



**IMMIGRANT WORKERS AND ENTERPRISE BARGAINING
IN AUSTRALIA**

Gerard Griffin and Jonathon Testi

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*National Key Centre in Industrial Relations
Monash University
Level 8, 30 Collins Street
Melbourne Victoria 3000
Tel (03) 9903 8700 Fax (03) 9903 8710*

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ABSTRACT

This paper analyses the implications for immigrant workers in Australia of the move away from the traditional, centralised, arbitral system of industrial relations towards a workplace-based, collective bargaining system. It presents a 'best practice' case study that highlights difficulties encountered in informing and incorporating immigrant workers into the enterprise bargaining processes. The case study also demonstrates that, while many agreement outcomes may not adversely affect these employees, the implementation of other agreement based workplace changes may present problems for immigrant workers.

IMMIGRANT WORKERS AND ENTERPRISE BARGAINING IN AUSTRALIA

Workers from a non-English-speaking background (NESB) form a significant section of Australia's national workforce. In 1996, these workers constituted 14 per cent of all Australian workers, 25 per cent of all manufacturing sector employees and higher proportions within specific manufacturing sector industries (ABS, 1996). Since the 1970s, labour market research has pointed to a variety of labour market disadvantages experienced by these employees, both collectively and in terms of particular NESB worker groups, including: higher unemployment/underemployment; employment deterioration during recessionary periods and economic restructuring; concentration within lower status occupations and relative immobility in internal labour markets (see, for example, Brooks and Williams, 1995; Federal Race Discrimination Commissioner, 1995; Foster, Marshall and Williams, 1991; and Wooden, 1990). These disadvantages have emerged and persisted despite what has been regarded widely as an equitable system of determining terms and conditions of employment in Australia. Under the centralised, arbitral industrial relations system, a series of independent industrial tribunals established, regulated and maintained wage levels and terms of employment through a system of occupational, industry and company-specific awards (for details, see Fox, Howard and Pittard, 1995). In the late 1980s, however, this centralised system started to change due, in the main, to economic pressures, and perceptions of labour market rigidities of the award system. Centralised regulation, it was argued, was incongruent with the contemporary requirements of firms for individualistic labour arrangements that delivered greater labour 'flexibilities' needed for productivity gains. This reorientation, however, was gradual. In 1987, under the aegis of the Industrial Relations Commission (IRC), elements of productivity bargaining were grafted on to the centralised wage fixing system. In 1988 and 1989 national wage increases were tied partly to restructuring of awards designed to facilitate workplace changes such as training, multi-skilling, broadbanding and job re-design (Dabscheck, 1995). While these changes did represent fundamental departures

from the traditional, Consumer Price Index-based centralised wage fixing system, they were, nonetheless, limited and the Commission, the macro-level regulator, retained the central role.

The introduction of enterprise bargaining in October 1991 marked a turning point in decentralisation. In brief, this new regulatory option allowed organisational stakeholders to directly negotiate a legally binding agreement on any aspect of employment including wage levels, terms of conditions, and entitlements and work practices. This option coexisted with the award system and was regulated by a statutory framework that prescribed various procedural and substantive requirements for its operation. In particular, enterprise agreements were to be registered with the Commission and, prior to registration and certification, this body had to apply a 'no disadvantage test'. This test required the Commission to ensure that, when considered as a whole, agreements seeking certification did not erode employee terms and conditions of employment *vis a vis* relevant awards.

Further protections were introduced as part of amendments to the regulatory framework in October 1993. The *Industrial Relations Reform Act 1993* established two types of bargaining: first, that between companies and union representatives, known as certified agreements, and, second, that between companies and non-unionised workers, where agreements were endorsed by a majority of employees, known as enterprise flexibility agreements. The no disadvantage test continued for both forms and a new 'public interest' test was introduced for enterprise flexibility agreements. Specific protections were also introduced for vulnerable groups, termed 'relevant employees'. An anti-discriminatory object was introduced disallowing the Commission from certifying agreements if it 'thinks that a provision...discriminates against an employee because of, or for reasons including race, colour, sex, sexual preference, age, physical or mental disability, marital status, family responsibility, pregnancy, political opinion, national extraction or social origin'. The legislation also required the Commission to identify relevant employees (nominated examples being women, young persons and NESB workers) whose interests 'may not have been sufficiently taken into account in the negotiation for, or

the terms of, agreements'. Further, it necessitated that these groups be consulted in negotiations and that proposed agreements be 'explained to them in ways that are appropriate having regard to their particular circumstances and needs'. Where agreements were assessed as deficient in these requirements, the Commission was not permitted to certify and had powers to order parties to comply with these requirements.

In January 1997, following the election of a conservative federal government in 1996, the *Workplace Relations and Other Amendments Act 1997* replaced existing labour law. It clearly enshrines the supremacy of a bargaining regime over that of the traditional arbitration system. The *Act* specified that, over the succeeding eighteen months, the Industrial Relations Commission must restructure all awards and strip them back to a nominated twenty minimum conditions. All other conditions are to be the subject of negotiation, either individually or collectively, between employers and employees/unions.

These developments in Australian industrial relations between 1987 and 1997 raise a number of issues, not least those associated with equity. What have been the specific effects of this move to a more decentralised industrial system on vulnerable employees? Have the legislative provisions outlined above ensured equitable treatment? This paper examines these issues focusing upon the experience of NESB workers. It draws on one of a series of case studies conducted by Monash University's National Key Centre in Industrial Relations in 1996 examining NESB workers and contemporary mechanisms used to determine wages and terms and conditions of employment. We commence with an outline of the existing literature on NESB workers and enterprise bargaining.

LITERATURE REVIEW

The emergence of enterprise bargaining elicited mixed response from commentators concerned with NESB worker issues. In theory, this new industrial relations model

held some promise that items such as discriminatory work practices, provision of appropriate training, special services and recognition of overseas acquired skills could find their way on to bargaining tables, particularly given the tendency for NESB workers to be located within more highly-unionised industry sectors (Bertone and Griffin, 1992). Conversely, it was also recognised that enterprise bargaining contained potential dangers. These concerns (see, for example, Alcorso, 1993: and Burgmann, 1992) stemmed largely from a perceived likelihood that, in effect, bargaining would be dominated by groups that have traditionally wielded power in the workplace and that outcomes beneficial to these groups would be gained at the expense of the relatively powerless employees such as numerical minorities, those in peripheral employment, or the poorly organised. NESB employees, it was argued, because of the labour market characteristics of such employees, were likely to be among the losers. Bertone (1994), for example, argues that the inferior labour market positions of NESB women and their lack of English skills make them vulnerable to employers seeking to use bargaining to cut wages and conditions and demand ever greater flexibility. The position of specific groups of female NESB workers, such as out-workers in the clothing, footwear and textile industry, was seen as especially vulnerable (Alcorso, 1993).

The initial analyses of enterprise bargaining in the early 1990s did not investigate equity issues in any significant way. Following the amendments to the legislation in 1993, however, there has been research conducted by, and for, the Commonwealth Department and Industrial Relations (DIR) that has focused on the 'equity and bargaining' theme. This research was driven by an agreement between the governing Labor Party and the Australian Democrats, a small party holding the balance of power in the Senate, that the impact of the 1993 legislation on groups of employees such as women, young employees and NESB workers should be monitored in an annual report to Parliament. This research has provided a variable picture on the impact of bargaining on NESB workers,

The first report to Parliament (DIR, 1995) was based on the Workplace Bargaining Survey (WBS94) data, a questionnaire survey of approximately twelve thousand employees conducted in 1994, and the Workplace Agreement Database (WAD), a computer-based holding of all enterprise agreements. Focusing initially on involvement of employees in the bargaining process, the report found broadly similar levels of consultation among NESB and English speaking workers. Similarly, there was no significant differences of NESB worker consultation as between firms with low levels of NESB employees (less than 25 per cent of the workforce) and those with high levels of such employees (greater than 25 per cent). Larger firms, however, had relied on smaller numbers of consultative/participative mechanisms, for example, making less use of written material and less circulation of draft agreements but holding more formal employee meetings (DIR, 1995, 118). Somewhat surprising then, the report found that the use of special provisions for consulting and including NESB workers such, as the use of translated documents, was rare.

Some insights into the consultation process are provided by qualitative studies of bargaining and NESB workers commissioned by DIR. Using a focus group methodology, a study conducted by the Workplace Studies Centre at Victoria University of Technology in 1994 found that consultative/participative measures used by firms were often inappropriate to NESB workers, pointing to: a reliance on English language documentation; lack of provision of translated documentation; use of technical and complex language in documentation; use of overly large meetings; conduct of meetings in inappropriate surroundings; reliance upon English in presentations and briefings; use of overly technical and complex terminology in presentations and briefings (Bertone, Keating and Lawrence, 1995). The study concluded that NESB workers had not been informed in ways that had been appropriate to their circumstances and cited a lack of consciousness among managers and union officials of NESB worker needs and poor appreciation of the communication barriers faced by NESB workers as key explanations for this conclusion.

Turning to the related issue of participation the DIR report found that NESB workers were 'significantly more likely than other groups of workers to report that they had not received a fair say in bargaining compared to English speaking background (ESB) workers.' (DIR, 1995, 120). Some 49 per cent of NESB workers reporting receiving a fair say in the most recent enterprise bargaining process compared to 68 per cent of ESB workers; 57 per of NESB workers noting a fair say in earlier bargaining compared to 59 per cent of ESB workers.

Case study research confirms this lower level of NESB worker participation. In 1993, a study of two manufacturing firms found that the participation of NESB workers in enterprise bargaining employees had been limited and was largely indirect, with bargaining typically conducted on behalf of NESB workers by union delegates (EMD, 1994). This study identified poor English language comprehension skills among NESB workers as the most significant barrier to greater participation. The 1994 focus (Bertone et al, 1995) group study also found limited NESB worker participation and general under-representation of NESB workers in direct bargaining roles. Finally, a similar focus group study conducted for the 1995 DIR annual report (Alcorso, 1996) noted that while a number of workplace issues of concern to NESB workers were identified in the bargaining process (such as discriminatory practices, lack of training, insufficient advancement opportunities, job security, occupational health and safety) these had not been reflected in negotiated agreements. The explanations offered by the study included: deficiencies with participation strategies themselves; broader issues of poor workplace relations between management and unions; cultural resistance amongst groups of NESB workers to greater involvement in workplace decision making; English language barriers; and various perceptions by NESB workers themselves including that bargaining agendas were the preserve of management and unions, lack of confidence in bargaining itself, reluctance to challenge authority and scepticism that they would be effective (Alcorso, 1996, 12).

In terms of the impact of bargaining outcomes on NESB workers, DIR's quantitative analysis found that NESB workers had less access to wage increases than other workers: in the then most recent agreements, 49 per cent of NESB workers received

increases compared to 64 per cent of ESB workers while in earlier agreements 46 per cent of NESB workers received an increase compared to 52 per cent of ESB workers (DIR, 1995, 269). Yet, NESB workers who had received gains were found to have received marginally higher levels of increase than other workers. In recent agreements NESB workers gained an average 3.9 per cent increase compared to 3.7 per cent for other workers and in earlier agreements NESB workers gained an average increase of 4.1 per cent compared to 3.6 per for other workers (DIR, 1995, 269).

Focusing on non-wage outcomes, DIR's analysis reported few differences in the provisions of enterprise agreements as they applied to NESB and non-NESB workers. The only exceptions were that, in recent agreements, NESB workers were less likely to be covered by agreements with family leave and training provisions while, in earlier agreements, they were less likely to be covered by agreements with child-care, family leave, penalty rates and leave provisions (DIR, 1995, 271). No difference was found on the issue of English language training provisions. However, given that only 0.8 per cent of all recent agreements had such provisions this lack of difference is not surprising; rather, the absolute percentage is the key finding here.

The key DIR finding with regard to bargaining outcomes was that NESB workers were significantly less likely to report that they were better off as a result of bargaining than were ESB workers: in recent agreements 20 per cent of NESB workers reported being better off as a result of bargaining compared to 32 per of ESB workers (DIR, 1995, 273). This finding was explained as a function of both NESB worker perception of not having had a fair say and lesser access to wage increases.

Overall, using careful phraseology, the DIR report concluded that, 'despite some positive results, the experience of immigrants from non-English speaking backgrounds ... appears to have been less positive than that of other employees (DIR, 1996, 276).

This review of a very small literature validates some concerns over the implications of bargaining for NESB workers. The qualitative studies in 1994 and 1995 in particular suggested that the legislative provisions regarding consultation and participation had not been effective. Few firms had made bargaining information accessible to NESB workers, the few that had tried had encountered problems and there was an absence of meaningful NESB worker participation, despite the presence of NESB worker issues as shown by Alcorso. Especially illustrative was the dissatisfaction expressed by NESB workers themselves over their input into bargaining. Identified barriers to consultation and participation included characteristics of NESB workers themselves (language deficiencies, cultural barriers), deficiencies with general consultative or participative mechanisms which had been used, an absence of strategies and mechanisms tailored to NESB workers and, more broadly, a lack of awareness among bargaining parties of the needs and requirements of NESB workers. The research regarding bargaining outcomes perhaps presented, in some ways, somewhat lesser evidence for concern, with the quantitative and qualitative studies showing an absence, on most issues, of significant differential impact upon NESB workers. However, differentials were evident in terms of access to wage increases and, overall, NESB workers were less satisfied with bargaining outcomes than other workers.

ENTERPRISE BARGAINING AND NESB WORKERS AT BRAKE CO.

Apart from the two EMD case studies in 1993, there has been a relative lack of detailed case work on the impact of enterprise bargaining on NESB workers. In 1996, the National Key Centre in Industrial Relations undertook a series of case studies to investigate bargaining-related NESB workers issues. The study covered six firms, four 'traditional' NESB employment cases from the manufacturing sector and two non-traditional NESB employment cases from the service sector. In addition the study included cases of both firms with high and low proportions of NESB workers for comparative purposes. This section presents a summary of one

of the studies, the Brake Co. case study, conducted in June 1996. As an automotive component manufacturer, Brake Co. represented a traditional NESB employment setting and was a high NESB population example relative to industry levels. Information was gathered in 15 structured and semi structured interviews, and through informal discussion and observation at the workplace over a period of three months. Interviewees were selected according to organisational vertical slice principles and stakeholder representation in the area of investigation. Vertical slice interviewees included the Divisional General Manager, a Plant Manager and a Production Supervisor. Representational interviewees included major functional managers (the Group Director of Human Resource, the Employee Relations Manager, the Industrial Relations Managers), union bargaining negotiators (the Convenor of Unions, and two Shop Steward negotiators) and a sample of six NESB workers selected according to the ethnic composition of the workforce and factors such as recency of arrival and gender. A triangulated approach was taken to cross check and verify the accuracy of primary information. The draft case study underwent internal company review prior to authorisation for use.

Company Profile

Brake Co. is a division of a publicly listed, Australian company. It manufactures brake systems and components for automotive assemblers and the spare parts market. The production process is based on a manufacturing strategy that incorporates lean manufacturing and quality management principles. Organisationally, the company has three layers of management: supervisors/team leaders, plant managers/functional managers and the general manager. Three unions are represented on site - the Australian Manufacturing Workers Union, the largest with 80 per cent of all union members, the Electrical Trades division of the Communication, Electrical, Plumbing Union (CEPU) and the National Union of Workers. Union coordination occurs through the Unions Shop Stewards Committee. All of the employees are union members.

The Brake Co. parent organisation assumed control of company in 1986. Under the previous ownership workplace industrial relations were highly conflictual. However, soon after the takeover Brake Co. management and the unions effected a rapprochement and the relationship improved dramatically. Both company and unions now describe industrial relations at Brake Co. as 'excellent'. Much of this improvement can be attributed to the Brake Co. participative managerial style. Several structured and formalised consultative and participative mechanisms operate within the company, including a representational sub-committee structure for specific issues such as occupational health and safety and a Consultative Committee comprised of delegates elected from the Shop Stewards Committee, the Human Resources Director, the Industrial Relations Manager, the General Manager of the Factory, the Engineering Manager and the Director of Materials. There is also substantial information sharing through periodic senior management addresses, weekly team meetings (termed 'communications') and company newsletters.

The company employs over 1,000 employees, mostly male, production workers recruited from local labour markets; turnover has been low relative to competitive firms so many employees have substantial periods of service. Terms and conditions of employment had traditionally been determined by the Metal Industry (Consolidated) Award 1984, with a small group of workers covered by the Rubber Plastic and Cable Making (Consolidated) Award 1983. Since 1991, these awards have operated in conjunction with enterprise bargaining agreements negotiated in 1991, 1993 and 1995. The most significant agreement in terms of workplace change was the first agreement, with subsequent bargaining dealing with the implementation of 1991 agreement initiatives.

The workforce is ethnically diverse with over twenty nationalities being represented. Company information systems do not generate labour ethnicity data; however, personnel staff estimate that, in 1996, approximately 85 per cent of the workforce were immigrants, mainly NESB workers. Numerically, the most significant groupings are workers from Greek, Vietnamese, Sri Lankan, Indian and Italian backgrounds

and employees from the Former Republic of Yugoslavia. Post-World War II Southern European immigrants predominate although increasing numbers of Indo-Chinese (Vietnamese, Cambodian, Laotian) workers in recent years have made this sub-group the second largest within the immigrant workforce. The available quantitative information disallowed a definitive occupational, locational and classification profile of NESB workers at Brake Co.; however, it would appear that there are no significant concentrations of ethnically-similar employees within specific occupations, work locations or job classifications. NESB workers are represented in authority positions, both within managerial levels (supervisors/team leaders, line managers) and within union positions, with Vietnamese, Greek, Yugoslav, Sri Lankan, Thai, and Croatian union shop stewards. Increasing numbers of NESB union shop stewards reflects a conscious, long term strategy by key union representatives to recruit NESB workers. A feature of NESB workers at Brake Co. is persistent English language and literacy difficulties. Despite the existence of voluntary workplace English language classes offered by the company it is estimated that 65 per cent of employees have relatively poor English-language and literacy skills; this has obvious implications for NESB worker involvement in the enterprise bargaining process.

The introduction of enterprise bargaining into Brake Co. in 1991 was influenced by several factors. Externally, the then Labour government's Button Car Plan had relieved local automotive assemblers of domestic sourcing requirements, leading to rationalisation within component manufacturing industries. Competition intensified for the remaining suppliers such as Brake Co. and new pressures emerged for enhanced product quality while maintaining competitive pricing. Internally, management had introduced manufacturing strategies and human resource management practices oriented towards continuous improvement outcomes. Thus, within this context, enterprise bargaining was seen as consistent with organisational business objectives and the tenure of managerial approaches used to achieve them. It was perceived as simultaneously allowing new employment arrangements that aligned with manufacturing strategies and management's participative ethos. In

terms of timing, by 1991, cooperation over issues such as changes to an existing bonus system had improved relations to the point where bargaining appeared viable.

The Enterprise Bargaining Process at Brake Co.

The bargaining process at Brake Co. was essentially determined by the negotiations of the company's first agreement in 1991; there has been little variation during subsequent negotiations.

Initially, management and unions formulate bargaining agendas and decide upon their respective negotiators. On the union side discussions are conducted within the Shop Stewards Committee (all union delegates) to devise a joint union bargaining platform. In theory, this process also involves consultation between individual delegates and union members over proposed level of wage increases, changes to entitlements and other issues to be pursued in bargaining. In practice, the unions' platform is determined with minimal direct employee input. After the Shop Stewards Committee finalises its platform, it elects a representative Enterprise Bargaining Sub-Committee that includes delegates from each union and from each shift to undertake actual negotiations. These elected union negotiators have remained identical over the three agreements. Similar discussions are conducted within managerial ranks to devise the company's bargaining platform and are based upon the company's strategic and business objectives. The managerial negotiators are the Group Director of Manufacturing, the Group Director of Human Resources, the Employee Relations Manager and the Human Resources Manager and these have also not changed during the three rounds of bargaining.

Once platforms are established, bargaining negotiations commence. Since management and union negotiators have invariably been Consultative Committee members, bargaining is perceived internally as a Consultative Committee function. Negotiations are held over a series of formalised bargaining meetings. Union negotiators periodically report back to the Shop Stewards Committee as negotiations proceed and individual delegates report back to union members. Progressive

consultation also occurs through established channels of communication, particularly collective shift/departmental meetings, the company newsletter and weekly 'communication' meetings. In principle, progressive consultation functions to inform employees about bargaining and to canvass responses. In practice, it appears consultation is mostly one way with little evidence that employees seek to modify or affect changes during discussions.

Once agreement is reached by the negotiators a draft agreement is produced. Union negotiators present this to the Shop Stewards Committee for deliberation and endorsement. The draft agreement is then disseminated to the workforce. This process typically begins with a series of explanatory meetings conducted by the senior union delegate, the Convenor of the stewards committee, and the Employee Relations Manager. The audience at these meetings usually number 30 to 40 production staff and are held in the company training room. Explanations of the third agreement in 1995 also involved sectional presentations conducted by the Convenor. After this, individual union delegates are responsible for explaining the terms of the 'draft agreement to employees. The dissemination, as noted above, also involves use of communication channels used in consultation. Finally, an employee endorsement procedure is conducted in the form of a vote held at mass meetings. The three enterprise agreements have been adopted by large majorities of employees ranging from 90 per cent to 95 per cent of the workforce.

The minimal level of general employee participation in the three rounds of bargaining appears to have varying explanations. Some interviewees believed that this was a function of employee preference - that employees, confident in the ability of the union to protect their interests, preferred to limit their involvement to consideration of proposals at the time of voting rather than be involved in developing agreement themselves. Others related this to general workforce apathy, particularly amongst the large proportions of employees who have worked at Brake Co. for longer periods.

From all accounts each of the three rounds of bargaining conducted at Brake Co. have occurred with relatively few problems or impediments. Only one difficulty was cited and that involved a disagreement between the NUW and management over award rationalisation during the second agreement negotiations which disrupted the process for some six weeks.

Bargaining Outcomes at Brake Co.

Overall, bargaining at Brake Co. has resulted in wage increases and substantial workplace change. In terms of wage increases, the 1991 agreement provided for a 4.5 per cent increase over twelve months. The 1993 agreement included a 6 per cent increase over two years and the third contained a 10 per cent increase applied in the first twelve months of the agreement's two year period, as well as a 1 per cent increase in employer superannuation contributions. In sum, bargaining has provided wage increases well ahead of the rate of inflation during these years..

Most bargaining based workplace change at Brake Co. has derived from the 1991 agreement. At that time the newness of bargaining had prompted the Brake Co. unions to adopt a cautious approach and thus limit the scope of initial bargaining to wage issues. Company managers, on the other hand, had sought to incorporate all company initiatives pursued since the mid-1980s and to utilise the bargaining framework for affecting further reforms. The managerial perspective prevailed, resulting in an initial agreement which incorporated a large number of issues and also articulated a reform agenda that stakeholders continued to pursue through subsequent rounds of bargaining.

The 1991 negotiations focused around five main issues: structural efficiency measures; flexibility measures; a productivity improvement program; anomalous site conditions; and a team approach to work organisation. The structural efficiency measures reflected a requirement imposed by the then centralised system and covered the following matters: formalisation of the existing Consultative Committee; rationalisation of the two employee classification structures which operated at Brake

Co. to one common internal structure; a managerially developed training plan; continuation of existing workplace language and literacy training; and conduct of a company skills analysis. The 'flexibility' category included generalised commitments to implement efficiency and flexibility measures rather than specific prescribed items. The agreement nominated more specific areas such as continuous operation of machinery, changes enabling the transfer of labour between shifts, and modifying shift start and finishing times according to production.

The productivity improvement program provisions within the 1991 agreement sought to implement a quantitative performance measurement system devised by company management that included implementing various quality, occupational health and safety, absenteeism, cost and customer service performance measures. The 'anomalous site conditions' items involved minor alteration of two work practices to align work arrangements for employees covered by the two awards. Finally, and most significantly, the 1991 agreement included a commitment to restructure work processes and employees into teams. Management had devised preliminary plans for a teams based structure over the previous three years and the 1991 agreement marked union acceptance of the initiative.

NESB Workers and Bargaining at Brake Co.

Consultation and participation issues

Although the managerial style of Brake Co. is broadly participative, with managers undertaking some consultative roles in bargaining, most responsibility for both informing employees about progress on enterprise bargaining and for involving them in the process was assumed by the unions. Since the mid-1980s, unions at Brake Co. had adopted a specific communication strategy targeted at NESB workers. Such a strategy was relatively unusual within union ranks (see Bertone and Griffin, 1992). In the late 1980s, persistent deficiencies in communication between the unions and their immigrant members prompted the Convenor of Unions and key delegates to selectively recruit bi-lingual delegates from among major ethnic

workforce within the company. One of the principle functions of these delegates was to act as communication conduits between the unions and major groups of NESB workers. These delegates played a significant communications role during enterprise bargaining. Typically, they were briefed as issues and developments arose and then were used to explain these issues and developments to relevant ethnic groups, both during formal meetings and informal interactions with individual workers identified by delegates or other workers as confused or uncertain over specific issues. In addition, other measures to make bargaining information accessible included: limiting the volume of information in formal meetings; restricting the pace of presentations over bargaining; use of very simple language; avoidance of complex terminology and jargon; use of visual aids and provision of opportunities for participant questions and clarification.

Based on interviews, NESB workers themselves believed that they had been adequately informed throughout the bargaining process and that sufficient opportunities had existed for participation. However, these workers appeared to have little conceptual knowledge of the bargaining process - typically understood as company and unions talks over wages. Further, there was little evidence to suggest that they had participated in the process in any meaningful way. Equally, there was little awareness of how bargaining had occurred at Brake Co., with only NESB workers involved as delegates demonstrating some awareness of broad bargaining at the company. And apart from wage increases, NESB interviewees were not able to nominate bargaining outcomes. With regard to some NESB-specific issues, such as English language training and over aspects of the teams initiative, there was no evidence that NESB workers had sought to discuss, less alone focus on, these issues during the bargaining process. NESB workers had not attempted to alter or modify any issues during negotiations. It was apparent that, at the time of voting to ratify the agreement, NESB workers had been guided by union recommendations for endorsement. Overall, our findings support the perceptions of union delegates and managers that they had been only marginally successful in informing NESB workers about, and incorporating them into, the bargaining process.

A number of possible explanations for these findings were offered by interviewees. Fragmentary understanding of bargaining by NESB workers was seen to result partly from the limitations of the communication strategies used. Since bi-lingual delegates were drawn from the major ethnic groups the smaller ethnic groups were excluded. Relatedly, given that most of the bi-lingual delegates had little active involvement in the bargaining process their own understanding of the bargaining issues was seen as sometimes deficient, leading to incomplete or confused communications with NESB unionists. A further problem was a reported tendency for bi-lingual delegates to colour information with their own views and interpretations. The speed of negotiations was also raised as a confounding factor: by the time bargaining information was communicated through newsletters, further developments had occurred so interviewees did not read 'old' news.

NESB interviewees offered a number of possible explanations for their low levels of participation in the bargaining process. First, they pointed to a lack of understanding of both the bargaining process and of awareness of the issues involved. Second, some interviewees suggested that minimal participation was a specific NESB worker preference - they opted to defer to union representation. This was seen as related to two factors - confidence among NESB workers that their interests would be effectively represented and a tendency within some groups, particularly more recently arrived migrant workers, to be interested almost exclusively in pay and working over-time. Thirdly, it was suggested that notions of participation may have been culturally alien to some NESB groups, particularly for Asian workers. A final explanation was that minimal NESB worker participation merely reflected the more general workforce apathy. Overall, however, it would appear that the most significant barrier to both consultation with, and participation of, NESB workers was persistent English-language deficiencies. Existing, English-language programmes provided by the company aimed at improving work skills have not been able to overcome these deficiencies.

Bargaining Outcomes Issues

Wage increases negotiated in the enterprise agreements have been across-the-board proportional rises and have applied to each classification level. Accordingly, such increases have not impacted differentially upon NESB workers.

The introduction of a single classification structure had initially involved a reduction in the number of Rubber Award classifications to three levels, after which a new internal five-level structure was introduced based on the Metals Industry Award structure (Brake Co. Manufacturing Employee Level 1 to 5). The new structure was jointly devised by the unions and management and included within the 1994 agreement which also articulated safeguards that employees would not suffer loss of exiting conditions and/or rates of pay in transferring to the new structure; as well, a dispute settling procedure was included in the agreement. Overall, the implementation of the new classification system did not appear to have either advantaged or disadvantaged NESB workers.

Some flexibility measures were introduced through successive bargaining agreements, including procedures for supervisors/team leaders to transfer employees between areas and to changes to shift work time at short notice. These have also been accompanied with specific protections - that affected employees are informed, that changes are negotiated with relevant delegates and that they proceed with employee consent. It was difficult to determine where and with what frequency these measures have been utilised; however, interviewees reported that they have occurred throughout the site and were no more nor less frequent in specific departments or shifts. Few NESB workers knew of specific flexibility measures and they elicited little reaction. Some NESB workers did raise concerns common within the general workforce, notably that since this had always occurred informally these formalised procedures had actually made flexibility more difficult, and questions over the extent to which individual supervisors/team leaders complied with consultation requirements. In sum, there was little evidence that this had affected NESB workers or that they held particular views.

The productivity improvement program had introduced Brake Co. management's performance measurement system, including a range of time, cost and quality measures, and data capture and reporting procedures. Managers and unions jointly agreed what measures were to be used, the responsibilities for system maintenance and data uses. The implementation of the system was largely conducted by company management. Implementation of this program did not appear to have any specific implications for NESB workers. The anomalous site conditions changes, discussed earlier, were also implemented but, as noted, these were only minor, affecting a small number of employees.

The major, bargaining-based workplace change at Brake Co. has been the introduction of teams, a high profile/high priority initiative since 1991. As such, it is necessary to examine this development in some detail. The 1991 agreement included preliminary managerial plans specifying the teams concept (sectional or logical work groupings) and initial operational details relating to employee teamwork training and team leader issues. This was supplemented with further developmental work, including two visits to manufacturing facilities in the USA in 1992 to investigate team-related issues - the first by a senior management group and the second by managers, union delegates and employees. Subsequently, the Consultative Committee developed an implementation plan during 1992 and early 1993. As part of this process, the Shop Stewards Committee held internal discussions over the industrial relations implications of changing to a teams-based work structure, such as representation within such a structure and allowances for team leaders, and recommendations were progressively brought back to the Consultative Committee for negotiation with management.

A separate series of employee consultations were also held by union delegates over the initiative. Initially, the Convenor of Unions and the Employee Relations Manager introducing the concept to groups of 30-40 employees from each section of the company. This was followed by further consultation utilising similar strategies to those deployed for enterprise bargaining (joint briefings, delegate briefings,

company newsletters, weekly 'communications' and managerial addresses). Again, similar efforts were taken to make information about teams accessible to NESB workers (formal/informal use of bi-lingual union delegates, informal delegate explanations to individual workers, reading out of newsletters).

By mid-1993 the Consultative Committee had developed a draft implementation proposal. In late 1993, the Convenor of Unions and the Employee Relations Manager jointly presented and discussed the proposal at plant by plant mass meetings. At these meetings employees voted to endorse the proposal by a large majority. Implementation was jointly undertaken through a representational structure. A central Teams Implementation Steering Committee was established to address common issues and oversee implementation (the Quality Assurance Manager, the Director of Manufacturing, an accountant, the Human Resource Manager and the Convenor of Unions). Separate Design and Implementation Groups were also formed in each of the four plants, consisting of an office manager, an employee representative, an engineer, a quality function person and a supervisor. The role of these groups was to conduct a detailed analysis of work processes in their plant - mapping production lay out, equipment, staff profile and so on. Based on these analyses, the groups were required to develop plant specific plans for teams, such as restructuring the work process and team membership and functions.

As Design and Implementation Groups undertook their roles, the Steering Committee conducted the selection and recruitment of team leaders and arranged team work training. Team leader selection and recruitment utilised a formal application and interview procedure, as sought in initial management plans, with internal candidates making written application and interviews conducted jointly by company and union representatives. The Committee decided upon a two stage approach to team work training. The first was a week long team building exercise (TBX) delivered by an external training organisation. This involved trainees assembling a plastic car from components. Initially, assembly was uninstructed and over a period various team work techniques are introduced, resulting in ever higher

numbers of assembled cars being produced as techniques are applied. The second stage was an applied exercise where TBX graduates would select an existing production problem or opportunity and apply team principles to devise solutions or improvements in the form of a report for management.

The first teams were established in 1994. A major deviation from the implementation plan was the cancellation of the second training stage. Overall, teams performance has proven variable and all stakeholders reported some degree of disappointment with the level of success of the initiative thus far. The teams strategy is currently under company review.

Turning to the impact of teams upon NESB workers, as with the bargaining process significant efforts had been made to inform and include NESB workers in the development and implementation of this initiative. These efforts were only partly successful. While lack of understanding of the initiative was reported as widespread within the workforce, it would appear that this was particularly the case for NESB workers because of language and literacy difficulties. One interviewee noted that the most significant deficiency in NESB understanding of teams was the rationale for the strategy. Further, as with bargaining, NESB workers noted that while they had received opportunities for clarification and further information their initial confusion had led to a general reluctance to seek such information.

In terms of the ability of NESB workers to incorporate the teams approach, a number of interviewees perceived that these employees experienced greater difficulties than other workers in understanding how team work was to be applied. However, confusion was not restricted only to NESB groups and appeared related to the cancellation of the applied training stage. NESB workers appeared able to undertaking TBX training without difficulty but this module contained little data on how to extend team principles to the workplace. The lack of second stage training exacerbated the problem, particularly for NESB workers. A second specific difficulty for NESB workers related to team quality functions. A generic team responsibility is quality assurance. Each team also operates as a Quality Circle with members

reviewing quantitative production quality data, discussing quality management practices and developing alternatives to improve production quality. This method presumes that team members have communication skills. But, as noted earlier, the existing language training at Brake Co. was widely reported as largely ineffectual and did not provide NESB workers with the requisite skills to perform quality assurance functions. Subsequently, some teams have unilaterally abandoned these activities.

Interviews suggested that teams are almost universally disliked by employees, with the major sources of dissatisfaction being the selection and performance of individual team leaders, and requirements for job rotation within teams. A number of employees believed that inappropriate leaders had been selected and that they had reverted to functioning as leading hands. The core problem was seen to be the selection process itself, specifically the selection criteria. It was also suggested that there had been insufficient and inadequate team leader training. Dissatisfaction over internal team job rotation stemmed originally from lack of clarity between stakeholders over this requirement. This was held by management to be a key team function to achieve multi-skilling, yet unions understood rotation to be at the discretion of individual teams. Many employees are said to be unwilling to engage in job rotation, and there is widespread sentiment that this provides few benefits for employees.

Overall, the team-based production method disadvantaged some NESB employees because of communications difficulties. Equally, however, English-speaking employees also reported dissatisfaction with this method.

CONCLUSION

The Brake Co. example proved relatively unique amongst the sample of cases investigated by the boarder study. The level of union and management consciousness of, and sensitivity to, the needs of NESB workers; the extent and nature of consultative/participative processes and mechanisms that were used; the relatively close assessment of consultative effectiveness by the bargaining parties; the extension of tailored consultation/participation processes and mechanisms to implementation of bargaining based changes; and the relative lack of differential outcomes for NESB workers all denote Brake Co. as the 'best practice' example among the six organisations examined as part of the broader study.

Other case study examples provided consistent evidence in support of earlier research findings by Bertone (1994) and Alcorso (1993). For example, there was a lack of consciousness amongst bargaining principals of NESB worker needs in bargaining in the remaining case studies, including those with a high number of NESB workers. And while consultative/participation measures existed, only some of these were designed for NESB workers and none approached the systematic and multi-dimensional approach used at Brake Co. Similar deficiencies with specific mechanisms to those identified by Bertone were found. Importantly, there were clear discrepancies between the perceptions of unions and management negotiators of their effectiveness in informing and including NESB workers and the evidence of NESB workers themselves, particularly in the service sector case studies. Further, there were two example where bargaining had resulted in lesser levels of wage increases for NESB workers, resulting from differential increases for different employee classification levels.

Nonetheless, despite this 'best practice' approach, barriers and obstacles still existed in Brake Co. as demonstrated by the lack of awareness and knowledge over bargaining processes and outcomes among NESB workers at the company. A similar finding was present in all other cases, with evidence of greater deficiencies among workers where less efforts were made to inform and include NESB workers,

notably in the service sector cases. There was also evidence that specific NESB groups, such as Asian-born workers, were particularly unaware of developments. In the Brake Co. case, English language deficiencies continued to confine consultation and participation, as did limitations associated with individual mechanisms and cultural characteristics of NESB workers themselves. Also, the implementation of bargaining-based changes had adverse outcomes for NESB workers. Clearly, NESB workers were not sufficiently trained in the application of team work principles and, as a group, they had inherent difficulties in undertaking key team functions. These outcomes suggest that, even in organisations where both management and unions are consciousness of NESB workers needs, additional attention to NESB-specific factors is necessary to generate an equitable outcome in enterprise bargaining.

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