

Making better use of Australian labour



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The ninth annual National Unemployment Conference held recently in Newcastle launched several interesting challenges to current labour market orthodoxy. In particular, the usefulness of official statistics was strongly questioned.

The Centre of Full Employment and Equity [CofFEE], for example, set its sights on the official unemployment rate which currently stands at 6.1 per cent. CofFEE demonstrated very convincingly that this figure is not an accurate measure of the real wastage of labour resources in Australia. It measures simply the number of people who have no employment at all and are actively looking for work in a given period. It fails totally to address either under-employment or hidden unemployment. In Australia full-time job growth continues to be low. For almost a decade, most aggregate job growth has been restricted to part-time work. Many people want more hours. More and more older workers are so discouraged that they have stopped looking for what they understandably regard as non-existent jobs.

In that climate, there are obvious and serious problems with a system that reports a drop in unemployment in a month when, say, one hundred full-time jobs have been lost, fifty 20-hour part-time jobs have been created and a further seventy people have found casual work at anything from two to ten hours per week. In this scenario, total available work has clearly fallen. Yet, using official data, the media will report that unemployment is improving.

CofFEE's indicators, on the other hand, are hours-based and focus on under-utilisation, thereby capturing the gap between all available labour and its utilisation. They show clearly that real unemployment is much higher than is reported officially. For the past year, CofFEE's figures [12.3 per cent down to 11.2 per cent] show unemployment as almost double the official rate [6.6 per cent to 6.1 per cent].

Further challenge to complacency about labour market well-being came in a fascinating paper by John Burgess of Newcastle University. His focus is less on the level of employment than its quality. The International Labour Organisation [ILO] is urging all countries to address the issue of job quality urgently. In this context, Burgess reminds us that the Coalition Government in its 1996 manifesto committed to generation of 'quality jobs'. Almost seven years on, the opposite seems to have occurred.

Quality research [by, for example, the Australian Centre for Industrial Relations Research and Training] has consistently suggested that new jobs created in Australia over the past decade have been predominantly low quality positions. But the real problem is that, while politicians will

speak rhetorically about quality jobs when it suits them, we make little official effort to define what quality is. Burgess indicates that the evidence on job quality in Australia is 'fragmented, partial and inconclusive'. Nevertheless, it can still be demonstrated on the basis of what criteria there are that it has declined for many Australians in recent years, he says. Comments by many ALIA members confirm that judgement.

What we need here is a systematic approach to measuring the quality of our jobs. But where are the models?

There has traditionally been only limited focus on the topic in both national and international labour market policy discussions. But this is changing slowly. The European Union has been actively promoting more emphasis on minimum rights and conditions in areas such as parental leave and removal of discrimination against part-time and temporary workers. In its 2001 employment guidelines the EU adopted formal job quality targets incorporating initiatives on working time arrangements, job security and career breaks. More recently, the report *Quality of Work and Employment in Europe*, [European Foundation for the Improvement of Living and Working conditions 2002], has challenged constituent governments to improve job quality across four key areas: career and employment security, health and wellbeing, reconciliation of work and non-work activities and skill development.

Similarly, the ILO has also developed a job quality agenda as part of its 'decent work deficit' project which it has been developing over the past three years. The Canadians too have made headway with their current job quality project which, among other things, presents a comprehensive list of the themes and indicators that go to making a good quality job.

By contrast with these initiatives, Australia and the USA are two countries that have given virtually no serious attention to job quality. There is, says Burgess, an urgent need for an Australian job quality agenda. And this is made all the more necessary by the dominance of enterprise bargaining which has made it much more difficult to establish precisely what conditions of employment apply across the workforce. The Canadian approach featuring development of an array of monitoring instruments for work quality backed up by regular surveys of workplaces and employees would be a sound starting point.

But whatever the precise form of an effective job quality system, its present absence in Australia makes it unlikely that promises to 'create good jobs' will become much more than mere political rhetoric anytime soon. ■

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