

The state, industry policy and industrial relations in the Australian automotive industry, 1983 to 2002

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ABSTRACT

This paper compares the approaches of the Hawke/Keating Labor governments with the Howard Coalition government to industrial relations in the context of automotive industry policy in Australia. The Hawke and Keating governments were successful in restructuring the automotive sector. Between 1983 and 1996, the Labor government was indirectly able to initiate industrial relations reform through its industry policy. The Howard government between 1996 and 2002, by contrast, experienced both success and failure in its automotive restructuring agenda, and its objectives to pursue workplace reform were unsuccessful. Orthodox theories in industrial relations – those within the pluralist paradigm – do not contain the analytical depth to adequately explain the relationship between the state, automotive industry policy and industrial relations between 1983 and 2002. The reasons for the inapplicability of orthodox industrial relations theory to this case study is attributed to an inability to account for circumstances: in which policy spheres such as industry policy can impact upon industrial relations; where various components of the state apparatus can shape the formulation of policy; where states will not act in a neutral fashion or against the short-term interests of capital and labour in a particular industry; where capital and labour will unify against the state; and where the state is not able to implement its policy objectives. ‘State-centred’ theories from the disciplines of comparative politics and political economy are better able to account for the circumstances in which governments are more or less likely to achieve their policy objectives. Using an analytical framework developed from these theories, this paper argues that despite more favourable economic conditions, the Howard Government has been less successful than its predecessors in achieving its industrial relations policy objectives. Labor’s policy success was underpinned by a ‘bargained consensus’ approach, working closely with industry stakeholders in the formulation and implementation of policy. The success, or lack thereof, of the Labor and Coalition governments between 1983 and 2002 was also contingent upon the cohesion of the state apparatus. These findings highlight the ultimate conditionality of the state’s power in industrial relations.

