



## AUSTRALIAN CHAMBER OF COMMERCE AND INDUSTRY

**Opinion Piece by Peter Hendy, Chief Executive – The Daily Telegraph – 18 March 2004**

### **The Debate**

#### **Should Unions be able to Charge Non-Unionists a Fee for Negotiating Wage Increases?**

Yes.

BERNIE RIORDAN, Secretary, Electrical Trades Union, NSW Branch

Over the past few years Australians have been told that they must live in a user-pays society. The introduction of the GST or membership of private health insurance all revolve around this concept.

Why then should the trade union movement not adopt a similar position? If non-unionists receive increases in wages or better working conditions as a result of union-negotiated awards or agreements, why should they be exempt from contributing towards the cost of those negotiated outcomes?

The Australian Bureau of Statistics recently confirmed that union-negotiated outcomes were superior. In recent times, the Electrical Trades Union has on average delivered 5 percent per annum increases just in wages, with most outcomes over two years bringing a 20 to 25 percent increase in both wages and conditions.

This is not a push towards compulsory unionism, far from it. We do not want people who do not believe in unions to be forced to join, we simply expect them to pay for the rewards they reap because of our collective power and professional negotiating capacity.

PETER HENDY, Chief Executive, Australian Chamber of Commerce and Industry

Eighty-two percent of workers in the private sector are not members of a trade union.

Demanding the right to impose a compulsory \$350 annual bargaining fee on non-union employees suggests that some unions want a lazy way out of their membership decline.

Compulsory bargaining service fees are compulsory unionism by the back door. Non-union employees do not want a union to put its hand into their wallets for services the employees neither sought nor could influence.

It is no answer for unions to say that they are delivering a bargaining service and that free-loaders should pay. The truth is that the unions involved in bargaining are using their legally



privileged position to compel employers to bargain with the union with little say for non-union workers.

Unionism's future lies in unions offering a relevant service to a better skilled and educated workforce which is increasingly reluctant to be organized by anyone's ideology.

Laws propping up union membership by giving unions special powers in the workplace make the disconnection between workers and unions greater.