



Civic, Professional and Other Interest Groups 2020

Industry Developments and Workforce Issues

Employment Overview.¹ The national labour market outlook estimates an employment growth of 0.8% for the Civic, Professional and Other Interest Groups over the five years to 2024. Most recent ABS figures indicate that as at February 2020, the sector employed 45,100 people nationally. Western Australia employed 3,900 and while numbers have fluctuated this represents a growth of 23% when compared the same period five years ago.^{2,3,4}

Relevance of Unions and Associations. In a system of enterprise bargaining and legislated minimum conditions, unions continue to have a significant role within the industrial relations system. They remain relevant and trusted by their members, have significant responsibility, and manage large amounts of funds. They represent many people who could otherwise be considered vulnerable in terms of job security, gender discrimination, training opportunities and wage growth. Their role remains critical to ensure wages, conditions and living standards are protected and align to modern workplaces.

Compared to other countries, we have relatively strong statutory protections for workers (minimum wage, penalty rates, our award system). Looking at data from 28 Organisation for Economic Co-Operation and Development (OECD) countries, in 2017 Australia had the third highest minimum wage in the OECD. Despite this, inequality is rising, full-time employment is declining, and real wages are going backwards. Under the current legislative system unions appear and argue in court and the conditions are transferred to their members. Such activities carry significant financial costs, reliant on funds to support the unions as institutions and their ability to negotiate such outcomes.^{5,6,7,8,9}

Strongly positioned business and professional associations are highly supported and valued by members. They are responsive to member needs and continue to evolve in order to demonstrate and maintain member relevance. Success comes from strong business acumen: strategic focus (leadership, management, planning), people (personnel, staff, learning, development), operations (processes, work), marketing (customer relations, sales, responsiveness), finances (assets, facilities, equipment). Associations need to be energetic and present, connected to their members through different channels of communication and information sharing, provide relevant resources and training, be strong advocates for industry and members, and have an active, visual presence and media voice. Larger associations allocate funds for media campaigns to ensure they are seen, connected and campaigning for industry. An association's ability to draw high profile presenters to engage an audience and explore topical issues strengthens its ability to compete for members.

Similarly, many networking groups act in a form of an association. They are closely aligned to a specific

¹ Australian Government, [Australian Public Service Commission](#).

² These figures do not take into account any impact caused by COVID-19. It reflects data collected prior to the effects of the pandemic which is having a substantial negative impact on the current labour market.

³ Australian Government, Department of Jobs and Small Business, Labour Market Information Portal, [Employment Projections, 2019 Industry Projections – five years to May 2024](#), May 2019.

⁴ Australian Bureau of Statistics, Labour Force Australia Detailed Quarterly, [Data Cube EQ06 Employed persons by industry group of main job \(ANZSIC\), Sex, State and Territory](#), February 2020.

⁵ Independent IA Australia, [The future of work: Unions be ready](#), 3 July 2019.

⁶ The Conversation, [Three charts on: the changing face of Australian union members](#), 5 July 2017.

⁷ Parliament of Australia, Wage developments in Australia.

⁸ [The Future of Unions in Australia and the Implications for Labour](#), February 2018.

⁹ ABC Article, [Unions and the future of employee representation](#), 28 May 2017.



workforce or audience and established to support the needs of that group. Women in Mining Western Australia is a good example of such an industry championed initiative. Established as an informal networking group for women working in the mining industry, it now incorporates extensive professional networking events and mentoring programs due to strong industry support, corporate sponsors and contributors. Recognised and valued by the mining and resources sector, its aim is to: encourage women into the industry; provide a strong network for women; and advocate for a proactive industry to attract and retain women in the resources sector.¹⁰

Declining Membership. Today, Australia is one of the least unionised countries in the OECD. Between 1976 and 2016, the number of union members in Australia declined by 38% from 2.5 million to 1.5 million, with Western Australia having the lowest proportion (12%). By 2017, only around 15% of Australian workers were union members. 21% of employed persons aged 55 to 59 years were trade union members and of those 88% had been for over 5 years. Union membership includes large numbers of women who are over 40 and working full time. In 2016, 51% of union members were female. Among the young (workers under the age of 25), the participation rate was just 6%.

The decline broadly tracked the declining share of jobs held by blue collar workers. In 1976, the union member share of all employees (union density) was 51%, dominated by blue collar workers. From 1996 onwards, unions became increasingly dominated by professionals. This aligned with the growth in industries largely staffed by professionals and semi-professionals such as media and information systems, finance, health and education. Despite this, unions have not been able to gain enough professionals to offset the loss of blue-collar unionists.

By August 2016, 38% of public sector workers were members of a trade union, compared to only 9% of private sector workers, with strongest union density in Education and training and Public administration and safety (both 31%). Union density in the construction industry stood at 9%, with finance and insurance at 9.7%. In contrast, the professional and scientific services employed more than a million people in 2016 but only 2% of the workforce belonged to a union. The biggest increases in union membership were recorded by the Police Federation of Australia, Australian Nursing and Midwifery Federation, and Independent Education Union of Australia.^{11,12,13,14,15,16,17,18}

Member-based associations are facing a similar path. It is expected that members will decline over the years across all associations. To survive, member associations will need to engage in alternative sources of revenue. Some operate as RTOs and GTOs. Associations need to be flexible and nimble. They need to introduce new areas of growth to continue being viable. These alternative streams of revenue often support the membership component of their business.

Regulatory Constraints. The regime in Australia is uniquely hostile around unions, union membership and the institutional role for unions. The decline of union membership accelerated following regulatory changes that began in the '80s and '90s. The reforms introduced were marked by waves of legislation to externally regulate and scrutinise the internal affairs of trade unions. These have severely constrained their ability to operate: how they are formed; what they can do; and the actions they can take to support their members.

This increasing regulatory pressure is likely to continue. In 2019, Prime Minister Scott Morrison requested changes to Australian Industrial Relations laws with an aim to increase regulation, force

¹⁰ [Women in Mining and Resources WA](#).

¹¹ Caroll & O'Dea Lawyers, [Australia: Trade Unions – A highly regulated and supervised future](#), 4 September 2017.

¹² Parliament of Australia, [Trends in union membership in Australia](#), 15 October 2018.

¹³ ABC, [Unions and the future of employee representation](#), 28 May 2017.

¹⁴ ABC, [Unions, freelance workers and Codetermination](#), 4 June 2017.

¹⁵ Independent IA Australia, [The future of work: Unions be ready](#), 3 July 2019.

¹⁶ The Conversation, [Three charts on: the changing face of Australian union members](#), 5 July 2017.

¹⁷ Australian Bureau of Statistics, [6333.0 Characteristics of Employment Australia](#), August 2016.

¹⁸ [The Future of Unions in Australia and the Implications for Labour](#), February 2018.



deregistration and leadership change.^{19,20,21,22,23}

Free-Rider Dichotomy. As with all organisations responding to change, unions (and associations) need to adapt and innovate to secure their future. However, the legal constraints imposed on unions limit their ability to build their organisation and to broaden their funding streams. Although few Australians are members of a union, more than 60% of Australian workers have collective agreement coverage.

Since the reforms, uniquely, in Australia unions are unable to restrict access to the provisions of an enterprise agreement just to union members. Everyone in the workplace benefits from these without any financial contribution from the services derived from union activity and collective bargaining. Ratified in law, this free-rider effect is likely to continue eroding union density and runs the risk of diminishing union influence and bargaining power. If not addressed, the viability of unionisation in Australia will be undermined, ceasing the benefits of union-negotiated wages and conditions. Globally, other models exist which deal with the free-rider issue. Many of which are based on a fair share model where a fee is paid (typically set at a portion of union fees) for the bargaining power of a collective voice and the protection that you get from union activity through minimum standards, enterprise agreements and the awards.^{24,25,26,27,28,29,30}

Industry Workforce Priorities

Future of Unions and Associations. The future of the union movement faces a significant demographic challenge. Many reasons have been put forward to explain the decline in Australian unionism: enterprise bargaining, laws unfriendly to unions, managerial hostility and youth indifference. Part of the problem is that professional and semi-professional recruitment is largely confined to people employed in publicly funded or regulated industries such as education, health and the Police. By contrast, in areas of professional employment characterised by private-ownership and market-competition (media, finance, professional services) unions perform poorly.³¹

It is important unions have a role in the future. As the structural landscape of the workforce changes, it is important unions are able to adapt and respond to continue to deliver workplace democracy and protection of wages and conditions. As technology, automation and AI continue to impact jobs, it is becoming increasingly difficult to protect jobs. A shift in attitude towards protecting people can support lifelong learning and continual training which enable people to adapt to changes, reinvent themselves and continue their participation in the workplace.^{32,33,34} Similarly, associations are needing to redesign their operating models. To succeed, they need to: have an entrepreneurial mindset; find new ways to grow and source revenue; proactively redefine their relevance in the marketplace; understand the needs of their target audience; and have the ability to meet changing expectations.

Younger Workers and Membership. Younger workers are disconnected from the benefits that an individual may receive in the workplace partly due to the free-rider effect. As generations change in the

¹⁹ Reserve Bank of Australia, Research Discussion Paper, [Is Declining Union Membership Contribution to Low Wages Growth?](#) February 2019.

²⁰ ABC, [Unions and the future of employee representation](#), 28 May 2017.

²¹ Caroll & O'Dea Lawyers, [Australia: Trade Unions – A highly regulated and supervised future](#), 4 September 2017.

²² The Conversation, [Three charts on: the changing face of Australian union members](#), 5 July 2017.

²³ Independent IA Australia, [The future of work: Unions be ready](#), 3 July 2019.

²⁴ ABC Article, [Unions and the future of employee representation](#), 28 May 2017.

²⁵ Independent IA Australia, [The future of work: Unions be ready](#), 3 July 2019.

²⁶ Caroll & O'Dea Lawyers, [Australia: Trade Unions – A highly regulated and supervised future](#), 4 September 2017.

²⁷ ABC, [Unions, freelance workers and Codetermination](#), 4 June 2017.

²⁸ ABC Article, [Unions and the future of employee representation](#), 28 May 2017

²⁹ Reserve Bank of Australia, Research Discussion Paper, [Is Declining Union Membership Contribution to Low Wages Growth?](#) February 2019.

³⁰ [The Future of Unions in Australia and the Implications for Labour](#), February 2018.

³¹ The Conversation, [Three charts on: the changing face of Australian union members](#), 5 July 2017.

³² ABC, [Unions and the future of employee representation](#), 28 May 2017.

³³ The Conversation, [Three charts on: the changing face of Australian union members](#), 5 July 2017.

³⁴ Parliament of Australia, [Trends in union membership in Australia](#), 15 October 2018.



workplace, awareness of the role unions have played in Australia to lift standards and measures of protection for workers has eroded. Age also plays an important factor in member participation levels within associations. Older members tend to appreciate and value the offerings of an association. Younger people are used to accessing information and resources through internet and social media. They use different platforms to be engaged, informed and supported.

A 2018 report points to young workers being much less likely to be union members than older workers and casual and part-time employees being less likely to be union members than full-time workers and permanent employees. With a 6% union participation rate, unless addressed, this will severely impact unions over the coming years if only through simple attrition. Despite the difficulties in providing union representation to casual and part time workers, some established unions see areas of opportunity in response to the increasing casualisation of labour and the impact of this on conditions and job security.^{35,36} Longevity is hinged on the ability to remain visible, relevant and affordable. Associations, like trade unions, need to remain flexible and reaffirm themselves in an environment which prioritises discretionary spend by the modern, hyperconnected and informed consumer.

21st Century Workforce. There's a need to modernise the structures of collective bargaining to better reflect the 21st-century workforce. A National Wage report released in August 2016 by the Australian Bureau of Statistics, estimated that almost one in three Australian workers was employed part-time, while around 90% of all new jobs created in the Australian economy in the 12 months to July 2016 were either part-time or casual. Since then, a shift away from permanent, full-time jobs has continued and we are seeing a significant rise in a more precarious casual labour market: casual jobs; labour hire; freelance work and the gig economy. Similarly, the nature of globalisation and the shift towards offshoring and outsourcing are creating different challenges faced by workers since the reforms introduced in the 80s and 90s.

Today, young people working in a digital gig world are calling for better conditions and better arrangements in response to increasing exploitation, job insecurity and poor pay. They are looking for ways to connect with their fellow workers and have a united voice in terms of employee opportunities, worker entitlements and employee rights. Despite opportunities for representation, it is hard for unions to get a foothold as union membership continues to fall. In order for this new wave of workers to have some fair protection, legislative changes will need to be introduced to modernise labour regulations, including the regulations regarding unions and collective bargaining.³⁷

The pandemic laid bare the extent of Australia's reliance on insecure work to power its economy. More than 32% of the workforce were in casual or insecure work, including gig economy workers, sole traders and labour hire employees. Unable to access the JobKeeper subsidy, tens of thousands were left with no work and no entitlements to draw upon, needing to resort to using their superannuation. This crisis has highlighted the critical need for trade unions and their ability to advocate for a better and stronger industrial relations system, one which puts a premium on valuing workers with a commitment to fairness, job security and work safety. Union participation in the government's working group roundtable process to rebuild the Australian economy will ensure that the voice and needs of working people will be heard.³⁸

COVID-19

Global Activity. Trade unions representing workers in G20 countries and around the world provided inclusive responses to the COVID-19 pandemic. They called for coordinated action by G20 leaders to protect the health of all people and the incomes and jobs of all working people as the key to stability of business and the real economy. They stressed the importance of global coherence through working with the International Labour Organisation (ILO), World Health Organization (WHO), Organisation for Economic Co-operation and Development (OECD), International Monetary Fund (IMF) and World Bank.

³⁵ ABC, [Unions, freelance workers and Codetermination](#), 4 June 2017.

³⁶ ABC Article, [Unions and the future of employee representation](#), 28 May 2017.

³⁷ ABC, [Unions, freelance workers and Codetermination](#), 4 June 2017.

³⁸ The Australian, [Seat at the table a chance to create stronger economy together](#), 28 May 2020.



They urged G20 leaders to respond to this global health and economic crisis by increasing co-ordinated international assistance including for the most vulnerable countries.

Led by the International Trade Union Confederation (ITUC), they set out key measures for inclusion in the support packages: paid sick leave; income protection; managed reduction of hours; mortgage, rent and loan relief; universal social protection and free access to healthcare; and childcare support for frontline workers in vital areas such as health, supermarkets and pharmacies.

Since the outbreak, the ITUC has relied on trade union affiliates to monitor and compare global government and employer measures being implemented and their effectiveness in containing the spread of the virus, including national lockdown measures, closure of schools and non-essential businesses. By the end of March 2020, they highlighted that health workers, transport workers and the retail and service sectors were among those hardest hit by the pandemic due to their risk of exposure as well as a shortage of personal protective equipment (PPE). Particular concerns were identified for informal economy workers, small businesses and self-employed and platform/gig economy workers because of reduced demand from closures required to stop the spread of the virus. They noted early warnings of plummeting exports and issues of supply due to border restrictions and impacts on production due to lack of demand from importing countries.^{39,40,41,42,43,44}

Australia. The positive responses to the pandemic have been the result of collaborated efforts of associations, trade unions and government, including successful campaigning and lobbying by industry and worker groups to government. The involvement of unions and peak bodies representing working people has been key to ensuring that governments act to put people first in the response to COVID-19. These have been advocating for the wellbeing and protection of workers amidst the coronavirus outbreak. These bodies have been addressing worker concerns over COVID-19, disseminating critical information to their members and delving into worker allegations regarding potential risk of infection due to inadequate workplace practices and insufficient policies and procedures. They have been responsive, acting in the best interest of workers to ensure companies are putting measures in place to stop the spread, including the provision of adequate protective gear and safe work practices. They have been monitoring levels and clusters of infection and alerting regulators to cases of breaches in duty-of-care.⁴⁵

JobKeeper Wage Subsidy. The Australian Council of Trade Unions (ACTU) has been instrumental in negotiating the \$130 billion JobKeeper wage subsidy package to keep millions of Australians in a job during the coronavirus pandemic. Just under half the working population were anticipated to benefit from the support package. Draft legislation was subject to negotiations, particularly the Government's plan to amend the Fair Work Act in order to introduce the payment. A key focus was related to workers' rights. ACTU ensured the measure would be time limited, only refer to the JobKeeper payment and that workers' rates of pay were not artificially capped at \$1,500.

The temporary changes to the Fair Work Act have meant the Fair Work Commission made determinations varying close to 100 awards to provide unpaid pandemic leave and greater flexibility for annual leave for employees in many awards. These changes fast-tracked the implementation and payment of wage subsidies. Administered by the Australian Taxation Office, the new provisions enabled employers who qualified for the JobKeeper scheme to: make temporary and partial stand downs in certain circumstances; temporarily alter employees' usual duties and locations of work in certain circumstances; and agree with their employee on altering an employee's days and times of work and use of annual leave in certain circumstances. The alternative to changing the Fair Work Act would have been a lengthy and complicated process involving 121 awards, 11,000 enterprise agreements and individual agreements that cover millions of Australian workers.

³⁹ International Trade Union Confederation, [G20 COVID: Trade Unions Call for Coordinated Action for Public Health, Jobs and Incomes](#), 23 March 2020.

⁴⁰ International Trade Union Confederation, [ITUC Global COVID-19 Survey: Half of countries in lockdown as COVID-19 pandemic wreaks health and economic havoc on working people and their families](#), 24 March 2020.

⁴¹ International Trade Union Confederation, [IMF/World Bank Spring Meetings must provide global leadership and coordination](#), 6 April 2020

⁴² International Trade Union Confederation, [Responses to COVID-19 Pandemic from Selected Countries by Region \(up to 6 April 2020\)](#)

⁴³ International Trade Union Confederation, [ITCU Global COVID-19 Survey \(30 March – 2 April 2020\) Key Findings](#)

⁴⁴ International Trade Union Confederation, [G20 Summit Shows Global Leadership: Now to Make it Work](#), 26 March 2020.

⁴⁵ 7News, [Tally of coronavirus-infected Qantas employees grows as showdown with union looms](#), 9 April 2020.



The ACTU continues to advocate for short term casuals and visa workers who can't get the payment. There are more than a million casual workers who have been employed for less than a year, not eligible under the current design.^{46,47}

Operational Impact of COVID-19. Impact of COVID has meant associations have had to reinvent how they connect with their members. They have had to review the services they offer, understand what their members most need, and find new ways of delivering on this. Associations had to find new ways of engaging with their members. A lot of energy has been geared towards member focused support, information sharing and staying connected. The restrictions and social distancing measures have meant that all in-person events had to be cancelled until further notice. This resulted in a shift to online training, video conferencing and webinars. They provided technical and home set-up support, operational and psychological support, and maintained professional development where possible.

Both the ATO Stimulus Package and JobKeeper enabled many associations to continue operating and retain staff. For some, staff hours increased due to workload, while others opted to exceed the hours they had previously done due to the JobKeeper allowance. Internally, they have had to employ a good set of policies and COVID-19 smart processes for staff who continued to work in offices, while others were assisted to enable working from home. Staff who were employed to manage programs/events, were repurposed to manage online programs. Others provided support in business hot spots to support an increase in inbound calls seeking information, support and assistance.

Overall, associations have been very successful in being innovative with technology/programs in response to COVID-19. This is likely going to be the case moving forward. Businesses that innovate and adapt will thrive; businesses/people that don't will struggle as the environment continues to change over the next 24 months. Other unknowns ahead are in-person programs/conferences/events and the level of membership renewals which could impact income levels and operational capacity into the future. Membership renewals are expected to be an issue due to cost savings measures by businesses/members. Some associations are reducing and deferring membership fees to support members during times of financial stress and ensuring the remain members.

A World Post COVID-19. Tactical measures such as changing human resources policies or re-designing organisational structures have been the cornerstone of successful leadership. Since the outbreak of the pandemic, leaders have had to address unprecedented business complexities and risk. They have had to navigate the financial and operational challenges of COVID-19 while rapidly addressing the needs of their people, customers and suppliers. Heads of organisations and their executive teams have had to adapt and change as they supported their staff to working remotely, transformed the way they served customers/members, and established business continuity. They have had to rely on highly developed emotional intelligence, leadership and communication skills to build trust and engagement, and remodel teams and management processes to ensure continued productivity and service delivery. Their focus has been on supporting their people, customers and suppliers, addressing supply chain disruption, stabilising revenues, aligning their businesses with evolving demand and identifying new growth pathways.

The pandemic has fast tracked change as organisations adapt their operating models and service delivery. Its onset has highlighted the need for organisations to become more resilient and scalable due to rapid market changes means. Moving forward, leaders will need to continue to adopt an entrepreneurship mindset and think strategically about business and workforce transformation. Companies will need to build capabilities and boost their ability to be responsive to the unforeseen through application of technology: be more digital, data-driven and cloud based. They will need to have more agile operations and automation, have more variable cost structures, and create stronger capabilities in e-commerce and security. They will need to develop teams and cultures that are flexible, inclusive and creative.^{48,49}

⁴⁶ ABC News, [Coronavirus JobKeeper support package worth \\$130 billion set to pass Parliament](#), 9 March 2020.

⁴⁷ Fair Work Ombudsman, [Coronavirus and Australian Workplace Laws](#), 8 April 2020.

⁴⁸ Accenture, [Outmanoeuvre uncertainty: Navigating the human and business impact of Covid-19](#), 14 May 2020.

⁴⁹ Charles Sturt University, [Successful management techniques in the post-COVID-19 business world](#), 30 April 2020.