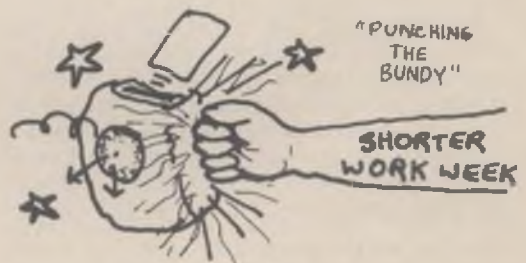


The campaign for a

SHORTER WORKING WEEK

By Laurie Carmichael

1979 saw a surge of discussion and activity around the demand for shorter hours of work. This has been displayed in changes of policy at the 1979 ACTU Congress, the metal unions' decision to campaign for shorter hours and the response to these unions' call to work only 35 hours during the week of Congress, the Queensland power workers' strikes, the dramatic seven-week strike and plant occupation for shorter hours at Union Carbide, Altona, and other indications.



Recent activity has produced results for shorter hours in one form or another at the Swan Brewery, WA, the Electricity Commission of South Australia, the Electricity Commission of NSW, Philip Morris, Victoria, Mount Goldsworthy, WA, and some other places.

In essence, the resurgence of activity for shorter hours of work derives from unemployment and the growing experience of the effects of unemployment. It has taken some time for these effects to assert their impact in workers' understanding. However, the reality is now being felt despite distorted statistics which don't make the problem "go away". And added impetus has been received from multi-million dollar corporate profits and take-over battles blazing across newspaper front pages.

Since the emergence of higher levels of unemployment in 1974, a sustained effort by reactionary forces has been proceeding to convince the victims that they are the cause of their own malaise. It's their education that's at fault, their indolence, their friend...

As a result, people were made to feel impotent and guilty.

The public were convinced, induced and seduced into believing that the unions had "too much" power, wage claims were the "cause" of unemployment, and the unemployed are "dole bludgers". Monopoly control of the media to project this guaranteed its success to a significant degree. The unions were not geared to meet it. Out-dated journals, papers and leaflets still immersed in "routines" that have to be met, to simply perform basic functions, have not been adequate.

However, families have had to carry the burden and gradually, instead of being scapegoats, a desire for a solution has begun to emerge with a surge of support and activity for shorter hours of work.

It is upon this experience that a thrust for an across-the-board offensive for shorter hours can be launched. Furthermore, prospects for the immediate future are such that this experience will intensify. Nevertheless, the same prospects for the immediate future must also inevitably mean an intensification of attacks on unions





Building workers strike for a 40-hour week in 1920

to divide workers and isolate their organisations.

There has been some economic recovery since the slump in 1974-75 but it is now clear that a business cycle recession is going to assert itself in 1980. Recovery has been most marked in farm output and incomes, but only slight in manufacturing. In fact, in some major commodities such as automobiles, the recovery has not equalled 1974 levels. (New car sales: 1974 — 507,000 units; 1979 — 465,000 units.) The same applies to a number of other consumer products. Overall production has not exceeded 80 per cent of capacity.

Federal Department of Manufacturing Industry publications show that unsold stocks of finished products, components and materials began to rise from June of 1979, the normal indications of a recession occurring on about a five-yearly cycle. The car industry is a significant barometer in this regard and

over 130,000 unsold new cars are now standing in yards around Australia.

Additionally, high interest rates and stringent monetary control in the USA, arising from resurgent inflation and currency crises, has led to a net outflow of capital from Australia in September and October. This is despite trade surpluses arising from record farm product sales and is reinforced by a similar action taken by the British government. This is now further reinforced by renewed pressure on the US dollar from the Middle East generated energy crises.

Capital has begun to "flow out" of Australia and other countries to meet immediate corporate needs because normal sources in the USA are not easily available to them. This capital outflow from Australia will put pressure on capital investment, thus adding to the immediate recessionary influences. So, in the immediate

circumstances, a combination of "excess" production and investment "restriction" must have an effect.

Structural adjustment

Recession in Australia is superimposed on a comparative stagnation of development in manufacturing where about 20 per cent of Australia's workforce is employed. This stagnation will continue into the 1980s and will most likely extend into some service, and other tertiary, areas of employment.

Australia is being developed for mining, extractive and energy producing industries — raw materials for manufacturing industry in low-wage countries of Asia and Latin America. What manufacturing industry beyond "extraction" industries that remain in Australia will largely be for political marketing reasons and geared into selective "complementation" programs of the multinational corporations. Industries now being developed in Australia are capital intensive, using the newest of high level technology which provides fewer jobs than those displaced.

Australian workers are being highly taxed for this restructuring while getting substantially less in return for their taxes by way of social welfare. Publicly financed infrastructure and taxation concessions to the corporations are now of enormous magnitude.

Not all corporate forces are involved in giving effect to the global redistribution of production. Some are ill-affected by it and oppose it in varying degrees. They also have political voices to express their position and there are certainly some related trade unions that are vitally concerned. The restructuring plans do not proceed smoothly or at a constantly rapid rate. The pace is adjusted to meet the circumstances but the direction is beyond doubt.

Technological revolution

Also beyond doubt are the effects of technological development in those industries which survive structural changes; and furthermore, technological change stands at the base of the structural changes. The pace of technological change increased in the 1960s and again in the 1970s; it will increase much further still in the '80s as we

proceed deeper into the modern technological revolution.

In particular, micro-computer development is extraordinary, even by other computer developments. During 1979, one-piece, 16-bit "processor" chips of 30,000 components have become commonplace, as have one-piece large capacity various type "memory" chips. Other similar electronic developments guarantee massive application of physically small, but quite powerful, computer control right into the machines and desks. Dramatically faster communications systems using both "new generation" satellites and land lines guarantee control by large-scale stored intelligence and information bases that interconnect with automated machines and desks, eliminating a wide range of labor in production and commerce. Virtually workerless factories, supermarkets, warehouses, banks and offices will definitely be marketed in the 1980s.

Along with application of new materials, chemicals and even biological engineering, great stress is going to be exerted on social structures, even though not all sections of industry will be affected at an equal rate and inevitably many relics of the past will remain. Australia contributes only marginally to the main scientific and technological development which the multinational corporations keep well under their control in the traditional centres of capitalist global power — the USA, Japan and Western Europe. Australia principally receives the application of high level technology and thus reduces both the size of the labor force and its comparative skill and education.

Currency and inflation

The third factor is currency inflation arising from hidden super profit making embedded in corporate transfer pricing or transfer banking; extraction of "auction block" concessions from governments on taxation and publicly financed infrastructure; the creation of a stateless 1,000 billion Eurodollar market; and orbiting speculative operations beyond the control of governments of nation states.

None of this shows any signs of abating in the 1980s. Rather, the "less endowed" corporations strive to equal the annual



Wives and children of Union Carbide workers showing support for the factory occupation in support of a 35-hour week



returns of the "billion dollar club" while the "haves" continue to strengthen their power and influence with massive take-over operations.

Consequent inflation and high interest rates, which affect both purchasing power on the one side and investment opportunities by small companies on the other (all blamed on the workers trying to maintain the value of their wages), have increasing effects in the long term and intensify the five-yearly recession cycle.

Energy and resources limitations

A fourth long-term factor is the limitation of available known forms of energy and resources, and a related factor is provided by those farseeing forces working for conservation of resources and the environment. These factors will also increase in intensity in the 1980s.

Taken altogether — long-term technological, structural, resources, currency and inflation crises, superimposed by five-yearly business cycle crises — these create, for the foreseeable future, a lengthy period during which "uncertainty" must prevail and where the danger of being plunged into deep depression will be constantly present.

Basic choices

The choice then is either a smaller and smaller workforce paying higher and higher taxes to maintain more and more unemployed in poverty — or to redistribute the available work to all those wishing to do so via shorter hours.

There are other questions of political economy that obviously relate to this and these will inevitably emerge and have to receive attention. But overall, it will be essential to show that structural change, technological change, resources limitations, currency inflation and cyclical recessions will be with us even if workers' wages fall and hours of work do not change. The workers, however, will have done nothing about it until it is far too late.

If this analysis is generally correct, then the basis for a continued resurgence of the demand for shorter hours on full pay will continue to grow. A basis, however, does not

necessarily guarantee the result. Ideological factors can prove decisive, at least for a further period of time, and as previously stated, the same factors that create the basis of support for a solution to unemployment also work to produce a frenzy of propaganda against us.

Trade union focal point

Shorter hours is an industrial issue which relates to the social issue of unemployment and so is an issue for both employed and unemployed. It has an appeal for the unemployed both ideologically and in terms of action if means are promoted for this to occur. Particularly, means must be found to relate this campaign to young people who are most affected by unemployment, who have no industrial experience and who neither know nor understand the causes, or the rationalisations of vested interest arguments.

Shorter hours is also an industrial issue relating to trade union rights, particularly where those rights are under concrete threat from the accumulation of anti-union legislation enacted since 1976. It is a practical basis for developing genuine "industrial democracy" intervention in industry on the issues of technological and structural change and their effects on the workforce.

There is also a practical basis for inter-relating national and international union activity arising from the August 1979 International Metal Workers' Federation (IMF) conference decision to pursue a shorter hours demand globally. This will require some quite concrete and specific forms where it can be promoted, particularly in common company employment, as well as publicity about what is happening around the world.

Collision of interests

The thrust for shorter hours will collide with the major corporations, in particular the multinational corporations, and the political forces that represent them, and account must be taken of this. The major corporations, their political and institutional spokespersons and their media influence will try to show that shorter hours of work would not be good for the country, and that the unions are ruining the country.

The full significance

Their argument is that any such major advance reduces Australian competitiveness and industry potential. In this, they harness small-scale business and the middle class to their chariot while deliberately buying up and closing down industry. They expand investment in capital intensive mining, extraction and energy industries and take out the national wealth using transfer pricing and transfer banking to hide the result.

It is incontestable that:

(a) More wealth is being produced in Australia than ever before, the real value of the GDP is higher and productivity has risen significantly.

(b) Despite greater wealth, partial indexation has reduced wages and the Fraser government has inflicted a substantial cut in the social wage, with reduced welfare and higher taxes.

(c) Despite greater overall wealth real incomes for workers and their families, inflation and unemployment are again rising, and would continue to do so if workers' incomes were reduced even further. The wage and salary earners' share of the Australian National Income has fallen by

3.4 per cent (from 62.3 per cent to 58.9 per cent) in three years (June '76 to June '79) — 2.1 per cent of this in the last year. This represents a transfer of almost four and a half billion dollars from wages to profits and puts the wages share of the national income at a lower level than the average for the last 20 years.

(d) The result is reflected in corporate profits and in the wealth of the privileged and powerful who continue to say that Australian wages and costs of production are too high.

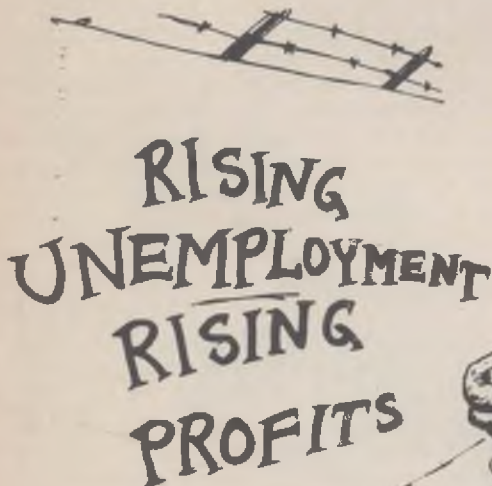
(e) All this is directed towards using low wage areas of the world to force down wages and conditions in advanced countries like Australia for the benefit of those who exploit both.

(f) It's all right to sit around a tripartite table so long as unions agree that it is the workers' wages and conditions that must be sacrificed.

(g) But if unions get in the way they will be clobbered with Arbitration Court penal powers, deregistration and sequestered funds.

This is what corporate and Fraser government industrial relations policies mean and therefore any substantial move for shorter hours must collide with government policies, particularly during 1980, an election year. Much more will be heard of "The unions have **too much** power" — not that they have "much", but "too much".

By its very nature, the issue of shorter hours has much more to it than an ordinary industrial matter. And it must be expected that the accusation will be made that our



RISING
UNEMPLOYMENT
RISING
PROFITS



objective is political and deliberately sought. The answer is that the demand for a 35-hour week has been formulated for over 22 years, but it is only now that a mass response is developing for which answers must be found in objective conditions rather than in any subjective desires of unions or their officials.

It is in the "doing" of work around a major social issue such as this that the image of the trade unions is recreated and their strength replenished. The considerable forces of the trade unions, when brought together, can turn the tide.

In the historical context, of course, if the unions are effective in bringing about such a major social advance it will mean that the people are able to forge a significant advance in their lives and assert their organised strength in vastly new circumstances. It would represent further hard-won advances in both respects.

It is in this substantial sense that real unity in action has its deepest significance and underlines its importance. It would represent the continued democratic development of working people's expectations of both industry and government in the face of multinational corporate power as it is now exercised in global terms.

Policy path cleared

While shorter hours has been ACTU policy since 1957, its implementation has been based on a selective priority, piecemeal approach. All that has now changed.

The September 1979 ACTU Congress adopted amendments to policy which enable an effective across-the-board approach for the first time.

At the international level, a conference on shorter hours convened by the IMF in August 1979 adopted a declaration calling for international action for shorter hours. This was subsequently endorsed in October at the Vienna IMF Central Committee meeting.

The significance of both the ACTU and IMF decisions is very great. At the national level it can be argued and substantiated that the workers of Australia are not proceeding by themselves without regard to the situation in other countries — certainly, however, we are not going to wait around till

the end of the queue just to meet the spurious arguments of the corporations.

Publicity about what is happening internationally around shorter hours will play an important role in our strategy.

Metal workers' endorsement

The Metal Trades Federation has already acted jointly on the shorter hours issue as highlighted by the 35 hours work limit during congress week in September 1979. In addition to this, however, the metal unions' National Negotiating Committee recommended to mass meetings (called to consider the outcome of the 1979 work value case) that workers should endorse a proposal that the metal unions elaborate a comprehensive strategy for shorter hours of work as the highest priority issue. This was endorsed at all meetings held throughout Australia. The metal unions can expect to be reinforced in this by both the ACTU congress and IMF decisions.

Related policy questions

Some aspects of policy, however, need further elaboration:

1. The form of shorter hours should be flexibly and creatively applied so long as basic working class principle is not violated. In fact, a single common system is not entirely possible. Nevertheless, proposals to adopt flexible hours without a simultaneous reduction in hours must not be agreed to.

A four-day week, nine-day fortnight, etc. are forms which can provide both an attraction to support action, and pressure to create more jobs.

2. Overtime will be a major issue. For some, shorter hours without any loss of pay will simply be a means to more money. Our argument is to create jobs. We must expect the corporations to use this to create division and confusion. If the objective is to be achieved, a position needs to be taken on the question of overtime.

The 1979 ACTU Congress decision is as follows: "In conformity with this policy unions should seek to restrict overtime by award or agreement prescription, and by union action."

3. **"Phasing in"** will have to be considered in some sectors of industry. In some cases it can facilitate a breakthrough. "Phasing in", however, cannot provide a means of opting out of the campaign; neither can it be related to any "productivity deal". Productivity has already risen and the objective is to create jobs in addition to defending those jobs that still exist.
4. **Part-time work.** The trade union movement (ACTU policy) rejects part-time work as a means of dealing with recession and unemployment. Less hours at less pay is not our objective. Any attempt to introduce shorter hours in this fashion must be met immediately with wage demands and action to restore full pay.
5. **Leisure time.** The most reactionary forces will seek to distort union motives and claim alleged social ill effects from less hours of work while ignoring the very real ill effects for those in total unemployment and the inadequate expenditure on social welfare. The same type of forces, only 100 years ago, made the same allegations when it was first proposed that kids should not have to work down mines or in workhouses.

Promotion of policy on the arts and creative recreation has been a very conscious act on our part and, since 1977, has been ACTU policy. We have done this both for its own intrinsic value and also because we have foreseen that a significant reduction in work hours will have to be fought for and achieved.

We should undertake strong support for, and involvement in, the growing "community education movement" which seeks to promote widely education, when, where and how it is accepted in its broadest sense through an entire lifetime. This is both the right means in the shorter hours campaign and the right purpose for it. We are genuinely interested in the quality of life and, for the first time in history, the modern technological revolution creates an opportunity where all people can benefit.

The importance of this policy should be explained and pressed forward as every

opportunity arises, including those aspects of ACTU policy which call for allocations of government expenditure to promote genuine social welfare which includes the right to a full education and a creative life for everybody.

6. **Young workers, women, migrants, Aborigines.** Attempts will also inevitably be made by reactionary forces to play off sections of the people against each other, cause disaffection and create confusion over each other's needs and purposes.

The magnitude of the shorter hours objective requires more effective relationship to all social sections, relating the overpowering need for unity with, and understanding of, social needs.

Trade unions have simply not had the resources to meet all expectations of them and levels of understanding are not automatically achieved simply on the basis of being institutionalised. However, much can be achieved in the course of **doing** our work for major objectives and in the way it is done.

In this regard, an early opportunity should be taken to consult with those activists in each social sector who can relate to the shorter hours objective, particularly, but not exclusively, where these activists are from the union movement.

As we progress, other policy matters will arise related to this demand. We must judge these from the standpoint of the objectives we are seeking and the fact that we are not buying these objectives at the expense of some other hard-won gains of the past.

Diversions

Vitally related to policy on shorter hours is the issue of priority. Diversions will inevitably be encountered and it must be assumed that there will be deliberately sponsored diversions. Probably wage demands will be more complex to handle as we progress through the campaign. Only the most careful but insistent efforts will ensure that the shorter hours issue remains as the highest priority.