

Union power in retail: contrasting cases in Australia and New Zealand

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Abstract

Retail employees are the prototypical vulnerable, low-paid employees and, for that reason, unionism and its benefits, such as collective bargaining, provide important social protection. However, the reasons that make employees vulnerable also reduce union power, though that is not to say that retail unions lack agency. This article analyses the power resources and their deployment in the respective retail unions in Australia and New Zealand (NZ). The two unions' strategies are quite different, and provide interesting contrasts in approaches and ideology. The implications for theory are that ideology matters, with respect to union strategy (and should be attended to more thoroughly in studies of union renewal), and – as others have also argued – the wider institutional context has a very significant influence on outcomes for unions and their members. The implication for practice, therefore, is that both workplace and extra-workplace strategies in the political and other arenas remain central for the low-paid.

Introduction

Industrial relations (IR) and unionism in retail are neglected areas of academic research in Australia, as they are worldwide (Tilly & Carré, 2011). In particular, the issue of retail union power has not been explicitly addressed in the academic literature, despite the likelihood that it is highly constrained, given the demographics and job characteristics of retail employees, the nature of the industry and, as Dølvik and Waddington (2004: 31) point out, “the deregulated and decentralized nature of employment” in the services sector worldwide. In this paper, we contribute to the comparative literature on trade unions by analysing the strategy of retail unions in two countries, using the lens of union power. The unions in Australia and NZ are, respectively, the Shop, Distributive and Allied Employees Association (SDA), and FIRST Union (the National Distribution Union [NDU] until a 2011 union merger).

Comparative research is useful in that it produces dynamic and contextualised understandings (Hyman, 2001; Frege & Kelly, 2003; Baccaro, Hamann & Turner, 2003) in order to advance IR knowledge. Further, comparing a single industry in two countries with similar historical patterns of IR development allows for a focus on issues other than national culture, giving more analytical depth than a one-country study (Kaine & Ravenswood, 2013). Australia and NZ have strong potential for comparative research because of similarities in regulatory and

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cultural environments (Markey, 2011), as neighbouring Pacific economies, although there are also marked differences.

Our research questions are three-fold: What are the two unions' strategies with respect to bargaining and campaigning, and relationships with employers? What are the outcomes in terms of benefits for members? And within a comparative framework that foregrounds the nature of union power, how are strategies and outcomes to be understood? The overall contribution of this research is in demonstrating that, in the wider context of low-paid and unstable employment in retail, and the resultant shifting of risk to employees, the degree of employees' relative power and control is all-important (Kalleberg, 2009). We show that while retail unions can take very different strategic paths, power, and how it is deployed, is important and that institutional environments are still a major factor affecting outcomes, with implications for both theory and practice.

The paper is organised so that the first section examines the international literature on retail trade unionism, and overviews of union power. The second section describes the retail industry and the politico-industrial contexts of both the two countries. In the third section, we report our findings on the similarities and differences in union strategy and outcomes. Analytical tools from the literature on power are used to examine these findings in the fourth section, paying particular attention to issues of union ideology and outcomes, such as collective bargaining coverage, relative wages and union density.

Retail union research and the power vacuum

While there is a developing body of literature on retail unionism, studies fail to grapple with the nature of union power in the industry. However, recent developments in this area provide a conceptual framework to analyse retail union power.

Retail union literature

Retail employees form about 10 per cent of the workforce in most post-industrial economies, and are the paradigmatic low-paid workforce (Carré, Tilly, van Klavereen & Voss-Dahm, 2010). Studies of retail union strategy have been undertaken in the US and Canada (Coulter, 2013; Ikeler, 2011; Phillips, 2012), the UK (Parker & Rees, 2013), Europe (Dribbusch, 2005; Gajewska & Niesyto, 2009; Geppert et al., 2014; Mrozowicki, 2014; Mrozowicki, Roosalu & Senčar, 2013), China (He & Xie, 2011), and Central America (Tilly & Galván [2006] with respect to Mexico). There is some literature on Australian retail unionism (Lynch, Price, Pyman & Bailey, 2011; Balnave & Mortimer, 2005; Mortimer 2001a; b; Price, Bailey & Pyman, 2014), but none available on NZ. Comparative studies on retail unions in other countries are starting to emerge (Geppert et al., 2014; Mrozowicki, 2014; Mrozowicki et al., 2013). While extant work is wide-ranging and useful, much of it implicitly recognising the limitations of union power in retail, this paper makes a unique contribution by explicitly examining the power of two retail trade unions in a comparative context.

Conceptual approaches to union power

Pocock (2000: 2) observed some time ago that "agreement on a comprehensive detailed theoretical model of union power does not exist", despite the importance of considerations of power to union renewal. Since Pocock's observation, there have been several developments.

Two are key for our analysis. The first is Kelly (2011), who takes a broad-brush, fully contextualised approach, highlighting five domains of union power. Three – markets, institutions and the labour process – are largely ‘external’ to unions. Two – union resources and mobilisation capacity – are largely internal and, thus, areas where union choices can make a difference. The second approach is the work of Levesque, Murray and colleagues who unpack Kelly’s concepts of ‘union resources’ and ‘mobilisation capacity’ in order to place the focus on union agency and explain *how* unions use resources and mobilisation capacity. According to Levesque and Murray (2010), union power resources comprise the quartet of: internal solidarity, network embeddedness (or external solidarity), narrative resources (which frame union understandings and actions), and infrastructural resources (material and human). Yet, resources are insufficient, on their own, to exert power. Hence Levesque and Murray (2010) offer the notion of strategic capabilities or ‘resourcefulness’: the capacity and willingness of an institutional actor to put power resources to work. Capability comprises: intermediating (including activating social networks, and both cross-border and localised alliances); framing (putting forward an agenda that may be used to justify new practices and mobilise members and others); articulating (of different levels of action over time and space); and learning (the capacity to learn from change to alter future events, rather than remaining “a prisoner of [one’s] own history” (Levesque & Murray, 2010: 344). Figure 1 summarises the two approaches which guide our analysis.

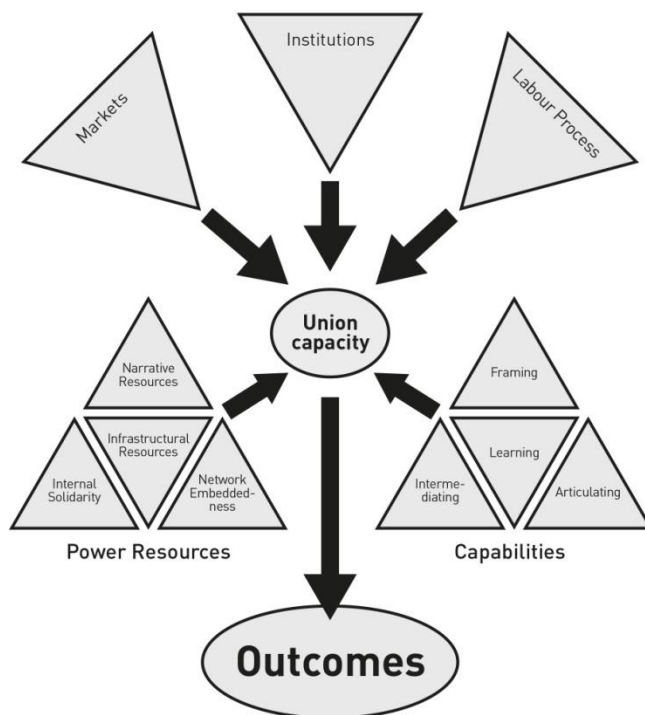


Figure 1: Union power (adapted from Levesque and Murray, 2010)

Union power in retail

The nature of the retail workforce (largely young, feminised and part-time, with high reliance on contingent labour) and the industry (often high volume but low profit margins, and increasingly governed by national and multinational chains) suggests that retail unions will face challenges; but how do they attempt to exert power in the employment relationship? In this article, we argue that it is only by combining the two approaches – the broader context emphasised by Kelly (2011), and the internal choices of unions unpacked by Levesque and Murray (2010) – that a rounded picture of union power is made possible. Union power

concerns the costs and sanctions that their members can impose on management, including disruptions of service, the scarcity value of employees and their skills, and employees' political influence (Batstone, 1988); and, of course, beyond the workplace, the role of the state can be very important (ibid). We argue here that union ideology and the wider political context play a key factor in how power is operationalised, in line with Simms' (2012) contention that we need to understand how various union strategies are politicised (or not) when we examine union strategy. Ideology underpins choices about the use of resources, alliance formation and mechanisms for framing the union message. The comparative element of our paper brings into sharp relief how those aspects interact. As we will demonstrate, these two unions present a distinctive contrast in ideology. However, our research shows that, as interesting as the two unions' differences in ideology are, and that these differences shape strategy, 'institutions matter', and matter greatly.

Retail unions and their environments in Australia and NZ

Retail unions in Australia and NZ present considerable contrasts. The SDA is an 'industry union', focussed almost entirely on retail,¹ and is currently Australia's largest union, with 230,000 members (Shop, Distributive and Allied Employees Association, 2014). FIRST Union is a general union with 29,000 members, of whom 12,000 are in retail (FIRST Union, 2014).² The membership stronghold of both unions is in supermarkets (Australian Bureau of Statistics, 2013; FIRST Union, 2014). This sub-sector is highly monopolistic. In NZ, Woolworths Australia, operating mainly under the Countdown Brand, has 40 per cent of the market, with Foodstuffs (operating under New World, Pak'n'Save and other brands) having the rest (New Zealand Herald, 2012). However, Pak'n'Save is a heavily franchised operation, meaning that FIRST Union has to negotiate many agreements. In Australia, retailers Coles and Woolworths dominate the supermarket sector with nearly three-quarters of the market (Roy Morgan Research, 2014). In both countries, the retail labour force is feminised, youthful and part-time, but engages to a greater extent in casual work in Australia than in NZ (Australian Workforce and Productivity Agency, 2014; Statistics NZ, 2013).

The broader IR context provides some interesting comparisons and contrasts. Australia and NZ have historically been characterised as 'wage earners' welfare states' (Castles, 1985) with relatively high minimum wages and, until the early 1990s, similar IR legislation (Wilson, Spies-Butcher, Stebbing & St John, 2013). However, in NZ, the trend to neo-liberalism began earlier and was more radical than in Australia, leading to marked differences in the two countries' contemporary IR systems (Barry & Wailes, 2004), such that, while union power has diminished somewhat in Australia (Peetz & Bailey, 2012), NZ unions' power is considerably lower than it was before the Employment Contracts Act 1991 (McAndrew, Edgar & Geare, 2011). Both countries have single-employer bargaining, but NZ now has no underpinning system similar to Australia's industry-focussed 'modern awards', which are of particular significance for low-paid Australian employees (and their unions) as a safety net for collective bargaining. Further, Australia's compulsory arbitration system continues, although attenuated, including changes under the *Fair Work Act 2009* that explicitly foster single-employer collective bargaining (Creighton, 2011; Waring, Lewer & Burgess, 2008).

¹ It also has membership in fast food

² Other FIRST Union coverage is in transport and logistics, wood, textiles/clothing/laundry/baking and, since 2011, banking, insurance and finance.

For these and other reasons, collective bargaining coverage across the workforce is much higher in Australia than in NZ (42 versus 13 per cent) (Australian Bureau of Statistics, 2013; Blumenfeld, Ryall & Kiely, 2011). However, industrial action in Australia is more highly constrained legislatively (McCrystal, 2009) than in NZ (Waring et al., 2008). Furthermore, both countries' labour movements – including their retail unions – have suffered membership decline in the past generation, from around 40 per cent a generation ago in both countries, to 20.1 per cent in NZ, and 18.0 per cent in Australia (Companies Office [NZ], 2013; Australian Bureau of Statistics, 2013). Unions in both Australia and NZ, like those in other Anglophone countries (Gall & Fiorito, 2012), are highly concerned about this decline, focussing on a range of revitalisation strategies, including more effective organising and alliance-building (Parker, 2011; Peetz & Bailey, 2012).

Research method

To explore the strategic choices of the two unions using the lens of union power, we draw upon semi-structured interviews with union officials and organisers. The data that these interviews produced form part of a larger international, comparative study of union strategy in the retail industry in Australia, NZ and the UK. The method chosen responds to views that the limited research that truly evaluates union strategies across nations is generally at the broader level of the union movement rather than about particular unions (Baccaro et al., 2003; Bamber, Lansbury & Wailes, 2011; Frege & Kelly, 2003 Hyman, 2001). In contrast, in-depth, qualitative comparative analysis of union strategy is sparse, with extant research tending to focus on quantitative variables, such as union density or industrial action, or on explanations of different union structures and types (Hyman, 2001). This study contributes to filling that gap.

In this article, we report only on the Australian and NZ data. In Australia, interviews and focus groups were held from 2009-2012 with a total of 12 SDA officials and 19 SDA organisers at different levels and in various geographical locations. Some SDA state branches requested we hold focus groups rather than interviews with organisers, which may have placed some constraints on interviewees' capacity to express opinions that diverged from union policy. In NZ, interviews were conducted in 2011 with two officials and five organisers from two of the three regional areas of FIRST Union. In contrast to the SDA, FIRST Union consented to individual interviews across the board, with the retail secretary admitting there would be divergences of opinion, often from younger and newer organisers (as indeed was the case). All interviews and focus group discussions were digitally recorded and transcribed. The data were coded using NVivo, based on key themes that emerged from the interviews/discussions and the extant literature.

FIRST Union and the SDA compared

Key elements of union strategy are bargaining and campaigning (including organising strategies) and relationships with employers. An area of interest that emerged from the data was union ideology. In any consideration of union power, it is also necessary to evaluate outcomes. These issues are canvassed in this section.

Bargaining and campaigning

The two unions diverge markedly in their bargaining and campaigning strategies. FIRST Union unequivocally calls itself a ‘campaigning union’, whereas the SDA pursues a traditional ‘business unionism’ approach identified in previous studies (Balnave & Mortimer, 2005; Mortimer 2001a; b). FIRST Union invariably campaigns vigorously, recruiting then bargaining, although it chooses targets and conducts only a few campaigns at any one time. For instance, a significant achievement was winning access to The Warehouse, NZ’s largest department store retailer in 2010. The union had to attract and organise employees who had joined the company-established ‘Warehouse People’s Union’, and then negotiate a collective employment agreement with the employer (FIRST Union retail secretary, 2011). In the past few years, the retailers Bunnings, Briscoes and Rebel Sports have been in the union’s ‘firing line’. A key recent issue has been the protection of employees’ ‘contracted hours’ at retailers, such as Countdown, and opposing 90-day probationary clauses and reduced youth wages (FIRST Union, 2013a; b).

Quite differently, the SDA relies heavily on developing good relationships with senior HR managers, and will not engage in bargaining without firm ‘in principle’ agreement from the organisations with which they are negotiating (SDA state official, 2011). Bargaining with national retail chains is carried out by senior national SDA officials, including the National Secretary. Where companies are state-based, state union leaders undertake the task. Further, the SDA’s bargaining tactics do not rely on recruiting widely in the first instance. Indeed, a ‘bargain first, recruit later’ strategy is generally adopted, and a negotiated agreement is then ‘rolled out’ in the company as a recruiting tool. As a state official (2011) described in the context of Coles:

We really do try to make the most of these roll-outs. I’m very disappointed that we’ve [only] signed up 330 people in Coles over the roll-out period. That for us is under-performance.

Furthermore, gaining a first agreement may take considerable time. Only after several years of effort did the SDA recently sign its first agreement with the European retailer Aldi (Workplace Express, 2013). A long-serving official argued that collective bargaining “created a strengthening of relationships and ... really opened or educated a lot of companies that they need to be involved” (SDA state official, 2009).

As noted, FIRST Union bargains much more aggressively than the SDA. Distinctive ‘repertoires of contention’ (Tilly, 1995) – various protest-related tools and actions available to a movement or organisation – are a notable part of FIRST Union’s strategy, and choosing highly visible retail store targets is a favoured tactic. As a FIRST Union national official (2011) explained:

Always the ones on the road to the airport ... I put a lot of resources into those shops because they’re high publicity. Every MP is going up and down the bloody country every day, going up and down ... it’s *easy* to get on the news.

Indicative of conflictual employment relations in retail, the union was involved, along with the Engineering, Printing and Manufacturing Union, in the high profile 2006 Progressive Enterprises dispute. Union members in the company’s distribution centres were locked out after strike action. A bruising experience for both sides, the dispute contributed to a

considerable loss of market share for the company, a situation from which it has taken several years to recover. Five target shops were identified in this dispute. These shops had to be on main roads or “if it had to be in a mall, it had to be a mall that had good street frontage that was close by where the supermarket was” (FIRST Union national official, 2011). Another related, contentious strategy was used in respect to the department store, Farmers:

Farmers ... have been the promoters of the Christmas Parade forever; and on one of their shops downtown they have a big Santa that used to blink and used to have a rather naughty finger. So we were in bargaining with them; and we held a ‘Skinny Santa’ parade the week before the Christmas parade ... and we bussed Farmers workers in from all over the place ... That was a lot of fun (FIRST Union national official, 2011).

Strategies continue to be ‘in your face’, with a recent dispute involving Pak’n’Save stores involving poverty groups, shopping centre car park banners referring to ‘Pak’n’Slaves’, and the outing of a large blow-up rat (FIRST Union, 2103b) which is used regularly by the union.

To speak of ‘repertoires of contention’ with respect to the SDA is a *non sequitur*. The SDA shuns militancy, confrontational behaviour and, indeed, media attention. In sum, FIRST Union is a ‘campaigning’ union that bargains whereas the SDA is a bargaining union that rarely campaigns – at least in the adversarial sense of the NZ union.

Relationships with employers

The discussion of bargaining and campaigning indicates that the two unions have very different approaches to employers. FIRST Union, consistent with its militant approach and left-of-centre frame that emphasises struggle, is tentative about developing good relationships with employers and wary of their implications. An exception illustrates the rule. The debilitating Progressive dispute mentioned above (Progressive is owned by the Australian company Woolworths) led to conscious decisions by both the employer and FIRST Union to develop a less conflictual relationship, although FIRST Union still exhibits antagonistic dealings with other employers. A FIRST National official invoked the metaphor of ‘boxing and dancing’ (Huzzard, Gregory & Scott, 2004) to describe her ambivalence about a more cooperative relationship with Progressive Enterprises:

Our members are loving it ... but sometimes it feels a bit too close for comfort ... [but] our members interests are best served with us dancing with Progressive ... From time to time, we’re sometimes standing on each other’s toes, but it’s come out of having given each other a bloody nose.

For the SDA, good relationships with employers are the desirable norm. The importance of relationships with state and national HR managers with respect to bargaining cascades down to the store level:

Our good organisers will have good relationships with managers, to the point where often a manager will ring the union, and say, ‘I’ve got a problem with such and such an employee. What do I do about it?’ And the organiser will often assist the manager in dealing with the employee, and maybe even talk to

the employee that they need to do this differently, or that better, or whatever (SDA national official, 2011).

Both unions service their members, but FIRST Union places more reliance on delegates to provide a ‘first line’ of servicing than does the SDA. As one organiser put it, “I say to [members at] a site, you and your delegate are the key. You can get answers, you can get problems resolved, whereas I’m out and about doing what I need to do” (FIRST Union regional organiser, 2011).

As has been argued elsewhere (Price et al., 2014), the SDA has developed with many major Australian retailers sets of collaborative relationships that are relatively more stable and enduring – although more low-key – than the more ambitious and legislatively supported forms of partnership found in countries such as the UK (e.g., Brown & Oxenbridge, 2004). Collaboration, SDA-style, is built on interpersonal connections between union officials, organisers and company managers, which strongly underpin the union’s approach to bargaining and to servicing, as described above. In contrast, FIRST Union is reluctant to engage in such relationships. For the SDA, good relationships with employers are a strategic achievement; for FIRST Union, they are largely seen as a liability.

Ideology

A key theme that arose from the interviews was the stark contrast in the politics of the two unions. The SDA has its origins in Australia’s strong Irish, working-class history, and is aligned with the right wing of the Australian Labor Party (ALP) (McCann, 1994; Warhurst, 2008). The broader context of this is the influence of ALP factions which, as Leigh (2000: 427) argues, are “more structured than ... any other social democratic party in the Western world”. Unions are integral to these factions. The SDA continues to lobby parliamentarians to adopt conservative positions on conscience votes regarding issues, such as abortion and gay marriage (Warhurst, 2008). The publicity associated with the recent election of the former West Australian SDA Secretary to Federal parliament highlighted some of the tensions inherent in the SDA’s conservative social stance; in this case, related to the SDA’s position with respect to sexual diversity (Burrell, 2014). The SDA exerts political influence in various ways: as a large voting bloc within both the ALP and in union peak bodies, such as the Australian Council of Trade Unions (ACTU), and via ex-SDA officials who enter parliament – like the former WA Secretary. The ACTU, whose largest affiliate is the SDA, played a remarkable role in the 2005-2007 *Your Rights at Work* campaign against IR legislation passed by an earlier, highly neo-liberal government. This involved a major centralised media campaign to gain support – and votes for the ALP – from non-unionists as well as union members (Muir, 2008), involving a reframing of the IR debate at the time and leading to a change of government and a re-emphasis on collective bargaining. In similar fashion, the SDA has exerted influence over IR reforms put in place by the 2007-2012 ALP government, particularly the *Fair Work Act 2009*. In short, the SDA has long been known for its moderate ‘business unionism’ approach (McCann, 1994; Game & Pringle, 1983) which, as this research shows, continues to this day. Recruitment and servicing were recurring themes for SDA officials:

We do put a big emphasis on recruitment; it’s something that keeps us strong, makes sure we grow, we’re out there obviously, people are protected, all of that. So that is a big focus for us, but the servicing part is also ... it’s hard to say that it is 50/50, I

would say probably recruitment is the bigger focus, but at the same time servicing can't slip because of that (SDA state organiser, 2011).

The sentiments in the following quote about the conservative, non-militant nature of the SDA membership were echoed many times in interviews with officials:

... bargaining power is very much dependent upon having a decent presence in the first place ... well, I don't think anyone would accuse us as being militant. We get criticised by that in some circles. I don't really care. I don't think our members particularly want militancy. I don't think 17 year old people who ... sign up to become members of the SDA particularly want to be going out on a strike six months later (SDA state secretary, 2011).

A major aspect of the union's strategy is to maintain a bargaining regime favourable to its members via legislation when the ALP is in power.

In contrast, FIRST Union leaders' political affiliations tend toward the socialist Left, with some ex-officials having previously held parliamentary positions and exerted significant influence over the public policy agenda, but the union is not affiliated with the Labour Party. Moreover, the union's campaigning history, discussed above, indicates that this union is willing to 'upset' employers, very much in contrast to the SDA. The small union UNITE, set up some years ago by a team which included the current FIRST Union retail secretary, as a 'ginger group' union to represent low-paid workers (particularly in fast food and hospitality but potentially extending into retail) provides an alternative viewpoint that challenges the stance of mainstream unions like FIRST and is a potential rival should FIRST Union's members be unhappy with their union. In addition, there is robust divergence of opinion in FIRST Union between more senior officials and organisers, with senior officials taking a left-of-centre political and campaigning stance, yet some organisers are openly critical of what they see as the union's insufficiently militant approach. A younger organiser was critical of FIRST Union's strategy and resource deployment, parodying the union's own self-identification and observing with irony:

We are a struggle-based union, not an organising union; we're struggling to be a union. Oh no, that's not right!

While this range of views creates tensions, nevertheless the differences of opinions and approaches in FIRST are seen as a source of strength rather than disunity, and staff are open about discussing them.

Outcomes

However, IR outcomes indicate that, despite the NZ unions' wider range of innovative strategies and broader repertoire of contention, the superior institutional arrangements in Australia provide better coverage for retail employees. In Australia, collective agreements apply to 43 per cent of the whole workforce, and 37 per cent of retail (Peetz & Price, 2007; Blumenfeld et al., 2011), while in NZ, overall collective bargaining coverage is only 13 per cent and, despite the efforts of FIRST Union, retail has a mere five per cent (ibid). Minimum wages in the sector also differ. In NZ, in 2011, the minimum adult rate in food retail was \$NZ554, about six per cent above the then statutory minimum wage (ibid). Australia's minimum wage in retail and the floor for collective bargaining in the industry, as set out in

the General Retail Award, is currently \$AU666.10 – around 10 per cent above the minimum wage. Thus, the legislative environment and the ‘floor’ of working conditions in Australia are key elements of employee protection.

As noted, the unions differ in size. In a positive vein, the NZ union has managed to reverse haemorrhaging retail union membership, increasing it (albeit from a low base) by more than 70 per cent (from 6,800 to 12,000) over the six years 2007-2013 (FIRST Union, 2014); an outcome that reflects a more rigorous approach to campaigning and intensive recruitment in preparation for bargaining.

A common theme in both unions – as is the case world-wide (e.g. Parker & Rees, 2013) – is the importance of recruiting. High employee turnover in retail means that ‘recruiting simply to stand still’ is a priority in both countries. Indeed, in Australia, the SDA needs to sign up 70,000 retail employees annually, or around 30 per cent of its membership, simply to maintain aggregate numbers (Lynch et al., 2011).

Analysis of union power in retail: a cross-Tasman comparison

In this section, we outline some general analytical points. We draw, first, on concepts from Levesque and Murray (2012), making four key points: 1) FIRST Union has many fewer infrastructural resources than the SDA, but a greater willingness to use what it has; 2) the SDA has high network embeddedness in political terms, but FIRST has a greater tendency to align with progressive social causes; 3) FIRST has higher internal solidarity than the SDA; and 4) FIRST union has more varied narrative resources than the SDA. We, then, turn to a larger analysis of the two unions’ environments, guided by Kelly (2011). Our overall argument is that the contrast in the two unions’ *modus operandi* is usefully unpacked using Levesque and Murray’s (2012) framework, but that Kelly’s (2011) model highlights critical factors that are responsible for successful outcomes. In particular, we argue that union ideology is a neglected issue in much of the literature on union revitalisation. The value of the comparative approach used is that: first, we are able, via our choice of cases, to control for markets and the labour process, which are similar in both countries; second, we are able, using Levesque and Murray (2012), to compare and contrast how union resources are used. We return to Kelly (2011) to highlight the way in which IR institutions ultimately shape outcomes.

With respect to the effects of markets (labour and product) and the labour process, there is little to distinguish the two unions’ environments. The only notable contrast is that FIRST Union, with coverage of transport employees, has control of the entire supply chain, which increases its bargaining leverage and therefore power in relation to employers.

Resources and their mobilisation

With respect to resources, the SDA has much larger *infrastructural resources* than FIRST Union, notably sheer membership size, which increases the union’s internal resources and bolsters its institutional security. Even with a mere 23 per cent density in its largest stronghold of supermarkets, and the challenges of ‘recruiting to stand still’, the SDA is Australia’s largest union. In contrast, FIRST Union is figuratively a ‘small union on the edge’ in a small country. The SDA does not, however, generally mobilise its large infrastructural resources, in contrast to targeted FIRST Union campaigns that involve industrial action,

mobilisation of public opinion and attacks on retail brands. In other words, the SDA does not, in general, use the strategic capabilities that come from size. We expand below on these issues.

Network embeddedness

Network embeddedness differs in scope and type between the two unions, with the Australian union having considerable power as a result of its political relationships. Both countries are currently under conservative governments; NZ in the third term of such a government which gained power in 2008; and Australia in the first term of a government elected in 2012. While political forces may deplete the institutional supports of NZ unions in the near future, including those for ‘good faith bargaining’ (Department of Labour [NZ], 2013; Parker, Nemani, Arrowsmith & Bhowmick, 2012), this may lead to further mobilisation, given the capacity of FIRST Union to deploy a variety of collective action frames. Given its relative newness, Australia’s conservative government has not had sufficient opportunity to implement IR changes and is, in any case, wary of wholesale amendments, given IR changes are a key element of why it lost power in 2007 (Muir, 2012). However, it may well be that its second term sees a focus on IR change. In addition, in Australia, the ALP government (2007-2012) strengthened collective bargaining provisions and largely retained awards, which, to some extent, gives the Australian labour movement some capacity to withstand further changes.

In terms of cultural and social links, FIRST Union enhances its network embeddedness with race-based organising approaches to Māori and Pacific Island employees, while the SDA’s civil society links focus on conservative associations linked to the Catholic church, such as the Australian Family Association. Thus, FIRST Union’s network embeddedness, with respect to social movements, is linked to more ‘progressive’ causes based on race and class, whereas the SDA’s has traction via conservative religious bodies and, thus, only with a small proportion of the population. However, the SDA’s political embeddedness, while of less practical value during periods of non-ALP government such as at the present, holds back the tide of IR legislative change.

Internal solidarity and narrative resources

Following from the discussion of ideology and apparent in the distinctive bargaining and campaigning strategies of the two unions, both *internal solidarity* and *narrative resources* are higher in FIRST Union than in the SDA. Clearly, FIRST Union has a strongly militant, campaigning, ‘struggle-based’ approach. This is partly as a result of its ideology, which might be called a ‘varieties of Marxism’ approach focussed on social justice for employees, and partly as a result of history. FIRST Union has a set of collective action frames and a coherent narrative that develops collective identities by mobilising shared senses of grievance amongst employees. Notably, it mostly concludes one-year agreements with employers. While a resource-intensive strategy, this gives the union a reason, indeed an imperative, for being in workplaces in a more intensively ‘organised’ way than the SDA. FIRST Union’s *framing* of its narrative resources allows union militants to challenge hegemonic ideas (in the sense of Lukes’ [2005] ‘third dimension’ of power) and to pursue strategies that rely on mobilising members’ sense of injustice. As noted by social movement theorists, pursuing new repertoires of contention can in turn shape collective frames of references that lead to enlarged repertoires (Tarrow, 2011), and thus lead to a ‘virtuous path’

of finding common cause and hence a shared political frame between leaders, activists and members (Upchurch, Croucher & Flynn, 2012).

In contrast, the collective action frame of the SDA privileges patient and persistent advances, based on a ‘bread and butter’ discourse of maintaining members’ pay and conditions (see Levesque & Murray, 2012). This discourse draws on official and organiser agency, but to a much lesser extent than FIRST Union on *member* agency, thus diminishing internal solidarity. The SDA’s ‘bargain first, recruit later’ strategy, while appearing counter-intuitive, makes sense within the context of Australia’s IR laws and their relatively high support for (decentralised) collective bargaining, reducing ‘risk’ for the union. However, this strategy de-emphasises member agency at the workplace level and means that explicit class-based narratives are not deployed.

The ideological dimensions of retail union power

At one level, the SDA’s approach is consistent with arguments (e.g., Heery, 2009) that the particular problems of contingent and low-paid labour require an ‘upscaling’ in union representation. Hence, the broad capacity of the Australian union movement, with a single and representative national peak union body, to engage in agenda-setting, articulating, learning and intermediating, helps unions such as the SDA to advance ‘bigger picture’ issues. Yet, such a capacity shifts class-based struggles – to the extent that they exist in Australia’s neo-liberal social democracy – from the industrial to the political arena and reduces the need for ‘cultures of solidarity’ which, as recently demonstrated (Simms & Dean, 2014), can lead to the mobilisation of perceived ‘non militant’ groups. ‘Up-scaling’ means, however, that when the ALP is in opposition, union political agency is considerably weakened. Interestingly, both unions have largely rejected the ‘organising model’ but for very different reasons: for FIRST Union, this is mainly because the model is depoliticised (see Simms, 2012), and for the SDA, it is because grassroots activism would challenge strong centralised control of union strategy in which key elements are long incumbency by senior officials, ‘recruiting to stand still’ and a focus on servicing by full-time staff rather than organising in-store.

Both unions have some capacity to resist; via sheer numbers in the case of the SDA, strong density in certain strategic areas, such as large supermarkets for both unions, and FIRST Union’s narrative resources and its willingness to deploy a varied repertoire of contention. However, the key question is not ‘how much’ power a union has, but rather under what conditions capacity is likely to be activated and turned into collective action in some form (Kelly, 2011). The neo-liberal context provides major challenges for retail unions covering service employees, many of whom are in highly contingent work arrangements and have relatively weak labour market attachment. This is particularly so in NZ, where deregulation has been quicker and more radical than in Australia. In a small-scale setting like NZ, a ‘thinner’ regulatory framework (Parker, 2011) is felt more acutely. It is the institutional support for the employment relationship that is all-important, as illustrated by the much greater capacity of Australia’s laws – at the moment – to protect the low-paid, in contrast to NZ’s laws. However, both unions are weaker than their counterparts in most parts of western Europe; evidenced, for example, by comparative bargaining densities (Kelly, 2011). This emphasises the general point that the single-employer bargaining frameworks which have emerged in recent decades in Australia and NZ have reduced union power.

Conclusions

A suggestion for future academic inquiry is to obtain the views of members in relation to union strategy as the two contrasting cases presented in this paper, like much of the literature on union strategy, does not take a member perspective into account.

Framing our analysis with reference to Kelly's (2011) and Levesque and Murray's (2010) models of union power, this study has identified and reinforced the importance of institutional frameworks in shaping union strategy and power. We have also demonstrated that an explicit focus on union ideology enhances scholars' understanding of union strategy, in line with Simms' (2012) argument that this dimension is key (but ignored by dominant union approaches to organising, and by much of the literature on union strategy and power). Returning to Figure 1, ideology clearly shapes unions' power resources and capabilities (when and how it activates resources). This insight contributes to the theoretical literature on union power by emphasising that conceptual models need to explicitly consider union ideology.

Following its ideological leanings, FIRST Union uses more aggressive strategies (e.g., via workplace organising arrangements and bargaining tactics) than the SDA. The SDA's more conciliatory approach takes place in the Australian insitutional setting, which has taken a less radical deregulatory path than NZ's. However, despite the well-articulated, strongly militant, struggle-based, mobilising frame, the NZ union labours for traction in a highly unfavourable neo-liberal IR regime, which has fostered anti-union strategies on the part of employers post-Employment Contracts Act. Likely changes to NZ's Employment Relations Act 2000, including around the duty of good faith not requiring a collective agreement to be concluded, may well intensify this imbalance. In a relatively more benign – for the moment – IR environment in Australia, a prototypical 'business unionism' approach appears to serve the institutional interests of the Australian union in its specific context, but at the expense of mobilisational capacity, solidarity and employee voice, limiting the union's power resources and strategic capabilities in the longer term.

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