

## **POLITICS IN PUB PAPER FROM JOHN SUTTON CFMEU ON “WHAT FUTURE FOR TRADE UNIONS”**

The trade union movement has a guaranteed future whilever we have Capitalism.

I say this because under capitalism workers as individuals selling their labour face intrinsic, structural disadvantage – only by combining with other workers in like positions can they hope to increase their bargaining position in the workplace.

Of course other things can qualify this situation. A particularly highly skilled worker may have individual bargaining power and economic conditions, such as boom conditions, and scarcity of labour can enhance some workers bargaining power at certain stages of the economic cycle.

The fortunes of the organised trade union movement will wax and wane over time depending upon political, economic, cultural and legal circumstances. Of these factors the political factor is the most pertinent and pressing.

Trade unions are generally seen by capitalists and supporters of capitalism as a threat.

Trade unions are formed and supported by workers to facilitate bargaining with employers to obtain economic spoils that the employers would not otherwise grant.

In other words, trade unions impact to a greater or lesser extent on the economic circumstances and most particularly the profits of the employer.

So its natural employers, and the employer class who are in a dominant position under capitalism would not welcome the success of trade unions – in fact as we know they do the opposite, they agitate against trade unions, and most particularly powerful trade unions, on a constant basis.

Since the advent of the Reagan/Thatcher neo-liberal era in the early to mid eighties its generally true that trade unions in most parts of the capitalist world have been under assault. This has first and foremost been political assault but it has also consisted of legislative attack, legal and litigation attack, media attack and I suppose intellectual attack from resurgent right-wing theorists who say trade unions are anachronisms or relics of a past era. Trade unions have, in these circumstances of severe attack, almost everywhere suffered declines.

In Australia we have seen a concerted assault on trade unionism over the last 20 years or so and it has had a serious impact on the strength and shape of our trade union movement. Membership density has gone from around 50% to around 20% in a little over 25 years.

Other factors that have impacted our unions beside the concerted assault include:

- the changing structure of industry
- demographics including the aging population
- the rush to rapid amalgamations some 15 years ago which arguably did more damage than good
- the Accord policies of the Hawke/Keating era, which again, unarguably in my view, did more harm than good.

More recently in the Howard era of 1996-2007 political and legislative attack was consistently ramped up culminating in the 2005 WorkChoices legislation which was a conscious, systematic attack to de-collectivise industrial relations by making individual work contracts the primary vehicle for setting wages and conditions in Australia. In tandem with the move to individualised wage fixing a vast array of structural mechanisms were put in place to de-legitimise trade unions and make most of their previous activities unlawful.

Apart from WorkChoices the other standout attacks on effective trade unions of the Howard years were the concerted attempt to smash the CFMEU coal miners in the period 96-98, the unprecedented move to smash the MUA in the waterfront battle of 98 and the scandalous Cole Royal Commission into the Building Industry in 2000-2002.

The latter assault eventually culminated in the Orwellian named Building and Construction Industry Improvement Act of 2004 which introduced a new range of government machinery (special police, coercive powers, covert methods etc) designed to destroy the Australian building unions - most particularly my own union CFMEU.

But the excesses of Howard and his cheer squad of business interests lay the basis of their own defeat through the extreme nature of WorkChoices and their underestimation of the capacity of workers and the trade union movement to fight back.

And this brings me to the highly successful union strategy known as the Your Rights @ Work Campaign - a systematic battle plan devised and executed over 2 and a half years with the intention of removing from power the once invincible John Howard and his Liberal/National party Government.

The key elements of the Your Rights @ Work campaign were:

- systematic cooperation and planning from the highest levels of the union movement through to the rank and file
- serious expenditure of union resources and reserves on mass communication techniques including paid advertising on a major scale
- the establishment of community networks including activist committees in electorates across the country

- the establishment and use of an activist email network that was some 200,000 strong that allowed for rapid dissemination of information and harnessing of activists energies at short notice
- coordination with ALP, Greens and other political forces working for the defeat of the Howard Government.

The Your Rights @ Work campaign showed us all what the trade union movement can do if it harnesses its forces and energy and works in a united, disciplined way.

Of course the great challenge after the Your Rights @ Work process is can the trade union movement transfer the skills and techniques from a campaign that involved a wide variety of forces working together for the defeat of a common enemy, into a positive campaign to rebuild union infrastructure and win new rights for Australian workers under an ALP Federal Government?

I can assure you that the answer to this question is on the minds of many trade union officials, activists, delegates and members.

And after seven or eight months of the Rudd Labor Government I'm not sure anyone in the union movement can provide an exact answer or certain answer about where the relationship between the Australian trade union movement and the ALP Federal Government is headed.

However some things are clear already:

- the Government seems determined to implement to the letter the pre-election industrial relations policies it outlined in Forward with Fairness Mark I and Mark II
- a positive aspect that they have already delivered on involves the legislative banning of Howard's individual contracts, the AWA's
- the new Government is highly consultative, including with trade unions, but this doesn't automatically result in improved outcomes for trade unions or their members
- the new Government seems to value the opinions and support of some employer groups such as the Australian Industry Group and the Housing Industry Association more than the trade unions in these areas
- the landmark new Industrial Relations Act that the Government is working to draft seems behind schedule in meeting its original timelines and it is highly doubtful it will be operative this year.

Now let me indicate some of the political elements that I believe will bear on the issue of relationship between the Rudd Government and our trade union movement.

- This is a cautious, conservative Social Democratic Government very much in the tradition of Tony Blair's New Labor.
- Kevin Rudd is not connected to or of the trade union movement in any way.

- The Rudd Government's economic fundamentals including commitment to free markets, free trade agreements, budget surpluses and fighting inflation first is not far removed from Howard's Liberals.
- On industrial relations policy the Rudd Labor Government is considerably better than Howard but not as supportive as Labor Governments of past eras and not nearly as supportive as most unions would like.
- Rudd Labor is committed, and I believe will deliver on their commitment to make an effective collective bargaining system the centre-piece of their new industrial legislation – this is essential for the re-building of the trade union movement and essential if we are to harness workers in collective struggles to win new standards.
- The Rudd Government will be a substantial improvement over the Liberals in areas of social policy and environmental policy.

So if these are some of the hallmarks of Rudd Labor what is the way forward for Australia's unions?

I would nominate 6 key propositions that unions need to advance:

1. We need to be genuinely independent of the ALP, prepared to criticise them when they are pursuing policies negative to our members' interests and be supportive of them when they are advancing policies positive to our members interests.
2. We need to negotiate every last detail of the new Industrial Relations Act – this Act is crucial to our rights to represent our members and as they say 'the devil will be in the detail'.
3. We need to fight for our members interests and be guided by the sovereignty of our members' rights – rather than bowing to the blandishments or threats of politicians who say unions bear an onus in the fight against inflation. In the devolved wage fixing system known as Enterprise Bargaining (which the politicians bestowed on us) we are following the rules they established to bargain for the best outcome achievable for our members.
4. We need to be prepared to campaign publicly and mount all forms of pressure if Rudd Labor reneges on commitments or starts to act in a manner that is seriously damaging to our members interests.
5. We must not give the Liberals an easy passage back into Government by establishing a permanently negative or constantly antagonistic attitude to Rudd Labor. Under a new leader in Turnbull the Liberals will be competitive soon enough and we cannot afford to forget the fundamental class position of the Liberal/National Political Party.
6. We must campaign relentlessly to remove from the statute books neo-fascist legislation such as the Building and Construction Industry Improvement Act which

sustains an aggressive anti-union police squad exercising coercive investigatory powers more fit for a fascist dictatorship than a modern democracy.

In conclusion I can say my own union has started growing again in the short period the ALP has been back in power. The employers in most industries are not as confident or cocksure as they were under Howard.

The Rudd Labor Government is not hell-bent on destroying trade unions like the Howard Government was, but nor is the Rudd Government hell-bent on assisting the trade union movement. There is a lack of knowledge, understanding and cultural commitment at senior levels of the Rudd Government to the importance of a strong, vibrant trade union movement. But most in the trade union movement know where we stand – we must demonstrate to Rudd Labor the value of strong trade unions through the strength of our policies, our arguments and above all our ability to mobilise workers.

As a final word – the Rudd Government will not be the salvation of the Australian trade union movement and we will be on the slippery slope to failure if we start relying on the ALP, rather than our own efforts to mobilise our rank and file.

Thanks  
John Sutton  
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