THE MOVE TO INDIVIDUALISM BY THE WESTERN AUSTRALIAN EDUCATION DEPARTMENT

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TONY TRAVAGLIONE
AND
PETER WILLIAMS

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Tony Travaglione
Lecturer
Graduate School of Business
Curtin University of Technology
GPO Box U1987
Perth 6000
Western Australia

and

Peter Williams
Senior Lecturer
School of Business Law
Curtin University of Technology
GPO Box U1987
Perth 6000
Western Australia
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Abstract

Employment regulation amongst government school teachers in Western Australia has traditionally been characterised by a collectivist approach, with a major role played by the State School Teachers Union of Western Australia (SSTU). In 1993 a new framework for employment regulation characterised by an individualist approach was introduced when the Western Australian Government passed legislation reflecting the Government's preference for government school teachers to make use of workplace agreements. This paper describes both frameworks of employment regulation and provides an account of the current industrial relations dispute between the SSTU and the Western Australian Education Department.

The SSTU has made the strategic decision to try to maintain a collectivist approach to employment regulation. It has indicated its intention to move out of the Western Australian industrial relations system and into the national, or federal, system by filing an application for federal award coverage to counter any move by the Western Australian Education Department to entice teachers onto workplace agreements. The authors point to a number of problems that the SSTU might encounter if the application for a federal award is successful. Given these problems, it may be appropriate that the SSTU accept the inevitable move to individualism and place itself in a strategic position to be a major player in the changing Western Australian industrial relations system. As a major player in the new system, the SSTU will be better able to argue in support of the principles of equity and fairness in its attempts to ensure the continuing quality of education delivered in government schools.
Introduction

The 1990's has seen a new phase of industrial relations reforms that significantly impact on school teachers in Western Australia. On 1 December 1993 three Acts of the Western Australian Parliament came into effect in Western Australia with the aim of deregulating the labour market. These Acts are the *Workplace Agreements Act 1993 (WA)* [WAA], the *Minimum Conditions of Employment Act 1993 (WA)* [MCEA], and the *Industrial Relations Act 1979 (WA)* as amended [IRA]. The changes to the labour market effected by this new legislation have been described as the most important industrial relations reforms in Western Australia in the past hundred years (Keirath:1995). But for teachers in Western Australian government schools in particular these changes have caused consternation and alarm, representing as they do drastic alterations to the way in which their conditions of employment have usually been determined.

The paper provides an overview of the various frameworks within which government school teachers' conditions of employment have been, and can now be, determined. Emphasis is given to explaining the differences between the framework of enterprise bargaining pursuant to the *IRA* and the framework of workplace bargaining pursuant to the *WWA*.

Determining the Conditions of Employment of Government School Teachers - The Traditional Approach

The traditional framework within which the conditions of employment of teachers in government schools in Western Australia have been determined is idiosyncratic.

The Minister for Education in Western Australia, the Minister of the Crown with political responsibility for education in the state, is authorised by the *Education Act 1928 (WA)* [EA] to establish, maintain and carry on government schools throughout the state. Teachers are then appointed as teachers in government schools by the Director-general of Education, the administrative head of the Education Department, who is empowered by regulations made under the Act so to appoint teachers.

Within the traditional framework there are three possible processes by which the conditions of employment of teachers in government schools in Western Australia are set.

- *conditions determined by legislation*
Some conditions of employment for government school teachers are prescribed in the *EA* and the *Education Act Regulations 1960 (WA)* [*Education Regulations*].

Pursuant to powers under s. 28 of the *EA*, the Minister for Education can make regulations governing a wide variety of matters, including matters affecting the conditions of employment of teachers. Pursuant to this power, the Minister has made Part IV of the *Education Regulations*, for example, which sets out provisions concerning such matters as the appointment of teachers, the transfer of teachers, the resignation and retirement of teachers, the dismissal of teachers for inefficiency, and the leave entitlements of teachers (including sick leave, maternity leave and long service leave).

The *EA* itself contains provisions concerning the disciplining of government school teachers. Section 7C of this Act provides the grounds upon which such teachers can be punished for misconduct as well as the procedures to be followed in investigating and determining incidents of misconduct.7

- *conditions determined by the Government School Teachers Tribunal*

The *IRA* establishes the Government School Teachers Tribunal [the Tribunal], a constituent authority of the Western Australian Industrial Relations Commission [WAIRC].8 The Tribunal is given exclusive jurisdiction to enquire into and deal with any 'industrial matter' relating to a teacher, a group of teachers or teachers generally.9 'Industrial matter' in relation to government teachers is defined to mean such matters as:

- salaries or ranges of salaries, including the incremental steps therein;
- allowances for additional responsibility or additional duty;
- allowances for disabilities and reimbursement of expenses; and
- circumstances in which allowances are to be payable and conditions of service to apply in lieu of payment of allowance.10

Expressly excluded from the definition is 'any matter regulated under conditions of employment prescribed by or under the *Education Act 1928*...'.

The decision of the Tribunal takes the form of an award. An award is a determination made by the Tribunal incorporating the terms of employment of teachers employed by the Education Department. The award forms the central component of the compulsory arbitration system which operates pursuant to the *IRA*. Under this system an application by government school teachers for an award can only be made to the Tribunal through the State
School Teachers Union of Western Australia [SSTU], the union representing the industrial interests of government school teachers in Western Australia. Parties operating within this system are required to attempt to settle any dispute, at first instance, through the process of conciliation. If the parties reach agreement at the conciliation stage the resulting employment agreement is known as a 'consent award'. In the event that the parties are not able to reach an agreement through the process of conciliation, the Tribunal is required to arbitrate to resolve the dispute. An 'arbitrated award' is the name given to the employment regulation determination that results from the arbitration process.

- conditions set by legislation but dealt with by the Government School Teachers Tribunal as if they were industrial matters

As indicated above, expressly excluded from the definition of 'industrial matter', and therefore beyond the jurisdiction of the Tribunal as a general rule, are conditions of employment prescribed by the EA or the Education Regulations.

However the IRA does permit the Tribunal to deal with those conditions of employment that are prescribed by the EA or the Education Regulations where "...an organisation of employees and an employer agree that it is desirable for the matter to be dealt with as if it were an industrial matter and the [Tribunal] is of the opinion that the objects of [the IRA] would be furthered if the matter were dealt with as if it were an industrial matter".11

Determining the Conditions of Employment: The New Framework

The new industrial relations reforms of the 1990's represent a significant departure from the traditional approaches by which the conditions of employment of government school teachers have been determined. The new reforms will result in the phasing out of the award system through the provision of enterprise and workplace bargaining. It is unlikely, however, that these reforms will have any impact on the setting of conditions of employment through legislation.

(a) The Enterprise Bargaining Framework

To fully appreciate the nature of the industrial relations developments affecting government school teachers in Western Australia, it is necessary to understand what enterprise bargaining is all about. Enterprise bargaining is the process of negotiation undertaken by management, employees and unions concerning terms and conditions of employment at an enterprise level.
Its ultimate aim is the achieving of agreement on the actual implementation of enterprise-specific measures designed to improve enterprise efficiency and productivity in return for wage increases. The focus of enterprise bargaining is the enterprise itself where enterprise-specific measures are negotiated within the enterprise. The enterprise bargaining system is a substantial departure from the traditional adversarial industrial relations environment within which it was possible to have an arbitrated award if the parties were unable to reach an agreement. Enterprise bargaining is contingent upon the parties reaching agreement amongst themselves.

The significance of enterprise bargaining in Australia is evident when considering the industrial relations legal framework that has operated in this country since federation. At the time of adopting the Australian Constitution in 1901, Australia followed the USA model of federation, with specific legislative powers being conferred on the Federal Parliament, and the State parliaments exercising the residual legislative powers. While Australian trade unionism was shaped out of Australia’s British colonial origin, the evolution of industrial relations in Australia has had no resemblance to that of Great Britain (Brooks 1993). Great Britain retained a tradition of non-intervention by legal institutions in the collective relationships between employer and employee. Australia, on the other hand, established a system of compulsory arbitration with the creation of industrial relations commissions in all six states and at the federal level.

Throughout the present century the system of industrial relations in Australia has been highly regulated by the various commissions and tribunals, and has therefore also been highly centralised. To a large degree the major players were government, management and the unions - employees were often the poor relations. Awards which acted as contracts of employment determining the employees' wages and conditions were made through the processes of conciliation and arbitration and often did not require the parties to the award, which were unions and employers, to consult employees. In addition, awards were generally broad ideologically based arrangements and not structured to meet enterprise requirements. As a result of the highly centralised system, there were very few workplace grievance procedures in place nor has there been a tradition of strong shop-floor delegate structures amongst Australian trade unions (Brooks 1993).

In October 1991 a major step towards decentralisation of the industrial relations system occurred when the Full Bench of the Australian Industrial Relations Commission (AIRC) handed down the Enterprise Bargaining Principles. The AIRC declared that it was prepared to approve enterprise bargaining agreements made between parties bound by
awards. This decision has meant that bargaining on conditions of employment moved from the centralised award approach to a decentralised enterprise bargaining approach.

In March 1994 major amendments to the *Industrial Relations Act 1988* (Cth) came into effect. Through these amendments the Federal Government sought to encourage the wider use of enterprise bargaining by employers, unions and non-union workers. As a result the federal system has become one where the primary emphasis is now on enterprise bargaining.14

In January 1992 the WAIRC handed down the State Wage Decision.15 In its decision the WAIRC adopted the Enterprise Bargaining Principles set down by the AIRC in its October 1991 National Wage Case Decision. One of the significant features of enterprise bargaining pursuant to the *IRA* is that union involvement is a requirement. The enterprise agreement (referred to in the *IRA* as an industrial agreement) is between an employer and a union or unions.

(b) The Workplace Bargaining Framework

The workplace bargaining framework is established by the *WAA*.16 Pursuant to this legislation employment bargaining between an employer, such as the Education Department, and its employees, such as government teachers, is decentralised down to the workplace level. It is therefore possible that within an individual school, a number of workplaces could be identified. The Science Department of a school, for example, may be considered a different workplace than the English Department of that same school. In such a scenario each of these workplaces could then be regulated by a workplace agreement that would only bind teachers in that one workplace. Indeed, it would be possible under the workplace bargaining framework for one teacher in a department within a school to have a different set of conditions than other teachers in that same department within that same school.

The *WWA* provides for both individual and collective workplace agreements. An individual workplace agreement is between an employer and an individual employee. A collective workplace agreement is an agreement between an employer and two or more employees. In the event of any inconsistency between a provision in an individual workplace agreement and an applicable collective workplace agreement, the individual workplace agreement overrides the collective workplace agreement but only to the extent of the inconsistency.17 Once a workplace agreement is registered with the Commissioner of Workplace Agreements, the parties to the workplace agreement are then no longer bound by any award or industrial agreement made by the Tribunal.
The SSTU is not completely locked out of the workplace bargaining framework but its role is severely circumscribed. The SSTU may be a party to a collective workplace agreement only if it gives certain undertakings to the Education Department and teachers under the agreement. The union must undertake to conduct its affairs in a way that is consistent with the observance of the agreement, and not to incite or encourage any breach of the agreement by the parties to the agreement. Quite clearly these requirements call for a concerted response from the SSTU in honouring the collective workplace agreements between the Education Department and teachers. In addition, the WAA allows both employers and employees to appoint their own bargaining agents. Thus, while a bargaining agent may be a person or an organisation, a teacher may choose a bargaining agent other than the SSTU.

Workplace agreements are required to contain a dispute settling procedure clause. The clause needs to only deal with the meaning and effect of the agreement. The legislation provides that there be an arrangement to arbitrate on these disputes. A means of appointing an arbitrator must be stated in the workplace agreement and each party has the option of referring the dispute to the arbitrator. The parties may agree to appoint anyone, other than the Commissioner of Workplace Agreements, as an arbitrator. The IRA allows the parties to a workplace agreement to appoint an Industrial Relations Commissioner as an arbitrator in relation to a workplace agreement. It would be possible to word an agreement in such a way that the parties could appoint an organisation, such as a mediation association, to provide an arbitrator on request. All workplace agreements must contain a clause where the parties provide an undertaking to accept the arbitrated decision. There is no requirement that the parties resolve disputes arising from negotiations concerning the establishment of new rights and entitlements.

The apportioning of costs associated with arbitration has not been dealt with by the WAA. As there is no provision in the legislation which requires teachers to enter into workplace agreements, the Education Department could stipulate that it will pay the cost of arbitration in order to encourage teachers into workplace agreements.

The maximum term of a workplace agreement is five years. The WAA prohibits industrial action during the fixed term of the agreement. At the expiration of the agreement, industrial action may take place during negotiations surrounding the creation of a new workplace agreement.
The Industrial Magistrate's Court has jurisdiction to enforce the terms of any workplace agreement. This same court is responsible for the enforcement of awards and industrial agreements made by the WAIRC.

The “Quality of Education” Campaign

In October 1994 the SSTU began an industrial campaign that has developed into one of the most significant industrial disputes experienced in Western Australia. The SSTU released a detailed document entitled “Quality of Education Campaign” (SSTU:1994) which contained the union’s demands in relation to improved conditions of employment. This document explains the rationale for each claim made and the impact that each claim will have on the quality of education received by students. Pivotal to this whole confrontation between the Education Department and the SSTU is the issue of whether the employment conditions of teachers should be governed by an enterprise agreement or workplace agreement.

The major components of the claim include:
- a 20 per cent salary increase for all teachers;
- smaller class sizes;
- smaller schools; and
- additional leave provisions.

The additional leave provisions sought by the SSTU includes ‘cultural leave’, which is any event recognised as culturally significant by the culture of the applicant teacher. The SSTU's total claim has been costed by the Education Department at A$428.3 million a year (Moore:1995a).

As the campaign has developed the SSTU has suspected that the Education Department would try to break union solidarity by offering teachers workplace agreements, rather than resolving the dispute through the process of enterprise bargaining. The General Secretary of the SSTU, Peter Quinn (1995:3) has stated that:

Despite negotiations for over eighteen months on award variations and enterprise bargaining, it is now clear that there was never any intention to progress these negotiations, but rather stall so that workplace agreements could be offered.

The concerns that the SSTU has had about the Education Department's intention to make use of workplace agreements appear to be well founded. In a media statement issued on 31
March 1995 (Moore:1995b) teachers were offered a 5 per cent pay rise to be paid to teachers through the process of enterprise bargaining. However it was made clear in that media statement that the Education Department would not negotiate with the SSTU while the union maintained its bans on performance by teachers of duties beyond the classroom.23 In a letter to Brian Lindberg, president of the SSTU, the Minister for Education stated:

FIRSTLY - We propose that the basic gain available to all teachers will be a minimum 5% pay increase, achieved through an Enterprise Agreement and negotiated with your Union.

SECONDLY - We propose voluntary collective Workplace Agreements specifically for Superintendents, Principals, Deputies and Heads of Department through which they can receive an additional 5% salary increase.

THIRDLY - Our flexibility proposals open the door to personally negotiated further gains for individual teachers through individual voluntary Workplace Agreements. (Moore:1995c:1)

It appears that teachers wishing to obtain an additional pay rise beyond the 5 per cent rise will only be able to achieve such rises if they accept workplace agreements.

The SSTU rejected the deal offered by the Education Department and decided to continue industrial action (Pryer:1995). At the time of writing this paper the WAIRC had intervened in the deadlock between the Education Department and the SSTU. The WAIRC ordered that negotiations had to commence between the parties. In a hearing between the SSTU and the Education Department, the WAIRC ordered teachers to lift their work bans. The parties are now negotiating for a resolution of the dispute with the assistance of the WAIRC.

**The Escape Route: Federal Awards**

If workplace agreements are forced onto government school teachers in Western Australia, there exists the possibility that these teachers will seek refuge in the AIRC by obtaining a federal award. The SSTU has already lodged an application in the AIRC seeking federal award coverage for Western Australian government school teachers. As Peter Quinn (1995:3) has stated, "...once the federal award for teachers is in place it will negate workplace agreements forced on teachers by the Education Department."24
In 1993 and 1994 approximately 50 logs of claims were served in the AIRC from Western Australian unions seeking new or extended federal award coverage. It has become clear that the AIRC is sympathetic to employees who wish to avoid workplace agreements legislation (McCarthy 1995). This is something that the Western Australian Government planned for when it introduced the WAA. Section 37A of the IRA was inserted to allow the Minister for Labour Relations to suspend a State award if the employees to whom the State award extends are bound by an award made by the AIRC. The Minister has not reacted to the drift of workers seeking federal awards. The danger for the SSTU of having the employment conditions of their members regulated by a federal award is that with a change in the political party in power at the federal level, legislation more hostile to employees may be enacted.

In the recent case of Re Australian Education Union and Ors; Ex Parte the State of Victoria and Anor, the High Court of Australia has made it clear that it will allow unions with coverage of persons such as school teachers to seek the protection of federal awards. The case centred on the application of a number of unions, including the Australian Education Union, seeking for their members the coverage and protection of federal awards. These unions sought federal coverage in response to what has often been described as draconian industrial relations legislation introduced by the State Government in the State of Victoria. This legislation has had the effect of abolishing state awards in Victoria and of forcing workers onto what are fundamentally the equivalent of workplace agreements.

Conclusion

Following the introduction of the WAA the industrial relations environment within government schools in Western Australia is undergoing major upheaval. Negotiations over employment conditions will move from a system of collectivism to one of individualism. In such an individualist-oriented system, failure on the part of the SSTU to adapt to that system may result in the Education Department shutting the SSTU out of the process of negotiating conditions of employment for government school teachers.

While workplace bargaining is a relatively recent phenomenon in Western Australia, experience to date suggests that if workplace agreements become the central mechanism by which the conditions of employment of employees are determined, there is likely to be a drift away from the collective bargaining system (Travaglione and Taya: 1995). If the SSTU is kept out of the workplace bargaining process, it is probable that differences in conditions of employment between teachers in the same school will emerge. The scenario of teachers
working side by side, doing the same work, yet receiving different entitlements, is not far fetched. Such an outcome would be alien to the employment culture that has existed amongst teachers in Western Australian government schools in the past. One of the immediate consequences of this would be dissatisfaction amongst teachers and, it would seem, a fall in the quality of teaching at government schools.

Endnotes

1 The *WWA* establishes the framework within which workplace bargaining can operate throughout the state.

2 The *MCEA* prescribes the minimum conditions of employment for all employees in Western Australia who are covered by a workplace agreement, a state award, an industrial agreement or by a common law contract of employment. The Act sets minimum wage rates for adult, junior and casual workers. It provides leave entitlements for illness or injury, annual leave, bereavement leave and parental leave. The Act also provides for a minimum of ten public holidays.

3 The *IRA* was amended by the *Industrial Relations Amendment Act 1993 (WA)* primarily to allow for the operation of the *WAA* and its objective of establishing the workplace bargaining system.

4 Schooling in Western Australia is offered by both the Government of the State and the private sector. Schools established and run by the Government are colloquially known as 'state' or 'government' schools, while those established by the private sector, including various religious denominations, are known as 'private' schools. For an overview of the various school systems throughout Australia, see, for example, Birch and Richter 1990; Boer and Gleeson 1982.

5 Section 9 of the *EA*. 'Government school' is defined in s. 3 of the *EA* to mean any pre-primary centre, primary school, secondary school or technical college established under the *EA*.

6 Section 28 of the *EA* enables the Minister to make regulations for various purposes, such as the appointment, powers and duties of teachers of the Education Department.
For a discussion of what constitutes misconduct pursuant to s.7C of the EA and the role played by the Government School Teachers Tribunal in hearing appeals by teachers against punishments imposed for misconduct, see Williams 1994.

The WAIRC is authorised to deal with wide ranging issues covering both economic and dispute situations within Western Australia. An essential component of the industrial relations system governed by the IRA, the WAIRC has both a conciliation and a compulsory arbitration role in dealing with industrial disputes between employers and employees. It has, for example, jurisdiction to deal with industrial matters between state-registered unions operating on a purely intra-state basis on the one hand and employers on the other.

The industrial relations system governed by the IRA parallels the industrial relations system operating at the national or federal level. The federal system is essentially governed by the Industrial Relations Act 1988 (Cth). For an overview of the state and federal industrial relations systems, see, for example, Gillies 1994.

Section 78(1)(a)(i) of the IRA. Under s. 73A(1) of the IRA, 'teacher' is defined to include-
(a) any person engaged in teaching in a government school;
(b) any person employed by the Minister for Education and engaged in teaching in a pre-school centre; and
(c) any person holding or acting in a position in the Education Department in respect of which a teaching academic qualification is required.

Section 7(1) of the IRA.

Section 7(1) of the IRA.

Thus, under section 51(xxxv) of the Australian Constitution, the Commonwealth, or Federal, Parliament is given power to pass laws for the peace, order and good government of the Commonwealth of Australia with respect to 'conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State'. Pursuant to the residual power, a State parliament has the power to pass laws governing industrial relations within the state.

National Wage Case, October (1991) AILR, 369. The Enterprise Bargaining Principles were handed down by the Full Bench of the AIRC pursuant to section 106 of The
*Industrial Relations Act 1988* (Cth), which allows the Full Bench to make determinations relating to wages on grounds predominantly related to the national economy.

14 The Evatt Foundation (1995:76), an organisation whose charter has been loosely described as being a voice for social justice, has described the Federal Government’s enterprise bargaining model as:

...a cooperative, negotiated, and voluntary approach to bargaining and workplace reform, underpinned by a secure award safety net and legislative safeguards. While it is decentralised, the system is also a regulated one seeking to ensure fair bargaining.


16 The Western Australian model of workplace bargaining has prompted various reactions. For example, the Evatt Foundation (1995:77) has been critical of the Western Australian workplace agreements legislation stating:

... individual employment contracts can be imposed on workers as a condition of employment. The contracts can be drafted to expire on different dates, making it difficult for workers to negotiate collectively. Workers are much better off under the Federal government’s approach than under the conservative alternative. Awards are maintained, protecting minimum wages and employment conditions.

17 Section 10(3) of the WAA.

18 Section 6(1) of the WAA. Section 27 of the *WAA* provides that if a workplace agreement is not lodged for registration within the period of 21 days from which it took effect then the agreement ceases to have effect. Upon registration of the agreement all teachers who are subject to the agreement must be given copies of the agreement. The parties may vary or cancel an agreement, but only if registered by the Commissioner of Workplace Agreements. Section 24 of the *WAA* provides that on the cancellation of a workplace agreement the contract of employment will become subject to the relevant award provisions, unless it becomes subject to another workplace agreement.
Pursuant to section 30(1) of the *WAA* when an agreement is lodged, the Commissioner must be satisfied that:

- the agreement complies with the *WAA*;
- the parties understand their rights and obligations under the agreement;
- no party was persuaded by threats or intimidation to enter into the agreement; and
- each party genuinely wishes to have the agreement registered.

19 Section 21 of the *WAA*.

20 Section 21(3) of the *WAA* prohibits the Commissioner for Workplace Agreements from being an arbitrator.

21 Sections 75 and 76 of the WAA.

22 Section 50 of the WAA.

23 The SSTU issued a directive effective from 1 January 1995 instructing all SSTU members not to undertake voluntary activities including meetings and committee work during lunch-time and outside normal school hours. The following were some of the activities that were caught by the work ban:

- camps;
- excursions;
- sport training;
- detention classes;
- concerts; and
- school dances.

24 Through the operation of section 109 of the Australian Constitution a federal law, such as a federal award, invalidates any inconsistent state law such as a workplace agreement.

25 The decision on this case was handed down on April 7, 1994, however at the time of writing this paper the case is still unreported.

References


