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**THE PRACTICE OF JOINT CONSULTATION IN AUSTRALIA -**  
**A PRELIMINARY ANALYSIS OF THE AWIRS DATA**

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**Workplace Industrial Relations Project**

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## INTRODUCTION

The publication of *Industrial Relations at Work* by Callus et al. (1991) has provided for the first time a comprehensive and representative picture of many aspects of industrial relations in Australia, and it should act as a stimulus for further research (both of a quantitative and a qualitative nature) in the area over the next few years. Indeed, if the British experience with WIRS can be used as a guide, it is rare for any publication on industrial relations not to refer to the data sets which are available for 1980 and 1984 (and one would suspect that the same will happen with the 1991 results). The value of these data sets immeasurable, and although there are many criticisms which can be aimed at such large scale survey work (see, for example, Morris and Wood, 1991), it at least means that the debate can shift onto a firmer terrain.

Clearly, given the length and complexity of the questionnaires used in the AWIRS survey, it was not feasible for the book to cover all areas of the material in sufficient detail. One of the subjects for which further analysis is necessary is that of communication and involvement, and this will form the focus of this and subsequent papers. Although, as we shall see, joint consultative committees (JCC's) are only present in a small minority of workplaces and cover no more than about one-third of the workforce, this proportion grew rapidly during the latter part of the 1980s. Accordingly, consultation is of increasing significance to the future of industrial relations in Australia.

Furthermore, it is suggested that moves to decentralise the system of industrial relations in Australia will mean that joint consultation (and with it more "direct" forms of employee involvement) is likely to become even more extensive over the next few years. Although there were broad references to the need for consultation in the Restructuring and Efficiency and Structural Efficiency Principles from 1987 onwards, it was only with the National Wage Case of April 1991 that this became explicit. Here, parties seeking increases in wages or salaries allowable under the decision are required to satisfy the Commission that (amongst other things) they have established "a consultative mechanism and procedures appropriate to their size, structure and needs for consultation and negotiation on matters affecting their efficiency and productivity". It might be expected that this would act as a stimulus for more joint consultation, although even though provisions for JCCs may now be incorporated into awards, this does not necessarily imply that committees will be set up in practice. Nevertheless, even if the impact is limited, given that the AWIRS data was collected during 1989 and 1990, it is

probable that JCC's are now more extensive than they were at the time of the survey. Indeed, this would tie in with developments elsewhere - especially in the USA and the UK - where managerially-initiated forms of employee involvement, cooperation, collaboration, and participation are high on the agenda of industrial relations reform (see, for example, Walton, 1985; Cooke, 1989; Marchington et al. 1991).

The remainder of this paper will concentrate on the results relating to JCCs which are derived from secondary analysis of the AWIRS data. There will be some reference to the literature as appropriate, but the major focus is on the data itself. It should be emphasised at the outset that this is a preliminary analysis, and its purpose is to present information which can be developed further by other researchers as well as myself. Some of the points which are made below are more speculative than others, but they seem consistent with ideas derived from qualitative research both here and in Britain.

The questions to be addressed are the following -

- are the numbers of JCCs growing or declining in Australia?
- what other forms of employee involvement appear to be associated with JCCs?
- what has been the stimulus for the introduction of JCCs, and what objectives do managements have when introducing schemes?
- what do JCCs look like, in terms of regularity/regulation of meetings, the composition of committees (especially in terms of union presence on them), and what is the principal subject matter of JCCs. In addition, how does this vary between workplaces?
- what impact do the actors feel that JCCs appear to have had on organisations, eg in terms of productivity/quality etc, the type of information received? Do they tend to be seen in a good light, or as a waste of time?

## THE BACKGROUND

As in Britain, the extensiveness of joint consultation in Australia has waxed and waned since the 1940s. There were a number of initiatives during and just after the second world war (eg Chifley and JCCs in the [then] Commonwealth Public Service). Although the unions were less enthusiastic about the practice of joint consultation than were management, Davis and Lansbury (1989, p3) note that the Council (JCC) was "seen as helping to diffuse some contentious issues before they developed into disputes". As we shall see below, this "safety valve" concept of joint consultation still appears to play a sizeable part in the rationale for committees. Interest in formal consultation lessened during the 1950s and 1960s, leading to the assessment that "the seeming inability of consultative councils to deal with matters of importance in the affairs of the enterprise contributed to the failure to generate widespread enthusiasm or acceptance among the workforce" (Davis and Lansbury, 1989, p4). Political developments during the 1970s (in particular, Dunstan in South Australia, and Whitlam at the Federal level) once again increased the profile of joint consultation in the public sector, and there was encouragement for similar exercises in the private sector.

During the mid-to late-1980s, there were a number of attempts to stimulate interest in employee participation and joint consultation beyond the broad commitment to consultation enshrined in the Accord at national level. Firstly, a Department of Employment & Industrial Relations Policy Discussion Paper in 1986 suggested that the need for further developments in employee involvement was a crucial aspect of the process of introducing change, and this was complemented by a number of research projects in different industries (see Ford and Tilley, 1986). Second, consultation and communication were deemed to be central to the joint ACTU/CAI statement on "Participative Practices" in 1988. Whilst both parties agreed that there should be no single blueprint applicable to all enterprises, one of the basic principles underlying the statement was that "communication, information sharing and consultation are the key to developing cooperation and a spirit of trust between management and the workforce" (p7). Third, in 1989, the Minister for Industrial Relations at the time (Peter Morris) reinforced the government's commitment to consultation as a key part of the Structural Efficiency Principles under Award Restructuring, and identified a number of bodies which could assist organisations with their reform packages. For one of these bodies - the Workplace Resource Centres - the preferred method of restructuring is process analysis under the auspices of a JCC set up or developed for the purpose. Although each of

these moves has heightened the profile of consultation and participation as a key element of workplace industrial relations, it is unlikely - given the inevitable timelag between policy pronouncements and their possible implementation in practice - that they would have had a significant effect on the majority of organisations by the time of the AWIRS survey. The results which are outlined in the remainder of this article should therefore be read with this in mind.

## **CONSULTATION - EXTENT, PURPOSE, PRACTICE AND IMPACT**

Over the years, there have been a number of attempts to define precisely what is meant by the term "joint consultation" (see Marchington, 1989 for a thorough review of this literature), but there are several essential features of this form of employee participation. First, involvement is *indirect*, and is exercised through representatives of the workforce; these individuals may or may not be elected by their constituents, and in unionised establishments, they may or may not be union delegates/shop stewards. Second, there is an assumption that the JCC is *ongoing* (rather than being seen as a one-off committee) and expected to meet at least once a year; the precise regularity varies considerably and the JCCs may or may not be scheduled at pre-arranged and regular time intervals, although a typical time period is monthly. In addition, especially in smaller organisations, there may not be a written constitution for the JCC. In contrast, within larger workplaces, the consultative machinery is likely to be well organised and abide by a closely observed set of operating rules. Third, despite the fact that employee representatives can be afforded regular access to managers through the JCC and may be able to influence their actions, there is no presumption that the committees are actually decision-making bodies. At the end of the day, irrespective of the quality of employees' contributions, management retain their *traditional prerogatives*. On the other hand, given that it is unlikely that change will be successfully introduced and sustained without some degree of employee support, managers need to exercise their authority with care.

For the purposes of this article, the definition of joint consultation used in the AWIRS survey will be adopted because this appears to capture these key elements; this is "formal ongoing consultative committees". The questions asked in the survey also make it clear that JCCs are comprised of managers and representatives of employees, that is indirect employee involvement.

The literature which has accumulated over the years on joint consultation has tended to focus on one or more of the following four sets of issues. There is insufficient space to discuss this material in full here, nor is it appropriate given the amount of data which needs to be analysed. First, there have been examinations of the *extensiveness* of consultation over time, and arguments about whether or not it waxes and wanes in popularity (see MacInnes, 1985; Davis and Lansbury, 1986). There appears to be some agreement that there are differences over time, but analysts disagree about the extent of these changes and the reasoning for growth and decline. Probably the best known explanation is Ramsay's notion of cycles of control; that is, that JCCs (and for that matter all participation techniques) are introduced by employers when they feel under threat from labour and discarded when that pressure is dissipated (see, for example, Ramsay, 1977, 1983). Other writers point to employer commitment to employee involvement declining with the age of a particular technique (Cooke, 1989), or being subject to waves of interest which may last for varying periods of time or achieve differing levels of prominence in the organisation (Marchington et al. 1991). Connected with this is the interaction between joint consultation and other forms of employee involvement, and whether these operate in tandem or opposition to each other.

The second issue which has been central to the literature is analysis of the *objectives and rationale* put forward for the implementation of JCCs, especially those propounded by managers given that they are the principal architects of new schemes. At least five sets of reasons have been suggested, and it is likely that several of these may be relevant to any single organisation (see Davis and Lansbury, 1989, and Marchington, 1989 for a fuller discussion of these). First, there is the view that JCCs are introduced principally in order to improve communications between management and workforce about matters which are of importance to either or both parties. Generally, a majority of the information flow is likely to be from management to employees, but there are some committees where it is predominantly upward or more two-way communication. Second, it is suggested that JCCs may act as a safety valve by defusing conflict and providing a channel through which employee representatives may articulate their discontent about particular issues or with management in general. Some large companies with a long history of joint consultation (eg ICI in Britain) believe that this has been a major factor contributing to low levels of industrial action in the organisation. Connected with this is the third objective, that JCCs may ease the process of change because managers are able to expose issues at an early stage to employee representatives prior to dealing with them through the negotiating process; that is, joint consultation may act as an adjunct to

bargaining by lubricating industrial relations. Others would argue that JCCs may instead be used as an alternative for negotiations, either in situations where little workplace bargaining currently exists (consultation fills in the gaps) or as an attempt to undermine already powerful and recalcitrant unions (see Terry, 1983, for example). Fourth, it is suggested that consultation can increase efficiency, productivity and quality by increasing the stock of ideas available to decision-makers or by enhancing employee awareness of broader organisational objectives and constraints. This line of reasoning would appear to be central to many of the Federal Government's pronouncements on consultation and participation over the last few years. Finally, it has been claimed that consultation may lead to increased employee satisfaction at work in the sense that "involved staff" are more likely to feel committed to the organisation and their own jobs. Even if this holds for direct participation, there must be doubts about its relationship with JCCs, except perhaps for those people who actually sit on the committee.

The third focus of interest has been the *operation* of JCCs in practice; their regularity of meeting, composition, powers, and principal subject matter (see, for example, Marchington, 1980; Cressey et al. 1985; Davis and Lansbury, 1989). Discussions here tend to centre around the commitment of management to the consultative process, and their preparedness to communicate information in advance of the JCC, to allow for pre-meetings of representatives, to hold meetings at regular and pre-arranged times, to deal with high level issues rather than more parochial matters, and to show a genuine interest in consulting with and listening to employees and their representatives. Some JCCs have been characterised as marginal to the organisation because they are held infrequently, chaired by low status managers, and survive on a diet of trivia. Others, conversely, are regarded both by managers and employees as more valuable because they are run in a participative manner and deal with issues which are important to the organisation or establishment as a whole.

Finally, researchers have tried to evaluate the *impact* of JCCs on the organisation, especially in terms of the contribution of consultative processes to productivity, quality and efficiency. Recent research from the USA (see for example, Cooke, 1989, and Cutcher-Gershenfeld, 1991) would seem to indicate that cooperative approaches (including consultation) are associated with improved levels of productivity and quality. Ongoing research in Australia by Green and Alexander (forthcoming) would also appear to support this proposition. Useful though these results are, it must be recalled that it is extremely difficult to establish any causal relationship between these variables; for

example, it is just as likely that efficient and productive organisations are more prone to introduce JCCs as it is that JCCs contribute to higher levels of productivity or quality. Other research has focussed on the relationship between consultation and trade union organisation, or between the operation of JCCs and the role of middle managers (see Marchington et al. 1991).

Having discussed briefly the literature on joint consultation, we can now turn to the data which is derived from secondary analysis of the AWIRS data set. This will be presented under the same headings as have been used for dealing with previous research; that is, extensiveness/growth, objectives/rationale, practice/operation, and impact.

## THE GROWTH OF JOINT CONSULTATION IN AUSTRALIA

A tiny bit of the AWIRS material on consultation has been published already in *Industrial Relations at Work*, and it is referred to in passing by Green (1991). Basically, this tells us that JCCs are present in just 14% of workplaces which employ 20 or more people, although these cover approximately one-third of the workforce. Formal consultation is relatively unusual in small workplaces - as would be expected given that this is a form of indirect employee involvement which operates via representatives as opposed to all staff - and much more common in larger workplaces; for example, nearly half the workplaces employing 500 or more have JCCs. They are also much more likely to be found in the public sector than the private (28% of workplaces compared with 9%), and in unionised establishments (just 5% of the JCCs were in non-union workplaces, although these comprised 20% of the comparable AWIRS data set). In addition, JCCs are more common in multi than in single-establishment organisations, and in certain industries; for example, they are more typical of workplaces in public administration, community services, and electricity, gas and water, and rather less prevalent in construction, recreation and other personal services, and wholesale and retail trade. In manufacturing, they are present in 14% of workplaces.

The presence of JCCs is also associated with "workplace types" (Callus et al. 1991, p157), and nearly half of all the workplaces in which consultative committees were found fell into the "active bargainer" category. In contrast, although they accounted for nearly two-thirds of the sample, just 20% of the JCCs which were analysed could be located in the "unstructured" workplaces (that is, the informal and unstructured inactives). Not too

much should be made of this finding however, given that one of the factors which was used in constructing the management structure dimension was the presence of a JCC or quality circle which met more than four times per year (Callus et al. 1991, p154).

Although only 14% of workplaces have got JCCs, Employee Relations Managers indicated that a large proportion of these were introduced between 1984/5 and the date of the survey (1989/90). Depending upon the question which is asked, this varies from 48% to 72%, but either way, it shows a sizeable increase since the even lower level of coverage found in the mid 1980s. This massive birth rate does not appear to be associated with a comparable death rate for JCCs according to the respondents, and only 10% of workplaces currently without a JCC previously operated one. Even allowing for the observation that births of these schemes tend to be recalled rather more easily than their deaths (MacInnes, 1985), there is little doubt that the existence of formal consultation appears to have grown over this period. As well as noting the recent growth of joint consultation, it also needs to be mentioned that 13% of the schemes were introduced prior to 1980.

There are some minor differences between workplaces - for example, a slightly greater proportion of the private sector schemes were introduced in the two years before the survey than was the case for the public sector [48%:40%], but this probably reflects the greater prior coverage of JCCs in the latter. An interesting observation is that unionised workplaces are associated with newer rather than older schemes (44% in the last two years compared with 29% for non-union workplaces), and this is even more marked for single union than multi-union workplaces. Moreover, workplaces with higher levels of union density have an even greater likelihood that a scheme will have been introduced after 1987/88; for example, over half of the schemes in highly unionised workplaces (density at 75% plus) appeared in the last two years compared with about a third in workplaces with lower levels of unionisation. This would tend to coincide with the view that trade unions have taken a more positive stance towards participation and consultation over the last few years.

There are also some differences between industries here as well, with the longer-established schemes appearing in the wholesale and retail trade, and in community services. Indeed, the latter accounted for over 40% of all the JCCs investigated in the AWIRS survey, and the vast majority of these were located in the education sector. The industries with higher growth rates in recent years are manufacturing, transport and

storage, and electricity gas and water; in the final category, over 75% of the JCCs have been introduced in the last two years according to management respondents. For the public sector bodies, this may well have been stimulated by continuing encouragement from federal level, whilst for the manufacturing companies pressures for decentralisation would appear to have exerted a more likely push for change.

It is also useful to compare the extent to which joint consultation operates in tandem with other forms of employee involvement. The data from AWIRS for this is contained in Table 1.

**TABLE 1**  
**WORKPLACE WITH BOTH JOINT CONSULTATION AND OTHER FORMS OF**  
**EMPLOYEE INVOLVEMENT**

JCC and ...	Percentage of workplaces
workplace newsletter	79
meetings between senior managers and employees	90
task forces, working parties	72
meetings between supervisors and employees	84
daily walk around by senior manager	79
quality circles	27
suggestion scheme	36
employee representative on board	21

Figures in this table have been weighted.

Unweighted N = 403  
Source: AWIRS 1991

As expected, formal joint consultation tends to operate alongside other forms of communication and involvement, especially those of a more direct, face-to-face variety, and those which are of a relatively dilute form. There appears to be relatively little overlap between JCCs and forms of employee involvement such as quality circles, and an alternative test illustrated that only a handful of workplaces (less than 5% of the total sample) operated both these at the same establishment; indeed, rather more operated either one or the other, or used JCCs in tandem with working parties and task forces. The 5-year growth data reveals similar patterns, and new JCCs appear to have been introduced alongside other more direct communications devices (such as regular briefings or management walkabouts) - perhaps with a small time lag between them.

## **MANAGEMENT OBJECTIVES FOR CONSULTATION**

What are the factors behind the growth of joint consultation, and who have been the initiators of schemes in different workplaces? Employee relations managers were asked to choose from a list of ten which they felt were the most important objectives of the JCC in their workplace so far as management was concerned; respondents were allowed to choose more than one answer. For the purposes of this analysis, the ten have been combined into four categories of answer. These are (1) *increased communications*, (2) *improved performance*, which includes improvements in efficiency, quality and service, (3) *reduced levels of conflict*, incorporating reduced levels of disputation, easing the process of change, and the implementation of new technology, and (4) *increased employee satisfaction*, including reductions in labour turnover and absenteeism, and higher job satisfaction. The results are outlined in table two -

**TABLE 2**  
**MANAGEMENT OBJECTIVES FOR JOINT CONSULTATION**

<b>Category</b>	<b>% of workplaces</b>
Increase Communications	66
Improve Performance	48
Reduce Levels of Conflict	42
Increase Employee Satisfaction	30

Figures in this table have been weighted.

Unweighted N = 402

*Source: AWIRS 1991*

These results would tie in with previous research in that improved communications is seen as a key component of the JCC process. However, there are potential problems here in that communications blockages often prevent information being passed on from JCC representatives to other employees. The idea that JCCs can assist performance and reduce levels of conflict has a stronger appeal in that change may be introduced more easily if this is first discussed at/exposed to a JCC, and this may have an impact on levels of productivity, disputes etc. As suggested in Section 3, it is hard to see how the operation of a JCC could lead to greater employee satisfaction, except perhaps for those involved on the committee.

There are some differences between workplaces again, although there are no associations between performance or satisfaction and other variables. The largest differences are concerned with the idea that joint consultation may reduce the level of conflict at the workplace or improve communications, and this is especially apparent in relation to the "union" variables. See Table 3 for two of the more interesting correlations.

TABLE 3

## UNION INFLUENCE AND MANAGEMENT OBJECTIVES FOR JCCs

<i>Union member required to sit on the JCC<sup>a</sup></i>	% of workplaces reporting Management desire to reduce levels of conflict and ease the process of change
No	33
Yes	54
<i>Union density<sup>b</sup></i>	
None	29
<50%	35
50-<75%	42
75+%	48

Figures in this table have been weighted

a) Unweighted N = 386

b) Unweighted N = 350

Source: AWIRS 1991

This supports the idea that JCCs may be used as a safety valve in unionised workplaces, a forum where management can discuss issues with union representatives as an alternative to the latter pursuing industrial action in order to meet their objectives. There are some differences between industries which also support the safety valve thesis; employee relations management respondents in mining, construction, and transport and storage all cited reductions in conflict and improved communications as key objectives for the schemes in their workplaces.

The process by which the JCCs were introduced can also be derived from the data, by examining responses by both employee relations managers and union delegates (where appropriate) to a further question in the survey. Respondents were required to choose

one from a list of options about the principal reason for the setting up of the JCC; these can be categorised into four groups, and the results are outlined in the table below.

**TABLE 4**  
**REASONS FOR INTRODUCING THE JCC**

MAJOR REASON	% of responses	
	managers <sup>a</sup>	union delegates <sup>b</sup>
government policy	26	23
management beyond the workplace	21	16
initiative of local management	31	25
response to unions/employees	22	35

a) Unweighted N = 159

b) Percentages sum to 99% due to rounding, unweighted N = 220

1. 'Other' responses have been excluded

2. Unweighted N = 400

Source: AWIRS 1991

Not surprisingly, each group believes that they themselves played the major part in instigating the JCC at their own workplace; apart from this, it is interesting that union delegates and employee relations managers provide roughly similar assessments of pressure from beyond the workplace - either from government or more senior management. It is hard to believe that workplace managers have so much autonomy for introducing consultative committees (or any other technique for that matter), even more so because schemes tended to be more prevalent in both the public sector and in multi-establishment workplaces. It seems more likely that respondents are here referring to their role in setting up the JCC at local level by *implementing* some national or corporate-wide initiative, as opposed to the grand conception of consultation.

There also appears to be some association between the incentive for introducing a JCC and the existence/absence of an occupational health and safety (OH&S) committee. If there is no OH&S Committee, the introduction of the JCC is more likely to have been a local initiative, especially (according to managers) by management. In this case, it would appear that JCCs "fill in the gaps" left by the absence of other formal committees, a phenomenon whereby joint consultation and other existing forms of employee involvement change shape in order to promote key issues in the workplace.

## **THE PRACTICE OF JOINT CONSULTATION**

In this section, three aspects of joint consultation are examined; the frequency of meetings, the composition of JCCs, and the subject matter of consultation. Here, all the responses are drawn from the employee relations managers. The number of meetings held in the year leading up to the survey date varied dramatically from nil (even though the manager claimed that a JCC was present) through to 98 for one workplace! In the case of the latter, it can probably be assumed that her/his conception of joint consultation was somewhat different from that traditionally defined as a formal meeting. The vast majority of responses (83%) were in the range from 2 to 26 meetings per annum, and quite a number were bunched around the fairly typical periods of quarterly (11%), bi-monthly (9%), monthly (20%).

In order to test whether or not there were any associations with other variables, the sample was divided between those committees which met less than four times per annum, 5-9 times, 10-15 times, and 16 or more times per year. There were very few differences between the first two categories (0-4 and 5-9) or between the last two (10-15 and 16+), so this was recategorised as meeting nine times or less in the previous year and those which met ten times or more. This was then compared with a number of other variables, and it was found that meetings were held on a more frequent basis in smaller workplaces (100-), and in larger and single establishment organisations. The most interesting correlations were with the "union" variables again, whereby it appears that the more lowly-unionised workplaces reported more frequent consultative committee meetings, as Table 5 shows.

TABLE 5

## FREQUENCY OF UNION PRESENCE AND JOINT CONSULTATION

Number of meetings in last year	Union Density <sup>a</sup>		
	<25%	25 - <75%	>75%
	% of workplaces		
nine or less	25	35	52
ten or more	75	65	48

All figures have been weighted

a) Unweighted N = 333

Source: AWIRS 1991

The fact that managers reported more frequent meetings in small and lowly unionised workplaces would suggest that JCCs may take quite a different form here than in the larger and more densely unionised establishments. In the latter, the consultative process is more likely to be formalised, taking place at regular intervals, possibly in conjunction with the bargaining machinery (especially in the "active bargainer" category). In the former, the process would tend to be more informal and ad hoc, taking place as and when the parties (but typically management) deem it necessary.

The industry with the most common meetings was community services, and nearly half the workplaces here reported JCCs occurring more than 16 times per annum. The industries with the least frequent meetings were electricity, gas and water, and public administration. It should be noted, however, that just because meetings are held more frequently, it should not be assumed that these JCCs are therefore more effective; previous research by the author would suggest that monthly or bi-monthly meetings with a well structured and pre-circulated agenda are often much more meaningful than more frequent discussions of a general nature.

Two questions were asked about the composition of JCCs, the first of which related to the mix of managers and non-managers at the meetings. Aside from the fact that a majority of both delegates and managers felt that there were more non-managers than managers

on the JCC, little else of significance emerged. The two sets of answers were highly consistent.

The second question was "is it required that at least some employee representatives on the committee must be union members?" Given that 79% of workplaces with JCCs also had delegates, and over half the sample also had significant workplace bargaining (Callus et al. 1991, p126), this is an interesting avenue to explore. One potential problem with the question though is that we are unable to determine whether a 'yes' answer allows us to assume that these were in fact union delegates; there could be large differences in intent and outcomes if the requirement was for union delegates as opposed to union members, and this could have implications for the "by-passing" of formal union structures in a unionised workplace. On the other hand, given the proportion of unionised workplaces which did not have any delegates, this may be impossible for unions to police. For the unionised JCCs, there was approximately an equal split between those workplaces where union membership was required for at least some representatives and those where it was not (51:49). The delegates felt that the figure was slightly higher, and just over 60% claimed that a union presence was required on JCCs.

There were some differences between workplaces as might be expected. Union members were more likely to be required on JCCs at large workplaces, where union density was high, and in public sector and multi-establishment organisations. There was also an association with workplace type, with the more active workplaces being able to insist that a union presence should be on the committee. Furthermore, at workplaces where the employee relations manager spent a great deal of her/his time on negotiating (as opposed to other personnel tasks such as induction or training, for example), there was a much greater likelihood that a union membership requirement would exist. This is all pretty much as expected. The two most significant differences related to workplace size and public/private sector, and these results are shown in Table 6.

**TABLE 6**  
**UNION REQUIREMENT ON JCC MEMBERSHIP**

Union member Requirement	Number of employees at Workplace					Sector	
	20-49 (% of Workplaces)	50-99	100-199	200-499	500+	Public (% of Workplaces)	Private
Yes	46	38	51	66	75	61	36
No	54	62	49	34	25	39	64

Unweighted N = 386

Source: AWIRS 1991

The industries with the greatest union control over the composition of the JCC were mining, construction, communication, public administration, and transport and storage. In contrast, in the wholesale and retail trade, financial and business services, and recreation and personal services, only one-quarter of workplaces had a requirement for union membership of the JCC. This would seem to suggest that unions are able to maintain some degree of control over representation in workplaces where traditionally they have been strong. At the same time, it must be recalled that one aspect of Terry's (1983) view that JCCs are being used to compete with negotiating procedures is that this will only work with *continued shop steward representation* on the consultative committees. Union delegates need to remain on the JCC, according to Terry, because this will mean that they are constantly exposed to managerial assessments of the business situation, and that ultimately they will be convinced by management "logic" here. The quantitative data is not conclusive on this matter because it is not designed to capture the intricacies or subtleties of workplace industrial relations; this is only really possible via case study work. However, as we shall see below in Section 7, delegates were extremely satisfied with the operation of JCCs at their places of work, and this - coupled with the climate in which consultation is being introduced - would appear to lend support to the view that JCCs are acting as adjuncts to (rather than competitors with) workplace negotiations (see also Callus et al. 1991, p126).

Finally, in this section, we can examine the data on the major subjects which were considered at the JCCs. There are methodological problems here, so some caution needs to be exercised with the results. Interviewers wrote down the exact answer given by the respondent (Manager responsible for Employee Relations), and this was then coded at a later date. Altogether, nine different categories of answer were produced, including two rather catch-all codes of "general issues" and "other". Unfortunately, these two categories accounted for nearly half of the responses (9.4% and 40.1% respectively), and it is difficult to determine what subjects were discussed under these heads; I suppose that it shows up one problem of using professional survey interviewers rather than industrial relations specialists at the data collection stage of research, as noted by Morris and Wood (1991) with regard to the second British WIRS.

In addition, it is hard to establish the degree of involvement of JCC members in the subjects which were "dealt with", and determine whether they were any more than information-passing exercises by management - possibly after decisions had been made - or whether there was some representative influence or control over these issues. Furthermore, given the categories of answer which were coded, it is not possible to tell whether the subjects dealt with were of a strategic, operational, task or even trivial nature. For example, the subject of working conditions could encompass strategic issues concerning work reorganisation schemes or gripes about the quality of the canteen tea or the car park, whereas performance/quality could include reports on the number of foreign objects found in a chemical plant or the introduction of a new TQM scheme. We can get some idea from delegates about this, in terms of their assessment of the quality of information received, and their evaluations of the best and worst aspects of consultation at the workplace; we shall return to this in a later section, but broadly delegates were pretty positive about the operation of JCCs at their place of work.

Notwithstanding these drawbacks, the remaining answers have been classified into four groups: *Working Conditions*, including health and safety, *Personnel-related*, which includes staffing issues, training, and communications, *Performance and Quality*, and *Award Restructuring*. These account for 38%, 24%, 24%, and 14% respectively.

There are some differences between workplaces, once again in relation to size of workplace, and the union variables. Performance/quality, and to a lesser extent personnel-related issues, are more likely to be dealt with in smaller workplaces than in

large, whereas award restructuring is much more common in the latter (those employing more than 200 people). There also appear to be associations between the "union" variables and the principal subjects which are discussed at joint consultative committees. For example, performance and quality issues are the more typical diet of JCCs in lowly-unionised workplaces, in those where unions were regarded as "inactive" and there was no bargaining at workplace level, and for those JCCs where there was no requirement that representatives should be chosen from amongst the union membership. Conversely, the more organised workplaces (those where union membership was high, there was significant local bargaining, and union members were a required component of the JCC) tended to focus more on issues concerning working conditions, health and safety, and award restructuring. Table 7 contains the results for the association between subject matter and union variables.

TABLE 7

## UNION ORGANISATION AND THE SUBJECT MATTER OF JCCs

	Working Conditions	Personnel Issues	Performance and Quality	Award Restructuring
	(% of Workplaces)			
<b>Union density<sup>a</sup></b>				
<50%	(33)	(13)	(42)	(12)
50-<75%	41	29	27	3
>75+%	39	20	18	23
<b>Union activity<sup>bc</sup></b>				
active	41	27	13	20
inactive	34	22	38	7
<b>Union member requirement<sup>c</sup></b>				
Yes	42	28	13	17
No	33	19	38	10

All figures in table are weighted

a) Unweighted N = up to 171

b) Unweighted N = 198

c) Percentages do not sum to 100 due to rounding, unweighted N = 192

Source: AWIRS 1991

It is rather more difficult to analyse these answers with reference to the "industry" variable given the amount of data which was not specifically coded as an identifiable response. This means that the typical cell size is sometimes extremely small, so considerable caution needs to be exercised in drawing conclusions from these results. However, by restricting analysis to those industries which made up a sizeable proportion of the sample, some associations do appear to emerge; in particular, award restructuring was

identified as the principal subject for almost half of the manufacturing and electricity, gas and water workplaces, while it was rarely considered in most of the remainder. Conversely, working conditions was far and away the most important subject (according to the employee relations manager respondents) in workplaces from wholesale and retail, public administration, and transport and storage. Performance/quality was named as the key subject by two-thirds of the community service respondents.

## THE IMPACT OF JOINT CONSULTATION

In this final section, we move on to analyse the impact of joint consultation on management and union delegates, and assess their reactions to the operation and influence of JCCs at their place of work. In both cases, the perception of joint consultation was highly favourable, and this is somewhat at odds with some of the previous research - especially that which uses case study methods - which suggests that consultation is often regarded as a waste of time (see, for example, Davis and Lansbury, 1989, p62). Employee Relations managers were asked to indicate the improvements which had come about due to the JCC under five predetermined headings. The results are outlined in Table 8.

TABLE 8

### THE IMPACT OF JOINT CONSULTATION ON THE WORKPLACE (%)

<i>The JCC has led to improvements in -</i>	<b>% of Workplaces reporting improvements</b>
productivity or efficiency	70
the process of introducing change	81
management-employee relations	90
levels of labour turnover	19
product or service quality	63

All figures in this table are weighted

Unweighted N = 402  
Source: AWIRS 1991

Although it is impossible to evaluate the criteria which managers used when answering this question, the results are highly positive in nearly all the cases. The management respondents are especially positive about the impact of JCCs on the procedural elements of industrial relations (ie interactions), but rather less so about the substantive contributions of consultation to productivity and quality. It is difficult to imagine how consultation might lead to reductions in labour turnover in any event, so this more negative result is not unsurprising. Overall, these evaluations are considerably more positive than the oft-held view (certainly in Britain) that JCCs contribute little to organisational effectiveness or good industrial relations.

In addition to suggesting that consultation had made a positive impact on their workplaces in the majority of cases, the employee relations managers also reported few adverse effects from consultation; 86% said that there had been no adverse effects at all. For example, just 3% felt that consultation was a waste of time and less than 1% felt that it had slowed the process of change. In other words, the employee relations managers who had experience of a JCC appeared to be highly satisfied with its operation and impact on the workplace. Of course, there may be some sort of "halo" effect at work here, in particular if the managers who answered the questionnaire had also introduced the JCC. However, this effect is likely to be limited, especially in multi-establishment organisations in both the public and private sectors. Moreover, even if we accept at face value the answers contained in Table 4 above (about the key role of workplace managers in implementing JCCs), the fact that so few could identify *any* shortcomings at all with JCCs means that they are viewed in a favourable light.

Once again, there were some differences across the sample, in particular with regard to the "union" variables. In this instance, more positive evaluations came from employee relations managers whose JCCs were less subject to union influence and control, although this did not apply to all the different measures of unionism, nor was it consistent across each of the various areas of perceived improvement. It was more marked for the impact of JCCs on productivity/efficiency and quality, and the most positive evaluations were found in workplaces which were non-union or, if unionised, had "inactive" unions or no requirement that a union member should sit on the JCC. It is also of interest that the least positive assessments came from the employee relations managers in single union (as opposed to multi-union) workplaces. However, it needs to be recalled that, despite holding less favourable views in the workplaces where unions had a greater presence, there remained in every case a majority of management respondents who were

favourable about the JCC; [for example, over half the employee relations managers in workplaces where a union presence was required on the JCC still felt that there had been improvements in quality due to consultation].

The industry variable also proved to be interesting, and evaluations of the improvements due to the JCC varied across the sample. Managers were rather more positive than the average in transport and storage, communications, and recreation and personal services, and rather less positive (in some cases, slightly less than 50% felt that the JCC had led to improvements) in mining, and electricity, gas and water. At the same time, in both these industries, very few managers reported any adverse effects from consultation; in the mining subset, none of the respondents suggested any negative effects! Perhaps, in these cases, the JCCs are contributing few benefits or drawbacks, and are of little importance to the workplace. The industry where managers reported the most adverse effects was community services, but even here less than a quarter of the respondents could identify any drawbacks to consultation.

An alternative way of evaluating the impact of JCCs on the workplace is to ask similar questions of union delegates, and typically we would expect to find more critical evaluations from this group of respondents. In fact, although they were a little less enamoured than management, the delegates were still highly positive about the impact of the JCC and its operation. Firstly, delegates were asked to assess the quality of information supplied by management at the consultative committee on a six-point scale which ranged from "very poor" to "very good". Over three-quarters of the delegates rated this on the top half of the scale, and 57% felt that it was "good" or "very good". Less than 2% indicated that the information was "very poor". The most positive assessments came from those delegates in workplaces where schemes had a longer lifespan (more than 5 years), where the JCC had met on a more frequent basis over the course of the last year, and where the (perceived) initiative for the scheme had been internal - rather than external - to the workplace. As might be expected, the delegates were particularly satisfied with the quality of information received if they had played a part in the implementation of the JCC. The principal subject matter discussed at the meetings also appeared to have an effect on delegates' ratings of the quality of information supplied by management, and the more positive endorsements were achieved if the subject matter was performance/quality and, to a lesser extent, award restructuring. Delegates were particularly negative if the major content of JCCs was working conditions. There were also some variations between industrial sectors here as well; the most positive

evaluations of the quality of information supplied by management at the JCC came from delegates in mining, wholesale/retail, communication, and financial and business services - although it should be borne in mind that this is based upon a small number of responses to this particular question. Information was rated rather less well in public administration, recreation and personal services, and transport and storage. Interestingly enough, in the case of mining and recreation, this was in direct contrast with delegates' assessments of the state of employee-management relations!

Secondly, the delegates were asked to indicate, in an open-ended question which was post-coded by the researchers, the advantages and disadvantages to their members of the JCC machinery at their place of work. The results for this are show in Table 9.

**TABLE 9**  
**DELEGATES VIEWS ON THE ADVANTAGES AND DISADVANTAGES OF**  
**CONSULTATION TO MEMBERS**

(% of Workplace delegates)

<i>Advantages</i> <sup>ac</sup>		<i>Disadvantages</i> <sup>b</sup>	
None	9	None	64
Better information	21	Time involved	12
Better communications	22	Effort and research	2
Solves problems	7	Other	23
Input into decision- making	22		
Improves health and safety	4		
Greater efficiency	3		
Other	14		

a) Unweighted N = 285

b) Unweighted N = 242

c) Percentages do not sum to 100 due to rounding

Source: AWIRS 1991

A number of features can be highlighted from this table. First, nearly two-thirds of the respondents could find no disadvantages to their members from the scheme which operated at their place of work, and of those that did indicate problems this mostly centred on the time and effort involved in sitting on the JCC; there were no identifiable reasons put forward which could be seen as disadvantages to the **membership**.

Second, only a small proportion (10%) of the delegates were unable to suggest any positive advantages which they felt had accrued from the JCCs. For those who did suggest advantages, most of these were concerned with procedural as opposed to substantive benefits; that is, their positive evaluations used terms such as better information and communication, input into decision-making, and problem-solving. Very few referred to issues concerned with efficiency or health and safety. Although these followed a similar line to that proposed by the employee relations managers, it was much more marked for the delegates. In short, as with the management respondents, union delegates were highly positive about the operation of the JCC machinery at their place of work.

Again, there were some differences between workplaces. In contrast to the previous section, the younger the JCC scheme the less likely were delegates to cite disadvantages, perhaps illustrating some "honeymoon" effect for new committees. Similarly, and again in contrast to the previous findings relating to quality of information, delegates were more likely to see disadvantages to their schemes the more frequently that the JCC met.

## **CONCLUSION**

The purpose of this paper has been to present some preliminary analysis of the AWIRS data on consultation, and suggest a number of areas which are worthy of further research and investigation. Several features are worthy of re-emphasis. First, the proportion of workplaces with formal joint consultation grew considerably - albeit from a low base - during the latter part of the 1980s, and they are now present in about half of all workplaces which employ more than 500 people. In addition, JCCs now cover about one-third of the Australian workforce. It is questionable how much further the coverage could extend given the large number of small workplaces here because, no matter what the political climate or the encouragements provided for the establishment of JCCs, they are rarely likely to be formed in these sorts of employment unit.

Second, the parties to consultative committees appear to be highly satisfied with their operation, and very few of them (either delegates or managers) could identify any problems with the JCC in their workplace. This seems to be in contrast to the commonly-perceived view of JCCs as a "waste of time" or the more negative assessments which

have emerged from case study research. Perhaps this difference has something to do with methodology; two explanations can be offered. (1) respondents may be more likely to answer in a positive manner to one-off questionnaire surveys than they are to sustained observations or repeat interviews during which a climate of trust and openness can build up between researchers and respondents. (2) the JCCs which were the subject of investigation by the AWIRS team may be located in the more "progressive" organisations, given their low coverage in the sample. At the same time, of course, some of the JCCs were within industries which have a history of industrial action.

Third, the above correlations show that one of the major sources of variation in the sample was due to the "union" factors - union presence or absence, levels of union density, and whether or not it was a requirement that union members be present on the JCC. It could be suggested that two rather different types of JCC exist in Australian workplaces. First is the non-union or low union influence variant, although there are very few non-union JCCs according to the AWIRS data. These would tend to be located in small workplaces, would meet frequently (though not necessarily at regular time intervals), and would be largely informal in nature. If there are unions present in the workplace, it would not be a requirement that union delegates or representatives actually sit on the JCC. The committees are most likely to have been set up at the initiative of management, either at or beyond the workplace, and the subjects which are discussed focus more on issues concerning performance and quality than working conditions or award restructuring. This sort of JCC is most likely to be found in the private service sector. The second variant is almost totally different; these JCCs are likely to be found in larger workplaces, would meet less frequently but nonetheless at regular (and possibly adhered-to) time intervals), and their mode of operation would tend to be much more formalised and structured. This kind of JCC is typical of workplaces where unions are well organised and it would be a condition that delegates sit on the committee. The JCC could well have been initiated by joint actions on the part of management and unions, most probably at local level, and joint ownership would remain an important part of its philosophy. It is less likely that these committees would discuss performance and quality - although these may well be on the agenda for the purpose of passing information to delegates - and they are more likely to be concerned with award restructuring and easing the process of change; the so-called "safety valve" committees. These kinds of JCC will be more common in manufacturing and some public sector organisations.

Of course, there may be other variants of committee, but the data available from AWIRS does not allow us to discern this; for example, some of the committees may be marginal to any activity in the workplace, surviving on a diet of trivia, but it is not possible from the questions asked to detect whether or not this is happening. Equally, some of the second category outlined above may be being used by management to undermine trade unions by the back door, but this hardly likely to be admitted during the course of a questionnaire. It is suggested that case study research may be used to investigate this in more detail, along the lines of that undertaken in Britain by Cressey et al. (1985) or Marchington (1989).

Irrespective of this, the data which has been analysed here does suggest that joint consultation may have something to offer the parties at work. The level of recorded satisfaction by both delegates and managers is exceptionally high, and since it is derived from studies of organisations which already operate a JCC structure this is an important finding. Tied in with the fact that the Federal government has recently been trying to stimulate interest in consultation, the likelihood is that JCCs will become more extensive during the next few years especially if the move to enterprise bargaining gathers pace.

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