

## ARTICLE

### **Indexation and beyond: Australian wage determination 1978-1982**

David Plowman\*

*Australia abandoned wage indexation in July 1981. The author examined in an earlier article, the operation of wage indexation from 1975 to June 1978. In this paper he reviews its operation from June 1978 until its abandonment. He discusses Australian wage determination in the period since July 1981 and examines future options.*

An earlier article in this *journal* examined the implementation and operation of wage indexation in Australia from its inception in April 1975 until June 1978. (Plowman, 1978). In that article it was argued that wage indexation could be regarded as having gone through three phases:

... the early tentative trial period (April 1975 to May 1976) in which gaining acceptance and compliance were the Commission's major concerns; the period from May 1976 to June 1978 in which plateau and partial forms of indexation enhanced the deflationary attributes of indexation; and the period of review and transformation following the June 1978 National Wage Case leading to different principles of wage determination. . . (Plowman, 1978, p. 109).

At that time of writing, the June 1978 guidelines had not been announced and the paper concentrated on the first two phases. The first parts of this paper review the operation of indexation from June 1978 until its abandonment in July 1981. The sections after that examine wage determination in the period since July 1981. The final section of the paper discusses possible future wage policy options.

#### **The Mark III Guidelines**

The guidelines implemented in June 1978 introduced three important changes to the then existing principles. First, quarterly indexation was replaced by a system of half-yearly indexation. Hearings were to be held in the months of April and October following the publication of the appropriate Consumer Price Index (CPI). Second, the Full Bench announced the abandonment of plateau indexation, which was the predominant form of indexation in Phase II. This reflected growing concern with the compression of relativities resulting from plateau indexation. In using plateau indexation Full Benches attempted to reduce wages in a manner which would protect the incomes of lower wage earners. The distortion of established and jealously guarded relativities was not conducive to industrial peace. The Mark III guidelines provided for uniform percentage increases — either full or partial.

\* Senior lecturer, Department of Industrial Relations, University of New South Wales.

The third change was the semi-permanency afforded indexation. Up until June 1978, the Commission had refused to commit itself beyond a quarter by quarter review of wage and price movements. The Mark III Guidelines were to operate until the end of 1979, when they were to be reviewed. This semi-permanency no doubt reflected the Commission's greater confidence in the role of national wage cases; the unexpected longevity of the indexation system; submissions by the major parties seeking continuance of a centralised system; and their inability to provide a viable alternative. In retrospect this confidence was not well based. By June 1979 the Commission was on the brink of abandoning indexation.

Three national wage cases were handed down under the Mark III guidelines: December 1978, June 1979, and January 1980. The result of these, and all the national wage cases held under wage indexation, are summarised in Table 1.

**Table 1** *National Wage Cases under wage indexation*

Quarter	Wage Variation	CPI Increase
<i>Mark I Guidelines (April 1975 – May 1976)</i>		
1975	March	Full 3.6%
	June	Full 3.5%
	September	none
	December	Full 6.4%
<i>Mark II Guidelines (May 1976 – June 1978)</i>		
1976	March	Full 3.0% to \$125 p.w. Flat \$3.80 thereafter.
	June	Full 2.5% to \$98 p.w. Flat \$2.50, \$98 – \$166 p.w. Partial 1.5% thereafter.
	September	Full 2.2%
	December	Flat \$2.90 for Medibank Partial 2.8% to \$100 p.w. Flat \$2.80 thereafter.
1977	March	Partial 1.9% to \$200 p.w. Flat \$2.80 thereafter.
	June	Partial 2.0%
	September	Partial 1.5%
	December	Partial 1.5% to \$170 p.w. Flat \$2.60 thereafter.
1978	March	Full 1.3%
<i>Mark III Guidelines (June 1978 – March 1980)</i>		
1978	June/September	Full 4.0%
1979	December 1978/March	Partial 3.2%
	June/September	Partial 4.5%
<i>Mark IV Guidelines (March 1980 – April 1981)</i>		
1980	December 1979/March	Partial 4.2%
	June/September	Partial 3.7%
<i>Mark V Guidelines (April 1981 – July 1981)</i>		
1981	December 1980/March	(80%) Partial 3.6%

*Indexation abandoned July 31*

Source: Australian Conciliation and Arbitration Commission, *National Wage Case Decisions* (various dates).

The December 1978 hearing was the first under half-yearly indexation and considered the 4 percent CPI movement for the June and September quarters of that year. The hearing evidenced union hostility to previous partial indexation decisions as well as the movement to six monthly indexation. The Commission noted the existence of a

groundswell of opposition to the indexation package itself which goes deeper than non-compliance . . . If it continues it must undoubtedly endanger the continuation of indexation . . . If the apparent trend towards increased industrial disputation, particularly an unwillingness by employees to accept the restraints necessarily involved in the present system. If the groundswell of disputes . . . continues or gets worse the Commission may have to go further than to consider what effect compliance or non-compliance should have on the particular CPI movement it is dealing with and look to bring the whole centralised system of wage fixation to an end. (*Australian Conciliation and Arbitration Commission, National Wage Case* (hereafter NWC), December 1978).

In the decision of June 1979, the Full Bench considered abandoning the system. It ruefully observed that "one side wants indexation without restraints, the other restraints without indexation" (NWC, June 1979, p.9). It noted that an orderly centralised system could not survive on a voluntary basis unless commitment was demonstrated by all the parties. This commitment was not forthcoming. Union councils and their affiliates had authorised wage campaigns in defiance of the guidelines. This resulted not only in an increase in the number of industrial disputes but also a wages drift – the difference between award and actual wages – of 2.5 percent. Employers had not been supportive of indexation and had not been prepared to resist wage increases outside the guidelines. In many instances they had entered into contrived arrangements for pay increases which they expected the Commission to endorse.

The Federal Government had not played the role expected of it by the Commission. Important supportive mechanisms, such as the Prices Justification Tribunal and tax indexation had been removed or made ineffectual. Income tax rates had been increased, thereby placing further pressures on wage demands. Government "policy induced" price rises had adversely affected the CPI and contributed an average some 2.25 percentage points to the Consumer Price Index (CPI) for each of the years 1975 to 1979 (Plowman, 1982, pp.158-160). The movement to petroleum import parity pricing, together with price increases resulting from the September budget, contributed 1.9 percentage points out of the 2.3 percent CPI rise for the December 1978 quarter. The CPI was discounted for the effects of the import parity pricing of petroleum (i.e. 0.8 percent), and a conference called to decide the future of indexation. Unless some consensus could be achieved, the Bench considered "there was little point in persisting with the indexation package" (NWC, June 1979, p.9).

The conference did not produce consensus. Employers continued to argue that the wage-price nexus should be abandoned in favour of a productivity-gearred wages system. The ACTU called for full indexation with the right to bargain collectively. Despite these polar positions, the Commonwealth Government's movement away from its advocacy of "zero indexation" (a contradiction in terms) may have been sufficient encouragement for the Commission to press on. The Government advocated a package which called for automatic six monthly indexation "for the CPI discounted for the effects of Commonwealth Government induced price rises". This package amounted to partial indexation of about 60 percent of the CPI movement.

This was not a particularly attractive offer to unions. Nonetheless, it narrowed the gap between the Commonwealth and ACTU submissions. Indexation limped on. Partial indexation of 4.5 percent was awarded in January 1980 following a 5.0 percent CPI increase; petroleum import parity pricing again accounting for the discount. In March 1980 a fourth set of guidelines were introduced.

#### The Mark IV Guidelines

The major amendments introduced in March 1980 concerned the Community Catch-up provisions (Principle 7b) and the Work Value provisions (Principle 7a). The Community Catch-up provisions formed part of the original guidelines and were intended to ensure that the wage rates of particular awards were appropriately set for indexation purposes. The Commission claimed that, as a result of a series of industry award wage increases to 1974, a

firm base had been established for indexation. Principle 7(b) provided a mechanism for resolving disputes in which unions claimed that their award rates had not been appropriately adjusted in light of the community movements of 1974. This movement, in practice, was translated to mean a flow-on of the \$24 awarded under the Metal Industry Award as a flat (i.e. non-proportional) increase (NWC, September 1975, pp. 5-6). By its very nature Principle 7(b) was intended as a short term measure. The Mark III guidelines gave unions until the end of December 1978 to lodge any outstanding catch-up claims. The Mark IV guidelines formally dispensed with these catch-up provisions.

Provision had existed in all sets of guidelines for work value changes under principle as "changes in work value arising from changes in the nature of the work, skill and responsibility required, or the conditions under which the work is performed" (NWC, March 1980, p. 38).

Notwithstanding restrictions placed upon the use of principle 7(a), it was difficult to employ it in a way which did not upset established relativities. In June 1979 the Full Bench pointed out that:

Over the past twelve months, driver classifications under numerous awards have received the same or similar increases, general increases have been granted to aircraft industry workers, airline transport workers, stevedoring industry, oil and paint industry employees . . . It is clear that an ever increasing range of occupations in an ever widening range of industries is receiving increases which conform to a fairly standard pattern (NWC, June 1979, p. 3-4).

The genesis of this pattern of standard wage increases was the Transport Award Work Value Case, completed in December 1978, which awarded driver classifications wage increases of \$8 per week. Despite the Commission's cautionary note that his case was not to establish a precedent for other transport awards, movements of identical or similar rates took place, initially in transport awards and then in other awards. By November 1979 the "work value" wave had flowed through the transport, oil, aluminium, manufacturing, gas, aircraft, banking, vehicle assembling, liquor trades, building, metal trades, glass, stevedoring, dry cleaning and bread baking industries. By July 1980, some 34 percent of award wage and salary earners had received "work value" flow-ons. By April 1981, 80 percent of the workforce had received similar increases (NWC, April 1981, p.32). A selective, micro avenue of wage adjustments had been converted into a general wage increase.

An important element in the awarding of generalised work value increases was the use of the "averaging" or "levelling down" process. The averaging process was one in which all award classifications were granted wage increases on account of work value changes experienced by some classifications in the award. The averaging process supposedly result in lower increases than "justified" for some classifications and higher increases than "justified" for others. And supposedly, the overall increase in the wages bill was equivalent to or not more than, that which would have been the case if only those "meriting" work value changes had received them. Given uniform rates of increase in various industries it became clear that the averaging process — which was contrary to the wording of Principle 7(a), which stated that work value changes would normally apply to only some classifications within an award — had an eye to comparative wage justice rather than to wage costs.

The use of the overaging process is illustrated by the Metal Industry Work Value Case completed in November 1979 (Australian Conciliation and Arbitration Commission, 1979). Williams J. undertook the daunting task of inspecting an industry which contains in excess of 10,000 establishments, over 600,000 employees and an award with some 340 classifications, in just over two months. Thirty-eight companies were inspected and approximately one third of the award classifications evaluated. The inspections showed that some work value changes had occurred, but not in all areas:

In one or two of the smaller establishments inspected there has been little change in the nature of the work being performed by employees. On the other hand, in some of the large mass production shops there has been a substantial degree of investment in new machines and in changed methods of production which has led to a necessity for many employees to adjust to the new technologies and procedures involved . . . In the industry as a whole there have been changes brought about by new technology and work practices which in turn have led to increased work value. These increases have not been uniform and have penetrated to a differing extent from establishment to establishment and between classifications (Australian Conciliation and Arbitration Commission, 1979, pp. 53-54).

The Full Bench accepted the recommendation of Williams J. that "notwithstanding the wording of Principle 7(a) the only practical approach is an 'averaging' one so far as the assessment of change is concerned". Williams J. pointed out that the parties had asked that existing relativities not be disturbed, and that industrial disputation would result if they were. Uniform increases of \$9.30 per week and a tool allowance of \$4.00 per week were awarded to skilled workers. Non-tradesmen received increases of \$7.30.

Across the board wage increases of approximately \$8 per week to large sections of the workforce violated the "minimal or negligible costs" condition for the continuance of indexation. In reviewing the situation in January 1980, the Full Bench explained the round of work value wage increases as reflecting organisational and technological changes which has accumulated under indexation. It also attempted to impede any further work value rounds. The Mark IV Guidelines outlawed across-the-board work value increases except in those cases where an Anomalies Conference determined that a special and extraordinary problem existed which warranted handling by way of the averaging process. This provision, however, applied only to those awards which had already been the subject of work value increases since indexation was introduced. The previous conditions continued to apply in the case of those awards not already work valued.

Under the Mark IV Guidelines, two national wage cases were heard. In July 1980, the Commission handed down its decision in relation to the CPI increases for the December 1979 and March 1980 quarters. The Full Bench awarded an increase of 4.2 percent after discounting 0.6 percentage points on account of import petroleum parity pricing and 0.5 percentage points on account of the economic costs of industrial disputes and work value wage increases. The second case was completed in January 1981. It considered wage movements on account of CPI increases of 4.7 percent. The Full Bench again awarded partial indexation by discounting the index 0.7 percentage points for the direct effects of the government's oil levy and by 0.3 percentage points on account of the indirect effects of this policy. This was the first occasion in which the Bench discounted for the indirect effects. It has overcome its previous aversion to "double counting" and the imposition of the total effects of the oil levy on wage earners.

#### The 1981 Principles Review and the Mark V Guidelines

The January 1981 decision was of greater significance than the mere discounting of the indirect effects of the oil levy. The decision also took note of the pressures upon indexation and contemplated bringing the system to an end. The Bench stated that "the system in its present form had broken down . . . (and) it would be idle to pretend otherwise". The level of industrial disputation, and output losses, had continued, in the Full Bench's view, at an unacceptably high level. In particular, industrial action in support of the 35 hour week campaign was considered "inconsistent with any reasonable interpretation of the restraint inherent in the principles". Another important factor was the "strongly conflicting and irreconcilable expectations among the major participants" and their "incompatible attitudes and expectations". Unions saw indexation as an effective base from which to launch other gains by way of direct negotiations. Employer organisations continued to press for the abandonment of the price-wage nexus and the adoption of some "capacity to pay" criterion that would have by-passed Principle I, which gave substance to the term "indexation". The Commonwealth had only given lip service support to indexation and had argued the case for semi-automaticity at the wage-fixing principles conferences of 1978-9. It had then reverted to "zero indexation" submissions at national wage cases. The Bench decided to abandon the existing guidelines and call a conference to examine the future of wage fixation. Should the conference be unproductive, the Bench proposed conducting a public inquiry. The major issue of the conference was to be the future of a centralised wage fixing system:

In essence, the issues to be resolved on the future of wage determination would be whether there should be a centralised system or not, what the character of the system should be and what principles if any should apply to each. Consideration related to a decentralised system would need to have regard to the question as to whether such a system should include periodic national wage adjustment and/or determination of a national wage case. (NWC, January 1981, p.6).

Following the failure of the conference to make satisfactory progress, the President of the Commission announced that a public inquiry would be held. On April 7, the Full Bench delivered its decision with respect to this inquiry. The decision was notable for three

things: the continuance of a centralised system of wage determination in the form of indexation; an alteration in the way in which national wage adjustments were to take place; and a refusal to loosen the guidelines with respect to wage adjustments outside of those determined at national wage cases.

Despite its fear the wage indexation was breaking down, the Full Bench found that the major parties were unanimous in supporting the maintenance of a centralised system of wage determination "operating on a set of principles with national wage adjustments as the main source of wage increases". The parties differed over the form of the centralised system and over the degree of centralisation. While the Full Bench welcomed this support, it was less certain of the support a centralised system would receive from employers and unions in the field<sup>1</sup>. The Bench indicated that if the tenets of its centralised system were not adhered to it would abandon wage indexation:

. . . we have given serious consideration to departing from the . . . system and reverting to the less structured arrangements which prevailed prior to 30 April 1975. The Commission should not try to operate a centralised system which is doomed to immediate failure . . . We are encouraged by the unanimous support for an orderly centralised system but we are not convinced that there is sufficient recognition of the responsibilities such a system imposes on all participants involved in settlements at the establishment and industry level (NWC, April 1981, p.8).

The Full Bench urged all the parties to show greater commitment and support than had been the case in the past. The Bench declared that "it is self-evident that there can be no coherent and meaningful centralised system unless the principles are generally complied with. We affirm therefore that substantial compliance is the keystone of the package we propose." (NWC, April 1981, p.37).

Since its inception, the indexation system reaffirmed the prices plus productivity formula adopted in the 1961 National Wage Case. No productivity reviews, however, had been pursued. The April 1981 principles incorporated a time table for the hearing of any productivity case. A productivity hearing was to be processed at the second of two national wage cases. The first of these (the first review) was to be held following the publication of the March quarter CPI. At this review the Commission was to adjust award wages for 80 percent of the movement in the preceding December and March quarters CPI "other than in exceptional and compelling circumstances". One such first review took place in May 1981 when the Full Bench granted a 3.6 percent wage increase on account of a CPI increase of 4.5 percent for the previous two quarters. The second case (the final review) was to be held following the publication of the September quarter CPI and was to consider award wage increases on account of three factors: the 20 percent residue from the first review; the CPI increases for the June and September quarters; and national productivity increases. It appears that the relevant productivity movements considered appropriate were those of the preceding year, rather than productivity movements not compensated for since the introduction of indexation (NWC, April 1982, pp. 26-27).

The Full Bench concluded that "there is agreement . . . that productivity should be distributed nationally rather than on an industry basis" (NWC, April 1982, p.24). While the parties to the Inquiry may have held this view, this appeared a sentiment not shared by employers and employees in productive industries. A weakness of the prices plus productivity formula, specifically, the productivity side of the formula, has been that parties at the sector, industry or enterprise level have not been prepared to wait for irregular and generalised productivity increases. The work value round, described earlier, with across-the-board wage increases, took on the characteristics of a decentralised productivity review. Productivity hearings in the final review may have been an attempt to create regular productivity adjustments, which, in turn, may have lessened wage pressures in the field.

In reformulating the principles, the Commission chose to toughen its stance in support of a centralised system, and to reject those elements of decentralisation which had been proposed or which had previously crept into the system. The Full Bench reaffirmed that wage increases outside national wages cases must be kept to a minimum and declared:

1 Neither peak union councils nor peak employer bodies have power or authority over their affiliates. The degree of de facto control that federal and state governments have over statutory authorities is also unclear.

"there can be no escape from the inevitable conclusion that where priority is given to price movements in wage fixing there must be strict restraint on increases to labour costs outside national wage cases" (NWC, April 1981, p.38). The Full Bench would not countenance the continued use of productivity bargaining<sup>2</sup> as a ground for wage increases; introduce guidelines incorporating increases payments for special projects; nor sanction the 35 hour week campaign outside the context of a general productivity review. Not only would such increases add to costs and fuel inflationary tendencies, but also, the Full Bench feared, would spread through the entire system by way of the shunter's law of comparative wage justice.

The Bench made it clear that if significant increases in wages and conditions were achieved outside national wage adjustments, they would constitute a *prima facie* reason for discounting wage increases at the final review.

It is conceivable that these economic manifestations (movements outside national wage cases) may call for discounting of such magnitude as to leave little or nothing to be awarded by way of national wage. It would not be possible in the circumstances to give protection to real wages on which the unions give the highest priority. Such a result should not be regarded as a punitive act by the Commission but rather as a sign that a critical requirement of a centralised system in respect of costs has been so violated as to leave nothing to be distributed by way of national wage (NWC, April 1981, p.58).

For particular unions or workers taking part in protracted disputes, the Full Bench foreshadowed the withholding of national wage increases. The Bench stated that "the Principles must apply uniformly and consistently to all our awards. Those who refuse to comply with the rules should not expect to receive the benefits which flow from the rules". (NWC, April 1981, p.58).

#### Post-Review Pressures and the Abandonment of Indexation

The April 1981 decision envisaged that the new principles would operate for two years. The new guidelines came under such pressure, however, that the Commission abandoned them in July 1981. In the view of some, the new guidelines reflected too closely the system advanced by the federal government at the national wage conference. This made the new guidelines less acceptable to unions.

Indeed, the new guidelines did mirror rather closely the submissions made by the Commonwealth Government. The Full Bench's acceptance of these submissions, and its modelling of the new guidelines on those recommended by the Commonwealth, probably resulted from several factors. First, the Commonwealth's submissions were extremely constructive. While the other major parties were prepared to reiterate polarised positions which had come to depict their attitudes under indexation, the Commonwealth was prepared to make considerable concessions. Its acceptance of 80 percent automatic indexation at the first review was in sharp contrast to its espousal of "zero indexation" at previous national wage cases. The Commonwealth submissions took into account both the industrial relations and economic requirements of national wage determination. Earlier Government submissions had been sadly lacking in their appreciation of the first requirement. Secondly, the Government submissions did provide for a practical method of considering both the industrial relations and economic attributes of indexation. A short first review with near full indexation, followed by a second review in which more detailed submissions were made, added to the Commission's flexibility and ability to discount in a more acceptable manner. Thirdly, and perhaps most importantly, the Commission may have hoped to place more responsibility onto the Government for the effectiveness of indexation by adopting its suggested format. Since the election of the Fraser Government in 1975, the Commission and the Commonwealth found themselves on collision courses with respect to indexation. The Commonwealth line was that indexation maintained an artificially high wage level which impeded the Government's strategy for economic recovery. The Commission complained that the emasculation by the Government of the indexation supporting mechanisms (particularly tax indexation, the Prices Justification Tribunal, "policy induced

2 For a discussion of Australian productivity bargaining, see Riach and Howard (1973) and Gaudron (1981).

price rises", and "zero indexation") had frustrated indexation's economic and industrial relations potential. Over the period 1975 – 1980 the Commission had become a useful scapegoat for the Government's inability to honour its election promise of "turning on the lights". Further, the Government had placed severe obstacles in the path of indexation which had contributed to the system being brought to the brink of abandonment. In opting for the Government's submission, the Commission may well have sought greater co-operation from the Government, and more specifically, may have sought to give the Government more autonomy and hence responsibility for wages policy. It is worth noting that the only post indexation national wage review of note also adopted the government's submission.<sup>3</sup>

If the new guidelines, based upon Government submissions, were designed to secure greater Government co-operation and involvement, they were singularly unsuccessful:

Within a month of the new guidelines, the Federal Government announced its intention to conduct a wide-ranging inquiry into wage determination and industrial relations . . . This followed on an even earlier decision to hire consultants to examine possible amendments to the Conciliation and Arbitration Act. Government support for the new guidelines thus appeared limited to their role as a further string in a wage restraint bow. Indeed, the extent to which the original atmosphere of indexation had been undermined by mid-1981 was reinforced by decisions of the Government's Razor Gang which reported in March. The Prices Justification Tribunal and policies of tax indexation were formally scrapped, only to be followed later in the year by the final abandonment of Medibank. If the growing trade union dissatisfaction with wage indexation had not been strong by mid-1980, decisions to abolish indexation's three original 'supporting mechanisms' could be almost guaranteed to spell the end of union reliance on indexation guidelines (Wright, 1982, p.72).

Parliamentary salary increases, the 35 hour working week campaign, the independent action of two state industrial tribunals, and the impact of two major wage disputes, eventually brought about the collapse of indexation.

While arguing for wage restraint, including "zero indexation" for the majority of workers before the Conciliation and Arbitration Commission, the Government took different action in relation to the salaries of members of parliament before the Renumeration Tribunal. The Government approved the 20 percent increase in the salaries of members of parliament (with higher increases for ministers) recommended by the Renumeration Tribunal in May 1981. Wage restraint, it seemed, did not apply to Canberra! A subsequent Cabinet decision to defer half the increases to a later date was a classic case of closing the gates after the horses had been stampeded out of the wages stable!

The shorter working week campaign conducted by unions in a number of industries, principally the metal trades industry, put considerable pressure on the system of centralised wage determination. The indexation guidelines were adjusted in September 1978 to accommodate union pressure for a shorter working week. Principle 6 stated:

Each year the Commission will consider what increase in the total wage or changes in conditions of employment should be awarded nationally on account of productivity.

The inclusion of the word "nationally" was to remove the growing trend to enterprise or industry-wide productivity bargaining. Such sectional bargaining was considered by the Full Bench as incompatible with the national system of adjustment in which equity was a paramount consideration. At the national level, the ACTU could argue for reduced working hours on account of productivity. Union strategy, however, was a "divide and conquer" one and sought to gain reduced working hours in select areas from which flow-ons could be subsequently secured. This resulted in considerable strike action which breached an important component of the substantial compliance requirement of indexation. The shorter working week campaign helped generate an industrial relations milieu in which

3 At this review, completed in May 1982, the Commission refused to return to a centralised system of wage determination requested by the ACTU and opposed by the Commonwealth and employers. It should be noted that the Australian Constitution does not enable the Commonwealth to directly control wages and prices.



sectional interests and actions were promulgated and pursued. Expectations from this sectional approach were heightened by the Government-induced mirage of a resources boom.

The operation of both the federal and state industrial tribunal systems requires a large degree of co-operation — in practice state tribunal subservience in wage matters — if a wages policy is to be implemented. For most of the indexation period, state industrial tribunals, in some instances because of the requirements of amendments to the relevant Acts, implemented wages principles facilitative of the federal Commission's wages policies<sup>4</sup>. In July 1981, both the South Australian and Western Australian Industrial Commissions adopted approaches which were incompatible with the federal guidelines. In South Australia the Industrial Commission awarded full indexation (as against the "first review" principle of 80 percent indexation) to lower-paid workers. This decision created two problems: it generated relativity distortions between federal and state award employees (and it should be appreciated that employees under both sets of awards often work side by side in Australian enterprises), and it raised again the traumas associated with plateau indexation which the Federal Commission had been forced to abandon. Most importantly, it signalled the unwillingness of a state industrial tribunal to follow in the wake of a federal system patently in demise.

The guidelines adopted by the West Australian Industrial Commission were also sufficiently different as to be the cause of potential difficulties. In its guidelines the West Australian Commission accepted comparative wage justice as a basis for wage claims and also expressed a willingness to permit productivity bargaining over shorter working hours. The acceptance of comparative wage justice was a significant departure from the federal approach. Under its guidelines the federal Commission had rejected the relevance of comparative wage justice, rather derisively referred to as "that principle which means all things to all men", for wage adjustments under indexation. Again, the break of the West Australian Commission from the Federal Commission's wage principles probably reflected the former's assessment of the increasing impotence of the national guidelines. In addition to these actions by industrial tribunals, the New South Wales Government amended the *Industrial Arbitration Act 1940* to remove any barriers to parties negotiating reduced working hours. Thus, this state government signalled its acceptance of productivity bargaining.

Major wage disputes further heightened and aided the collapse of indexation. Two very important disputes in this respect concerned Telecom Australia and the Transport Worker's Union. In each case, management and the unions concerned were prepared to enter into agreements which breached the guidelines and then expect the Commission to certify the agreement. Certification, which has the effect of giving the agreement the same legal status as a determination of the Commission, was an important factor in the transport dispute. Cartage contracts in this industry usually provide for rise and fall clauses in relation to wage increases approved by the Commission. In the case of Telecom, Commission approval was a ploy to get the Government itself off the hook. In this case, management of the statutory authority negotiated an agreement with unions after severe industrial disruption. The basis of the union's claims was the loss of parity of technicians with those employed in the private sector. The Government agreed to sanction the increases but only so long as the Commission gave its consent. A Full Bench of the Commission, headed by the President, refused to ratify the agreement since it was in breach of the guideline. The Bench added, however, that it would be "industrially naive" for Telecom not to pay the increases offered. The government was forced to agree to Telecom paying its 25,000 technicians increases ranging from \$15 to \$23 per week. As might have been expected, this induced relativity claims by other Telecom workers and by those employed by Australia Post, a statutory authority with established relativities with Telecom Australia.<sup>5</sup> On top of this, the ACTU and public-sector unions initiated campaigns to increase the wages of some 400,000 public-sector employees to comparable rates of their private-sector counterparts.

4 This is discussed more fully in Plowman (1982) pp. 126-130.

5 Telecom Australia and Australia Post previously formed the Post Master General's Department. Hence award classifications and unions covering employees are common to both authorities.

The accelerated break down of the system caused the Victorian Minister for Labour and Industry to request the President of the Commission to reconvene the National Wage Case Bench as a matter of urgency. This Government claimed to have "been alarmed at developments". It noted that "major participants and indeed certain members of the Commission have taken positions which are inconsistent with the operations of a centralised system". This comment, no doubt, was directed at Commissioner Clarksen who, in mediating in the Telecom dispute, suggested the parties might consider removing themselves out of the indexation system. The Minister added: "The climate has changed dramatically in recent weeks because of decisions in the Commission, legislation enacted, and statements by members of the Commission, unions and employer organisations". As a result, the public sector in Victoria had been served with a number of claims relating to wages, conditions and hours of work, and serious problems existed as to how such claims should be resolved. The Minister's letter continued:

Never before in the history of wage indexation have there been so many instances of non-compliance with the Commission's principles, although it is the understanding of the Victorian Government that all parties, including members of the Commission are bound to observe those principles. In the Telecom case the Commission indicated that it would be industrially naive of the employer not to implement the agreement which had been reached. In the opinion of the Victorian Government, this is tantamount to the Commission acknowledging that relief, in the sense of resolution of claims which breach the guidelines, is now available to those parties which are prepared to negotiate without the Commission's imprimatur.

Accordingly the expectations created by the Commission's comments on the Telecom settlement has been fueled by the unions demanding settlement of disputes outside the system. Thus the credibility of the Commission's principles is now being undermined.

If unions persist in seeking resolution of disputes in this way the State of Victoria faces industrial chaos by virtue of its commitment to the principles. The Government has supported the authority of the Conciliation and Arbitration Commission and its centralised wage fixation system. Clearly, however, the system has been imperilled by recent events.

The Victorian Government perceives a rapidly developing industrial vacuum and in the circumstances requests that the National Wage Case Bench reconvene as a matter of urgency to address itself to this most serious situation.<sup>6</sup>

The National Wage Full Bench was reconvened in the context of the Transport Workers' dispute. The Australian Road Transport Federation and the Transport Workers' Union agreed upon wage increases in the vicinity of \$20 per week subject to ratification by the Commission. The Commission was not prepared to ratify the agreement and the union called a national stoppage. At the Conference, the government, which had been free in its criticism of the Commission's generous wage increases under the guidelines, now sought a relaxation of the guidelines in order to have the dispute settled quickly and enable the Prime Minister to attend an important overseas engagement — the royal wedding. The Commission rejected proposals by the ACTU and the Commonwealth that the strong pressures on the system could be accommodated by widening the Principles dealing with anomalies and inequities:

The belief that the answer lies in greater flexibility of the kind proposed is illusory. Such flexibility would resolve sectional claims at the expense of national adjustments and destroy the priority expected of a centralised system. It cannot be otherwise (NWC, July 1981).

Indexation was abandoned on July 31st ushering in the government's preferred option of a "policy of no policy".

6 Letter from Mr Ramsay, Minister of Labour and Industry to President, Australian Conciliation and Arbitration Commission, July 8, 1981.

### Post-Indexation Wage Movements — Round One

Since the abandonment of indexation two major wage rounds can be identified. The first of these can be dated from about October 1981 to December 1981 and established the pattern for "decentralised" wage settlements for the ensuing twelve months. The second round, still in its initial stages at the time of writing, will renegotiate the agreements made in the first round. As each set of negotiations have been undertaken in quite different economic circumstances, and have involved different strategies, they have been separated out for the purposes of this paper.

The Government expectation was that the abandonment of indexation would result in market forces determining different rates of increases in different industries and between different occupations, and in a reduction in the rate of wage increases. This may well be the final outcome of that state which economists pursue but never seem to arrive at — the long run. Wage movements during the first wages round, that is for the first 18 months following the abandonment of indexation, indicate that the Treasury perspective has not been the short run outcome. Wage movements have spread uniformly throughout most federal and state awards based upon the standards established by the Metal Trades Industry Agreement negotiated in December 1981. Those agreements which had been negotiated prior to the metal agreement, and which did not give increases matching those of the metal agreement (for example, the \$20 settlement in the transport dispute mentioned above) were re-opened and resulted in further compensation, often at the "mid-term" adjustment stage (see below). Other negotiations used the metal industry as the standard for negotiations and settled for comparable rates. The major factor differentiating award settlements related not so much to amount, as to the timing and method of settlement. Very depressed industries, such as the meat slaughtering and pastoral industries received their award adjustments eight to nine months after the metal industry agreement, and the settlements involved recourse to the Commission. In other industries (such as printing, pulp and paper and local government) flow-ons occurred more quickly and by consent.

The metal industry agreement which became the benchmark for other settlements had four major components: an immediate pay increase of \$25 per week in the fitter's rate and proportionate pay increases (11.9 percent) for other award classifications; a further mid-term adjustment of \$14 a week for fitters (5.7 percent) from July 1, 1982; a reduction in the standard working week from 40 hours to 38 hours, effective from March 1, 1982; and a "no further claims" clause for the period of agreement. Excluding the hourly rate increase resulting from reduced hours<sup>7</sup>, the 18.6 percent award wage increases for metal fitters in the 17 month period following the end of indexation compares with the 20 percent award wage increase (including an imputed 4 percent "work value" increase) in the last 25 months of indexation. If the hourly rate increase resulting from the shorter working week is included, award rate increases in the post indexation period to December 1982 were equivalent to increases gained under indexation in the period June 1978 to July 1981. The abandonment of indexation did not result in market forces determining different rates in different industries, so much as in fairly uniform wage movements based on criteria relevant to the metal industry settlement. In its Budget Statement No 2, the Treasury, no friend of either indexation or the Conciliation and Arbitration Commission, sees these post indexation developments as short term phenomena:

After the abandonment of that framework in July 1981 (i.e. indexation) the working out of these (economic) pressures occurred largely through direct bargaining on a more decentralised industry and award basis. The development of such decentralised wage bargaining arrangement is still embryonic and it is probable that some of the wage pressure evident in 1981-82 was due to the transitional or hybrid nature of the arrangements then applying. In effect, we have been experiencing some of the costs usually associated with any "learning curve". But even the modest degree of liberation of wage setting from the shackles of the arbitral tribunals that has so far occurred appears to have moderated the speed of flow of wage increases and to have encouraged a greater sense of responsibility in industrial relations — as reflected, in a limited way, in the development of undertakings to make no further claims during the life of an agreement.

7 Assuming no changes in productivity, overtime or employment, the reduced working week raised hourly rates by 5.3 percent.

Over the long term (and subject to appropriate policy settings), the change to more decentralised wage determination arrangements should work to make wage levels more responsive to economic conditions and capacity to pay at the industry level – and should thus promote higher employment and lower unemployment. Whereas the centralised wage indexation system tended to maintain real wage levels (for those still fortunate enough to be in jobs) in the face of weak activity and high levels of unemployment, the industry bargaining approach should allow greater scope for wage settlements to respond to the need to restore industry profitability and hence, maintain employment levels. Particularly to the extent that this were to happen in key areas such as the metals industry, it would facilitate a more rapid slowing down in inflation and speedier recovery in activity and employment. The extent of the increased flexibility in the wage system remains, however, to be seen . . . With the benefit of hindsight (the) bargaining process can be seen to be still far too “centralised” (in this case, in the metal trades areas as a whole) to be able to take appropriate account of the interests of all units involved . . . (Australia, Department of the Treasury, 1982, p.52).

This Treasury interpretation is at variance with the statistical information supplied in Statement No.2 which shows an acceleration in earnings from 9.9 percent in 1970-80 and 13.5 percent in 1980-81 to 14.8 percent in 1981-82 (and, importantly, an increase in the annual rate from 13 percent in the first half of 1981-82 to 21 percent in the second half). It also begs the question as to what effects the institutional factors in the labour market are likely to have on wage determination. All things being equal one can expect that the downturn in demand and increased economic recession can be expected to reduce wage gains in 1982-83. Whether the decentralised approach allows for greater scope for wage settlements to respond to the different needs of different industries depends on some of the other variables identified by the Treasury – the hybrid nature of arrangements (which, contrary to the Treasury view are not transitional but permanent arrangements), the appropriate policy settings, and the degree of flexibility (meaning decentralisation) which can be included in the system. The hybrid nature of the system, and the lack of genuine decentralisation, are likely to have an impact on the wage settlements currently being negotiated. Some of the factors relevant to the outcome of these negotiations are outlined in the next section. The long term prospects for decentralisation or a return to centralised wage fixation will, I believe, be determined at the political level. The final part of the paper discusses these prospects.

#### Wage Negotiations – Round Two

The parties move into the second round of negotiations with the same hybrid arrangements which operated in the earlier round and with an economy in much worse shape than that of a year ago. Important factors in the institutional arrangements include the provision for negotiated settlements as well as resort to arbitration where negotiations fail. Such arrangements, it may be argued, favour the institutionalisation of flow-ons by way of comparative wage justice (Plowman, 1982, pp. 38-43). Thus, the benchmark role of the metal trades agreement will continue to exert an important influence as it did in round one.<sup>8</sup> “Decentralised” wage determination will continue to operate by way of awards covering large numbers of employees and significant proportions of industries. Thus the settlements will be arrived at having regard to macro or generalised solutions rather than solutions capable of taking account of more localised contingencies. Such settlements are accommodative of comparative wage justice pressures. Arbitrated settlements, giving primary consideration to the prevention and settlement of industrial disputes, rather than to the Treasury paradigm, will further facilitate award consistency by way of comparative wage justice. Thus, the critical factor in terms of the “community standards” for 1982-83 is likely to be the outcome of the metal trades agreement. Whether this outcome is the result of negotiations, or as the result of recourse to arbitration, may also have an important impact for any long term movement away from accommodative arbitration to a purer collective bargaining variant.

8 An important difference in Round Two is the Government's stated intention of intervening in major award cases. This has resulted from the change in Minister of Industrial Relations outlined in the next section.

There is little doubt that the sudden downturn in the metal industry since February 1982 will influence the outcome of negotiations in two ways. First, many employers in the industry associate the downturn with the generous provisions of the last agreement. These employers will force the Metal Trades Industry Association (MTIA) into a tougher negotiating stance with unions this time round. The second factor is the lack of capacity to pay. By December 1982, the MTIA estimates that between 50,000/60,000 metal workers (about 12 to 15 percent of the industry's workforce) will have lost their jobs. Indications are that those industries upon which the metal trades are dependent – construction, automobile, white goods, iron and steel – are equally depressed and the estimated job loss may be conservative. Employers are bracing themselves for the largest downturn since the Depression of the 1930s. (Metal Trades Industry Association, 1982)

It is in this context that the pre-negotiation shots have been fired. The MTIA has asked the unions to extend the existing award (i.e. to freeze wage increases) for a further six months. It has also demanded that unions take recent tax concessions (see next section) into account when negotiating claims. Many employers in the industry have been telexed and asked to "communicate to all employees with a view to getting everyone to go to the (union) meeting and ensuring that they understand the consequences for (sic) voting for the log of claims at this time". Employers have been urged by such telexes to inform employees of the level of retrenchments in the industry, the reduction in tariff protection, and "dramatic" rises in workers' compensation, payroll tax, electrical and fuel charges. Increased labour costs, the employers are urged to make plain to employees, will increase job losses in the industry.

For its part the Amalgamated Metal Workers' and Shipwrights' Union (AMWSU) (the principal of the seven unions party to the award) has responded that the recession and its effects have taken place independently of wage movements and that a wages freeze will not materially alter employment prospects and structural changes over the next twelve months. A reduction in real wages, the union has claimed, will not guarantee no job losses. It has put forward a thirteen point log of claims which, in summary form, seeks:

1. Full maintenance of wages for CPI movements.
2. Increases in supplementary payments.
3. A nine day fortnight.
4. Payment of basic health cover.
5. Payment of double time for overtime after two hours.
6. Supply of boots and overalls.
7. Increase of sick leave to 10 days per year.
8. Adjustment of tool and other allowances with CPI.
9. Extension of holiday pay provisions.
10. Paid study leave for shop stewards.
11. Redundancy pay provisions.
12. Portability of long-service leave.
13. No further claims – with certain qualifications.

A reasonable assessment is that the metal unions (and unions in general) will settle for the first point, the adjustment of awards rates for CPI movements. At a special conference on the economy in September ACTU affiliates resolved that their strategy for 1982-83 would be the maintenance of real wages rather than attempts to improve upon existing standards. The conference also endorsed the Executive's recommendations that the ACTU coordinate wage claims and the use of "increased collective action" in support of key industry unions involved in pacesetting negotiations for the next wages round (ACTU, 1982). The industries nominated included the metal industry, building and construction, transport, waterfront and maritime industries, and storemen in key areas. The ACTU strategy includes the use of secondary boycotts, notwithstanding their illegality. On the historical evidence it is unlikely that unions will not achieve CPI adjustments. In only three of the years since the abandonment of automatic quarterly cost of living adjustments in 1953 have annual earnings increased by less than the CPI. Two of these years were in the indexation period. It is unlikely that the metal unions will have a resistance point in their negotiations below projected CPI movements. In the event of the MTIA refusing to agree to index wage adjustments a likely outcome will be recourse to arbitration.<sup>9</sup> This will result

9 The MTIA has publicly extolled the virtues of negotiated settlements since the December 1981 agreement. The praise has become more muted with the economic downturn and the impending round of negotiations.

in the demise of the "modest degree of liberation of wage setting from the shackles of arbitral tribunals" which the Treasury regards so highly. The Treasury index of a "greater sense of responsibility in industrial relations" – the no further claims clause – will be another victim of arbitration, or of a negotiated settlement for less than CPI adjustments. Arguably, even CPI adjustments may be insufficient to enable the no further claims clause to be honoured in the more productive sectors of the economy.<sup>10</sup>

Should unions be successful in having award rates adjusted for CPI movements, and should the Treasury CPI forecasts prove accurate, award increases of 10.75 percent may be expected.

### The Politicising of Wage Determination

Political as well as economic uncertainty marks the future. Wage determination in the short term is likely to be influenced more by the political and economic elements than by any actions of the Conciliation and Arbitration Commission. The Commission will not return to a centralised national wages system without government submissions seeking that effect. The "policy of no policy" can be expected to remain the major thrust of the Coalition Government. This policy will be tempered by the requirements of a general election by the end of 1983. With the highest levels of unemployment since the Depression, the absence of any employment growth, high rates of interest and inflation, a projected mineral and resources boom which has stalled, and no other apparent investment, consumer or overseas stimuli to economic recovery, the present government's political stocks are low and the Labor Party's prices and incomes approach a more acceptable alternative than might otherwise have been the case in different economic circumstances. The Government has publicly pursued an "inflation first" economic strategy. Yet, for all the social and other losses associated with this strategy, inflation, projected at nearly 11 percent in 1982-83, will not be singularly better than when the Government took office eight years ago, and worse than the rate of inflation in many other OECD countries. Control of inflation will necessitate controls over wages and the Government's policy of decentralisation has not borne the expected fruit to date.

Until the handing down of the recent budget (August 17th) the major area differentiating the major political parties was their approach to wage control. The Coalition has operated on the basis that the approach argued by the Treasury, the approach of decentralisation and de-institutionalising wage determination, would lead to a more "market based" outcome. With the abandonment of indexation the Government has attempted to influence wage settlements indirectly through monetary and fiscal measures. It has not intervened in the industry-by-industry award settlements coming to the Commission for ratification or determination. This effectively removed intervention in "the public interest" and, arguably, aided the uniform flow-on of the metal industry agreement. This ineffectual permissiveness took place in the context of the then Minister for Industrial Relations (Mr Viner) publicly calling for an "Americanisation" of Australian collective bargaining. This "Americanisation" was to be made more effective by a restructuring of unions. The Minister prevaricated between the preferred restructuring options – the West German industry model or the Japanese enterprise-based model. The "policy of no policy" had been transformed into a naive disregard of the institutional factors accompanying and influencing the wage determining process.

By way of contrast the post-indexation period has seen the Labor Party commit itself to economic recovery by way of an economic strategy having a prices and incomes policy at its core. Through the National Labor Advisory Council (NLAC), a joint ALP and ACTU body, and through other means, it has worked hard to secure ACTU endorsement and support for this policy. The Policy commits a Labor government to an extension of the Prices Justification Tribunal, the strengthening of the *Trades Practices Act* to enhance

10 It has been argued that the no further claims clause was bought by way of large wage increases. Less attractive increases may cause more productive sectors of the metal industry (for example, can manufacturing) to seek overaward increases. The caveats included by the AMWSU in its no further claims clause may suggest a recognition on its part of the difficulties likely to be encountered in getting members to honour this commitment.

competitive pressures; cuts in "direct and indirect taxes with the objective of maintaining and increasing, where possible, real disposable income of lower and middle income earners; and pricing policies designed to minimise cost pressures." The policy states, *inter alia*:

An ALP Government's policy on Incomes will recognise the need for consultation with the trade union movement to bring about a more just, equitable and full employed society, and in this context will support:

- wage indexation to assist in securing and preserving real disposable income;
- complementary economic policies including fiscal, monetary and industry policies;
- effective controls over non-wage incomes and prices. (ACTU, 1981).

At the ACTU Congress of September 1981, ALP Leader, Bill Hayden, warned delegates that in the absence of an understanding or co-operative approach by unions, "the only alternative will be the blunt unselective tools of monetary and fiscal policy which bear so unfairly on those least able to bear it" (Cupper, 1982, pp.126-127). Since that Congress and the completion of a NLAC report, ACTU affiliates have endorsed the ALP prices and incomes policy and have referred it to state branches for acceptance (NLAC, 1982; ACTU, 1982).

The August budget attempted to reduce the "special relationship" between the ACTU and ALP by offering tax concessions in exchange for union wage moderation. This corporative venture, with its generous tax concessions (about \$17 per week for the "average" employee), was widely regarded by the media as an early election budget designed to win votes through tax concessions and by demonstrating that the Coalition was also capable of entering into special working relationships with the union movement. The early election potential coloured the short, terse, ACTU response - "Horrible"!

Though there is little doubt that the budget was part of a September election strategy (a strategy shelved in the wake of the Costigan Report<sup>11</sup>) the Coalition overtures may have signalled a fundamental change in the government approach resulting from the appointment of Ian MacPhee as Minister for Employment and Industrial Relations in May 1982. MacPhee was a member of the "Industrial Relations Club" having been Executive Director of the Victorian Chamber of Manufactures before entering politics. After becoming Minister he quickly acted to distance himself from many of the actions of his predecessor and to advocate support for the Conciliation and Arbitration Commission. He also quickly set about trying to breach the gulf which had developed between the Coalition and the union movement and, as part of this policy, was instrumental in bringing together a national tripartite conference in July to discuss the economy and the budget. At this conference the ACTU proposed that the "tax bite" would pose a major problem for wage negotiations in the next financial year. It pointed out that the recently published average weekly earning figures for the March quarter indicated that the average wage earner was only \$2 per week below the \$344 per week threshold at which the marginal rate of taxation increased from 32 to 46 cents in the dollar. The budget strategy of full tax-indexation and increased family allowances were presented as reasonable responses to the ACTU concern over the taxation problem. In the election atmosphere the overtures came to nought. The ACTU moved to distance itself from the Government, to point out that the previous pre-election tax concessions by the Government had been quickly removed and a surcharge added following the election, and to seal its support for the ALP policy proposals. Within three days of the budget announcements, the ACTU and ALP announced an "in principle" agreement on the ALP's prices and incomes policy. Labor alone could demonstrate an ability to moderate the unions. An ACTU special conference in September supported the Executive's pact with the ALP and further endorsed the proposal of the executive that half of the benefits of tax indexation (\$4 per week at the average weekly earning level) be forgone to help create a national employment fund. The conditions attaching to this scheme were ones which the Government was not likely to agree to. The rejection of the scheme, reported to create 40,000 jobs and with multiplier effects of 120,000 jobs, put the government into the non-cooperative media limelight which the ACTU had previously occupied.

11 The Costigan Commission was established to investigate the Painters' and Dockers' Union. A preliminary report issued in August indicated gross irregularities in certain offices of the Taxation Department, including a Deputy Crown Solicitor operating a prostitution racket.

In the immediate future, short of the unlikely situation of MacPhee gaining sufficient Cabinet support for Government submissions for a return to centralised wage fixation, the system of wage determination will be very much dependent upon the results of the next election. This may be held in May 1983 though a more likely time is November 1983. It is unlikely that the Government will seek to reverse its eight-year stand against centralism and, quite reasonably, will argue that a longer trial period is necessary to judge the merits of the existing decentralised system. The Government is also unlikely to try and enter into any further tax-wage concessions. Economic commentators are agreed that the economy cannot afford a second "soft" budget. In being thwarted of its September election option, the Government's budget options have been considerably reduced. An early mini-budget, on the pretext that wage negotiations have disregarded the tax concessions, is a likely possibility.

Under a Labor government a return to centralised wage fixing based upon indexation can be expected. Indexation is a major component of the ALP's prices and incomes policy which, as already noted, is central to that party's economic policy. Notwithstanding any potential problems in implementing such a policy, a Labour government, in concert with the ACTU, is likely to press the Conciliation and Arbitration Commission for a return to indexation. Unlike the present government, a Labour government can be expected to provide the "supporting mechanisms" which the Commission will insist on as necessary ingredients to such a system of wage determination. Thus, over the long haul, the Australian approach to wage determination may come to mirror the political cycle.

#### References

- Australian, Department of the Treasury (1982) *Budget Statement No. 2* Canberra  
 Australian Conciliation and Arbitration Commission (various dates) *National Wage Case, reasons for decision* Canberra.
- Australian Conciliation and Arbitration Commission (1979) *Print No E 1277* Canberra. (Not yet reported).
- A.C.T.U. (1980) *The relationship between the Australian Labour Party and the trade unions* Melbourne.
- A.C.T.U. (1982) *The state of the economy, hours and wages and salaries* Melbourne.
- Cupper, L. (1982) The 1981 ACTU Congress: consolidation consensus and co-operation *Journal of industrial relations* 24:119-128.
- Guadron, M. (1981) *Productivity bargaining and the principles of wage fixing* Sydney, University of New South Wales. (Occasional Papers in Industrial Relations No.6).
- Metal Trades Industry Association (1982) *Survey of the metal industry* Sydney.
- N.L.A.C. (1982) *Discussion paper on economic policy* Canberra.
- Plowman, D. (1978) Wage indexation: the Australian experience *New Zealand journal of industrial relations* 3:105-117.
- Plowman, D. (1982) *Wage indexation: a study of Australian wage issues, 1975-1980* Sydney, Allen and Unwin.
- Riach, P. and W.A. Howard (1973) *Productivity agreements and Australian wage determination* Sydney, Wiley.
- Wright, M. (1982) Wage policy and wage determination in 1981 *Journal of industrial relations* 24:69-76.