



## Employment Relations in Canada and Australia During COVID: What Have We Learnt?

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COVID caused a fundamental disruption in workplaces across the globe and challenged traditional arrangements that governed relationships between employers and employees. [Employment relations](#) refer to behaviour and communication between an employee and their employer, especially relating to behaviour and communication between an employee and their employer regarding employee rights/benefits. How these relationships are managed is governed by various laws and regulations, varying from country to country. The employee relations systems in Australia and Canada have similarities and differences, which will be explained in this article. We will use the example of the public sector's response to COVID to demonstrate how the differences in the systems influenced that response. Finally, we will explore how these differences affect the ability of organisations to implement change.

### Overview of Canadian system

Employees in Canada started to organise and form trade unions as far back as the 1850s. Unions intended to represent large swaths of labour to owners/management due to abusive and poor working conditions. In June 1919, [Bloody Saturday](#) marked the end of one of Canada's most significant labour strikes. The strike involved the public and private sectors and transcended a variety of industries. The day has been critical in Canadian labour history, creating the country's modern-day pro-union environment. Canada has also seen Supreme Court decisions that have shifted the employment landscape to 'pro-union'. These decisions include the [affirmation that employees' have a right to strike](#) and that [mandatory union dues are permissible](#) under the Canadian Charter of Rights and Freedoms. Nearly any employee has the right to try and form a bargaining unit within a workplace.

This landscape influences provincial and federal governments (as laws relevant to Employment Relations are made at both levels), regardless of political party or belief. While some parties are more pro-business and management, and others more pro-labour, the framework of Canadian legislation and labour structures inherently limits the extent of any one government's capacity to intervene. A pertinent example is the ongoing (since 2021) [national rail labour issues between Canada's two major rail providers](#), which the current Liberal government is attempting to address without legislative intervention.



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## Overview of Australian System

The Australian employment relations system was established at Federation in 1901, and power for making laws was shared between state and federal governments. In 2009, The Fair Work Act 2009 created the current national industrial relations system, which covers most Australian workers and cedes most authority to the federal government. Moves to decentralise and lessen government control of workplace relations have usually occurred during periods of conservative rule and increased during periods of Labor Party rule.

The current federal government is taking action at the federal level with additional legislation that will strengthen the federal government's powers to enforce employment conditions. One major factor leading to the current arrangements is the close relationship between one of Australia's major political parties and the trade union movement as its political arm. That party has held power at the federal level. Initially supporting socialism and being the Party of Workers, the party is now considered centralist, aiming to appeal to the working and middle classes.

## Employment Relations in the Public Sector during COVID: Canada

The response to COVID in Canada was industrially complex. Many federal and provincial legislative regimes impacted the actions of the public sector. There was no national coordination, and provincial decision-making was left to each of Canada's ten provinces and territories. Where national coordination occurred, it was as a result in areas that the federal government had the purview to legislate. This complex decision process meant a wide variance in the COVID response across Canada's public sector. Canadian business managers and union leaders crafted appurtenant agreements that introduced changes to the employment conditions that were in place. These appurtenant agreements had the effect of changing the employment contract. Still, for the most part, only in the public sector. These arrangements resulted in unionised employees maintaining their jobs and pay while avoiding layoffs or furloughs. This was not the norm in the Canadian private sector during the pandemic.

## Employment Relations in the Public Sector during COVID: Australia

When COVID occurred, Australia had a conservative federal government but Labor governments in most states. All state and federal government leaders formed an intergovernmental decision-making body to lead a unified and coordinated response to COVID across Australia. This body was formed because the authority to take actions to manage COVID, especially in terms of the health system, was shared by the federal and state governments. In 2020, legislation was introduced to allow radical changes to people's working conditions to deal with COVID. As well as introducing payments to employers to keep paying staff who could not work, it allowed changes to workplace hours, location, duties and conditions so that as many people as possible could continue to work, especially those in essential sectors such as health and the public sector. Changes were negotiated between the government, organisations and unions that overrode existing arrangements. Unusually, unions and a conservative government worked together to negotiate these changes.



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## Managing Change: Some Advice for the Future

Canada and Australia will likely experience further pandemics, fires, floods and extensive natural disasters. Conceivably, the public sector will be tested in the future and should learn from the significant business disruptions that occurred because of COVID in both countries, even though the employment relations responses were different in both countries. While the Canadian response was a series of individually negotiated agreements, and the Australian response was much more centralised, in the end, to be successful in being able to continue to perform public services, the public sector needs to stay true to [their values](#), with staff remembering their role in society, executing government decisions and providing competent service to the public.

An emphasis on trust, clear decision-making authorities underpinned by solid communication strategies, and adaptability will be the keys to success in navigating future disruptions in both countries. [In a recent study completed through AIB](#) by one of the authors of this paper (Teigan), intra- and-inter organisational trust between managers, union leaders and staff significantly contributed to the development of innovative responses by employers in the public sector in Canada. In Australia, the trust that developed between union and government leaders at a federal level facilitated a coordinated national response. Generally, in high-trust relationships, employers were more likely to be collaborative, which had knock-on effects of improved job security, a willingness of staff to deviate from their enterprise bargaining agreements for the betterment of employees and overall increased collaboration between the union and the employer.



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Teigan is a highly skilled and driven professional with a diverse background in management, leadership, policy research and project support. With a Doctor of Business Administration and a Master of Business Administration from the Australian Institute of Business (AIB), a Bachelor of Arts in Governance, Law and Management, and a diploma in Criminal Justice, Teigan brings a strong academic foundation to his extensive professional experience.

Teigan's career demonstrates a strong capability to adapt to complex environments, manage diverse teams and contribute to strategic goals through a blend of analytical and practical experience. His research interests include organisational trust, leadership and relationship development within unionised organisations. You can find him on LinkedIn, and he looks forward to connecting with you on topics of mutual interest.



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