

Slight membership increase hailed by Australian unions to cover plummeting real wages

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The proportion of Australian workers who are trade union members increased slightly over the past two years, according to figures released last week by the Australian Bureau of Statistics (ABS). This is the first recorded increase in the rate of union membership since 2011.

Despite the small uptick, union density remains at historically low levels. About 1.6 million employees, 13.1 percent of the total workforce, were union members in August, up from 12.5 percent in August 2022. In 1992, 40 percent of workers in Australia were trade union members.

This protracted decline has taken place as the unions have completely transformed themselves into the direct enforcers of wage suppression and the slashing of working conditions, in line with the demands of the corporate and financial elite.

More detailed figures, obtained from the ABS by the *Australian Financial Review*, reveal a stark distinction between union membership rates in the private and public sectors. Just 7.9 percent of private-sector employees are union members, down from 8.3 percent in 2022, a real decline of 15,600 workers.

The figures show that, for the first time, the majority of union members, 823,000, are employed in the public sector, compared with 756,600 in the private sector.

But while the number of union members in the public sector increased, the rate of membership also declined, from 33.6 percent to 32.2 percent.

Thus the small overall rise in union membership was largely the product of a greater increase in the number of jobs in the public sector, especially in areas like health and education with relatively high union density, than in the private sector.

A closer examination of the published ABS figures further indicates that the uptick results from this change in the composition of the workforce, rather than a substantial reversal of the decades-long decline in support for the trade union bureaucracies.

In most industries listed by the ABS, trade union

membership is lower than in 2022. This includes “education and training,” which still has the highest rate, despite falling from 30.1 percent to 27.2 percent. Union density among “Electricity, gas, water and waste services” workers dropped from 21.6 percent to 20.2 percent, while in the mining industry, membership fell from 10.2 percent to 9.5 percent.

Even in those few areas where union membership increased this year, the rise did not come close to arresting the decline over the past decade. Compared with 2014, the only industry in which union density has not fallen was “rental, hiring and real estate services,” where it rose slightly from 3.1 percent to 3.6 percent.

The most notable rise in union membership was in the “health care and social assistance” industry, up from 20.2 percent to 23 percent, nearing the 23.5 percent recorded in 2016.

This likely reflects the striving of health and care workers to fight the dire wages and conditions they confront. In recent years, nurses, midwives and other health workers around the country have engaged in major struggles, involving multiple mass strikes against real wage cuts, chronic understaffing and a health system that is in a permanent state of catastrophe, exacerbated by the COVID pandemic and the pro-business “let-it-rip” policies embraced by governments everywhere.

The sector in fact provides an object lesson in the political dead-end represented by the trade unions. Despite the influx of determined workers to their membership ranks, the health unions have systematically undermined workers’ struggles, blocking their demands for real wage increases and improved conditions and cutting them off from the broader working class.

Australian Council of Trade Unions (ACTU) secretary Sally McManus credited the slight membership rise to the federal Labor government’s industrial relations legislation. The expansion of multi-employer enterprise bargaining increased the reach of the unions into low-paid areas like

early childhood education and aged care, but the main purpose of the laws was to strengthen the anti-strike powers of the industrial courts.

The reality is that Labor, with the full-throated backing of the ACTU, has proven itself to be intensely hostile to the strivings of the working class.

The starkest example was the imposition of quasi-dictatorial administration on the Construction, Forestry and Maritime Employees Union (CFMEU), disenfranchising 80,000 building workers and effectively placing any attempt to fight for improved pay and conditions in the sector under the direct control of the capitalist state.

More recently, the New South Wales (NSW) Labor government launched multiple court proceedings aimed at shutting down industrial action on Sydney's railways, denouncing workers on an almost daily basis for "holding the city hostage." Despite their posturing, the Rail, Tram and Bus Union (RTBU) has offered repeated concessions and shut down the action voluntarily.

McManus claimed union membership was rising because "people understand that if you want pay rises and improved working conditions you need to join a union."

In fact, the unions have played an integral role in enforcing the austerity agenda of Labor governments at state and federal level. Together, they have presided over the largest fall in working-class living standards since the 1950s.

The effect of this collaboration can be seen in the massive real wage cuts throughout the public sector over the past four years. From September 2020 to September 2024, the official cost of living has risen 19.7 percent, while public sector wages have increased by just 11.8 percent, according to the ABS.

Despite having a quarter of the union density, private sector wage rises have exceeded those in the public sector in 10 out of the past 12 quarters, while still being far below the inflation rate.

For the past four quarters, both the wage price index (WPI) and average annualised wage increase (AAWI) contained in new enterprise agreements have exceeded the consumer price index. This "real wage growth" has been hailed in unison by the Labor government and the ACTU.

But not only are the wage increases of the past year far short of recouping the losses sustained in the previous four, they are already starting to fall. Both the AAWI (4.4 percent) and WPI (4.3 percent) peaked in the December 2023 quarter, falling to 3.6 percent and 3.5 percent respectively by the end of September.

This is because the trade union bureaucracies, having ensured that pay rises didn't come anywhere close to the official inflation rate when it soared to 7.8 percent in 2022, are now using the declining headline rate as a pretext to

impose deals that guarantee workers will never catch up.

Moreover, the official inflation figures do not measure the cost of paying a mortgage, which has increased by 155 percent, on average, since the Albanese government came to power in May 2022. Another ABS metric, which does take into account home loan interest rates, shows that the cost of living rose 4.7 percent for employee households in the year ending September, well above the average increase in wages.

Under these conditions, there is growing anger and opposition throughout the working class. The increase in union membership in some areas reflects that workers are looking for a way to fight back. But the experiences of recent years, and decades, demonstrates that workers cannot advance a fight for improved wages and conditions within the straitjacket imposed by the union leaderships.

The only way forward for workers is to form new organisations of their own, rank-and-file committees completely independent of the union apparatus. It is only through these committees that workers can develop a democratic discussion, formulate demands based on their actual needs, and prepare a plan to fight for them.

Defeating Labor's austerity agenda, which is increasingly being imposed with the aid of harsh attacks on basic workplace democratic rights, requires a political struggle. This is impossible within the framework of the corporatised unions, which are totally integrated into the Labor Party apparatus and its governments, as well as the capitalist state as a whole.

Workers all over the world confront a similar onslaught and face a similar line-up of forces. Through a network of rank-and-file committees, workers in Australia, including the more than 10 million who are not currently in a union, can link up across national borders in a unified struggle.

The fight for decent wages and conditions is inseparable from the struggle against capitalism and the subordination of every aspect of human life to the profit interests of the wealthy elite. Workers need to fight for an alternative—workers' governments to implement socialist policies, including placing the major corporations and banks, along with vital public infrastructure including schools and hospitals, under democratic workers' control and ownership.



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