

Changes at Work

The 1995 Australian Workplace Industrial
Relations Survey

A summary of the
major findings

Alison Morehead
Mairi Steele
Michael Alexander
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**Department of Workplace
Relations
and Small Business**

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This booklet is based on material contained in *Changes at Work: The 1995 Australian Workplace Industrial Relations Survey* (Addison Wesley Longman, 1997) by Alison Morehead, Mairi Steele, Michael Alexander, Kerry Stephen and Linton Duffin.

Further information about the Department of Workplace Relations and Small Business can be found at <http://www.dwrsb.gov.au>

This survey would not have been possible without the cooperation of over 2500 workplace managers and some 1500 delegates who were interviewed for this survey. The survey also depended on over 19 000 employees who filled out our employee questionnaire and offer provided detailed extra comments about their working lives. To all the survey respondents, we give our most sincere thanks.

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The Australian Workplace Industrial Relations Survey 1995 (AWIRS 95) was the second large-scale survey of workplace industrial relations undertaken by the Commonwealth Department of Industrial Relations.¹ The results are reported in Morehead et al. *Changes at Work: The 1995 Australian Workplace Industrial Relations Survey* (Addison Wesley Longman, 1997). The findings from the first survey (AWIRS 90) were reported in Callus et al. *Industrial Relations at Work: The Australian Workplace Industrial Relations Survey* (Australian Government Publishing Service, 1991).

This booklet provides a summary of the major findings of AWIRS 95 and, where relevant, compares results with those from AWIRS 90. Sections 3 to 7 of this summary are about the population of workplaces with 20 or more employees. Section 8 is about the population of employees who work at workplaces with 20 or more employees. Section 9 is about small businesses with 5 to 19 employees.

Prior to AWIRS 90 there were no comprehensive and statistically reliable nationwide data available on workplace relations and it was to fill this knowledge gap that the first AWIRS was conducted. AWIRS 95 had the additional aim of assessing changes since AWIRS 90. Comparisons between AWIRS 90 and AWIRS 95 data provide insight into the impact of these changes at the workplace level, and allow trends in workplace relations that emerged between the survey periods to be explored.

The first half of the 1990s was characterised by significant changes in the legislative and economic environment relevant to workplace relations. These changes included increased pressure on many workplaces to become more competitive (due to the continued internationalisation of the economy and associated micro-economic reforms), the spread of enterprise bargaining in the context of the wages system being decentralised, and a pervasive decline in union membership.

One overall finding from a comparison of AWIRS 95 and AWIRS 90 data is that, despite the widespread evidence of organisational change and changes in the working lives of employees, the development of Australian workplace industrial relations in the first half of 1990s was certainly not dramatic.

While changes occurred at many workplaces between the survey periods, these did not produce radically different outcomes in terms of workplace industrial relations. To the extent that overall change occurred, the direction of the change was clear. In the first half of the 1990s, workplace industrial relations were characterised by a higher incidence of managers using structures and formal procedures to manage employees, and more involvement by workplace managers on some key industrial relations issues. At the same time, unions lost influence at the workplace level both through a declining presence and, where present, a declining level of activity overall. Nonetheless, where delegates were present and management did negotiate with them, delegates were more likely to be involved in key issues (such as negotiating wage increases) than they were in 1990.

¹ Following a change of Ministerial portfolio arrangements, the name of the department was changed to the Department of Workplace Relations and Small Business in July 1997.

AWIRS 95 was conducted between August 1995 and January 1996. Since that time, the Federal Government and State governments have made a number of legislative changes in the area of workplace relations. For example, following the change of government at the federal level in March 1996, the new Coalition Government moved quickly to develop a package of industrial relations reforms. The *Workplace Relations Act 1996* was passed by the Commonwealth Parliament on 21 November 1996, and came into operation progressively from 31 December 1996 to mid-March 1997.

A key aim of the Act is to encourage a more direct relationship between employers and employees with a reduced role for third party intervention. In particular, the Act provides expanded choice for agreement-making, including scope for formalising individual agreements between employers and employees. This approach has meant the shift to a more decentralised industrial relations framework that commenced between AWIRS 90 and AWIRS 95 has become much more pronounced, giving organisations and workplaces significantly greater capacity to determine their own workplace relations.

2 The survey

The AWIRS are large-scale surveys involving structured questionnaires. Structured questionnaires mean that all respondents are asked the same questions. Nearly all the questions were ‘fixed choice’ or ‘closed’. That is, respondents were asked to select an answer from a list. Any elaboration they might have made was not able to be taken into account. The advantage of this style of questioning is that it allows information to be easily quantified. The disadvantages include the fact that respondents do not get an opportunity to provide their information within context. Other research methods are more suitable for ensuring the full meaning of a respondent’s answer is taken into account. Given our objective of providing a picture of workplace industrial relations in Australia, and the fact we needed to cover a very wide range of topics, the structured questionnaire was the most suitable methodology.

Certain types of information are unsuitable to collect via a structured questionnaire approach. Hence we avoided questions that relied heavily on individual judgment rather than commonly held beliefs. Our unit of analysis was the workplace: to study this unit we relied on people who worked at the workplace to tell us about it. We asked questions designed in such a way that they would be likely to produce the same responses from different people in a similar role at the workplace. While the survey approach offers a unique opportunity to generalise, through population estimates, about the structures, processes and outcomes of workplace relations, the results need to be understood in light of the advantages and disadvantages of the survey methodology employed.

AWIRS 95 focused on industrial relations at the workplace level. As with AWIRS 90, the workplace was defined as a physical location of an establishment. This meant all types of workplaces were surveyed: those that were part of a larger organisation, for example, a bank branch, an Australian head office of a multi-national firm, or a primary school, as well as single stand-alone units, such as a take-away cafe or a small construction company.

The main survey for AWIRS 95 had a sample of 2001 workplaces with 20 or more employees, which represented approximately 37 200 workplaces, collectively employing 3.6 million people. Workplaces in the sample were selected from all States and Territories and all industries, with the exception of agriculture, forestry and fishing, and defence. The sample was drawn from the Australian Bureau of Statistics (ABS) register of all establishments in Australia. Face-to-face interviews were conducted with up to two management respondents at each workplace—the

general manager and the manager most responsible for employee relations (in 60 per cent of cases, these respondents were the same people). These respondents were chosen because we thought they were the best people at the workplace to provide an overall account of what the workplace did, how it was structured and what it comprised, what occurred at the workplace and so on. Where present, a delegate from the union with the most members at the workplace was also interviewed. This was so we could understand the role of unions at workplaces.

AWIRS 90 did not include a survey of employees. However, for AWIRS 95 we wanted to add the employee voice to our picture of workplace industrial relations. This survey collected information about attributes of employees and their workplace experiences. A total of 19 155 completed questionnaires were received from employees whom collectively represent the 3.6 million employees employed at workplaces with 20 or more employees.

To gather information about small workplaces and small businesses—those with 5 to 19 employees—a telephone interview with the senior manager at 1075 such workplaces was conducted. The sample was drawn from a frame provided by the ABS and stratified by the same industries used in the main survey and by two size bands: 5 to 10 employees and 11 to 19 employees.

Because AWIRS 95 was the second such survey, we had the opportunity to go back to a sample of the workplaces that had been interviewed for AWIRS 90, and interview them again for AWIRS 95. This panel survey, which was conducted at 698 workplaces, allowed us to chart change and continuity between the two AWIRS periods. While comparisons of AWIRS 90 and AWIRS 95 main survey data also allowed this to some extent, the panel survey gave a better understanding of what had changed and stayed the same at individual workplaces. While topics included in the panel survey were similar to those for the main survey, there were some modifications to ensure changes between the survey periods could be understood.

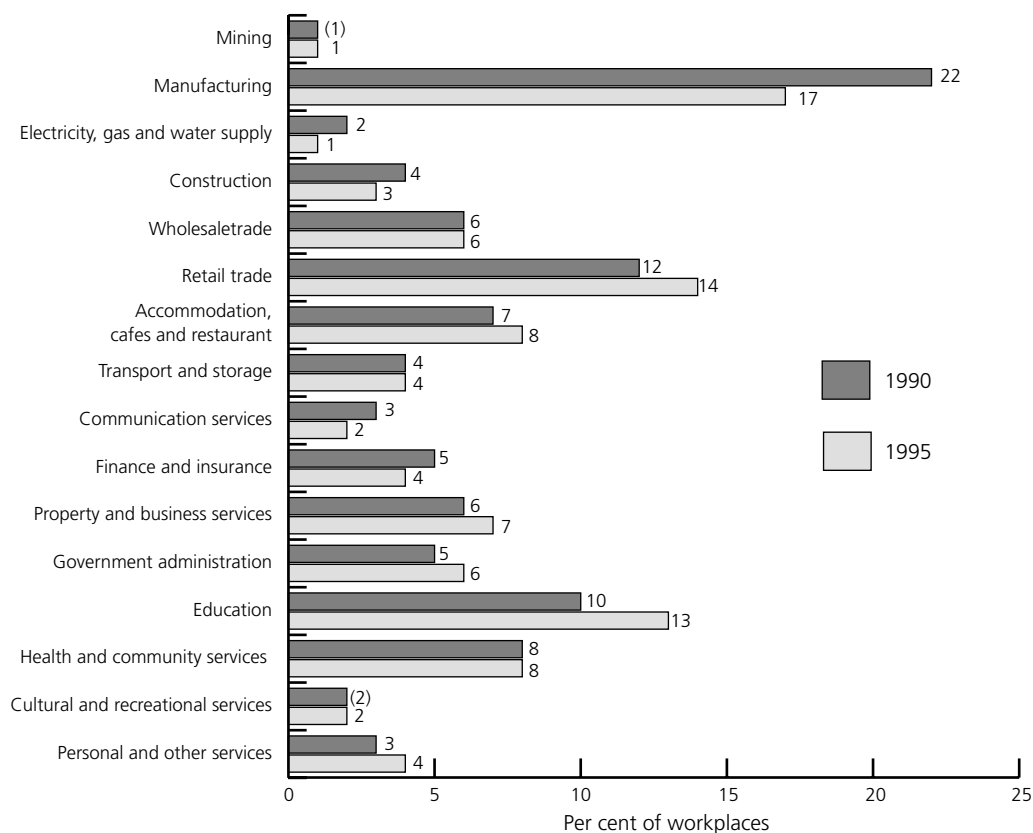
Workplace size

Just over half the workplaces in the AWIRS 95 population had fewer than 50 employees. About 10 per cent had 200 or more employees and only 3 per cent had 500 or more employees. Reflecting the population, the distribution of workplaces was skewed heavily towards those with smaller numbers of employees. The distribution of employees was more evenly spread across the employment size bands. In 1995, the proportion of employees working at workplaces with 500 or more employees was 26 per cent while the proportion at workplaces with fewer than 50 employees was only 17 per cent.

Industry and sector

As was the case in AWIRS 90, manufacturing was the industry with the largest single share of workplaces and employees in AWIRS 95, although its share declined substantially between the two survey periods. In 1995, 17 per cent of all workplaces with 20 or more employees (employing 19 per cent of all employees) were in manufacturing.

Figure 1: Workplaces, by industry, 1990 and 1995



Population: All workplaces with 20 or more employees. Figures are weighted and based on responses from 2004 workplaces in 1990 and 2001 workplaces in 1995.

Source: AWIRS 90 main survey, general management questionnaire. AWIRS 95 main survey, general management questionnaire.

Question: What is the main type of activity of this workplace, in other words what does it make or do?

In both AWIRS 90 and AWIRS 95, private sector workplaces accounted for 71 per cent of all workplaces with 20 or more employees. In 1995, 65 per cent of all employees worked at private sector workplaces, up from 60 per cent in 1990.

Organisational status and ownership

The proportion of workplaces that were part of a larger organisation was 80 per cent in 1990 and 79 per cent in 1995. Thus, the majority of workplaces in AWIRS were not single, stand-alone sites. Nearly all large workplaces and those in the public sector were part of a larger organisation. Almost three-quarters of workplaces with 20 to 49 employees were also part of a larger organisation. Often, these workplaces will conduct their workplace relations using structures and processes that have been developed at a level beyond the workplace, so that even smaller workplaces (with 20 to 49 employees) may have highly structured employee relations arrangements.

In 1995, about one-third of all workplaces had working owners. This result was unchanged between AWIRS 90 and AWIRS 95, and was concentrated in small workplaces. The level of foreign ownership in private sector workplaces was also little changed, and was more common in larger workplaces. In 1995, about a quarter of employees in the private sector were employed in workplaces that were predominantly foreign owned. Just under a fifth of all private sector workplaces had a head office that was located outside Australia. In the two years prior to AWIRS 95, 14 per cent of private sector workplaces had a change of ownership. In about half, this led to a change in the management structure; in about a third, it led to a change in management's approach to workplace relations.

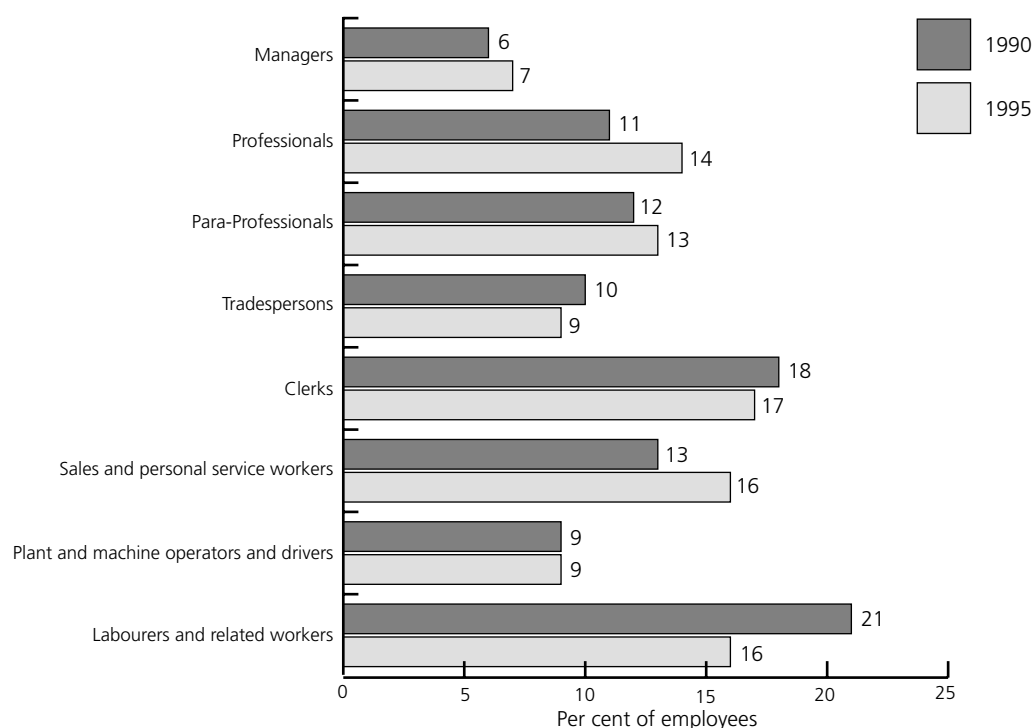
Type of employment

The proportion of female employees at workplaces with 20 or more employees increased between the surveys, from 41 per cent in 1990 to 45 per cent in 1995. Between the two surveys, the proportion of the survey population employed part-time (either permanent or casual) increased from 18 per cent in 1990 to 25 per cent in 1995. In AWIRS 90, 39 per cent of part-time employees were permanent, compared to 43 per cent in AWIRS 95. The proportion of workplaces employing any part-time employees increased from 77 to 84 per cent. The proportion of part-time employees who were female was 78 per cent in 1990 and 76 per cent in 1995.

Casual employees were present in 70 per cent of workplaces in 1995 (compared to 64 per cent in 1990) and they made up 17 per cent of employees (14 per cent in 1990) in the population of workplaces with at 20 or more employees. At the time of the survey, 86 per cent of casual employees were employed on a part-time basis. As well, 63 per cent of casual employees were women.

AWIRS 95 also showed other changes in the composition of the workforce. For example, Figure 2 shows that between AWIRS 90 and AWIRS 95, there was an increase in the proportion of employees in white-collar occupations such as managers, professionals and sales and personal service workers, and a decrease in the proportion of employees in blue-collar occupations such as tradespersons and labourers and related workers.

Figure 2: Percentage of employees in major occupational groups, 1990 and 1995



Population: All workplaces with 20 or more employees. Figures are weighted and based on responses from 1735 workplaces in 1990 and 1821 workplaces in 1995.

Source: AWIRS 90 main survey, workplace characteristics questionnaire. AWIRS 95 main survey, workplace characteristics questionnaire.

Question: How many employees were in each of the following occupational groups during the pay period ended on or before 30 September 1989 (AWIRS 90) or 18 August 1995 (AWIRS 95)?

Workplace relations indicators

At 19 per cent, the average voluntary turnover rate at workplaces in 1995 was substantially lower than the rate of 29 per cent in 1990. The lower rate probably reflected a weaker labour market and higher unemployment at the time AWIRS 95 was conducted. The average rate of absenteeism was 2.7 per cent per workplace or 3.0 per 100 employees. The absenteeism rate was higher in the public sector (3.0 per cent per workplace) than the private sector (2.6 per cent per workplace). The average annual dismissal rate also declined substantially from 4.4 per cent in 1990 to less than half that, 2.1 per cent, in 1995. The proportion of workplaces intentionally reducing their workforce in the year prior to the survey was about one quarter in both surveys. AWIRS 95 also indicated a declining incidence of industrial action. In the year prior to the 1990 survey, 28 per cent of workplaces, employing 48 per cent of employees, experienced some form of industrial action. In the year leading up to the 1995 survey, 22 per cent of workplaces (employing 33 per cent of employees) experienced industrial action.

4 Changes in management practices

Management organisation

The way in which employees are managed at the workplace has been subject to increasing attention in recent years, as employers, employees and government have sought to improve workplace efficiency and productivity. One way AWIRS was able to shed light on these issues was by collecting information about the way management is organised at the workplace. We found that the proportion of workplaces with specialist employee relations managers present increased from 34 per cent in 1990 to 46 per cent in 1995. Although personnel manager was still the most common job title in 1995, it had declined in overall dominance since 1990. At the same time, the titles of employee relations manager and human resource manager became substantially more popular.

Specialist employee relations managers were more likely to be responsible for negotiating with unions, setting or negotiating wage levels and preparing for industrial tribunals in 1995 compared to 1990. On the other hand, by 1995, they had less responsibility for training and for routine employee relations tasks such as inducting new employees and processing personnel records.

There was little change between the survey periods in the likelihood of workplaces being members of an employer association. AWIRS 95 found 62 per cent of workplaces were members of an employer association compared to 65 per cent in AWIRS 90. However, private sector membership of employer associations declined from 82 per cent in 1990 to 74 per cent in 1995. We found employer association members made more use of employer association services in 1995 than 1990. There was a noticeable increase in the proportion of workplaces seeking advice from their employer association on certain issues, including legal advice, advice on dismissals, employee relations training and equal employment opportunity/affirmative action. Awards continued to be the issue on which advice was most frequently sought.

Between the two surveys, managers at workplaces that were part of a larger organisation gained some increased authority in making decisions on financial matters. On more specific industrial relations issues, there were only small changes in the extent to which workplace managers, compared to managers at a higher level of the organisation, made decisions. An index of workplace autonomy created from the data, indicated a clear, albeit, small shift towards workplace autonomy since 1990. Although still lower than their private sector counterparts, public sector workplaces had noticeably increased levels of autonomy in 1995 compared to 1990.

Managing employees

AWIRS 95 asked managers about the processes they used to manage employees. Overall, the data show there was an increase in the proportion of workplaces that used structured practices in managing employees (as distinct from informal or ad hoc methods). A workplace is categorised as having 'structured management' where it had at least four of the following seven elements: disciplinary procedures; monitoring of employees (through any two of the following: measuring labour productivity, work study methods, performance appraisal); frequently used grievance procedures; training in employee relations for any first-line supervisors; a joint consultative committee; a specialist occupational health and safety committee; and a written policy on equal employment opportunity/affirmative action (see *Industrial Relations at Work*, p. 153, and *Changes at Work*, p. 325). We found there was an increase in the proportion of workplaces with

‘structured management’ from 39 per cent of workplaces in 1990 to 59 per cent in 1995. Table 1 shows that the overall rise was primarily due to the increased incidence of grievance procedures, disciplinary procedures and joint consultative committees, and an increased level of training for some first-line supervisors between the survey periods. However, all indicators showed some increase.

Table 1: Structured management indicators, 1990 and 1995

| | 1990 | 1995 |
|---|--------------|--------------|
| <i>Indicator of structured management</i> | <i>% wps</i> | <i>% wps</i> |
| Disciplinary procedure | 73 | 92 |
| Formal monitoring of employees | 42 | 46 |
| Frequently used grievance procedure | 42 | 47 |
| Training for any supervisors | 39 | 72 |
| Joint consultative committee | 14 | 33 |
| Occupational health and safety committee | 41 | 43 |
| EEO/AA policy | 58 | 67 |

Population: All workplaces with 20 or more employees. Figures are weighted and based on responses from a maximum of 2004 workplaces in 1990 and a maximum of 2001 workplaces in 1995.

Source: AWIRS 90 main survey. AWIRS 95 main survey.

As well as the increase in the incidence of joint consultative committees from 14 per cent in 1990 to 33 per cent in 1995, we found a rise in the proportion of workplaces with task forces and ad hoc committees, indicating that overall, employees in 1995 were involved in workplace matters through formal mechanisms to a greater extent than in 1990.

Sixty-seven per cent of workplaces in Australia (employing 82 per cent of employees) had written policies on EEO and/or AA—an increase from 58 per cent of workplaces (73 per cent of employees) in 1990. There was a higher incidence of written EEO/AA policies in the public sector, 92 per cent, compared to the private sector, 57 per cent. Unionised workplaces were more likely to have these policies compared to non-unionised workplaces, even after sector and employment size had been taken into account.

Other results, such as the rise in specialist employee relations managers, complement this shift to an increased use of formal processes and procedures for managing workplace relations. Overall, 57 per cent of workplaces had a policy for dealing with sexual harassment, while 40 per cent had one for dealing with racial harassment. These policies were more likely in public sector workplaces. Sixty-three per cent of workplaces said they had a formal grievance procedure that covered complaints of harassment. At those workplaces, half of all harassment complaints were dealt with through such procedures. Sixteen per cent of all managers reported at least one sexual harassment complaint had been made at their workplace and 6 per cent reported at least one racial harassment complaint at their workplace in the year prior to the 1995 survey.

We also found an increase in the use of formal off-the-job training programs for employees which was evident for all occupational groups. Sixty-eight per cent of workplaces provided formal training for employees in the year prior to the 1995 survey, compared to 58 per cent of workplaces in the year prior to the 1990 survey. The incidence of non-managerial employees

having their performance formally evaluated or appraised also increased, from 61 per cent of workplaces in 1990 to 68 per cent of workplaces in 1995. We found 69 per cent of workplaces had procedures in place to regularly measure labour productivity at the workplace, 68 per cent of workplaces had key performance indicators in use and 67 per cent of workplaces benchmarked against other workplaces.

AWIRS 95 asked managers about methods used to communicate with employees and to involve employees in workplace matters. We found that 82 per cent of workplaces had regular, formal meetings of some kind between managers and/or supervisors. Workplaces without these meetings were more likely to be small. Formal meetings was the most common way management passed information to employees.

The AWIRS surveys are large-scale structured surveys that by their nature are biased to collecting data on formal structures and processes. However, the results on small business industrial relations, and the results for workplaces with 20 to 99 employees show that many workplaces were unlikely to have many formal structures in place. This does not mean that employee relations were less important or less actively focused in these workplaces—just that they were conducted differently, and often in a more direct fashion between managers and employees.

Organisational Change

The incidence of organisational change at workplaces was widespread. Less than half of all workplaces that had experienced major organisational changes reported that employees directly affected by the change had significant input or were consulted about the decision to introduce it. Employees directly affected by changes were more likely to resist change involving a reorganisation of the workplace structure and major changes to the way non-managerial employees did their work than other types of change such as technological or plant and machinery changes. However, even for these changes, employees directly affected were, according to managers, more likely to favour change than resist it. Regardless of the type of change, employees were more likely to be in favour of it if they had been informed or were involved in some way in the decision to introduce it.

Management Attitudes

AWIRS 95 included a series of questions about management attitudes to workplace relations. When managers were asked to rate management–employee relations, they overwhelmingly rated them as either very good or good. Table 2 shows that 88 per cent of managers agreed they would prefer to deal with employees directly, rather than through a trade union. Private sector managers were more likely than public sector managers to agree with this statement. Of the six statements in Table 2 which were shown to all managers, the one stating “The award system worked well in the past for this workplace” attracted the least amount of support. The larger the workplace, the more likely it was that the response was negative. Sixty-nine per cent of managers agreed that enterprise agreements were important in achieving the organisation’s goals. Managers at unionised workplaces in the private sector were less likely than those in the public sector to agree that unions effectively represented the views of employees and that unions at the workplace kept their word.

Table 2: Managers' attitudes to management-employee relations, 1995

| | <i>Strongly agree</i> | <i>Agree</i> | <i>Neither agree nor disagree</i> | <i>Disagree</i> | <i>Strongly disagree</i> |
|--|-----------------------|--------------|-----------------------------------|-----------------|--------------------------|
| <i>Statement</i> | <i>% wps</i> | <i>% wps</i> | <i>% wps</i> | <i>% wps</i> | <i>% wps</i> |
| This organisation devotes considerable resources to having a corporate culture at this workplace | 31 | 47 | 14 | 7 | 1 |
| Management here prefer to deal with employees directly, not through a trade union | 58 | 30 | 8 | 3 | 1 |
| Management here thinks the award system has worked well in the past for this workplace | 16 | 43 | 23 | 14 | 4 |
| Management here believe that the negotiation of a workplace or enterprise agreement is important in achieving the organisation's goals | 30 | 39 | 20 | 8 | 2 |
| If they had to, management in this workplace would choose quality improvements over labour cost reductions | 33 | 47 | 13 | 6 | 1 |
| This organisation currently devotes considerable resources to the management of this workplace's human resources | 27 | 49 | 15 | 8 | 1 |
| Unions representing employees here keep their word* | 13 | 46 | 30 | 9 | 3 |
| Unions here are seen by management as effectively representing the views of their members* | 7 | 35 | 32 | 19 | 6 |
| Management here would not mind dealing with trade unions should any employees join one** | 3 | 33 | 25 | 23 | 16 |

Notes: * Restricted to unionised workplaces. ** Restricted to non-unionised workplaces.

Population: All workplaces with 20 or more employees. Figures are weighted and based on responses from a maximum of 2000 workplaces.

Source: AWIRS 95 main survey, general management questionnaire.

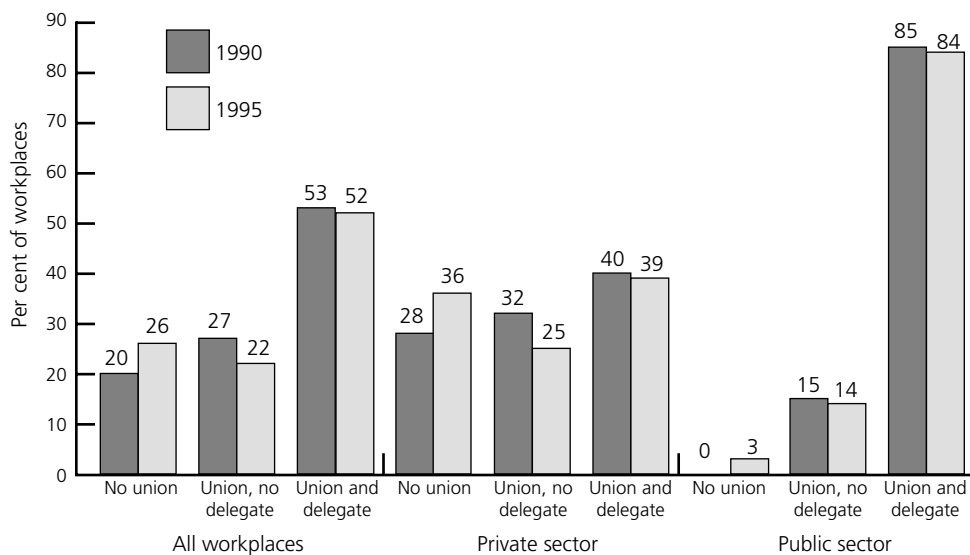
Question: Looking at the showcard, could you please tell me the extent to which you agree or disagree with the following statements. (Statements as per row headings.)

5 Decline in union presence at the workplace

The decline in unionism in Australia in the 1990s is well documented. AWIRS data show that the impact of this decline at the workplace level was substantial and pervasive in the period between the surveys. The proportion of workplaces with at least one union member decreased from 80 per cent in 1990 to 74 per cent in 1995. Most of the decline was in workplaces with 20 to 49 employees and was almost exclusively in the private sector.

Between the two survey periods, union density (the proportion of employees at workplaces who were union members) in workplaces with 20 or more employees fell from 64 per cent to 51 per cent (from 58 per cent to 44 per cent in private sector workplaces), while at unionised workplaces (workplaces with at least one union member), union density fell from 71 to 59 per cent. The decline occurred across all industries and employment sizes. In contrast, the proportion of workplaces with union delegates showed only a one percentage point decline between AWIRS 90 and AWIRS 95, from 53 per cent to 52 per cent. Due to the decline in union membership, these delegates had, on average, fewer members to represent at their workplaces in 1995. The average number of unions at workplaces declined from 2 in 1990 to 1.5 in 1995, and at unionised workplaces from 2.5 to 2. The greatest declines were in larger workplaces.

Figure 3: Union and delegate presence at the workplace, by sector, 1990 and 1995



Population: All workplaces with 20 or more employees. Figures are weighted and based on responses from 2004 workplaces in 1990 and 2001 workplaces in 1995.

Source: AWIRS 95 main survey, employee relations management questionnaire and general management questionnaire. AWIRS 90 main survey, employee relations management questionnaire and general management questionnaire.

Questions: How many, if any, unions have members at this workplace? How many union delegates are there at this workplace?

Union recruitment

With the decline in union density that began in the mid-1980s, unions have had to rely on recruiting, rather than on natural growth in the workforce, to attract members. AWIRS 95 found that full-time union officials tried to recruit members at 35 per cent of all workplaces. However, new members were recruited at only 53 per cent of those workplaces where recruitment was attempted. Recruitment activity was even less successful in non-unionised workplaces—members were recruited in only one per cent of such workplaces where recruitment was attempted (15 per cent of all non-union workplaces). Additional members were more likely to be recruited at unionised workplaces, particularly if union delegates were also present.

Union amalgamations

Union amalgamations were part of the restructuring of the union movement in the late 1980s and early 1990s. To assess the effects of amalgamations at the workplace level, AWIRS 95 asked delegates detailed questions about union amalgamations. At 58 per cent of workplaces where the union with the most members at the workplace had a union delegate (36 per cent of all unionised workplaces), the delegate said that since 1988 their union had been part of an amalgamation process. Delegates mostly believed that union amalgamations made little, if any, difference to their ability to have a say in union matters at the workplace, the extent of their contact with full-time officials, training opportunities offered to them by the union, the recruitment of employees and the union's ability to deal with issues at the workplace.

Compulsory unionism

According to managers, the incidence of compulsory unionism declined between the surveys. The proportion of managers who believed that all non-managerial employees at their workplace were members of a union, was 17 per cent in 1990 at unionised workplaces (14 per cent of all workplaces). In 1995, the figure was 13 per cent of unionised workplaces (9 per cent of all workplaces). In 1995, managers at 17 per cent of unionised workplaces believed at least some employees had to be members of a union in order to do their job.

In total, 24 per cent of workplaces reported that either there was 100 per cent union membership or that there was a requirement that at least some employees had to be a union member to do their job. From the employee survey, 32 per cent of current union members (16 per cent of all employees) said they had to be a union member to do their current job.

Activities of union delegates

AWIRS 95 explored in some detail the activities of union delegates from the union with the most members at the workplace. AWIRS 95 and AWIRS 90 reported similar amounts of time that delegates spent each week on union activity—77 per cent of delegates spent an average of two hours or less per week on union matters. The average time increased with the employment size of the workplace, so that delegates at workplaces with 500 or more employees spent an average of 9.6 hours a week on union activities. Delegates were more likely to report that, in the year prior to the 1995 survey, the issues on which they spent 'a lot of time' were: handling communications between the union office and members, 51 per cent of delegates said this; handling individual grievances, 33 per cent; handling queries about award conditions, 31 per cent; or negotiating a workplace or enterprise agreement, 29 per cent.

From the AWIRS 95 panel survey, we found that the types of activities conducted by delegates changed between 1990 and 1995, as Table 3 shows.

Table 3: Tasks that delegates from surviving workplaces performed and tasks that such delegates spent a lot of time on in the year prior to the survey, 1990 and 1995

| | 1990 | | 1995 | |
|---|------------------------|---|------------------------|---|
| | Performs task % wps | Spent a lot of time on task in the last year % wps | Performs task % wps | Spent a lot of time on task in the last year % wps |
| Handle individual grievances | 91 | 35 | 79 | 37 |
| Recruit members | 66 | 10 | 67 | 13 |
| Negotiate about physical working conditions | 64 | 17 | 57 | 17 |
| Negotiate about work practices | 57 | 18 | 64 | 21 |
| Participate on formal consultative committees | 47 | 22 | 57 | 36 |
| Negotiate other employment conditions | 47 | 14 | 52 | 22 |
| Prepare newsletters/reports for members | 36 | 15 | 41 | 15 |
| Negotiate wage rises | 20 | 9 | 32 | 17 |
| Negotiate allocation of overtime | 19 | 4 | 23 | 5 |
| None of the above | 2 | 23 | 4 | 19 |

Population: Unionised surviving workplaces where the union with the most members at the workplace had a delegate. Figures are weighted and based on the responses of a maximum of 367 workplaces in 1990 and 447 workplaces in 1995.

Source: AWIRS 90 main survey, union delegate questionnaire. AWIRS 95 panel survey, union delegate questionnaire.

Questions: Looking at the showcard, as a delegate, which, if any, of these tasks do you do? Looking again at the showcard, which, if any, of these have you spent a lot of time on in the last year as a delegate?

The table shows that delegates at workplaces that were in the panel survey population were generally more likely to say they were involved in negotiations over wage rises in 1995 than in 1990. By contrast, there was relatively little change in the proportion of delegates undertaking recruitment activity. More delegates were likely to participate in formal consultative committees in 1995, and to spend a lot of time in such committees.

We created an index of union activity, based on a similar index reported in *Industrial Relations at Work* using the AWIRS 90 data, in which workplaces were classified as being actively unionised if the senior delegate from the union with most members at the workplace spent one hour or more each week on union activities and carried out tasks beyond recruiting members. In addition, there needed to be some extra activity by the union at the workplace, for example, delegates meeting with managers at least once a month. Workplaces where the above conditions were not met, or where there was no delegate interviewed for the survey even though there was at least one union member, were classified as having inactive unions. Workplaces with no union members were classified as non-unionised—the third category of this classification of union activity (see *Changes at Work*, p. 326).

We found there was a decrease in the proportion of workplaces with active unions, from 24 per cent in 1990 to 18 per cent in 1995. This decline was primarily due to the fact that fewer union delegates from the largest union at the workplace spent more than one hour per week on non-recruitment issues (50 per cent in 1990 compared to 41 per cent in 1995).

Despite the spread of workplace and enterprise bargaining in the first half of the 1990s, delegates themselves were actually less likely to negotiate with workplace managers on a range of workplace issues with workplace managers in 1995 compared to 1990. Where delegates did negotiate with management, they were more involved in central workplace issues in 1995 compared to 1990; for example, they were more likely to be negotiating over wage increases.

Industrial Relations at Work developed an index about delegate negotiations that we were able to repeat using AWIRS 95 data (see *Changes at Work*, p. 327). We found a decrease in the proportion of workplaces with delegate negotiations, from 27 per cent in 1990 to 19 per cent in 1995. This decrease was mainly because managers reported that they negotiated with delegates less often over workplace issues than they did in 1990—in 1995, 47 per cent of managers at workplaces with delegates (24 per cent of all workplaces) reported they negotiated at least one issue in the last year with a delegate, compared to 56 per cent in 1990.

Overall, the picture for union presence and activity at the workplace was one of decline between 1990 and 1995. There were fewer unionised workplaces in 1995, and of all workplaces with delegates, a higher proportion of them recorded no negotiations between workplace managers and delegates in the year prior to the survey. On the other hand, for the 24 per cent of all workplaces where delegates and managers did negotiate, delegates were more likely to be involved in key industrial relations issues, such as wages, than they were in 1990.

6 Setting pay and conditions

In the year prior to AWIRS 95, negotiations over pay and conditions—where negotiations meant bargaining over differences, not just discussions—occurred between workplace managers and at least some individual employees at 47 per cent of workplaces, while negotiations with at least some employees as a group (without the involvement of unions) occurred at about one-third of workplaces. Negotiations between workplace managers and union delegates and/or full-time union officials occurred at about half of unionised workplaces.

Negotiations involved pay issues in half of the workplaces where unions were involved and in 57 per cent of workplaces where negotiations occurred with individual employees. Where managers negotiated with employees as a group, pay issues were less commonly involved.

Payment systems

AWIRS found that wage determination at workplaces with 20 or more employees was undergoing transformation in the first half of the 1990s and, for many occupations, the way pay was determined had changed since 1990.

Collective agreements played a major role in the wages system in the first half of the 1990s. Forty-eight per cent of workplaces had a collective agreement (either registered or unregistered) operating at the time of AWIRS 95, and 31 per cent of workplaces had a collective agreement as the dominant payment system (that is, it was used to determine the pay of at least 60 per cent of non-managerial employees at the workplace). Forty-four per cent of all employees at workplaces with 20 or more employees were paid under collective agreements, as shown in Table 4.

Table 4: Estimated percentage of employees covered by different systems of wage determination, by sector and wage levels, 1995

| | Covered by State awards | Covered by State over-awards | Covered by Federal awards | Covered by Federal over-awards | Covered by collective agreements | Covered by individual arrangements |
|---------------------------|-------------------------|------------------------------|---------------------------|--------------------------------|----------------------------------|------------------------------------|
| Workplace characteristics | % emps | % emps | % emps | % emps | % emps | % emps |
| All workplaces | 21 | 7 | 12 | 6 | 44 | 9 |
| Sector | | | | | | |
| Private | 17 | 8 | 13 | 8 | 38 | 14 |
| Public | 29 | 3 | 9 | 1 | 55 | 1 |
| Wage level | | | | | | |
| High wage | 7 | 5 | 4 | 5 | 59 | 20 |
| Medium wage | 19 | 8 | 9 | 7 | 47 | 10 |
| Low wage | 30 | 5 | 23 | 5 | 33 | 4 |

Population: All workplaces with 20 or more employees. Figures are weighted and based on responses from 1821 workplaces.

Source: AWIRS 95 main survey, employee relations management questionnaire.

Question: Which category best describes how pay and conditions are determined (for each occupation present at the workplace)?

How to read: An estimated 21 per cent of employees at workplaces with at least 20 employees were covered by State awards. An estimated 7 per cent of employees were covered by State awards and were also paid over-awards.

Although the introduction of formalised enterprise bargaining was an important change in the industrial relations system, awards continued to play a role in the determination of pay and conditions for many employees. Overall, in 1995, 96 per cent of workplaces had at least one award. This was down from the 98 per cent of workplaces that had at least one award in 1990. Thirty-three per cent of employees were paid the award rate. Since 1990, federal award coverage increased its share while State award coverage fell. Fifty-one per cent of workplaces had at least one federal award and 63 per cent had at least one State award.

Over-awards also retained an important place in the system, although they were used less at workplaces where enterprise agreements had been made. In the pay period prior to when managers were interviewed for AWIRS 95, 46 per cent of workplaces paid over-awards to at least some employees—for private sector workplaces the proportion was 60 per cent (a decline from 68 per cent in 1990) and for public sector workplaces it was 11 per cent. Over-awards were generally determined by management and paid individually. Unionised workplaces were less likely to have over-awards than non-unionised workplaces. Thirteen per cent of all employees were paid over-awards, representing 17 per cent of private sector employees.

AWIRS 95 defined individual contracts to respondents as ‘covering pay and conditions negotiated between an employer or a representative of the employer and an individual employee. Please do not include employees on contracts which are mainly or solely based on the award’. We found that individual contracts were an established part of the wage determination system in 1995. Twenty-six per cent of all workplaces with at least 20 employees had at least some non-managerial employees on individual contracts and 9 per cent of all employees in the survey population were paid via an individual contract. In 5 per cent of workplaces, all non-managerial employees were covered by individual contracts. Managers at 11 per cent of all workplaces said the proportion of non-managerial employees on individual contracts had increased in the two years prior to the survey, while 2 per cent of workplaces said the number had decreased.

There were strong industry differences in the patterns of pay determination. Property and business services and mining workplaces had above average incidences of individual contracts. Many industries used the award system as the fundamental determinant of pay. This was particularly the case in health and community services, education, accommodation, cafes and restaurants, and retail trade. Private sector workplaces were the main users of individual contracts and over-awards. Parts of the public sector were dominated by enterprise agreements.

For each occupational group present at the workplace, AWIRS 95 asked managers how most of the employees within that group were paid. When a particular payment method covered more than 60 per cent of all employees at the workplace, it was deemed the dominant payment system for the workplace. Table 5 shows that most workplaces had a dominant payment system that covered at least 60 per cent of employees at the workplace. The proportion of workplaces with most employees covered by awards or over-awards fell as employment size increased and the proportion of workplaces with most employees covered by collective agreements increased with employment size.

Table 5: Dominant payment system at the workplace, by employment size, 1995

| | <i>State award</i> | <i>Federal awards</i> | <i>Over-awards</i> | <i>Collective agreements</i> | <i>Individual arrangements</i> | <i>Mixed</i> |
|------------------------|--------------------|-----------------------|--------------------|------------------------------|--------------------------------|--------------|
| <i>Employment size</i> | <i>% wps</i> | <i>% wps</i> | <i>% wps</i> | <i>% wps</i> | <i>% wps</i> | <i>% wps</i> |
| All workplaces | 25 | 14 | 16 | 31 | 6 | 8 |
| Employment size | | | | | | |
| 20–49 | 26 | 15 | 20 | 25 | 7 | 7 |
| 50–99 | 28 | 14 | 15 | 31 | 4 | 9 |
| 100–199 | 22 | 15 | 9 | 38 | 5 | 11 |
| 200–499 | 15 | 11 | 8 | 53 | 6 | 7 |
| 500 or more | 15 | 6 | 5 | 60 | 9 | 6 |

Population: All workplaces with 20 or more employees. Figures are weighted and based on responses from 1810 workplaces.

Source: AWIRS 95 main survey, employee relations management questionnaire.

Question: Looking at the showcard, which category best describes how pay and conditions are determined for (each occupation at the workplace)?

Desired changes to setting pay and conditions

AWIRS also asked managers if they would like to make changes to how pay and conditions were set, and 51 per cent said they would. Most often, managers reported they would like to introduce performance or productivity-related pay (27 per cent of those managers who said they would like to make a change) and 12 per cent of managers reported they would like to introduce incentive bonuses. For a number of managers, the change they wanted to make involved making agreements, either collective or individual. Managers who indicated they wanted to change the way pay and conditions were set were also asked what prevented them from making that change. Five per cent of these managers said there was no barrier to them making that change; for a further 2 per cent of managers the change was in the process of being made. The major reason for not making the change related to industrial relations issues. Twenty-two per cent of managers reported they could not make the change because of awards, 17 per cent said the change couldn't be made because of union resistance, 16 per cent reported the change could not be made because of management or company policy and 10 per cent of managers said they lacked the authority to make changes.

7 Directions in workplace relations

We developed a classification system (a typology) for describing workplaces according to common characteristics of unions, management and bargaining. This typology was first developed in *Industrial Relations at Work* for the AWIRS 90 data. This typology was an innovative classificatory system in 1990, although it is not as relevant for the 1995 data due to its conceptual reliance on a bargaining model that excludes the role of employees and most of the interaction that occurs at the workplace. The usefulness of the typology, however, is in its ability to compare AWIRS 90 and AWIRS 95 data so we can see the direction of any change.

We have already presented results for each of the three indexes that comprise the typology—structured/unstructured management, active/inactive/no unions, and delegate negotiations/no delegate negotiations. By scoring a workplace on each of these indexes, and then combining the results, we categorised workplaces into one of the five categories described in Table 6.

Table 6: Categories of workplaces

| Workplace Type | Union activity | Management | Management/Delegate negotiations |
|------------------------|----------------|--------------|----------------------------------|
| Informals | No union | Unstructured | No negotiations |
| Unstructured inactives | Inactive union | Unstructured | No negotiations |
| Structured inactives | Inactive union | Structured | No negotiations |
| Reactive negotiators | Inactive union | Structured | Negotiations |
| Active negotiators | Active union | Structured | Negotiations |

The classification system covered a higher proportion of workplaces in 1995 than it did in 1990 (78 per cent of workplaces and 77 per cent of employees in 1990, compared to 81 per cent of workplaces and 77 per cent of employees in 1995). The distribution of workplaces according to the classification system for 1990 and 1995 is shown in Table 7.

Table 7: Incidence of workplace types in the typology, 1990 and 1995

| <i>Workplace type</i> | <i>1990</i> | <i>1995</i> |
|------------------------|-------------|-------------|
| Informals | 20 | 22 |
| Unstructured inactives | 40 | 24 |
| Structured inactives | 17 | 34 |
| Reactive negotiators | 8 | 8 |
| Active negotiators | 15 | 12 |

Population: Workplaces with 20 or more employees, and in one of the five typology categories. Figures are weighted and based on responses from 1551 workplaces in 1990 and 1585 workplaces in 1995.

Source: AWIRS 90 main survey. AWIRS 95 main survey.

The table shows an overall rise in structured management during the survey periods and a fall in workplace delegate influence. It shows a large fall in the proportion of typology workplaces that were unstructured inactives and a large rise in the proportion of workplaces that were structured inactives. On the other hand, the proportion of reactive negotiators remained the same and the active negotiators experienced a decline, while the informals (non-unionised) increased. These data complement the results we found throughout much of our analysis comparing AWIRS 95 and AWIRS 90. We can conclude that while the more traditional workplace relations that tend to characterise the ‘active negotiators’ were on the decrease in the first half of the 1990s, a more modern workplace relations style (with a lesser role for unions and a more structured approach by management) was on the increase.

8 Employees at work

Because we conducted the employee survey for the first time in 1995, we can not compare it with data from the 1990 survey. Many of the questions in the employee survey, however, asked about changes that might have happened at the workplace or to the employee’s pay or conditions in the year prior to the survey.

Changes to hours, work and the workplace

For one-quarter of all employees, total weekly working hours increased in the year prior to the survey. Forty-two per cent of managers reported an increase, as did 37 per cent of professionals, 34 per cent of employees in the highest income quartile, and 34 per cent of those in workplaces in the education industry. Employees more likely to report a decrease in hours worked were part-time employees, 17 per cent; casual employees, 19 per cent; and those employed as sales or personal service workers, 14 per cent. Overall, 75 per cent of employees reported they were happy with the hours they worked; another 16 per cent would prefer to work fewer hours. Male employees who had dependants (male carers) were more likely than female employees who had dependants (female carers) to prefer to work fewer hours (21 per cent compared to 16 per cent).

For 27 per cent of employees, satisfaction with the balance between work and family life declined in the year prior to the 1995 survey. Part-time and casual employees were less likely than others to report a decline in satisfaction. Overall, similar proportions of male carers and female carers reported a decline in satisfaction (33 and 31 per cent respectively). Employees who were most likely to report a decline in satisfaction were managers, professionals and para-professionals. An increase in total weekly working hours in the year prior to the survey was associated with a decline in satisfaction with the balance between work and family.

Common changes reported by employees were the type of work they did, how the job was to be done, and the way the workplace was managed or organised. This picture of changes in the working life of employees was mirrored in the management survey, where we found that 81 per cent of all workplaces had experienced at least one of four major organisational changes we asked about, in the two years prior to the survey. The most common type of organisational change reported by managers was major reorganisation of the workplace structure (reported at 51 per cent of all workplaces), while 43 per cent of workplaces reported major changes had occurred to the way non-managerial employees did their work. We can conclude that at the level of the individual workplace, change was a constant feature.

From the employee survey we found that where at least one change to do with the employee's pay or conditions, or workplace matters, had occurred in the year prior to the survey, just over half the employees said they had been consulted about the changes. Employees reported they were most frequently consulted by their supervisor or through formal meetings (54 per cent in each case). The next most frequently mentioned form of consultation was by managers at a level higher than supervisors (50 per cent). Being consulted was associated with a higher likelihood of an employee believing they were given a fair chance to have a say about things. The 46 per cent of employees who thought they were not given a fair chance to have a say considered this was because decisions were made by managers, 56 per cent; decisions were made outside the workplace, 49 per cent; and managers did not consult, 40 per cent.

Employees were also asked if they felt better off or worse off, generally, as a result of all the changes at the workplace in the year prior to the survey. Thirty-two per cent of employees thought they were generally better off, 44 per cent thought they were about the same and 25 per cent thought they were worse off. Higher than average proportions of public sector employees, union members, professionals and para-professionals reported being worse off as a result of changes at their workplace.

Work intensification

By combining results about changes employees experienced over the year prior to the survey in terms of the level of stress they had in their job, the effort they had to put into their job and the pace at which they worked, we could create an index of relative work intensification. Employees who reported no more than one increase were classified as having low or no work intensification. Employees who reported increases in two of the three issues were classified as having a moderate level of work intensification. Employees who reported increases in all three issues were classified as having high work intensification. Twenty-eight per cent of employees had a high score on the work intensification index, 24 per cent had a moderate score on the index and 49 per cent had a low or no score on the index.

A high score on the work intensification index was associated with decreases in job satisfaction. Employees with low or no work intensification were more likely than employees with a high score to report no change in job satisfaction.

Table 8: Changes in job satisfaction in the year prior to the survey, by work intensification, 1995

| | <i>Job satisfaction went up</i> | <i>No change in job satisfaction</i> | <i>Job satisfaction went down</i> |
|--|-------------------------------------|--|---------------------------------------|
| <i>Score on the work intensification index</i> | <i>% emps</i> | <i>% emps</i> | <i>% emps</i> |
| All employees | 30 | 41 | 29 |
| Low or no score | 25 | 53 | 22 |
| Medium score | 38 | 32 | 29 |
| High score | 32 | 26 | 42 |

Note: 'Don't know' responses were excluded from this table.

Population: All employees at workplaces with 20 or more employees. Figures are weighted and based on responses from 18 267 employees.

Source: AWIRS 95 employee survey.

Question: Has your satisfaction with your job changed over the last 12 months?

Occupational health and safety

The AWIRS 95 employee survey also explores the issue of occupational health and safety in some detail, finding that 38 per cent of all employees said they had received occupational health and safety training in the year prior to the survey. Employees who received such training were more likely to work at workplaces in mining, electricity, gas and water supply, and health and community services than at workplaces in other industries. Employees were also asked whether, in the year prior to the survey, they had suffered an injury or illness related to their work, excluding colds or flu. Overall, 17 per cent of employees indicated one or more injury or illness. The most frequently reported injuries were dislocations, strains and sprains (43 per cent of the employees reporting at least one injury or illness reported this injury), followed by stress (26 per cent of employees reporting at least one injury or illness).

Employee attitudes

Employees were also asked about their attitudes to managers at the workplace. Forty-six per cent of all employees were satisfied with the way management treated them and others at the workplace, 58 per cent of employees thought management did their best to get on with employees and slightly more than one-third thought management could be trusted to tell things the way they are. Tables 9 and 10 show that union members, public sector employees, permanent employees and full-time employees were less likely to respond positively on the issue of trust and satisfaction with management than other employees.

Table 9: Whether employees were satisfied with the way management treated them and others at the workplace, by hours worked, employment status, union membership and sector, 1995

| | <i>Satisfied</i> | <i>Neither satisfied nor dissatisfied</i> | <i>Dissatisfied</i> |
|---------------------------------|------------------|---|---------------------|
| <i>Employee characteristics</i> | <i>% emps</i> | <i>% emps</i> | <i>% emps</i> |
| All employees | 46 | 26 | 28 |
| Ordinary hours worked per week | | | |
| Part-time | 53 | 24 | 23 |
| Full-time | 43 | 27 | 30 |
| Employment status | | | |
| Permanent | 43 | 27 | 30 |
| Casual | 57 | 22 | 21 |
| Fixed contract | 50 | 26 | 24 |
| Union membership | | | |
| Yes | 39 | 27 | 34 |
| No | 52 | 26 | 22 |
| Sector | | | |
| Private sector | 50 | 25 | 25 |
| Public sector | 39 | 28 | 33 |

Note: 'Not relevant to me' and 'don't know' responses were excluded from this table.

Population: All employees at workplaces with 20 or more employees. Figures are weighted and based on responses from 18 271 employees.

Source: AWIRS 95 employee survey.

Question: Are you satisfied with the way management treat you and others here?

Table 10: Whether employees agreed that management could be trusted, by hours worked, employment status, union membership and sector, 1995

| | Agree | Neither agree nor disagree | Disagree |
|--------------------------------|--------|----------------------------|----------|
| Characteristic | % emps | % emps | % emps |
| All employees | 37 | 31 | 32 |
| Ordinary hours worked per week | | | |
| Part-time | 47 | 30 | 23 |
| Full-time | 34 | 31 | 35 |
| Employment status | | | |
| Permanent | 34 | 31 | 34 |
| Casual | 51 | 29 | 21 |
| Fixed contract | 41 | 29 | 29 |
| Union membership | | | |
| Yes | 30 | 31 | 39 |
| No | 44 | 31 | 26 |
| Sector | | | |
| Private sector | 41 | 30 | 28 |
| Public sector | 30 | 31 | 39 |

Note: 'Don't know' responses were excluded from this table.

Population: All employees at workplaces with 20 or more employees. Figures are weighted and based on responses from 17 693 employees.

Source: AWIRS 95 employee survey.

Question: Do you agree or disagree with the following statement: 'Management at this workplace can be trusted to tell things the way they are'?

Fifty-nine per cent of employees agreed their workplace was a good place to work, and 63 per cent were satisfied with their job overall. Employees who were more likely to say they were satisfied were part-time or casual employees, both 70 per cent, managers, 73 per cent, employees aged 15 to 20 years, 70 per cent, and employees 50 years or over, 69 per cent. Non-union members were more likely than union members to report being satisfied with their job overall (68 per cent and 58 per cent respectively).

The employee survey asked employees to respond to several statements about unions at the workplace. For the statement "unions here do a good job representing members when dealing with management" only 40 per cent of union members agreed. Twenty-nine per cent neither agreed nor disagreed and 17 per cent disagreed (14 per cent didn't know). The statement "unions here take notice of members' problems and complaints" attracted more support—46 per cent of union members agreed, 28 per cent neither agreed nor disagreed and 17 per cent disagreed (9 per cent didn't know). All employees were also asked, if given a totally free choice, whether they would rather be in a union than not. Thirty-eight per cent of all employees said they would rather be in a union than not, 21 per cent were ambivalent and 33 per cent said they would rather not be in a union (9 per cent didn't know).

Workplace and employee characteristics

Another major result from the employee survey related to the extent to which workplace and employee characteristics were associated with the type of answers an employee provided in the questionnaire. We found most of the responses employees gave were clearly associated with individual characteristics of employees, such as employment status, the number of hours worked per week, occupation and income. For example, we found employees who were part-time, casual, aged 15 to 20 years, or from the occupations of sales and personal service workers and labourers and related workers tended to report consistently across a number of questions. These groups of employees commonly had little or no influence over how they did their job or their start and finish times, and little say in how the workplace was managed or organised. They had low or no score on the index of work intensification and they were not as likely to be consulted. However, these employees commonly were satisfied with their job, they trusted management and were satisfied with how management treated them, and they thought the workplace was a good place to work. Full-time employees from these groups tended to have low pay (that is, they were in the lowest quartile of full-time wage earners).

Apart from some notable exceptions, the type of workplace the employee came from (for example, its size, industry, organisational status) had a less clear association with the type of answers provided. However, employees from public sector workplaces tended to answer differently compared to employees in the private sector. Public sector employees were more likely to be dissatisfied with their job, report they felt insecure and to have a high score on the work intensification index. They were less trusting of management and thought of leaving their job more often than private sector employees. They were, however, more likely to be in the upper half of full-time wage earners and more likely to be consulted about changes.

9 Small business workplace relations

Our analysis of small businesses examined a sub-set of the population covered in the AWIRS 95 small workplace survey. We defined a small business as one which is in the private sector, has 5 to 19 employees and is the only workplace in the organisation. Small workplaces that were part of a larger organisation were excluded from this analysis. A recurring theme of *Changes at Work* was the differences between private and public sector workplaces, so we also compared small businesses to larger private sector workplaces, as well as to all larger workplaces, in order to provide a more focused contrast.

Small businesses differed from larger private sector workplaces on a number of industrial relations characteristics. For example, having fewer than 20 employees facilitates more direct relationships between management and employees. Where the workplace is small, but part of a larger organisation, direct relationships may not be common if the organisation as a whole is characterised by formal and indirect workplace relations policies. However, small businesses by definition have no higher level of the organisation where policies can be determined, and so the fact of their smallness is more able to influence the way workplace relations are handled. We found small businesses did commonly operate in a direct and less structured way with regard to issues such as dealing with discipline and grievances. Small business managers were more likely to deal with employees individually as incidents arose than to have structures in place. They were also less likely than larger workplaces to hold formal meetings with all employees.

While many of the differences between small businesses and larger workplaces could be accounted for by size, the data show small businesses were not a homogeneous population. As in the main survey, industry was a distinguishing characteristic. For example, formal training programs for non-managerial employees were more common in finance, property and business services.

In addition, the presence or absence of a working owner at small businesses indicated a different approach to workplace relations. Small businesses with owners absent were more likely to have formal approaches. In this respect they were more like larger private sector workplaces. For example, they were more likely than small businesses with owners present to have formal training, to have disciplinary and grievance handling procedures, to be members of an employer association and to consult with employees in relation to a workplace agreement. Small businesses with the owner present were also less likely to have union members.

As with larger workplaces, there was a decline in union presence in small businesses between 1990 and 1995. In 1990, 22 per cent of small businesses had at least one union member. This fell to 17 per cent in 1995. Small businesses with 5 to 10 employees were less likely to be unionised (14 per cent had at least one union member) compared to small businesses with 11 to 19 employees (24 per cent had at least one union member). Small businesses in the industry groups of personal services and finance, property and business services rarely had union members, while membership was higher in mining and construction.

Overall, small businesses were less likely than larger workplaces to report significant efficiency changes they were unable to make. However, for those small businesses that did (48 per cent of all small businesses), they were more likely than larger workplaces to say that financial or economic constraints prevented them from making significant efficiency changes. They were also less likely than larger workplaces to offer formal training programs for non-managerial employees. This might also be related to financial constraints.

Compared to larger workplaces, small businesses rarely had collective agreements as the principal method of pay determination. Nineteen per cent of small businesses had a verbal collective agreement and 10 per cent had a written collective agreement. Only 27 per cent of small businesses with agreements had them registered. Instead, small businesses used awards and over-award payments as the principal method of pay determination.

10 Further information

This booklet provides a summary of the major findings of AWIRS 95. For more detailed analysis of the survey results, readers should refer to A. Morehead, M. Steele, M. Alexander, K. Stephen and L. Duffin, *Changes at Work: The 1995 Australian Workplace Industrial Relations Survey*, Addison Wesley Longman, Melbourne, 1997. The book is available from all leading bookstores at a recommended retail price of \$45. Alternatively, it can be ordered by completing and returning the enclosed form.

More detailed results of the first AWIRS (AWIRS 90) can be found in R. Callus, A. Morehead, M. Cully, and J. Buchanan, *Industrial Relations at Work: The Australian Workplace Industrial Relations Survey*, AGPS, Canberra, 1991.

Readers who are interested in purchasing the data sets should contact the Social Sciences Data Archives at the Australian National University by phoning 02 6249 4400 or by visiting the website, <http://ssda.anu.edu.au>. Copies of the questionnaires used in the survey are available by writing to the Director, Workplace Research Section, Policy and Small Business Division, Department of Workplace Relations and Small Business, GPO Box 9879, Canberra ACT 2601.