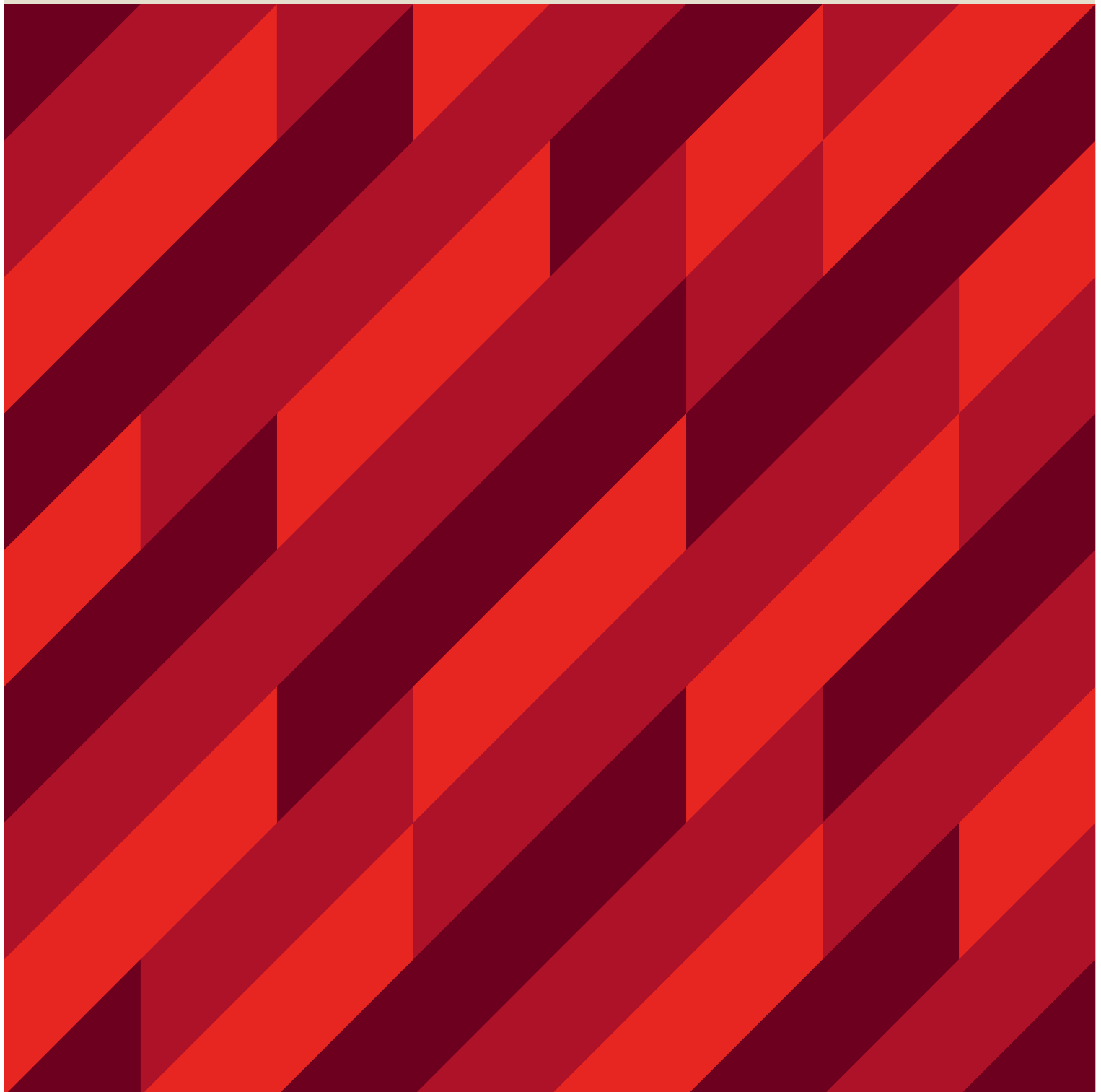


# Centre for Workforce Futures

CRITICAL ISSUES DISCUSSION SERIES



# No going (snap) back: Moving forward to a New Accord

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‘Team Australia’ is the political slogan of 2020. ‘We are all in this together’ is the song of the year. The sense of being part of a collective movement is everywhere. Social media abounds with images of people helping each other, coming together, supporting each other. This is an outcome way beyond the pre-pandemic Australia made up of individualism and personal aspiration, and ‘lifters, not leaners’. What has emerged in the last few months is the idea that we actually care about each other. Not in a kindly, philanthropic or patronising way, but as a community based on like interests, shared values and cooperative endeavour. ‘It’s all about me’ has morphed into ‘it’s all about us’. Can we maintain this amazing and positive trend post COVID-19? What might this collective and more cooperative view of work and society look like in practice?

Modern Australia was built on a co-operative social ideal rooted in the early twentieth century value accorded to mateship and fairness. so well reflected in its reputation as an innovative ‘social laboratory’. In that Australia, governments and citizens co-operated in definite processes to promote amicable relations between employers and employees, to extend reasonable standards to all workers and support the needs of the vulnerable through a range of welfare measures. This ideal and these measures, promoted the ‘public interest’ through laws that aimed to ensure ‘a more just and harmonious social order’ based on ‘universal suffrage for women and men, social security benefits for the elderly, guaranteed minimum wages for male workers, and compulsory industrial arbitration for workers and employers’ (Cox, 2006: 107).

In the 1980s, this notion of the public interest was resurrected but unlike the earlier laws that sought to ‘soften the destructive effects of unfettered markets by extending the state’s role, the new experiments played the film of history backwards, embracing markets and rolling back the state’ (Cox, 2006: 108).

Since 1988, Australia has had a system of industrial agreement making premised on enhancing flexibility between employers and workers. Ever since the introduction of Enterprise Flexibility Agreements (EFAs), the intention behind improving workplace flexibility was to create a ‘win-win’ outcome. It was assumed that employers and

employees would be unified in their objective of increasing both workplace productivity and wages by growing the economic pie. Yet, the world of work that existed pre-corona didn't reflect this lofty ideal.

Over the last few decades, we have seen both functional flexibility (what workers are required to do) and numerical flexibility (the hours we work) expand. Debate continues to rage as to who has benefited the most from such reforms. One thing is for sure, before the onset of this crisis we saw labour productivity and wage growth remaining incredibly low while the value of the top 200 companies listed on the ASX ballooned by close to 40% from 2017–2020. The inequality in how value derived from work is distributed between organisations and workers has been growing exponentially in recent decades.

As importantly, the world of work pre-COVID 19 included unprecedented levels of precarious employment, under-employment, and wage theft. Now, at a time when many people are experiencing the 'flexibility' of working from home, the rupturing of 'normal' divisions between paid and unpaid work is resulting in massive labour intensification. The narrative surrounding a post-Corona economy is anchored in notions of normality and the news is crowded with commentators chanting the mantra of 'snapping back' to normal.

To achieve this goal the government has signalled that significant macroeconomic and industrial reforms will be required to deliver the flexibility that businesses need to resuscitate our economy. But do we want to limit our thinking to getting things back to 'normal'? We literally have a once in a lifetime opportunity to reimagine and introduce new approaches to work for the future.

Arguably we need to move beyond the rhetoric of flexibility and the new reality of intensified labour for those in paid work and unemployment for growing numbers of people.

Let's stop talking about flexibility as a lever to revive the economy. Instead, let's talk about value of work and how we want to see it distributed so everyone in society can be more resilient to economic shocks that might occur in the future. Is it possible to introduce a '**New Accord**' at the national level between government, employers, and unions, one that improves on the previous version and fulfils the ideals of co-operation brought to the fore during the current crisis?

Several aspects of work that offer intriguing possibilities. They range from new forms of work organisation, cooperative management principles, different kinds of remuneration systems, new approaches to industrial negotiations, concrete notions of job security, better work-life balance, new forms of cooperative ownership, and a redefinition of the 'public interest' to include collective and workplace outcomes between the interests of capital, labour and society in general.

There are three possible principles that could animate a new social laboratory:

1. We must aim to work together better — a collective and inclusive culture
2. Our overall goal must be to ensure decent work for all — secure, fair, participative and safe
3. We need ‘new bottles for new wine’ — traditional ideas about work organisation will not suffice

How can a larger slice of value from work be ‘captured’ by those who are undertaking it? Is it possible for working people to take this opportunity to think of different ways they can use institutional arrangements to come together, upskill and capture a greater amount of the value from their work? Can we explore the notion of common ownership?

There have been some extraordinary innovations from workers around the globe who have formed their own co-operative organisations to act as a gatekeeper for their specific skills in the marketplace. If organisations want those skills, they need to go through these co-operatives, which establish their own pay rates that reflect the value of their work. These alternative organisations also provide workers with a greater capacity to participate in the shape and nature of work that takes place. This approach ensures that the economic pie still grows but workers are no longer getting the crumbs from oligopolistic platforms.

What this represents is a fundamental shift in how value from work can be more equitably and effectively distributed.

Of course, these innovations need to be considered in the context of serious reform to labour and corporation laws, as well as competition policy. What is proposed here is just one possible version of better co-operation. It opens the door to thinking about what type of working arrangements we want in the future. Moving beyond the constant discourse of flexibility, let’s start talking about alternative ways to make the economic pie bigger and more sustainable. Let’s focus on sustaining co-operation for the benefit of working people and employers in the public interest. In the spirit of the broad thinking that gave Australia the reputation of being a social laboratory, let’s ensure a fair and equitable society.

## References

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