

Work and Employment Policy and Practice: Lessons from a Failed State

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Introduction

Any American coming to Australia to give a lecture on trends in employment relations should perhaps be stopped at the border and quarantined for fear of infecting yet another country with the American virus. After all America is still in an early and very fragile stage of recovering from the greatest economic crisis since the Great Depression of the 1930s. The 2007-2009 so-called 'Great Recession' was preceded by a 30 year period of stagnating wages, rising income inequality, increasing personal and family work hours, declining union membership and an ongoing impasse over labour law. Then, to top off these private sector travails, attacks on collective bargaining are now spreading across States from Wisconsin to Indiana, Ohio, and at last count approximately 37 States in total.

The question therefore is what can Australia learn from this dismal record, especially when just a year ago, a delegation of Americans visiting Australia to attend the 14th World Congress of the International Labour and Employment Relations Association noted that we had more to learn from labour policy innovations underway in your country than vice versa! I believe there are lessons, largely in the form of cautionary tales, about what could happen if the innovative potential envisioned in the *Fair Work Act 2009* (Cth) fails to be realised. In what follows I shall discuss the recent trends in United States work and employment relations with an eye to their implications for the opportunities before you.

The most visible problem

America faces a two-dimensional employment crisis and a political stalemate over what to do about it. One dimension is quantitative: high rates of

* Portions of this chapter are drawn from Kochan and Ryan, 2011.

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For labour unions, the changed policy environment is a golden opportunity to reach out to young workers and parents in new ways and to mobilise the workforce around a vision and strategy for the education, knowledge, skills and motivation present in the modern workforce to drive economic and productivity growth and then to insist that the gains achieved are broadly shared. If labour fails to offer a new vision and strategy, even labour law reforms that offer greater opportunities for workers to choose whether or not to be represented will not result in significant or sustained growth in union membership, power or status in society.

The major message of this chapter, then, is to keep at it. Without the beacon of light we see coming from downunder, the hope for a transformation in America's labour and employment system would be even dimmer than ever.

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