

Industrial Democracy and New Management Techniques in the Australian Metal Industry

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Recent experience in the metal manufacturing industry suggests that there are opportunities for workers to increase their skills and power within the industry. This has arisen out of management's implementation of "Just in Time" and "Total Quality Control" systems, and also because of the particular strategy being pursued by some influential unions.

First of all some background. Like a number of small industrialised countries, Australia has been experiencing a dramatic downturn in its manufacturing base over the last ten years. Specific factors have been the cut back beginning in the early seventies of the high tariff barriers, the deliberate policy of conservative governments to concentrate on the resource industries at the expense, poor management, the global policy of some multi-national corporations, to a lesser extent unions leaving important decisions in the hands of government and management, and the world wide cyclical crisis.

This situation has begun to change and some of the reason are: Federal and state Labor governments which show a little more concern for manufacturing than their conservative predecessors, a union movement now very conscious and determined about the need to retain the existing level of manufacturing industry, and the fall in the Australian dollar making local manufacturing more competitive. Alongside these factors, and to some extent as a result of them, has been an increased awareness and commitment by local managements to implement more efficient techniques suitable to the smaller volume of Australian manufacturing industry.

An extremely important backdrop to these developments has been the Accord signed between the Australian Labor Party and the Australian Council of Trade Unions in early 1983, before the ALP came to government, and a subsequent renewal and extension from September 1985.

The agreement has provided for the Government to support the union movement in the Arbitration Commission for six monthly cost of living wage adjustments. In return for the Government's support of wage indexation for all workers, unions agreed not to pursue increases outside of the six monthly decisions. Included in the Accord are some anomalous situations in which wage increases outside of indexation can be granted, for example where new skills are required.

Strategically this has meant that unions are no longer consumed by a constant round of wage negotiations from workplace to workplace. With such a breathing space we can pay attention to more long-term strategic issues such as health and safety, superannuation, industrial democracy, industry policy and jobs.

Further, the Government was committed to restructuring taxation in order to shift the burden more to the rich, give support to manufacturing industry, improve aspects of social welfare, introduce a National Health Scheme, and in the latest agreement to support the ACTU demand for a 3 per cent productivity increase (apart from indexation), to be payable as superannuation for all workers, in union based schemes.

If one takes the whole package of indexed wages, tax cuts and Medicare, etc, workers living standards have been effectively maintained, and even slightly improved in some sections of the lower paid.

A big problem for the union movement has been some economic policies pursued by the federal government which are not included in the Accord, but can undermine its effective implementation. For example, deregulating the banking and finance industry, floating the dollar, which has also had some positive effects, succumbing to business pressure to cut government spending and the budget deficit etc.

One of the major criticisms of the Government has been their less than enthusiastic support of the industry policy commitment in the Accord. However, in the Accord Mark 2 reached in September 1985 there is a stronger statement on this issue.

From the late seventies the unions began to recognise that they had to campaign vigorously to save industrial jobs. This was especially the case in the Metal Industry where campaigns were begun with mass publications, meetings in factories and workshops, deputations, large conferences and so on. This led the Metal Unions to be absolutely insistent that the Accord had to have a commitment to Industry Policy otherwise we would not be part of it. This had the support of the ACTU hence its inclusion in the initial document of 1983.

Although it was part of the Accord, the government was tardy in establishing the Australian Manufacturing Council, a tri-partite body under the Chairmanship of the federal Minister for Industry, Technology and Commerce. Under the Council there are eleven separate tri-partite industry groupings, backed up with secretariat staff. This structure has had a limited success with a few of the Councils operating reasonably well.

The objective of the Australian Manufacturing Council is to develop plans for industry sectors. In the case of the steel and automobile industries, this has led to specific deadlines when the forms of government assistance will disappear, or change dramatically. These two were finalised before the structure was established and the unions were not consulted.

Nevertheless, such dealines can be useful in enabling the unions to have some perspective of the future, and to negotiate on the way the objectives will be achieved. A problem is that some unions are prepared to accept any proposition from management, while the Amalgamated Metal Workers Union is insistent that there has to be negotiation.

While this has been going on, the Metal Unions in particular have been taking initiatives of a more direct kind. In a number of resource project, the unions have used industrial muscle to negotiate for local sourcing of materials, etc. Some machinery and equipment which otherwise would have been bought overseas will be sourced locally, as a result nearly two hundred million dollars worth of work will now be done in Australia. This tactic is spreading to other sections of the metal industry.

For the moment the tactic of direct negotiations has proved to be more successful than working through the Australian Manufacturing Council, although unions recognise the need to be involved in the AMC. Quite obviously success at government and institutional level would magnify the results by an order of many times.

We now have members in many companies examining the equipment and materials they are using, establishing the possibility of these being sourced within Australia, and then negotiating with companies under threat of black banning some of the imported materials and equipment. With one multi-national company this has led to a signed agreement which will substantially increase the local content of its operations.

While this might appear to be economic nationalism, it is an example of starting with the particular problems at the micro level of the industry, establishing our right to negotiate, and then develop the process further in intervening into management prerogatives and the production side of the economy.

An important aspect of industry policy programs is to campaign and negotiate for the development of new products as an integral part of future planning, particularly to replace jobs likely to be lost as a result of new technology. This is seen as reasonable because there are quite a lot of local inventions and innovations, which finish up being produced overseas because local management and entrepreneurs are reluctant to take them on.

Recently the combined strength of state and federal government along with the unions, succeeded in forcing a major engineering company to accept a contract worth \$200 million from overseas. Jobs were retained, foreign exchange was earned but the company was reluctant because the profit margins were very low. These initiatives undoubtedly represent an intervention into traditional management prerogatives.

A spin off has been the increasingly positive relationship between the unions and elements of management in private industry and government. We find engineers in some companies with a genuine commitment to the development of technology and skills in Australian industry, providing us with valuable information. The same with some of the higher echelons of government bureaucracies. Retaining manufacturing industry and developing technology are seen by them as eminently reasonable, and the unions are an ally on this issue.

A further development has been the relative weaknesses and strengths of the employers and unions at the national level. In negotiating with government over tax reform, superannuation, direction of the economy, etc, the ACTU has demonstrated, competence and cohesiveness.

By contrast because there is no one national employers' organisation they have appeared publicly very divided and often incompetent. Privately many employers admit that the unions have been far more effective in the public domain. Nevertheless behind the scenes, and through media pressure, business has had a number of their policies accepted.

Divisions among employers have emerged through the operations of the Accord. While the conservatives and most employer organisations have attacked it, management in the manufacturing sector are now less opposed, and some even want it to continue, as an important base for them to plan more effectively.

It is important to stress the role of, and atmosphere created by, Labor Government at the national level, and four out of the six States. While the unions and the left have some strong criticisms about the national government not properly carrying out A.L.P. policy in such areas as foreign affairs, the economy, education, uranium mining, industry restructuring etc. there can be no doubt it is a vast improvement on the conservative alternative.

The level of co-operation with the unions is significant and it is not lost on the conservatives and many employers who are constantly complaining that the unions have too much power. This atmosphere helps to legitimise union power and employers feel a bit more compelled to negotiate on important issues than would otherwise be the case.

It is within this broad political context that some activities are taking place on the workshop floor. With Government encouragement, and some financial help many managements are now moving to introduce various forms of Just in Time, "Total Quality Control" and other new techniques as part of their attempt to survive. This is opening up the possibility for the unions to link the Industry Policy being pursued at the macro level, with Industrial Democracy at the micro level, and use the required upgrading of skills to provide higher wages, and a base for democratic change.

"Just in Time" management techniques require a more cooperative workforce, a less authoritarian management style, a greater range of skills and more freeflow of information. In the Australian context it means that companies are more vulnerable to industrial action as they have low stocks, little work in progress, and fast turn around times to meet the flexible demands of the market place.

The higher level of union membership and traditional militancy can be turned to some effect in this situation. By comparison in Japan, workers are integrated into the production process, and their unions in the main have acceded, and often act as an arm of management. On the other hand, in the United States the serious decline in union membership has meant many of these management techniques can be put in place without reference to a union, although there are exceptions such as the General Motors Saturn project.

Co-operation for us must be based on a properly negotiated agreement, and must result in an improvement in job security, Union organisation, and access to company information. We

accept that there is a strong argument for an improvement in efficiency if Australian manufacturing is to survive, and the workers can play a major role. It would be irresponsible for the unions and their members to stand aside from resolving these difficulties.

If a company is to introduce new management techniques we place the demand that we want a paid, one week training program, conducted by the union for the union activists, but management by allowed one or two sessions. This is because we need more knowledge to negotiate an agreement, and if we don't get the training program the union won't co-operate. As most managements recognise that their initiatives would be doomed without co-operation they usually agree.

At the end of the training program the participants identify the issues they wish to negotiate, as a condition for their co-operation, and they usually come under the following headings...

- Improved job security.
- Improved union organisation and rights for Shop Stewards.
- A consultation process where by company information is made available to the union representative.
- Job re-design providing for more interesting work
- In conjunction with job redesign, an upgrading of skills for all workers.
- Where appropriate, an upgrading of general education standards such as literacy and numeracy.
- Where appropriate, a Health and Safety Agreement based on the very good legislation now existing in some Australian States

The specifics under each of those headings vary from workplace to workplace, depending on such things as the strength of the union, whether it is a batch type production involving large numbers of semiskilled workers, a jobbing process involving a majority of skilled tradesmen, or a continuous production process such as a chemical plant or rolling mill. In nearly all cases the participants in these training programs have reported new skills or a broadening of their work responsibility.

There is little doubt that the new management techniques of Just in Time and "Total Quality Control" (this combination of techniques is now being called "Value Added Management") requires more skills, more responsibility, a more committed workforce, and a different type of supervision if it is to work. Some managements are even admitting that they won't survive without the cooperation of unions and employees.

To give an example, management in a major segment of the steel industry is to provide substantial paid study leave for courses on new job skills for all workers in the establishment. For tradesmen this will be 30 days over 2 years, leading to a substantial wage increase, and more job responsibility.

Management is also putting supervisors through intensive training and insisting that they no longer be authoritarian if they are to get the best out of the new skills and responsibility. We are negotiating an agreement with that company which will mean an improvement in union organisation, access to some company information, and a union role in designing the job training program, which will include segments for the union to put its views.

This company is the most advanced, and is being examined by others. Negotiations with other companies have indicated that

they will be heading in a similar direction.

Companies are finding themselves in an historical Catch 22, in that the Taylorist type old methods are inadequate. They are looking for alternatives and they are reluctant to give away any of their power. In the Australian context with a strong union movement, management can be brought into negotiating about work organisation if the unions have the strategy and the perspective to become involved. This if the most significant period when the trade union movement has become concerned with negotiating work organisation, and open possibilities for strategic change and as Korpi puts it, can be a strengthening of the "Power Resources: within the workplace". Korpi argues that the real test of a union movement is not how many strikes it has, but to what extent it builds the power resources of workers.

The results of some of the pilot programs on introducing Just in Time, Total Quality Control etc. are sometimes quite spectacular, bearing in mind that Australia comes from a fairly low level of productivity and poor management. Stocks, and work in progress in some cases have been cut dramatically, the figures for one place being 60,000 components down to 12, and a turn around time from the order being placed to reaching the market place, of three months to three days. Die changes which have traditionally been a major problem when seeking greater flexibility have been cut in some cases from 7-8 hours to ½ an hour and in one place from over 4 hours to 4 minutes.

In nearly all cases these changes have been made by innovation, relying on the initiative and tacit knowledge of the workers operating the machinery. In one case it even involved the slowing down of some machines but a re-arranging of their relative positions, and it almost doubled the production.

Given that most of these innovations were long overdue, and some have been known by the workers for many years, and as far as we can ascertain rarely involve working harder, the unions can only support such change, providing certain safeguards are built in. To some extent like management we are in a Catch 22.

If we simply go for direct confrontation on wages and conditions then in the context of the global reorganisation of manufacturing, it's likely to mean a further rapid fall in the number of jobs in manufacturing.

If we remain aloof it is possible that management may win our members despite the unions' opposition. By standing aside we could be accused rightly or wrongly of contributing to the downfall of a company or industry. By becoming involved we run the risk of being incorporated and doing managements' job for them. Hence the importance of a clear strategy and perspective that is concerned with opening up every issue to the negotiating process.

An important lesson is that the members, while maintaining a scepticism, welcome the opportunity to develop a co-operative process rather than be in traditional conflict. Most people don't like conflict unless it is necessary, and respond well when unions put forward positive, reasonable responses to managements' initiatives. Members often regard it as reasonable to save their company to save their job, even if management intends to sacrifice that product line in order to transfer their capital elsewhere.

Experience suggests that most people don't understand terms and concepts such as industrial democracy, workers control,

etc. They confront particular problems and what it is called is irrelevant. In fact, workers participation is probably the most easily understood term. This highlights the point that the left often gets hung up on terminology and concepts, that are not seen as very important by the participants. This is not to suggest that concepts and terminology are unimportant, but to understand that their starting point is in solving practical problems. If the strategic direction is clear and the contradictions and the obstacles understood then we shouldn't let terminology prevent us doing things.

The fact that the members may choose in management's and even union eyes, some quite radical solution, is because it is a reasonable approach to take. Among the members, with management and the public, we are arguing that the changes in work organisation, to supervision, upgrading of skills, access to information, etc, are simply more logical, efficient management methods.

A significant aspect of the Just in Time management technique which links it effectively to the macro strategy is that it can strengthen local content and manufacturing. This is because with low stock and work in progress transport lines need to be very short and important components are much more vulnerable to transport disruption. We have had some discussions with a large electronics company who maintain an extremely high level of stocks because many components are imported, and we are hoping to negotiate with them about the development of new skills and facilities required to have the components produced locally.

It is important that we develop a principled reward system where benefits from the increased productivity and efficiency are shared. The first thing we are insisting upon is job security or at least to the extent that is possible within the capitalist system. In particular, that there will be no loss of job as a result of the new management techniques.

However, going beyond that we are now seeking agreements to set minimum levels of employment in a plant every twelve months. This would get over the problem of companies running down their workforce by wastage, retirements, deaths, etc, rather than outright sackings. It would represent an important intervention into hiring and firing rights of management.

Other ideas would be that the improvements in productivity and efficiency should be taken out in such things as greater time off for training. It is likely in future that further reduction in the current 38 hour working week would be negotiated through more paid training time rather than shorter hours per se.

The objective is to try and take out the extra productivity in social, rather than individualistic ways. For example, a commitment that a certain percentage of the profit be set aside for the employees to have some say as to the way it should be invested and that the workforce be provided out of the profits with holiday homes, sporting clubs, art facilities and equipment, and a certain percentage of the profit to be handed over to the employees to spend on the working environment as happens in Sweden.

The role of new technology in this process is interesting. The majority of improvements have been made as a result of simple innovation and use of the practical and tacit knowledge of the workers on the shop floor. The Technology Transfer Council, the organisation that has promoted the introduction of "Just in Time" techniques, now suggests that management,

first of all, consider new techniques before introducing new technology.

New technology is being introduced within the context of the particular "Value Added Management" technique. Nevertheless the two things combined seem to strengthen the argument that if management is to get the best out of both, a vertical upgrading of skills will be required. The approach of the unions is effectively encompassing the response to new technology.

This approach is strengthened by a new award provision which now makes it incumbent on management to inform unions as soon as a decision has been made to introduce new technology. While inadequate in that we only hear after the decision, it is a good base to build on. The provision includes redundancy of up to nine weeks pay for a person over 45 years with four years service and this is the first time that redundancy is included in a legally binding major award.

The argument for higher skills is given further impetus by a study undertaken within the Metal Industry. Following an extensive examination of work practices right across Australia, there is now incontrovertible evidence that greater skills are required in many cases for new technology, and an increasing number of tradesmen are attending courses beyond their traditional apprenticeship training.

The new generation of equipment is qualitatively different from most of what has previously been introduced. First, to carry out machining operations with such equipment, metal workers have to perform tasks formerly done by white collar workers. Secondly, the new skills requirement means that it's no longer enough to be simply a fitter or an electrician. The new word "machatronics" sums it up. The new skills will cut across the traditional trade demarcations, both faster and more pervasively than the turning of skills has ever done before.

An application will now be made for a classification above the traditional tradesmen's, which would attract higher pay for the new skills and responsibilities. The employers' organisation has in principle agreed, as they have difficulty getting workers with the required skills.

A case for higher skills can be made for Maintenance Fitters, Instrument Fitters, Machinists and Toolmakers especially doing N.C. Programming, some aspects of sheetmetal and specialised welding. It is more difficult to make out a case in the Boilermaking trade for example as the effects of new technology are uneven or generally deskilling.

There is also some evidence that skills of some process workers have been increased. In particular they are required to have more responsibility for their work, because of "Total Quality Control". To up-grade the classification and pay of process workers is a more difficult job. Managements will resist it more strongly and it will run into the traditional concerns and prejudices of skilled workers which are especially evident in a craft based union movement.

This vertical upgrading of skills raises important questions about the traditional apprenticeship method, one pay rate for a job right across industry, and how we develop ongoing training and education for life.

The union movement must now examine job training as an integral part of industry policy and industrial democracy, rather than it being outside of the mainstream which has been

the traditional approach. The Metal Workers union is coming to the conclusion that the key issues in the future strategy, centre around industry policy, industrial democracy, and underpinned by vertical upgrading of skills.

These issues are posing the union movement with problems about resources, and capacity to handle areas of negotiation. We will only be able to go as our Shop Stewards and members have the capacity to handle each step, and full time officials will need more help with research and training. Since we are placing great store on training, in each negotiating package, it is demanded that the shop stewards be given paid time to attend courses run by the union movement, this is to equip them to negotiate such things as job design, company information, job training, job security, and rewards from the new productivity and efficiency, etc.

This process is especially highlighted with the new Occupational Health and Safety legislation that came into force from the 1st October 1985 in Victoria. This is some of the best legislation in the world and provides for paid study leave for the Health and Safety Shop Stewards to be properly trained. It is estimated that by the end of 1986 this initiative alone will have generated 4,000 new trained job activists for all unions, in that State.

While the union movement must be committed to providing much of these resources from their own coffers, nevertheless our main request from the Government at the moment is for backup resources. The federal and state Labor governments have assisted with funding to initiate Industrial Democracy, Industry Policy projects, Health and Safety, New Technology and so on. This has been of benefit but nevertheless the union movement is aware that it is also at the whim of governments, and therefore it would be wrong to rely completely on these resources as they can be removed with a change of government.

Support for the extension of democracy at the workplace is clearly demonstrated not only from the experiences listed above, but also from a recent survey conducted by the Metal Workers Union. That survey showed an overwhelming response by the members to the idea that they should be more involved in decision making. Seven hundred and seventy-four members responded to a lengthy questionnaire.

The interesting pattern that emerged was as follows:

1. The members opted overwhelmingly for involvement in decision making.
2. They were far more interested in being involved in decisions that are immediately close to them such as purchase of new machinery which they will be operating, Health and Safety, job design, information for their job, and so on rather than being involved with decisions at the top level, regarding investment, distribution of profit, etc.
3. Most members believed that such new arrangements should be directly negotiated between management and the union rather than through some form of Works Council, representatives on the Boards, etc.
4. Wages, working conditions and job security were the overwhelming issues and seen as the key to job democracy.
5. Job enrichment and more training rate much more highly than is often understood.

What this survey and the experience of the last couple of years clearly demonstrates is that unions must find the concrete starting points appropriate to the workplace. While we correctly develop a broad general strategy around Industry policy at the macro level, with industrial democracy at the micro level, its tactical expression in each workplace will be quite different depending on a number of factors.

The level of union membership and organisation, the type of production process, whether the majority are process workers or trades people, etc. This approach is a little different from the past where the unions would go from place to place with a general demand relating to wages, shorter hours, longer holidays, etc, which was applicable everywhere. We now have to listen very carefully to the specific concerns in each workplace and to respond with a concrete plan of action.

Workers need to be taken through a very carefully developed, step by step process, and to become impatient and dodge stages is to repeat many of the mistakes of the past. The left and marxist tradition, has sought to generalise almost every issue and action so that the working class, or sections of it were expected to come into action to change the country, and even the world, leaving an enormous gap between that, and their limited experience of capitalism on a day to day basis at the point of production.

What we have to recognise is that workers in different segments of industries, and companies, experience macro events in very different forms, and there is no simple jump from the specific to the general. For example it is ludicrous to imagine that a group of workers who have not even learnt to systematically challenge their local supervisor or management, should be suddenly asked to take action to change the economic direction of the whole country.

To suggest we go step by step and not dodging stages, is not to say that we can't move fairly quickly. Experience would suggest that if we are meticulous about finding and developing each stage, rather than working from some romantic view of workers' consciousness, the response is positive and we can move quickly.

This is also within the best learning processes of adult education, and there is a lot to be learnt from that field for socialist strategy. This is also not to suggest that only personal experience is relevant, as other experiences and theories are important provided they are linked to the precise starting points, and experience of the particular group.

Unions in the manufacturing sector find themselves potentially, in a most exciting situation. Management thought of as a class may have a range of options but individual managers often face limited options if they and their companies are to survive in something like their present form. In most cases the traditional authoritarian methods will be unsuitable. Where possible managers will opt for the most manipulative methods that will mean maintaining their power, while at the same time relying on more initiative and responsibility from the workforce. What we want and need, and what they get are not necessarily the same thing.

To the extent that the company stays in that line of business and where the union is strong and has a clear perspective to intervene in the labour process, management will have no choice but to negotiate. The new skills and responsibilities required of the workforce give the union a stronger negotiating base. Given the correct approach from the union movement for the first time in Australia we can move the issue

of the labour process, and workplace decision making right to centre stage and make it a political struggle.

This in a movement which has traditionally remained aloof from management decision making, is divided to a fair extent by craft attitudes, and has largely been bound up in the legalisms of the Arbitration system, is in itself a very important development, even a major cultural change for the Australian labour movement.

One can't stress enough that the strategy must have both a macro and micro level and that we must use the opportunity to intervene and democratise the labour process. If we don't do this we will simply have introduced some worthwhile and needed reforms, which will help make the system more efficient but not strengthen workers' power in the long term. Any democratisation process that does not alter the labour process will continually recreate hierarchical, bureaucratic structures, in the workplace and in the wider society.

Our objective in the short term is to have a number of key reforms both through the direct negotiation and legislation, in place by the next election. In that way some key strategic changes will have the possibility of surviving a period of conservative rule. The strategy is aided and abetted by an ACTU leadership which is undoubtedly the most competent, and strategically minded that the union movement has ever had. It has demonstrated a capacity to be tough with employers and to work with and where necessary be tough with Labor governments. Nevertheless despite this development there are still too many unions prepared to go along in the old way and not seize the opportunities.

There are some important conclusions which can be drawn from these experiences. It should be stressed that while the new management techniques are being widely applied, as yet very few unions are tackling them in the way described here. Even in the metal industry we have only opened negotiations with a few, although making plans for a concerted nationwide approach. Part of that will be the need to convince other unions of the opportunity that these new initiatives provide. The problem is that many unions lack the strategic perspectives embodied in the Amalgamated Metal Workers Union.

The experiences suggest that the Braverman thesis of inevitable and across the board deskilling the loss of control by workers must be challenged. Some writers such as David Noble, have sought to confirm Braverman's theories, and while they have pointed to some experiences, in my view have overlooked other important processes of history and broader political influences which people like Michael Burawoy and Paul Adler have explained.

An interesting aspect of our recent experiences in manufacturing is the re-emergence of engineers, usually in association with more enlightened personnel officers, to pre-eminence in management. This is at the expense of accountants who have held sway for a long time. Some engineers even boast of winning the battle within management. This may suggest that contrary to the experiences David Noble has recorded, in a new era and with certain constraints engineers may be influenced to play a better role.

The particular form of the labour process, the potential upgrading of skills extending control, etc, depend on a wide range of influences. The nature and culture of the Australian union movement, the role and culture of management, the general cultural background in a country with a large migrant

semi-skilled workforce, a low level of ideology in the labour movement, all stand in stark contrast for example with the Swedish culture and union movement, where they have pursued a very sophisticated strategy at both the macro and micro level for 30 or 40 years.

By contrast there is a British situation where despite some important and even exciting initiatives in places like Lucas Aerospace, the John Brown Shipyards, etc, the union movement overall seems to have rejected an interventionist strategy, with the results being disasters like the Miners' strike, very little attempt to change the labour process, and to remain in opposition to everything. This is the result of particular influences acting on the British labour movement which has produced a culture that has contributed to the rise of Thatcher.

Coming to some extent out of that culture, but with other influences at work, the Australian labour movement now finds itself going through a massive cultural change, and as part of that there is a bitter dispute taking place within the left as to future strategy.

On the other hand we have the minority view that the ALP/ACTU Accord is a total sell out because workers are being made to pay for the economic recovery of the capitalist system. On the other, there are a variety of views which include, the Accord being a potential opportunity for a strategic perspective within which we can increase workers power, a tactical response allowing us to regroup our forces, etc.

The essence of the struggle is about whether we deal with the productive and distributive sides of the labour process, or as the conservative left would have us do, focus exclusively on the distributive side. This has been the achilles heel of the left for several generations, in that we ignored the methods and the process by which wealth is generated. The essence of such a position is that it must always be reactive and not proactive.

This is because we are dealing with the results after the fact, whereas to tackle both aspects of production we can pose positive alternatives and influence both production and distribution. Some of the example from the industry policy campaign listed above indicate the possibilities.

The conservative left see the Accord as a limitation of their right to campaign and negotiate in the market place, which would in effect mean that at most 15 per cent of workers could negotiate higher wages than what they get under the Accord. In ignoring management rights to decision making and the many aspects of the labour process, they effectively match the ideas of the latest dry leader of the conservative Liberal Party, John Howard, who argues like Reagan for the lifting of all regulations, and a return to the market place. As in Britain and elsewhere the extreme left and right feed off one another. Each needs the other to survive.

Therefore the left in Australia has a choice of historical options. Do we opt for a conjuncture of forces which open up new possibilities for the development of socialist consciousness, or a continuance of the old ways of only arguing about the distribution of wealth, which in my view we could do for a millennium, without changing anything of the power structure of capitalism.

It therefore becomes crucial to the further development of the democratisation of the workplace, that we seek on a principled basis to have Labor Governments re-elected, and to maintain

the positive atmosphere in which this most important of all debates can take place. The difference between a reformist or right wing approach and the one outlined, is that one seeks power for its own sake and simply reflects consciousness, while the other seeks to use the situation to anchor strategic, democratic changes to help alter consciousness.

What we are witnessing with these changes in Australia is not new. The new management processes and various unions responses to them have taken place in other parts of the world, and in some cases such as Sweden are considerably in advance of our experience. The important point is that the left is seeking to find a strategy for radical reform in the workplace, based on the peculiarities and the concrete reality of the Australian experience, and to this extent may be of interest to others.



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