

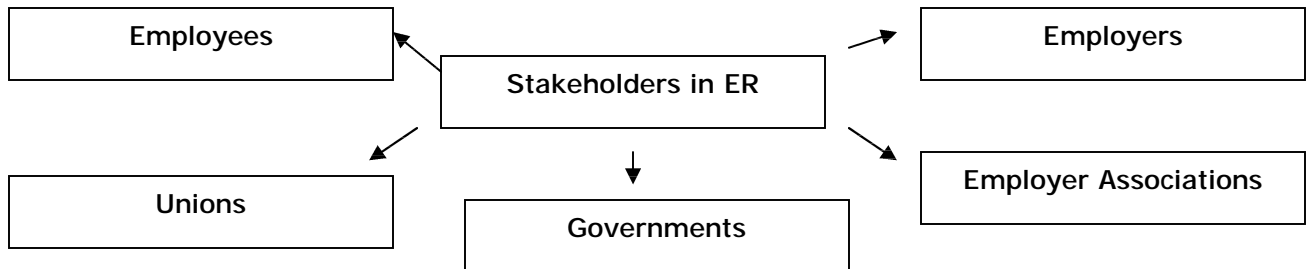
Topic 4 – Employment Relations

Unit 1 – The nature of employment relations

- **Employment Relations** is the function that deals with managing the total relationship between employers and employees of a business.
- **Industrial Relations** is the relationship between management and labour (one of the inputs of production).

Stakeholders in ER

- A **Stakeholder** is any individual or group who has a genuine interest in what a business does.



- People whom work within a business – Its personnel, human resources and employees.
- The Workplace Relations ACT 1998 covers workplace conditions and the obligations of employers.
- A **Joint Consultative meetings** involves meetings of management and employee representatives.
- Employees in **autonomous workgroups** are allowed to make a lot of their own decisions about various aspects of their work.
- **Enterprise Agreements** are agreements made between and employer and employee at a particular enterprise – a business workplace.
- **Employer Associations** are organisations that represent employers. Examples include the Australian Industry Group, the Business Council of Australia.
 - Assisting in matters such as:
 - § Employment contracts
 - § Changes in legislation
 - § Award conditions
- **Unions** are organisations that represent employees. During the 70's, unions focused on issues relating to employees wages. Today, they are more focused on a sustained increase in living standards of its members.
- The union representative in the workplace is known as the **shop steward**, acting as a contact between the union and its' members.
- The **Prices and Incomes Accord 83-96** was a process where the ACTU and the federal labour government, worked together on wages, prices and other policies.
- Characteristics of common union members include:
 - Found in workplaces with ≥ 20 employees.
 - Male, rather that female.
 - Aged over 30.

- The functions of the **Australian Industrial Relations Commission (AIRC)** include:
 - To prevent and settle industrial disputes.
 - Ensure a safety net of fair min. wages and conditions of employment is maintained.
 - To facilitate remuneration for work of equal value.
- **Arbitration**, in the industrial relations context, is the process that occurs when an industrial commissioner hears the arguments of both parties and come to a decision which is legally binding.
- **Remuneration** is a reward for work that has been done, commonly in the form of workers wages.
- The **Federal Court of Australia** has jurisdiction under the workplace Relations ACT including:
 - Applications concerning the interpretation of awards or certified agreements (CA's).
 - Penalties for breaches in the award.
- The functions of the **Office of the Employment Advocate** are:
 - To provide assistance and advice to employees and employers.
 - To approve Australian Workplace Agreements (AWA's).
 - To handle alleged breaches in AWA's.
- A **No-disadvantage test** may be applied by the EA to make sure employees will not be worse off if that accept the terms of an agreements with their employer.
- **Collective bargaining** is the process whereby a group of employees and their employer negotiate the terms and conditions of employment for their workplace.
- **Freedom of Association** is the right of employers and employees to choose to join an organisation or association of their choice, or not to.

Managing the ER function

- Basic ER activates include:
 - Planning and forecasting.
 - Analysing jobs a in the business.
 - Recruiting and selecting.
 - Maintaining employee performance.
- The roles of management of ER have developed over the years:
 - The File Maintenance Role.
 - § Early 20th century.
 - § Concern with screening applicants.
 - § Orientating new employees.
 - The Government Accountability Stage.
 - § Mid 60's – Late 70's
 - § Began with introduction of Anti discrimination legislation
 - § Business became concerned with legal implications.
 - The Competitive Advantage Stage.
 - § Later 70's to Today.
 - § ER seen as important part of overall strategy.
 - § Business see that its employees give it its' edge.
- A **Line manager** is a person in charge of other employees who together work on producing the goods and services that the business offers.

Quick Summary....

What is the nature of employment relations?

- Employment relations encompasses the areas of industrial relations and human resource management.

Stakeholders in the employment relations process

- Employers are a key stakeholder because the employment contract gives them considerable power over employees.
- Employees are essential to the production process. Their performance is influenced by employers, governments and other external factors.
- Employer associations were formed to represent employers in collective bargaining with employees and their unions.
- Unions were formed to combat the bargaining power that employers have under the employment contract. Like employer associations, unions are also registered organisations.
- Government organisations must operate within the powers specified by the Australian Constitution. The AIRC and the Office of the Employment Advocate are the major federal organisations.