

Labour markets and the difficulty of forecasting

In the first month of any new decade everyone wants to be a seer; all the more so at the start of a new century. But forecasting is a tricky business. And the future at work is especially hard to fathom.

This is not stopping numerous commentators — professional and amateur — from telling us precisely what will happen in the labour market in coming years. And those with the worst records in previous forecasting are among the most strident and dogmatic in asserting their views. For all of us, attempts to analyse what the 21st century might bring for Australian workers will benefit from a metaphorical ‘cup of tea, a Bex and a good lie down’. We could take that by reviewing some of the more emphatic earlier predictions.

In a lauded book of its time, Victor Gollancz [*The Mighty Micro*, 1979] was confident about what would happen in the 1980s and 90s. Among his many certitudes, he told us the micro chip would eliminate for all time the enormous cost of higher education by creating cheap educational facilities. There would be a much later start to working life with universal higher education continuing to everyone’s mid-twenties. Working time would be greatly reduced by the 1980s, probably to a 4-day 28-hour standard week. By the 1990s this would fall to 20 hours or less. Retirement would be much earlier. By 1990, fifty would be the normal retirement age; by the end of that decade nobody would work past forty-five and most would retire comfortably at forty. The micro chip, said Gollancz would usher in a new age akin to the great civilisations of ancient Greece and Rome, in which electronic slaves would do most of the work. The beneficiaries would not be a minority group but rather society as a whole. His strongest words were for those who feared future job losses, destruction of long-standing occupations and increasing social polarisation. Mere ‘technological determinists of the bleakest kind’ he called them.

If this all sounds laughable now, it should be remembered that it was seriously believed by many just twenty years ago. It should make even the most expert economic or social analyst cautious in the extreme about forecasting for the next ten or twenty years.

What we can say confidently is that age will be an important labour market issue. The so-called baby-boomer generation has been a major factor in employment during recent decades. It now accounts for almost half the workforce. That group will start to

reach retirement age over the next ten years. Among Australian librarians, almost three-quarters are more than forty years old. Nearly a third are aged fifty or more. This suggests that, even if earlier encouraging forecasts for job growth prove to be too optimistic, opportunities for younger librarians should improve as replacements for retirees are sought.

Family matters will be increasingly important in the labour market of the next ten years. Workers have always had family responsibilities, of course, but recent changes in the workforce have heightened conflict with their job requirements. There are now far more dual-job families and far more sole parent families. As a result, less than a quarter of married-couple families have only one parent working. Women’s vastly increased labour participation rate has been one of the most significant changes in Australian [and developed world] employment over the last twenty years. While that increase will slow, it seems likely that the next decade will see more women working, and working longer. Many will be librarians. For them and their families, the extent to which rhetoric on family-friendly workplaces produces real advancements will be a critical determinant of satisfaction with their jobs.

Retention and enhancement of employment conditions will, in fact, be a huge issue for workers in this time. The form of bargaining and the way in which wages and other terms are set will play a pivotal part in this. Both American and Australian research indicates the role of trade unions will be as important as ever, notwithstanding attempts by some to characterise unions as in terminal decline. In both countries, unions continue to generate higher worker pay and benefits (see, for example, US Department of Labour ‘Futurework: trends and challenges for work in the 21st century’; CCH/ACIRRT *Australian Agreements Database and Monitor Report 10/99*). It seems clear that for the great bulk of employees in both countries a collective approach to wages and conditions, with representation by unions or like bodies, will be the best avenue for maintaining and improving standards over time.

In the United States, unions are making a strong comeback, as reported in this column recently. If their Australian counterparts can use similar strategies to organise the new forms of work which are arising (predominantly in the services sector), it may well be that those numerous forecasters who now report the imminent death of trade unionism will be found guilty of serious exaggeration. ■



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