested part of its discretionary rôle away and opened the door to a greater degree of legislative action by the Federal Parliament.

In his chapter on enterprise bargaining (really the latest form of productivity bargaining) Dabscheck offers the argument that the notion has found such attraction among an apparently diverse set of clients because of the sheer ambiguity of the concept. For this reason endorsement was forthcoming in the early stages but as the practice takes root parties are beginning to discover the substantial divide that exists between them over meaning, and he suggests that this gap will grow larger with the passage of time. As those who know the system are aware, enterprise bargaining has been around for quite sometime; what is new is its open promotion and firmer legislative backing. Writing in the relatively early days of its current manifestation he argues that enterprise bargaining had not taken deep root and has been rather partial and piecemeal in form. Whether he would need to amend this interpretation in the face of more recent evidence remains to be seen.

There are some issues associated with enterprise bargaining which he fails to explore adequately. Among these are its impact on wage dispersion and to a lesser extent on employment patterns, and indeed unemployment. In the final analysis the longevity of enterprise bargaining may well hinge less upon its capacity to deliver economic benefits to particular groups and more on its ability to sustain social cohesion around distributive matters.

The future of unions is the final key question which receives attention in the book. Lately, much has been written on this in the industrialised world. What is different about Australia, however, is that the union movement has adopted a policy of organisational consolidation aimed at creating “super unions” and

through this it had hoped to enhance union strength. Amalgamation has, however, chewed up resources and energy and unravelled long established sources of power at state level. Membership has continued on a downward spiral and many, including Dabscheck, would now argue that union leaders may well have become too distracted from their traditional task of pursuing the interests of their members. In a way unions themselves may have assisted those employers who see decentralisation of industrial relations as serving a number of objectives, one of which is to reduce union influence. At the very time when there is a growing centralisation of corporate power becoming evident through the process of globalisation it seems incongruous that unions should have taken a path which, in practice, has been associated with reduced membership, and fewer and fewer resources. Dabscheck's contribution is now just one of a growing body of critical perspectives on recent union strategies.

All told then this is a book for the times. For teachers and students of industrial relations it is ideal as a debate starter; for those seeking a considered but critical analysis of recent events it merits the reading time required. In particular, it is a book that should be read by managers who have had little exposure to alternative viewpoints to those offered by their peak bodies. What it demonstrates is that debates about industrial relations policy in Australia are far from settled and that we are not on the road to the end of industrial relations history.

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