

Paper Title: Industrial Disputes Statistics Review

Purpose

- To understand the contemporary and potential future data requirements of users of Industrial Disputes statistics.
- To facilitate discussion on short and long term changes to Industrial Disputes statistics.

Known Facts

- The last comprehensive review of the Industrial Disputes collection occurred in 1999.
- Since that review there have been significant changes to industrial relations legislation and the structure of the labour market.
- The most recent international standards concerning statistics on strikes and lockouts were adopted by the International Labour Organisation 20 years ago (January 1993).
- The scope of the current collection does not cover all aspects of industrial disputation.
- Review of the collection is required to ensure that it is continuing to meet users' critical data requirements.
- The information gained from this consultation will be used to inform ABS management of potential future changes and directions in the area of Industrial Disputes statistics.

Issues for Discussion

- Changing the name of Industrial Disputes publication.
- Changing existing classifications.
- Addressing data gaps.
- Strategies to address the balance between detailed data requirements and confidentiality.
- Potential long term changes to scope and collection methodology.

Background

The last comprehensive review of the Industrial Disputes (ID) collection was conducted in 1999. While there have been a number of reviews that have touched on operational aspects of the collection, the scope and content have not undergone a comprehensive review since this time. In the time since that review there have been significant changes in workplace relations legislation and more generally, the structure of the labour market and nature of work have also changed considerably. It is therefore important that a review of the ID collection be undertaken to ensure that the collection is both conceptually robust and is meeting users' critical requirements.

In addition, the consolidation of jurisdictional coverage from state Industrial Relations Tribunals (IRTs) to the Commonwealth may mean that data on disputes can be sourced in a more efficient way. Therefore, it is appropriate and timely to review the sources of data that are available and consider how critical data requirements can be met in the most efficient and cost effective manner.

Aims of Review

This review aims to identify areas of the ID collection that can be improved to ensure:

- that the scope of ID statistics is relevant;
- that data relating to industrial disputation continues to meet users' critical requirements; and
- the collection activities and data sources represent the most efficient and relevant sources in respect to the scope and critical data requirements that are needed to analyse industrial disputation in Australia.

Current ID Collection

A brief outline of the current collection is contained in Attachment 1. For more comprehensive information on the statistics that are currently produced on ID please see:

- section 13.33 of *Labour Statistics: Concepts Sources and Methods, 2013* (<http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/6102.0.55.001Chapter232013>);
and, or

- the explanatory notes of *Industrial Disputes, Australia* (cat. no. 6321.0.55.001) (<http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/6321.0.55.001Explanatory%20Notes1Mar%202013?OpenDocument>)

Issues and questions for consideration

Specific issues and options can be split broadly into either short or long term considerations. The short term considerations are based on the current collection and are intended to address issues within the constraints of the current methodology. The long term considerations are intended to outline possible changes to ID statistics that would enable the production of a more comprehensive suite of statistics. However, the outcomes from the long term considerations may inform the directions that are taken in respect to the short term considerations.

In order to gain a broader understanding of the data requirements from the ID collection, users are invited to provide feedback on the following questions:

- What policy questions are the ID statistics helping to answer?
- What are the critical data requirements of ID statistics?
- Does the current collection / publication need to change?

A summary of the issues / questions can be found in Attachment 2.

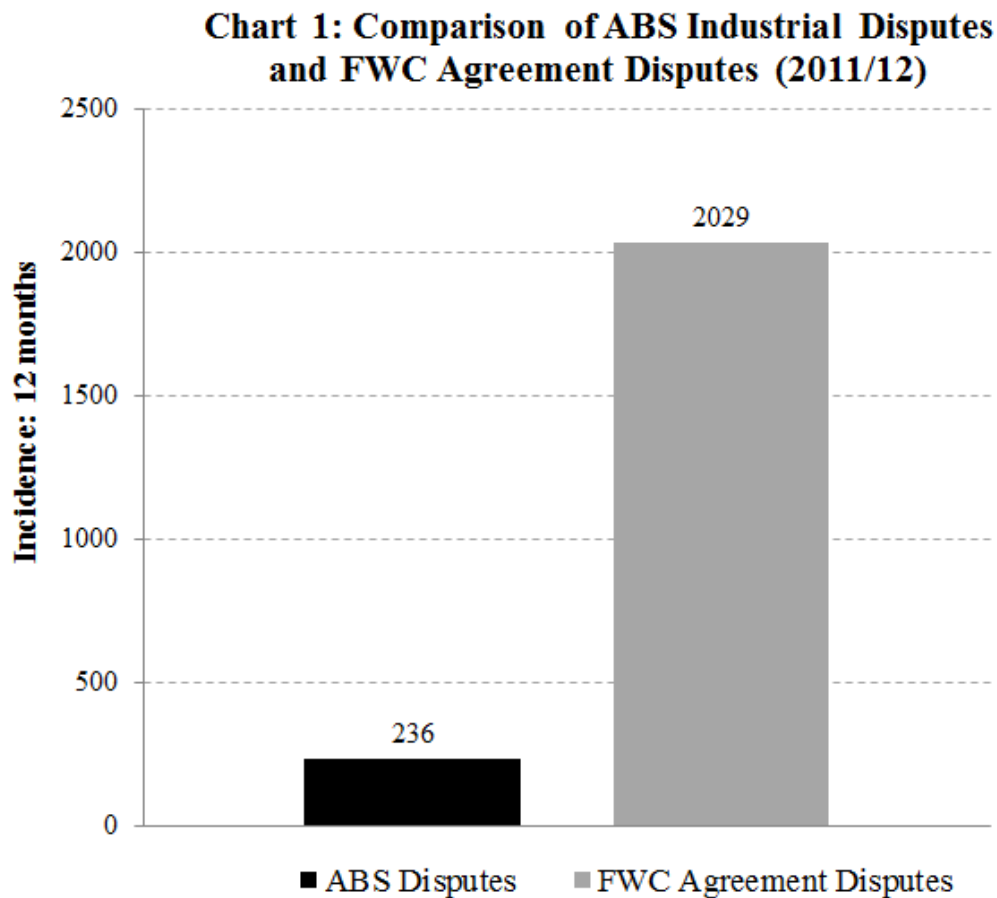
Short Term considerations

Users are invited to comment on the following short term issues:

1) Name of Publication / Collection

The current publication only reports on details of dispute related stoppages (i.e. strikes and lockouts etc.). The term ‘Industrial Dispute’ refers to a broad concept, of which, strikes and lockouts only constitute a small subset. Chart 1 shows a comparison between the ABS ID publication, which reports the number of disputes that resulted in a stoppage of 10 or more working days lost and the number of agreement disputes that were lodged with the Fair Work Commission (FWC) for 2011/12. The comparison shows that the number of stoppages reported in the ABS ID publication is much less than the number of agreement disputes lodged with the FWC over the same period. This suggests that the level of dispute is

being under-reported in the current ID publication. Users are invited to comment on the question below.



Question / Option 1.) Would the name of the current publication be more appropriate as *Strikes and Lockouts* rather than *Industrial Disputes*?

Are there other names that would be more appropriate?

Should the name of the publication change?

2) *Existing Classifications*

There are a number of conceptual and quality issues with existing classifications used to define different aspects of stoppages. These are outlined below:

a) *Cause of Dispute*

There are two broad issues with the Cause of Dispute classification:

- The conceptual delineations between some categories are indistinguishable, insofar as disputes often have multiple causes. For example, a dispute over the contents of a new collective agreement often involves debate about conditions and pay.
- The low level of disputes has resulted in certain outputs being routinely unpopulated or suppressed due to confidentiality considerations.

Question / Option 2a.) A possible solution that would help address the issues outlined above would be to collapse the Cause of Dispute classification from ten output categories to the following four categories:

- collective bargaining related disputes (new agreements);
- disputes related to existing awards or agreements (existing agreements);
- health and safety related disputes; and
- other disputes.

Would the categories of the above classification meet user requirements?

b) Disputes ended

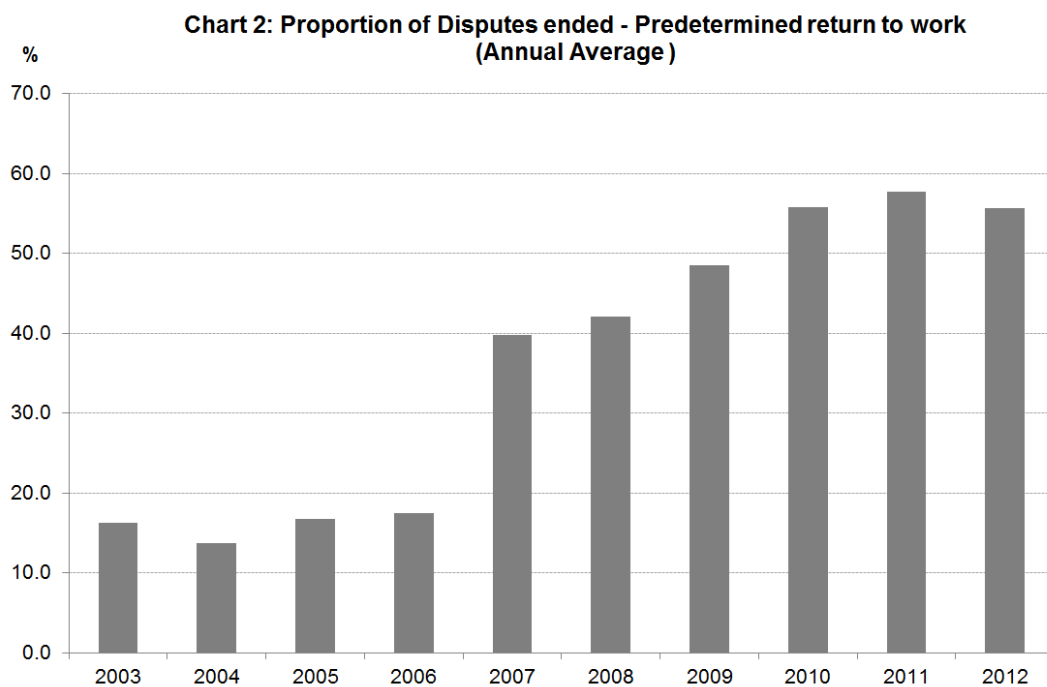
The definition used to determine if a dispute has ended has no relation to whether or not the cause of the dispute has been resolved. Instead a dispute is considered to have ended when the return to work is for two or more months. Should a subsequent stoppage occur, it is counted as a new dispute. In protracted disputes it is not uncommon for individual stoppages to be separated by more than two months, with negotiation occurring in the intervening period. In these cases the dispute is effectively double counted as the cause of the dispute is still the same. It would seem that it would be more important to determine if a dispute has been resolved. Users are invited to provide comment on the issue and the following proposed option.

Question / Option 2b.) A possible solution is to drop the ‘*two month rule*’ and in its place have questions that would determine if the main cause or causes of the dispute have been resolved.

c) Reason work resumed

The current reason worked resumed classification provides questionable analytical value, in that the actual method of dispute resolution is often not captured. This is partly due to flow on

effects from the issues with how a dispute’s end date is determined, as disputes that have been resolved are not explicitly identified. This issue is best demonstrated by examining some of the trends in the data. Chart 2 shows that the proportion of disputes where the Reason Work Resumed was classified as ‘predetermined return to work’ has noticeably increased over the past six years. This shows that in recent times more than half of the disputes that were deemed to have ended have no adequate information about the resolution process. Users are invited to comment on the following proposed option.



Question / Option 2b/c.) One possible solution would be to include a new data item that focuses on identifying the method of dispute resolution. The new classification could contain the following categories:

- Unresolved dispute
 - First / single stoppage for dispute
 - Multiple stoppages over course of dispute
- Partially Resolved / Resolved dispute (Single / Multiple stoppages), method of resolution
 - without intervention;
 - with intervention; and
 - Other method of resolution (is there a need for an ‘other’ category?)

Would the categories of the above classification be sufficient to meet user requirements?

3) *Data Gaps*

a.) *Economic impact*

The current collection and outputs provide very little indication about the likely secondary effects and economic impacts from strikes and lockouts. Users are invited to comment on the issue and the proposed option/s.

Question / Option 3a.) To provide users with a greater range of indicators that may enable the secondary effects and economic impacts of strikes and lockouts to be better understood, the ABS is exploring whether the following variables could be added to outputs:

- *Large Disputes:* provide a range of estimates on the number of disputes where a defined threshold / cut-off of working days were lost or employees were involved.
- *Wide spread disputes:* provide a range of estimates on the number disputes where there are multiple stoppage locations.
- *Size of business:* provide estimates by the size of business (based on turnover size ranges and or employment size ranges).

b.) *Other types of action*

The current collection does not provide any data on the incidence of other types of action such as work bans, go slows etc.

Question / Option 3b.) To provide users with an understanding of the incidence of other types of actions such as work bans and go slows, the ABS is exploring whether the following variables could be added to outputs:

- *Other types of action* (i.e. work bans and go slows): provide estimates on the number of disputes which include both stoppages and other types of action such as work bans and go slows. **Please note**, the incidence of other types of action such as work bans and go slows, which occur in the absence of in-scope stoppages, cannot be measured using the current collection methodology. The new variable would be as follows:
 - Stoppage / lockout only
 - Stoppage / lockout and other action.

This idea is further explored in the long term options section.

c.) *Additional data items*

To provide users with a greater range of analytical tools a number of additional data items could potentially be added to outputs.

Question / Option 3c.) The ABS is exploring whether the following variables could be added to outputs:

- *Industrial Relations (IR) Jurisdiction*: provide estimates by Commonwealth or State IR jurisdiction.
- *Public / Private Sector*: provide estimates by whether the employer is either a public or private sector employer.
- *Additional state dissections*: provide more detail on stoppages by state (i.e. industry, cause of dispute etc.)
- Report strikes and lockouts separately.

The ability to release these data items will need to be determined after considering the confidentiality implications (see below).

4) *Confidentiality and the Frequency of Publication and Enumeration*

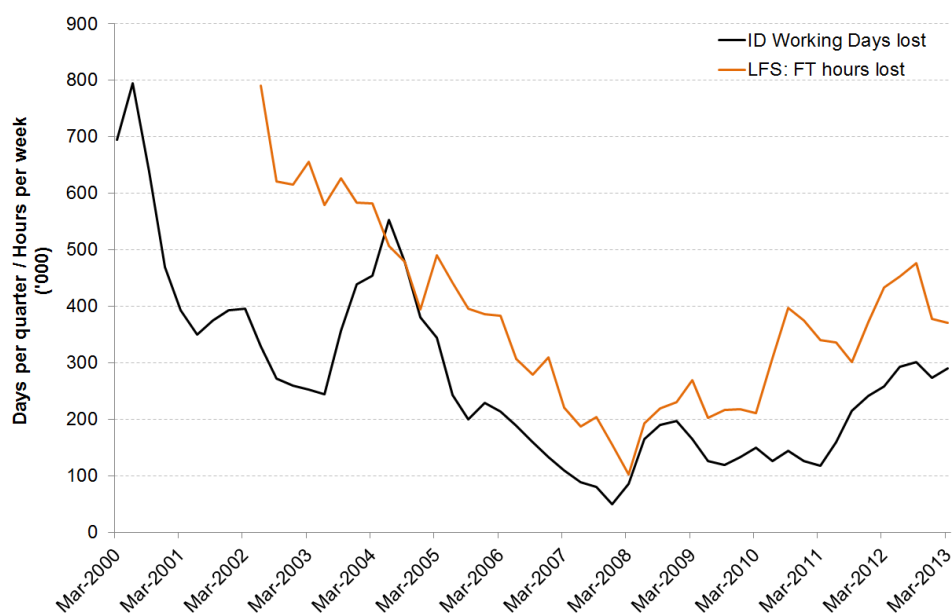
The current low level of stoppages and lockouts as well as many of the options outlined above have, or will increase the provider disclosure risk for the ABS. The Census and Statistics Act prohibits the disclosure of identifiable information and requires that information can only be published in a manner that is not likely to enable the identification of a particular person or organisation. The ABS depends on the goodwill and cooperation of Australians, businesses and other organisations to provide information in response to its many data collections. A critical way of maintaining such cooperation and goodwill is by ensuring that information supplied remains confidential while being used as a valuable resource for the production of statistics and supporting statistical research.

One strategy to address the increased disclosure risk is to reduce the frequency of publication and data items to annual. This would enable the continued release of relatively detailed data on stoppages and may enable the release of more detailed dissections of data that were outlined above.

However, changing the frequency of the publication from quarterly to annual will impinge on the timeliness aspect of data availability. One possible option may be to publish, at a sub-annual basis, estimates derived from an alternative source. Chart 3 contains estimates on the number of hours lost due to strikes or lockouts for people that are employed full time. The trends that exist between the two data sets are broadly consistent and thus may provide a suitable solution to address the timely release of data if an annual release was adopted.

Chart 3: Alternative Data Source Comparison:

ID collection Working Days Lost v's LFS FT hours lost (12 months ended)



The estimates are derived from the Monthly Population Survey and are for the reference week of the survey month. The format of the current questionnaire restricts the calculation of the number of hours lost to the people who are employed full time. However, changes to the Labour Force Survey that are due to be implemented in mid-2014 will enable the hours lost due to strike or lockout to be calculated for all employed. In addition to the hours measure a headcount estimate of all employed people who worked fewer hours due to strike or lockout could also be produced.

Question / Option 4.)

- Would users support a move from the current quarterly data release to an annual data release if more detailed data were available annually?
- Is there a requirement for a sub-annual series? If so, what information is required?

- Would the concept of hours lost or persons who worked fewer hours be a suitable alternative quarterly source?

Long Term considerations

Users are invited to comment on the following long term considerations.

There are key issues with the limited scope of the current collection. These issues cannot be comprehensively resolved without a significant change to the way data are sourced.

5) Data Sources and Scope

The consolidation of jurisdictional powers through the establishment of a national workplace relations tribunal may assist in addressing these issues. Administrative data could potentially be sourced from the FWC and state IRTs. The benefit of sourcing data in this way is that the coverage of industrial dispute could potentially be broadened. Below are questions on both the potential future use of administrative data and the broadening the scope of ID statistics.

Question/s 5.) Should statistics on industrial disputes include all disputes and not just disputes resulting in work stoppages?

Should more information on other types of action be included in the scope of the collection (i.e. work bans and go slows)?

Should statistics on termination related disputes (i.e. unfair dismissal and general protection claims) be included in the scope of the statistics?

It is likely that it would only be possible to obtain this additional data by replacing the existing collection with data sourced from administrative records. Are there any concerns with the ABS pursuing this approach?

Attachment 1: Current ID Collection

The current ID collection consists of a monthly survey of businesses that have been identified as possibly being involved in a dispute resulting in an ‘*in scope*’ stoppage. Results from the monthly survey are aggregated and disseminated on a quarterly basis.

The scope of the current ID collection includes employee work stoppages amounting to 10 or more working days lost. The types of stoppages included in scope of the ID collection include employees involved in:

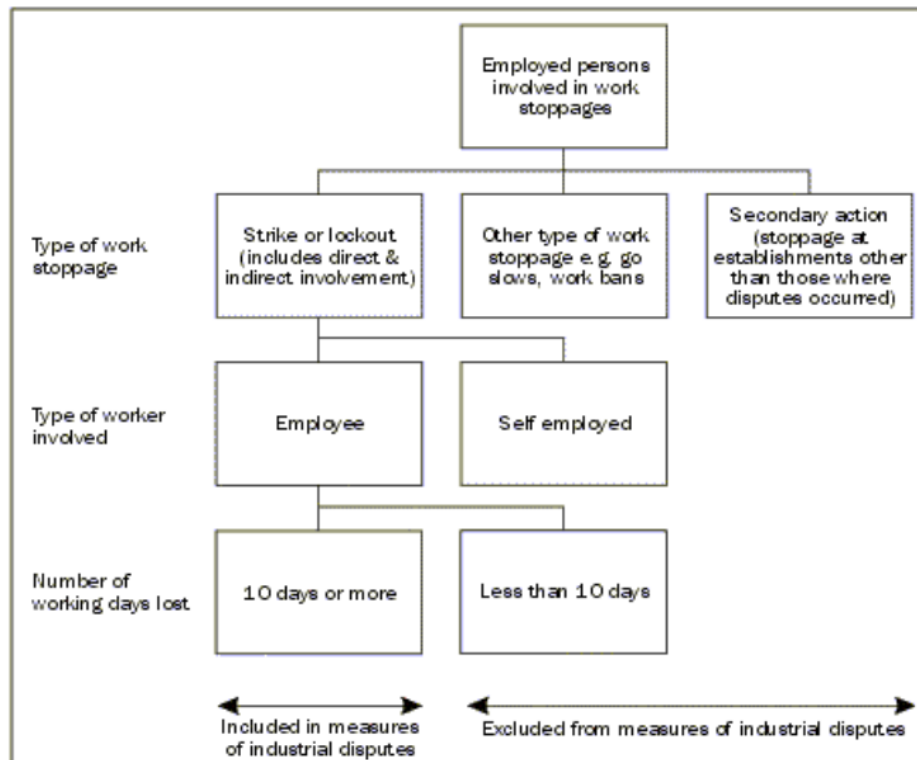
- unauthorised stop-work meetings;
- general strikes;
- sympathetic strikes (e.g. strikes in support of a group of workers already on strike);
- political or protest strikes;
- rotating or revolving strikes (i.e. strikes which occur when workers at different locations take turns to stop work);
- unofficial strikes; and
- work stoppages initiated by employers (e.g. lockouts).

Disputes and stoppages that are excluded from the scope of the ID collection include:

- stoppages not involving employees;
- stoppages resulting in less than 10 working days lost;
- work-to-rules;
- go-slows;
- work bans (e.g. overtime bans etc.); and
- stoppages resulting from effects of disputes on locations other than where the stoppages occurred (e.g. stand-downs because of lack of materials, disruption of transport services etc.).

Diagram 1 illustrates the conceptual framework of the current collection and the criteria used to include or exclude stoppages resulting from industrial disputes.

Diagram 1: Current ABS industrial disputes collection conceptual framework



Attachment 2: Discussion Summary

Issue	Proposed Change
Short term	
<p>1. <i>Name of Survey</i>: the name of the publication does not accurately reflect the concepts being measured.</p>	<p>1. Change the name of the publication to <i>Strikes and Lockouts</i> to more accurately reflect the concept being measured.</p>
<p>2. Existing Classifications</p> <p>a. Many questionable sub-categories in the Cause of dispute classification</p> <p>b. <i>Disputes ended</i> classification is not informative. A dispute is considered to have ended if after two consecutive months there has been no stoppage. It does not provide information on whether or not the cause of the dispute has been resolved.</p> <p>c. <i>Reason worked resumed</i> classification does not capture the resolution process</p>	<p>2. Existing Classifications</p> <p>a. Simplify classification to four categories</p> <ul style="list-style-type: none"> • collective bargaining related disputes; • disputes related to existing awards or agreements; • health and safety related disputes; and • other disputes. <p>b/c. Alter classification/s to group disputes by:</p> <ul style="list-style-type: none"> • Unresolved dispute <ul style="list-style-type: none"> ○ First / single stoppage for dispute ○ Multiple stoppages over course of dispute • Partially Resolved / Resolved dispute (Single / Multiple stoppages), method of resolution <ul style="list-style-type: none"> ○ Negotiation w/o intervention; ○ Negotiation with intervention / Mediation; and ○ Other resolution (is there a need for an ‘other’ category?)

3. Data Gaps:

- a. Determining the economic impact of strikes and lockouts is very difficult using the current outputs.
- b. The current collection does not produce any data on the prevalence of other types of action such as work bans and go slows.
- c. The existing outputs are fairly limited in the number of cross classificatory variables available.

3. Data Gaps:

(Please note that the adoption of the following proposals are dependent on how the increased disclosure avoidance risks are managed, please see issue 4 for further information)

- a. Provide additional classificatory variables to help better understand the economic impact of strikes and lockouts.
 - *Large disputes*: provide a range of estimates on the number of disputes where a defined threshold / cut-off of working days were lost or employees were involved (e.g. 500 working days and or 100 employees involved.)
 - *Wide spread disputes*: provide a range of estimates on the number disputes where there are multiple stoppage locations
 - *Size of Business*: provide estimates by the size of business, either, employment size ranges and or turnover size ranges
- b. Include a variable to identify stoppages that also included other types of action such as go slows and work bans
 - Stoppages / lockouts only
 - Stoppage / lockout and other action.
- c. Provide additional cross classificatory variables:
 - *Additional state dissections*: provide more detail on stoppages by state (i.e. industry, cause of dispute etc.)
 - *Public / Private Sector*: provide estimates by whether the employer is either a public or private sector employer.
 - *Industrial Relations (IR) Jurisdiction*: provide estimates by Federal or State IR jurisdiction.
 - Report strikes and lockouts separately.
 - Others?

4. Confidentiality

- The current low levels of disputes means the number of employers contributing to particular outputs on a quarterly basis is very low. This has resulted in an increase in the rate of suppression and increases the disclosure avoidance risk.
- Additional classifications will not be possible given the low number of disputes per quarter.

4. Confidentiality

- Change series from quarterly to annual. This will protect the confidentiality of providers and enable more detailed disaggregation of data.
- Provide a sub-annual (monthly / quarterly) series on the number of hours lost due to strikes and lockouts from alternative source to address timeliness concerns. Demographic data may also be included in this release.
- Are users supportive of a move away from a quarterly data releases to annual data items?
- Is it necessary to have some alternative indicator series available sub-annually?
- Would the concept of hours lost or persons who worked fewer hours be a suitable alternative?

Long term

5. Data Sources and Scope

- *Under-coverage of Disputation*
- *Non-coverage of different types of industrial action / disputes*

5. Use administrative sources to replace current survey approach

- Should statistics on industrial disputes include all disputes and not just disputes resulting in work stoppages?
- Should more information on other types of action be included in the scope of the collection (i.e. work bans and go slows)?
- Should statistics on termination related disputes (i.e. unfair dismissal and general protection claims) be included in the scope of the statistics?
- It is likely that it would only be possible to obtain this additional data by replacing the existing collection with data sourced from administrative records. Are there any concerns with the ABS pursuing this approach?

Notes: