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Enterprise Bargaining, Working Time and Police

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Abstract

In this paper, we study the enterprise bargaining process in the Queensland Police Service and the consequences of resultant new payment arrangements. Although both management and the union were convinced that no one would be worse off under enterprise bargaining, views amongst the affected police were in fact more divided. Differences in attitudes to bargaining outcomes reflected several factors, in particular the differential impact of the agreements on relative wage outcomes. Where there was resentment of bargaining outcomes this increased disaffection with management, the job and the union. While money was the most important factor in shaping views on bargaining outcomes, process (in particular, perceived consultation) was also important.

1. Introduction

One of the common features of enterprise bargaining has been the negotiation of new arrangements for the payment of working time. While there has been substantial documentation of the form of arrangements arising from enterprise bargaining (DIR, 1994, 1995; DEWRSB, 2000; ACIRRT, 1998, 2000), less attention has been given to the bargaining processes involved in achieving changes in working time and the consequences of new arrangements for employees' perceptions about the process or its outcomes. Changes in the methods of remunerating differing working time arrangements may have differential effects on groups of employees, and these differential effects may then have implications for perceptions of relative welfare, attitudes to management and unions, the implementation of change and the conduct of future negotiations.

In the general literature on enterprise bargaining, two main relativity issues have arisen: vertical relativities between the different groups with different sources and degrees of bargaining power (e.g. Buchanan and Callus, 1993; Peetz, 1998); and horizontal relativities between male and female employees (e.g. Boreham *et al.*, 1996; Heiler, Arsovska and Hall, 1999; Reiman, 1999; Whitehouse and Arsovska, 2001). While these are arguably important issues, no studies have given serious consideration to the impact of bargaining on relativities *within* organizations, and the impact that changing relativities may have on attitudes to bargaining, management and unions. Several studies have described changes in working time arrangements, looked at their motivations and effects and made policy recommendations (e.g. Buchanan and Bearfield, 1997; Heiler, 1998; ACIRRT, 1998; Deery and Mahoney, 1994), often with a specific gender perspective (e.g. Charlesworth, 1997; Sayers 2000). However, these studies have not considered the impact on relativities arising from bargaining over changes in arrangements for the payment of working time. Overall, the literature provides little guidance on how differential rewards arising from changes to payment for working time are likely to be manifested and to affect employees' attitudes to unions and management. Our project looks at the enterprise bargaining process in an Australian state police service with a view to considering these issues.

We take as our focus of attention the Queensland Police Service (QPS), and as our means the case study method, but with an important feature: the use of an employee survey within the case study. Since 1993 there have been three completed enterprise bargaining agreements (EBAs) in the QPS. Various parties involved in the enterprise bargaining process in the QPS asserted it was a success and that no officer had been disadvantaged. However, it is not just absolute outcomes that matter – wage comparisons are also important (Brown and Sisson, 1975). Accordingly, this paper's findings suggest that there are a number of problems associated with enterprise bargaining over payment for working time in a large organisation where horizontal and vertical differences amongst groups have the potential to evoke strong feelings of relative deprivation – "the feeling of discontent based on a comparison of one's outcomes (usually financial) with the outcomes of another individual or group" (Martin, 1982, p. 112).

In this paper we study the effects of changing vertical (across levels) and horizontal (same level) wage relativities on attitudes to work, management, unions and future wage negotiations. We pay attention to differential vertical effects (effects in terms of perceptions of relative welfare, management, unions etc) and differential horizontal effects (the effects of change on officers on the same level within the police hierarchy). Thus, after a particular change (e.g. a new enterprise agreement) each person might be better off in absolute terms (e.g. each person receives some sort of benefit), but perceptions of inequity – of relative deprivation – may be created if the relative position of groups changes along either vertical or horizontal dimensions. These perceptions of inequity might be so strong that some people feel worse off as a result of an agreement that improves their absolute position but worsens their relative position.

2. Methodology

In pursuing the case study method, qualitative data from key personnel in the QPS Industrial Relations office and the Queensland Police Union of Employees (QPU) were obtained through interviews and two focus groups. The first consists of members of the Queensland Industrial Relations Department and the other of QPU office bearers. Individual telephone and face-to-face discussions were also held with union members from across the state. A survey was conducted of members of the QPU using a postal questionnaire. Questionnaires were sent out to 2200 members in July 1999 (one third of the union's membership). Recipients of these questionnaires were selected randomly from the QPU database. The nine regions of the state were evenly represented. A draft of the questionnaire was shown to Queensland police officers for consultation and pre-testing purposes and a specific area of the QPS was used as a pilot study. This area was excluded from the final selection process. Questions were taken from previous surveys (e.g. Morehead *et al.*, 1997; Peetz, 1998) or adapted or designed specifically for the project. Completed questionnaires were received from 907 respondents. Excluding 42 returned to us as 'not at this address', the overall response rate was 41 per cent. There was a slight under-representation of the lowest rank (Constable) but otherwise the sample is highly representative.¹ In the following section we consider police attitudes to enterprise bargaining in the context of the history of wage bargaining in the Queensland Police Service.

¹ The median age of our respondents is 35 years, very close to the median age of 34 years across the police force. One in six are female (the same proportion as in the QPS). The regional distribution of our sample is similar to that applying across the service.

3. Enterprise Bargaining Agreement 1 (EBA1): the Replacement of Penalty Rates

Prior to 1989, the QPS and the QPU had no formal procedures or avenues within which wage bargaining was conducted. Traditionally, the QPU had used its strong political connections and an often conducive economic, political and social environment to effect desirable wage outcomes and other benefits for its members. Visits to the Industrial Commission were uncommon but where the outcome was unfavourable, extended discussions with management and government personnel would often render the outcome more palatable for the QPU. The election of a State Labor government in 1989, following a Commission of Inquiry that had specifically mentioned the QPU and its inappropriate relationship with government figures, heralded institutional reform (Fleming and Lafferty, 2000). The QPS formed its industrial relations section early in 1990 with a view to establishing a more professional bargaining relationship with the QPU. In response the QPU was obliged to take on industrial relations trained staff to work on the anticipated enterprise agreements.

In November 1993, the QPS began the process of negotiating its first enterprise agreement with the QPU.² An enterprise bargaining steering committee was established within the QPS to "gain operational ownership and corporate direction for the progression of enterprise bargaining" (QPS, 1994, p. 16). There was initial union dissatisfaction with the QPS' enterprise bargaining agenda and what were perceived by the QPU as "simply cost-cutting measures" and it took some time to agree on productivity items that could be included in a "first-up" payment. The parties agreed that the enterprise agreement would enable the QPS to pursue corporate goals concerning: availability of police service employees; their deployment; adoption of best management practice; the promotion of a strong working relationship between the public and QPS employees; and promotion of "meaningful career structures". The key issue, for the purposes of this paper, and as far as the QPS was concerned, was the determination of an alternative payment of penalty rates.

The QPS argued that as a "budget-dependent" department, the payment of penalty rates was no longer "relevant" in an environment that required organizations to be more efficient and effective "to support the broader agenda of Australia's international competitiveness". A need to consider penalty rates as a budget issue meant the deployment of police was largely a result of money available rather than public need (QPS, 1994, p. 12). What the QPS wanted was a fixed allowance to replace penalty rates, payable to shift workers on a fortnightly basis, thus fundamentally changing the way in which police were paid for their working time.

Discussions were long and arduous, with the parties reaching substantial but not full agreement about an alternative allowance, even after conciliation. The quantum of the allowance and the additional funding for this was the stumbling block. Finally an amount was settled on at a high level meeting involving the Minister of Police. Under the finalised Agreement any non-commissioned officer or Constable would be able to access a fortnightly allowance of 19 per cent of his/her salary, provided the officer equitably participated in a two or three shift roster over seven days per week. Those that received this operational shift allowance (OSA) were required to work five days out of seven (provided that there was at least one whole weekend off in a 28 day roster period). Officers receiving the OSA would not be required to work more than 56 weekend days in a 12

² The bargaining unit also included: the Queensland Police Commissioned Officers' Union, State Public Services Federation Queensland Union of Employees, (SPSQ) the QPU and the QPS.

month period and would be rostered off at least four public holidays per calendar year. Where officers did not receive the OSA, the Police Service Award-State provisions relating to overtime and allowances applied. A night operational shift allowance (NOSA) was also negotiated. (EBA1 1995: Schedule 1, 51, 52, 53). This radical change not only affected the way police were paid but increased the flexibilities available to management and altered long established relativities set out in the state award.

A series of staged wage increases accompanied the changes. These increases were contingent on the acceptance of and implementation of the OSA.³ The EBA also required future investigation of 28 potential productivity initiatives mooted in the Agreement.⁴ The difficulties of implementation and administration and the perceived ambiguities associated with the agreed 19 per cent allowance were reflected in the discussions relating to EBA2.

4. Enterprise Bargaining Agreement 2 (EBA2): Responding to Differential Effects

The EBA2 negotiations were conducted more cautiously. Many QPU executive members felt the QPS had been able to circumvent or distort many of the provisions of EBA1. The union was determined to ensure that "every i was dotted and every t crossed in the new agreement". The union had become increasingly wary of what they perceived as potential loopholes in the ratified Agreements. "We were very naive in the negotiation of EBA1 and assumed a lot of detail that was not incorporated in the actual Agreement. We spent the best part of two years trying to persuade the QPS to abide by the provisions of EBA1 and meet its obligations. It was very difficult at times". The QPS perspective was different: having "negotiated the skeleton of the most significant change to Queensland police remuneration in the history of the organisation" the implementation process was, they believed, bound to be fraught with interpretation and administration problems and they would strongly reject any notion that they took advantage of "loopholes". Either way, there seems no suggestion that either party failed to act in good faith in bargaining. But while the parties adopted a non-confrontational approach to dealings with each other, conflicts nonetheless arose as both parties sought to interpret and resolve in their own way what each saw as ambiguities. Consequently, at the QPU's insistence, EBA2 incorporated a much higher level of detail.⁵

In an attempt to circumvent potential award stripping in the ensuing three years, the QPU insisted⁶ that all relevant awards, industrial agreements and certified agreements be listed under the new Agreement (EBA2, 1997, p. 2). This further added to its size and detail.⁷ There was substantially more consultation with the membership than previously.⁸ Questions relating to "trade-offs" or specific issues that would affect certain sections of its membership were put to the membership and responses used as the basis for further discussion. For example, the possible trade-off of programmed days off (PDOs) in return for an increased base rate or other working conditions was put to the membership through the monthly journal (*QPUJ*, March, 1997, p. 29). When eighty per cent of respondents indicated they did not want to trade off PDOs, the issue was removed from the negotiating agenda (*QPUJ*, May, 1997, p. 19).

³ The increases were also dependent on the implementation of a working hours agreement with Commissioned Officers and Public Servant/Crown employees.

⁴ For example, Single officer; patrols; the appropriate use of part time, casual and temporary staff; absenteeism; 12 hour shifts; meal breaks and civilianisation.

⁵ Interview with Senior Industrial Officer, QPU, 23 November 1999.

⁶ Interview with Senior Industrial Officer, QPU, 23 November 1999.

⁷ According to the QPS, the lack of detail in EBA1 was necessary and "deliberate ... so as to get the Agreement finalised and the first payment made" (Correspondence from the QPS 23 December 1999). The EBA2 was also larger because it included guidelines for the payment of the OSA and a new Schedule 6 concerning Career Progression.

⁸ Interview with Senior Industrial Officer, QPU, 23 November 1999.

One grey area from EBA1 that went to the heart of the QPUE's EBA2 bargaining agenda was a possible alternative allowance for officers working in small stations/sections that did not have sufficient numbers to warrant shift rosters and therefore had no access to an OSA. Those officers in small stations, or sections such as the Queensland Police Citizens, Youth and Welfare Associations (QPCYWAs) had felt somewhat aggrieved and disadvantaged following the application of the OSA. This was despite the fact that these officers were entitled to overtime payments under the Award (*QPUJ*, February, 1997, p. 25).

Subsequent negotiations with the QPS to address these concerns resulted in an increased allowance, amounting to 34 per cent, to compensate officers in one or two officer stations (mostly situated in country and regional areas) and the QPCYWA.⁹ The conditions associated with the 34 per cent allowance were similar to those applied to officers receiving the OSA. Thus EBA2 solved one aspect of the relative effects problem. Yet for those officers in 3 to 8 officer stations, who did not have access to either of these allowances, it just reinforced their feelings of disadvantage (*QPUJ*, July, 1999, p. 9). The problem of anomalies in the shift from overtime pay to allowances was not unique to Queensland. A study of the Victorian Police Force, focusing on anomalies in both internal and external relativities, identify discrepancies in the treatment of officers according to whether their overtime was directly paid or rolled into an allowance (ACIRRT, 2001, p. 50).

Another issue on the EBA2 agenda was career progression – an issue that had significant differential vertical effects on the career paths of officers at different levels. The QPS proposed to replace the “promotion by merit” from Constable to Senior Constable with a graduated “progression” to Senior Constable. The proposed amalgamation of the ranks of Constable and Senior Constable introduced new qualifying programs for those seeking progression to Senior Constable. While the Service argued that the proposal was aimed at training and developing general duty Constables more fully (*QPUJ*, April, 1997, p. 47), it was clear that the proposal would create substantial savings for the department. The abolition of promotion by merit to Senior Constable would end all costs associated with advertising, selection and review panels, temporary replacement staff and transfer expenses (a saving of over \$11,000 per transfer) (*QPUJ*, October, 1997, pp. 29-31). After some protracted negotiations and close consultation with Constables, the QPU and the QPS reached agreement about progression (EBA2, 1997, pp. 43-50).

5. No One Worse Off?

These then were the major features of EBA2. While the QPU had wished for more solid improvements in travel allowances, payments for officers in charge in sections and establishments and study time for officers committed to a career in the QPS, the overall result was considered very satisfactory and no-one was believed by the negotiators to have been disadvantaged by the eventual outcome.¹⁰

Our survey, however, pointed to the exaggerated optimism of the parties in thinking no one was worse off. Police officers' views were divided about enterprise bargaining outcomes, and while the larger number (44 per cent) agreed that ‘police officers are better off as a result of enterprise bargaining’, a significant minority (32 per cent) disagreed (see table 1). (Others were neutral or without opinion.)

A more specific survey question examined the union's role in bargaining. Respondents were asked how effective the union was in each of eleven matters. Just under three fifths considered that the union was either very effective (8 per cent) or fairly effective (49 per

⁹ Part 5 of Schedule 1 of EBA2.

¹⁰ Conversation with Manager of the Health and Safety & Industrial Relations Branch, QPS, November 28 1999; Interview with Senior Industrial Officer, QPU, 23 November 1999.

cent) in negotiating enterprise agreements, but nearly two fifths considered it was either not very effective (30 per cent) or not at all effective (9 per cent) in this. (We had asked officers to rate the effectiveness of the union on several matters, and thus the union's performance on enterprise negotiation was rated not as strongly as its performance on administering the legal defence fund, providing relevant information to its members, communicating with its members and resolving members' problems and complaints.¹¹) There was, as we would expect, a strong but imperfect correlation between views on these two questions. Of those who agreed they were better off as a result of Enterprise Bargaining (EB), 85 per cent considered the union effective in negotiating. Of those who disagreed, only 24 per cent considered the union effective.

6. Relative Effects and the New Method of Payment for Hours Worked

One of the matters at the heart of the problems arising from attempts to change the way in which working time is remunerated is the differential impact such bargained outcomes have on groups of employees. This is clearly a major issue for police. According to the manager of the industrial relations section of the QPS, "police officers have a very keen sense of relative deprivation – I have worked with a number of organizations and many unions, but I have never experienced the sense of rivalry between members of an organization that exists in the QPS".¹² The QPU concurred: "Police officers become very aggrieved if they feel that another officer working alongside them is enjoying a privilege or an advantage that they are not entitled to. For example, those on a three shift roster are concerned that those officers on a two shift roster are entitled to the same OSA rate as themselves".¹³

In preparation for the third enterprise bargaining round, the union distributed a survey through their journal seeking input from police officers on their problems with earlier enterprise bargaining outcomes and their suggestions on agenda items for the forthcoming negotiations. The extent of officers' sense of relative deprivation was indicated by the survey responses,¹⁴ with officers expressing dissatisfaction with the practical implementation of the OSA. Most of the comments related to the OSA and NOSA and the sense of relative disadvantage created by these allowances as perceived by various groups. For example, those attached to three shift rosters felt themselves to be disadvantaged compared to those officers receiving the OSA but only working a two-shift roster. Another grievance was related to NOSA, which did not apply to officers working an 8.00pm-4.00am shift. While this shift was recognised as a "night shift" by the Police State-Award, it was not recognised as such under the EBA.¹⁵ Additionally, operational officers perceived themselves as being "penalised" for being "real police officers", while seeing non-operational officers, working fixed hours, as privileged and "more likely to be promoted". Officers working in a 3 to 8 officer station also saw themselves as disadvantaged. Unable to access the OSA they were ineligible for the 34 per cent allowance provided for one/two officer stations and youth club personnel.

¹¹ On two other matters (the union's effectiveness in protecting members from unfair treatment in response to public complaints and getting good pay and allowances for members), the rating of the union's performance was similar to its performance on enterprise bargaining. On the remaining four, (ensuring that management adheres to health and safety requirements, influencing decisions affecting members, making the public aware of members' concerns and dealing with promotion problems) its effectiveness was rated not as strongly as its performance on enterprise bargaining.

¹² Conversation with Manager of Health and Safety, Industrial Relations Branch, QPS, 28 November 1999.

¹³ Interview with Senior Industrial Officer, QPUE, 23 November 1999

¹⁴ The response rate was approximately 50 per cent.

¹⁵ The QPS argues that NOSA was "never meant to be recognised as a night shift" but intended to focus on "those officers working those shifts that are considered the most onerous". Correspondence from the QPS 23 December 1999. The QPU disagrees with this interpretation.

These patterns were confirmed in our survey, conducted three months later. Significant differences in outcomes were perceived, particularly between operational and non-operational officers and between officers from different regions and sections, including the receipt of various allowances. These reflected regional differentials in the way the OSA and other changes have affected officers. Administratively, the QPS is divided into nine regions but it is convenient to aggregate them into three groups of regions (table 1). Satisfaction with the outcomes of bargaining and with the union's role was highest in the provincial and rural locations. The lowest satisfaction with bargaining outcomes was in the metropolitan and south eastern districts, but the lowest satisfaction with the union's role in bargaining was in Headquarters and Crime Operations (HQ and CO). Our interviews and focus group research suggested several possible reasons for these patterns.

Table 1 Bargaining Outcomes and Union Bargaining Effectiveness by Region

| | <i>Provincial and Rural</i> | <i>Metropolitan and South East</i> | <i>Headquarters and Crime Operations</i> | <i>Total</i> |
|---|-----------------------------|------------------------------------|--|-----------------|
| | <i>Per cent</i> | <i>Per cent</i> | <i>Per cent</i> | <i>Per cent</i> |
| Better off as a result of enterprise bargaining: | | | | |
| agree | 50 | 37 | 42 | 44 |
| neither agree nor disagree | 18 | 21 | 25 | 21 |
| disagree | 29 | 37 | 30 | 32 |
| no opinion | 3 | 5 | 3 | 4 |
| How effective union is in negotiating enterprise agreements | | | | |
| very or fairly effective | 66 | 50 | 46 | 57 |
| not very or not at all | 31 | 47 | 52 | 40 |
| No opinion | 4 | 3 | 3 | 3 |
| <i>Total</i> | <i>100</i> | <i>100</i> | <i>100</i> | <i>100</i> |

The higher satisfaction in the provincial and rural localities can be partly explained by the benefits arising from the payment of the 34 per cent allowance under EBA2 to officers in the large number of one and two officer stations in these regions. At the other extreme, the metropolitan and south eastern regions (including Logan and the Gold Coast), the busiest regions in the QPS, were most prone to perceptions of understaffing, and had the highest stress levels in our survey. They also had a high level of night and weekend work that was not perceived to be compensated by the OSA, while staff in some branches (e.g. CIB) did not have access to OSA at all. The importance of pay is reflected in the fact that satisfaction with what the union does about wages ranged from 50 per cent in the northern and central regions to 27 per cent in metropolitan south and the south-east and 30 per cent in HQ and COC. Other pay-related questions showed similar regional variation. Differential effects are reflected in open-ended comments recorded on the questionnaires. For example, one respondent from the South Eastern region said: "... for those of us not attached to a one or two officer station and not on a shift roster the enterprise bargaining agreements have made us a lot worse off". Another officer from Metro North commented, "the OSA has not been sufficient to compensate for the old penalty rate days and the allowances we got for shifts, public holidays, leave loading, etc."

According to one QPU official, a growing sense of relative deprivation had been apparent since the public sector restructuring process and the shift towards enterprise bargaining began in the early 1990s:

Prior to that, the application of award provisions were much more flexible within stations and sections, and everyone felt that the system was flexible enough to accommodate the varied needs of officers and locations. At least everyone seemed to be in the same boat. Budget management practices and rigid bottom lines introduced as part of public sector reforms ensured that there was no flexibility in overtime payments and very little scope to guarantee that everyone got an equitable deal. There just wasn't enough money to be flexible with. We were hoping that the enterprise bargaining process and the OSA would rectify this and the sense of grievance but in solving one issue we just seem to create another.¹⁶

These comments highlight two distinctive problems of the police bargaining process. Firstly, there was the problem of budget rigidity, in an area where unforeseeable incidents (such as major crimes or natural disasters, requiring a large police involvement) had the potential to destroy budget predictions. In this respect, fixed budgets inhibited flexibility: for example, substantial overtime payments to deal with a specific incident meant cuts elsewhere, which could often have seemingly inequitable outcomes. This leads on to the second problem: the tension between operational efficiency and perceptions of horizontal equity, as evidenced by the difficulties experienced by both management and the union in reconciling rivalry between different groups – for example, officers in 3 to 8 officer stations, unable to access the OSA and ineligible for the 34 per cent regional allowance, versus other officers who could access one or other of those allowances.

Relative effects issues also had vertical as well as horizontal dimensions, though these were less significant. Senior Sergeants recorded the highest levels of dissatisfaction with bargaining outcomes (though the difference was weak)¹⁷ and, more significantly, with union bargaining effectiveness (table 2). Senior Sergeants had less access to OSA and often had administrative duties associated with their supervision of sections but without access to Officer In Charge (OIC) allowances (which only apply to OICs in charge of stations). Interviews also suggested Senior Sergeants felt they did not have adequate pay differentials compared to Senior Constables: as one Senior Sergeant said, "the wide disparity of incomes between Senior Constables and Senior Sergeants – no longer commensurate with rank or responsibility - needs to be addressed. Income is inconsistent with the responsibilities as described under the provisions of the *Police Service Administration Act*". Hence 45 per cent of Senior Sergeants were dissatisfied with what the union did about wages (with just 29 per cent satisfied). By comparison, dissatisfaction ranged from 27 to 36 per cent amongst other ranks.

Table 2 Bargaining Outcomes and Union Bargaining Effectiveness by Rank

| | Constable | Senior Constable | Sergeant | Senior Sergeant | Total |
|---|------------|------------------|------------|-----------------|------------|
| Better off as a result of enterprise bargaining: | | | | | |
| agree | 38 | 45 | 51 | 38 | 44 |
| neither agree nor disagree | 23 | 21 | 16 | 23 | 21 |
| disagree | 31 | 31 | 32 | 37 | 32 |
| no opinion | 8 | 2 | 1 | 1 | 4 |
| How effective union is in negotiating enterprise agreements | | | | | |
| Very or fairly effective | 62 | 58 | 60 | 47 | 57 |
| not very or not at all | 38 | 42 | 40 | 53 | 40 |
| no opinion | 6 | 3 | 2 | 2 | 3 |
| Total | 100 | 100 | 100 | 100 | 100 |

¹⁶ Discussion with Vice President, QPU, 30 November 1999.

¹⁷ On bargaining outcomes the difference between Senior Sergeants and Sergeants was only significant at the 10 per cent level. On union bargaining effectiveness the differences between Senior Sergeants and Sergeants, or between Senior Sergeants and other groups combined, was significant at the 5 per cent level.

While gender is still an important issue in the police force, it was along other lines that schisms on bargaining were apparent: there were no significant differences between male and female officers in their views on bargaining outcomes or union bargaining effectiveness. Age, however, was a dividing line: older police (those aged 40 years and above)¹⁶ were unhappier with bargaining. This group was evenly split (38 per cent agreeing and 38 per cent disagreeing that they were better off through bargaining), whereas officers under 40 agreed they were better off by a margin of 47 per cent to 29 per cent.

7. Consultation

Notwithstanding these problems, we should emphasise the comprehensive nature of the enterprise bargaining consultation process. The unions' industrial relations team seemed aware of the importance of securing membership endorsement for negotiations and subsequent decisions in order to avoid problems later on and to consolidate its own credibility with the QPS. Members were encouraged via the journal and branch meetings to articulate concerns and contribute to the bargaining agenda. Regular trips by the industrial team and senior union officials to regions throughout the state strengthened the consultation process. During the process, those members who would be most affected by a particular issue would be directly consulted prior to negotiation. More general issues would be put to the whole membership. For example, prior to discussions relating to EBA3 began, the QPU consulted the membership about the need to change promotion practices. Some 93 per cent of respondents asked for specific changes to be made to the career progression plan. Such numbers allow the union to negotiate "from a position of strength and credibility", and ensure that the Service considers the claim seriously. The final proposed agreements have been mailed to every member of the QPU and have been subject to ballots administered by the QPS. Yet while the agreement often appears sound and equitable on paper, it is not until the membership sees the agreement in practice over time, and the way in which the provisions are administered, that dissatisfaction or otherwise with the final outcome becomes evident.

It appeared that the processes of communication within the union worked better in the provincial and rural regions. As one officer from Central region said, "the union seems to have addressed a lot of different people's concerns, I like the way they always ask us first and I am personally very happy with the current agreement". This was a more positive view than that of a Senior Constable from Metro South who saw the union as a "toothless tiger, bowing to management with the greatest of ease ... [and] not adequately representing the interests of non-shift workers and those working in specialist areas". Overall, satisfaction with how the union kept in contact with members was as high as 54 per cent in the provincial and rural regions but only 39 per cent in the metropolitan south and south east and as low as 28 per cent in HQ. Similar regional patterns were evident regarding satisfaction with both local union officials and the union leadership. Indeed, on most union-related questions provincial and rural police were most positive towards the union, those in HQ or the metropolitan and south east areas were the most negative. The former group was much more likely to perceive the QPU as a strong union and more likely to view the union as effective in influencing decisions affecting their members (61 per cent compared to 41 per cent in metropolitan and south-east, and 34 per cent in HQ and COC).

¹⁶ This is not to say that forty should be considered old.

8. The Impact on Attitudes About the Union and Management

We know from other research (Peetz 1998) that employees are more satisfied with their union and more likely to want to retain union membership if they feel they have benefited from union membership. We would therefore expect that respondents with favourable views on bargaining would be more satisfied with union leadership and with the local union branch officials (delegates) – and this was indeed the case. Positive views on bargaining outcomes were associated with higher scores on an index of union satisfaction ($r = .33$, $\alpha = .82$). There was also a strong, significant relationship between attitudes to bargaining and employees' propensity to want union membership.¹⁹

What would not be so obvious a priori, though, is how attitudes to bargaining would affect other aspects of the perceptions members have of their union. In fact, positive views on bargaining outcomes were also associated with more positive attitudes on a large number of union-related issues, some of which had little or nothing to do with enterprise bargaining. For example, better bargaining outcomes were more commonly reported by people who rated the union highly in its administration of the legal defence fund ($r = .16$), its influence in fostering a professional image for the service ($r = .24$), influencing law and order legislation ($r = .22$), and considered the union was involved a lot in offering discount services to members ($r = .13$). Correlations between these variables and union bargaining effectiveness were, as we would expect, even higher. There was thus a halo affect, whereby favourable outcomes from bargaining led not only to more positive views of the union but also, seemingly, to changes in the way the union is perceived as handling non-bargaining related issues.²⁰

Perceptions about bargaining outcomes were also associated with a range of job-related attitudes. Respondents who had negative views on bargaining outcomes were more likely to be dissatisfied with their career and training opportunities, conditions of employment such as hours of work, leave and other benefits, their job, their job security, the way they were supervised, the safety and comfort of their working environment, and the equipment they worked work with.

It appeared that the blame for poor enterprise bargaining outcomes was shared between the union and management and that, if anything, attitudes to the union were more affected by bargaining outcomes than were attitudes to management – despite it being largely management's agenda on payment for time that was being contested. There was a slightly higher correlation between perceived bargaining outcomes and the union satisfaction index than with a (differently constructed) management satisfaction index ($r = .28$, $\alpha = .82$). Similar patterns arose when testing the relationship between bargaining outcomes and attitudes to the role of management (or general attitudes), and the role of the union, on information, external discipline, safety, decision making, and education and training opportunities (see table 3). Perhaps this arises because of the different ways the indexes are constructed, though they do have similar reliability coefficients.

We are not sure whether this pattern of unions taking at least as much, possibly more, of the credit, and the blame, for bargaining outcomes as management would be replicated if applied to other groups. In the QPS the union was generally well regarded (Fleming and

¹⁹ Amongst officers who agreed that police were better off as a result of enterprise bargaining, some 82 per cent agreed they would rather be in the union than not be in it (just 8 per cent disagreed). Amongst those who disagreed police were better off through bargaining, only 62 per cent agreed they would rather be in the union (just 24 per cent disagreed).

²⁰ However, union sympathy (that is, members general ideological disposition towards unions), as measured by views on whether Australian unions were too powerful, was not related to bargaining outcomes.

Peetz 2000), compared both to other unions and to management (only one in five were satisfied with the way the police executive treats its employees). Perhaps if expectations of management are low, but expectations of the union are relatively high, the union bears a considerable burden when there are disappointments from bargaining. We cannot tell if this is the explanation in the absence of other comparative studies. Still, even if the union does bear a slightly greater share of the burden, it is also clear that attitudes towards management and the job suffer when bargaining outcomes are unsatisfactory.

Table 3 Correlations Between Bargaining Outcomes and Related Management and Union Variables

| <i>Management-Related Variable</i> | <i>Correlation with Bargaining Outcomes³</i> | <i>Union-Related Variable</i> | <i>Correlation with Bargaining Outcomes³</i> |
|--|---|---|---|
| Management satisfaction index ¹ | .28** | Union satisfaction index ² | .33** |
| Satisfaction with how much information you are given by management about what is going on in the service generally | .20** | Union effectiveness in providing relevant information to its members | .26** |
| Satisfaction with the way external disciplinary matters (e.g. public complaints) are handled generally | .17** | Union effectiveness in protecting members from unfair treatment in response to complaints from the public | .25** |
| Satisfaction with the safety and comfort of your working environment | .15** | Union effectiveness in ensuring that management adheres to health and safety requirements | .25** |
| Satisfaction with the way the police executive treats its employees | .28** | Union influence in the way in which the police executive treats its employees | .28** |
| Satisfaction with police executive decision making | .21** | Union effectiveness in influencing decisions affecting its members | .41** |
| Satisfaction with your training and education opportunities | .16** | Union influence in ensuring adequate training and education opportunities | .23** |

Notes:

1 The management satisfaction index comprises responses to six questions on how satisfied respondents are with the way they are supervised, executive decision making, the way the police executive treats employees, the information they receive from management, and agreement with statements that their supervisors are trustworthy and treat employees fairly. $\alpha = .82$.

2 The union satisfaction index comprises responses to two questions on how satisfied respondents are with local union officials and with the leadership of the union. $\alpha = .82$.

3 Bargaining outcomes are measured by agreement with the statement that 'police officers are better off as a result of enterprise bargaining'.

** Significant at the 1 per cent level.

9. Enterprise Bargaining Agreement 3 (EBA3): More Roadwork Ahead

The union agenda for EBA3 was put to the QPS in August 1999, shortly after our survey was undertaken but before any results were available. In fact, the agenda was compiled as a result of a questionnaire put to QPU members in May of that year²¹ (*QPUJ*, July 1999, pp. 8-9) and motions from union branches throughout the state. As mentioned, the main item on officers' agenda was the OSA and NOSA. In EBA3 negotiations, therefore, which commenced in February 2000, the QPU aimed to increase the NOSA rate and extend it to include weekends; increase the OSA and improve pay rates for OIC's. All other allowances (particularly the contentious issue of travel time payments) and special rates also came under review (*QPUJ*, January-February 2000, p. 1). The other priority area to be tackled on the anomaly front was the situation of officers in 3 to 8 officer stations.

The union also sought improved study time arrangements, given the barriers to career progression still facing police officers studying to achieve promotion.²² This was a contentious issue identified in the *QPUJ* survey, along with the difficulties associated with the career progression path established under EBA2. As mentioned above, there was great disquiet about this last point. Many officers had reached the required pay point as a Constable and met the qualifications and conditions designed by the QPS to "ensure the proficiency and competence" required for progression to Senior Constable. However, with a 31.7 per cent ceiling on the proportion of Senior Constables in the QPS, some were waiting years to be eligible to progress. While there were concessions made regarding the pay and status of officers on the list,²³ officers saw the time waiting on a list (at one stage, 450 were on the list) as a serious disincentive that "is undermining morale and commitment"²⁴ (*QPUJ*, July 1999:9). Hence the majority of police in our own survey were dissatisfied with their prospects for promotion, with just one quarter satisfied, and dissatisfaction was worst amongst Senior Constables (66 per cent, compared to 52 per cent amongst other ranks).

A second problem, "clumping", occurs when an officer progresses formally to the rank of Senior Constable, and he/she is allowed to remain in their location. As a result some stations have an excess of Senior Constables. In others, following formal progression, an officer seeks immediate transfer. As a result, for example, at the time of writing, there was an excess of Constables and very little experience in the way of senior officers at a station in the heart of the Gold Coast. Thus the union sought in EBA3 to increase the percentage ceiling on the proportion of Senior Constables in the QPS.

A final agreement was reached between the QPS and the QPU in July and a ballot was put to the membership. Of the 40 per cent who voted, 64 per cent voted to accept it, and EBA3 came into effect the same month (*QPUJ*, October 2000:4). The QPU considered they had done well. The EBA would run for two years with a 3 per cent wage rise each year. The OSA was extended from 19 per cent to 21 per cent. NOSA is now payable for shifts worked on any night would now be paid over seven days and also on shifts that commenced as early as 6.00pm. OIC's were granted an additional pay point and Senior

²¹ The results of the questionnaire were printed in the *Queensland Police Union Journal (QPUJ)*, July 1999. Of approximately 6,900 members, 2,241 responded. Those returned consisted of 27 per cent Constables (representing only 24 per cent of the Constables overall); 34.8 per cent Senior Constables (representing 35 per cent of Senior Constables); 27 per cent Sergeants (representing 37 per cent) and 8.4 per cent Senior Sergeants (representing 42 per cent) *QPUJ* July 1999, pp. 8-9.

²² Interview with Senior Industrial Officer, QPU, 23 November 1999.

²³ In the meantime the officer is entitled to wear a single chevron on his/her uniform and receive a pay point rise midway between the top of a Constable salary and the base of the Senior Constable range. Upon progression the Senior Constable wears two chevrons. On reaching the rank of Sergeant, an officer wears three chevrons. As well, for training purposes, all "qualified" officers are treated as "Senior Constables".

²⁴ Interview with Senior Industrial Officer, QPU, 23 November 1999.

Constables were guaranteed a maximum of two years on the top pay point with a mechanism to ensure a more even distribution of Senior Constables throughout the state. The definition of shift work was changed to increase the value of overtime payments made to officers in 3 to 8 officer stations. However, with tight budgets, officers in some regions are now finding that their access to this overtime is more limited, so they still do not have the guaranteed income of officers on OSA. Study time for officers was rejected and changes to travel allowances were postponed. However, the QPU believed that their EBA had amounted to "at least a 5 per cent a year rise" and had, more importantly modified a number of the anomalies arising from relative effects that had been the legacy of EBA1 and EBA2 (QPUJ, July 2000, p. 4). It remains to be seen whether in rectifying these anomalies the Agreement has created other relativity issues.

10. Conclusion

Although both management and the union were convinced that no one would be worse off under enterprise bargaining, our research suggests that views amongst the affected police were more divided. True, more police agreed than disagreed that they were better off, with the proportion agreeing similar to that in a multi-industry survey conducted five years earlier – but there was a significant, dissatisfied minority. There were also split views on the union's effectiveness in bargaining, but again with a majority considering it was fairly, or very effective.

Differences in attitudes to bargaining outcomes reflected several factors, in particular the differential impact of the agreements resulting in changes to the relative position of different groups within the police service. These groups were differentiated on geographical – that is, horizontal – lines and, less strongly, along vertical lines. Management sought to rationalise the allocation of work by changing the way in which working time arrangements were remunerated - removing the inefficiencies that arose from having to pay penalty rates for night and weekend work. But as night and weekend work was unevenly distributed, so were the (absolute) gains and the (relative) losses from replacing penalty and overtime rates with allowances. Even if there were no absolute losers (which seems unlikely), the changes to relative positions that arose created resentment amongst police officers who saw others gaining more than they had.

It is one thing to say that no one is worse off as a result of an agreement that makes substantial changes to the method or payment for working time. But employees who feel they are *relatively* disadvantaged will be disaffected and this relative disadvantage, while less damaging is much harder to prevent and therefore manage than absolute disadvantage. These perceptions of inequity might be so strong that some people feel worse off as a result of an agreement that improves their absolute position but worsens their relative position. This may be particularly true when the enterprise bargaining process and outcome seem to promise so much – though we should not think of enterprise bargaining as being the sole or fundamental problem here. Enterprise bargaining may have accelerated the introduction of changes to pay and allowances, but in one way or another they probably would have come about eventually in the context of the financial pressures the force was facing and the mood of public sector reform. On the other hand, disaggregating bargaining further to the regional or workplace level would have offered no solution in an organisation where officers' reference points are service-wide.

This also has implications for our interpretation of aggregate statistics (for example in the DIR Enterprise Bargaining Annual Reports, 1994/1995) on whether employees feel better or worse off as a result of bargaining or workplace change. Employees' responses to this type of question will be influenced not only by how various components of their utility (wages, hours worked, convenience, etc.) have moved in absolute terms, but also by how they have moved relative to other people in their reference group and how they have moved relative to expectations. These reference groups will vary between individuals and groups. If employees under, say, collective bargaining arrangements have a higher incidence of negative responses than those under more individualistic employment arrangements, it might simply be because they have wider reference groups or higher expectations. Further research could help clarify such questions.

Some other concluding observations can be made. Resentment of bargaining outcomes turns into increased disaffection with management, the job and the union. Better bargaining outcomes make members more likely to want to retain their union membership. We can observe a halo effect, by which positive attitudes on bargaining may be associated with positive attitudes on non-bargaining matters. Indeed, although it will often be (as it was here) management's agenda that drives the change process, where things go wrong (right), the union may take at least as much of the blame (credit) as management. Perhaps in this instance it was because expectations of management were poor to start with, though other explanations are also possible. Nonetheless, the data also suggest that attitudes to management, and morale generally, can be damaged if management gets too 'good' a deal through bargaining.

While money might be the most important factor in shaping views on bargaining outcomes, process also matters a lot. In areas where information and communication between the union and members are perceived as poor, bargaining outcomes (and union effectiveness) will be rated more negatively. Ironically, this union appeared to have better communications with its far flung members than with those in the inner areas and headquarters – or, at least, it was better able to meet members' expectations at the periphery than at the centre. Despite the logistical difficulties posed by enterprise bargaining, a union such as the QPU can maintain effective communication mechanisms across quite inhospitable territory during bargaining. Still, though there was extensive consultation during enterprise bargaining negotiations and a high level of approval of EBA2, significant dissatisfaction with the practical outcomes of enterprise bargaining emerged.

Finally, at the broader level, our analysis points to the need to consider differential effects when working time matters are being addressed. While it is common to see penalty rates as an inefficiency in the production process, in the end they reflect the social disutility associated with working at particular times, and thus embody notions of what might be termed 'a fair day's work for a fair day's pay'. If changes to the payment of working time have uneven effects – which, typically, they will – then they can create notions of injustice and workforce pathologies just as readily as can inequitable changes in base rates of pay.

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