

**A RACE TO THE BOTTOM? GLOBALISATION,
INTERNATIONAL TRADE AND THE EVOLUTION OF
AUSTRALIAN FEDERAL LABOUR STANDARDS 1979 TO 2000**

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Abstract

The primary objective of this study is to intervene in the trade-labour rights debate by quantifying Federal labour standards in Australia in 1979 and 2000 and by capturing and explaining key shifts in the legal protection accorded to employees over this period. In order to achieve this aim, non-parametric absolute indexes are generated for 1979 and 2000 to measure the strength of labour standards and associated changes over time. The numerical results suggest that in this period, during which the exposure of the Australian economy to global forces was greatly increased, two of the ten standards measured, workers' compensation and collective bargaining, diminished while the indexes for equal employment opportunity/employment equity, unjust discharge, occupational health and safety and large-scale layoffs increased. The empirical results are then explained by applying Karl Polanyi's theoretical framework. The paper concludes by making two key observations: first, claims suggesting that heightened levels of international trade and investment are undermining labour standards seem to be premature and second, the reduction in Labour's market power, that occurred during the period investigated, has the potential to adversely affect the overall level of social protection in Australia.

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