

Australia: Union enforces job cuts at Fairfax Media

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At meetings of journalists in Sydney and Melbourne last week the Media Entertainment and Arts Alliance (MEAA) pushed through a recommendation that specifically excluded any campaign to oppose Fairfax Media's plan to shed jobs and slash costs.

Thanks to the collaboration of the MEAA, the company will now proceed with impunity to outsource sub-editing at its mast-head publications, the *Age* and *Sydney Morning Herald*, to contractor Pagemasters, at the cost of 90 jobs.

Following the meetings, MEAA national secretary Chris Warren told the media that neither of the union house committees at the *Age* and the *Herald* was "considering industrial action." He added, "there is nothing foreshadowed or expected."

The union's decision will also assist Fairfax to implement a broader restructuring involving the destruction of 260 printing and production jobs. According to one media report, about 100 of the planned redundancies will come from the company's New Zealand operations, leaving some 160 to be cut in Australia, including from regional pre-press centres and national printing, distribution and advertising sectors.

Fairfax has confirmed the loss of a total of 11 full-time equivalent pre-press positions in the New South Wales regional centres of Orange and Goulburn, while others are planned in Bendigo and Warrnambool in Victoria.

Ever since Fairfax CEO Greg Hywood announced the cost-cutting plan on May 2, the MEAA has worked hand-in-glove with management to impose the company's requirements. The union joined a ten-person working party, alongside company executives, specifically tasked with delivering the cost savings.

After five days of working party discussions, the company rejected the alternative "options" put by the

union, even though the MEAA volunteered job losses. Once Fairfax insisted on proceeding with its original plan, the MEAA immediately worked to head off opposition among the journalists.

The union spread confusion and despondency by telling last week's meetings there was no alternative to the company's plan and that strike action should be kept in reserve to oppose any "forced" redundancies. The task, according to the union, was to ensure the best deal possible for those wanting to leave.

Having accepted the job losses, the union will no doubt pull out all stops to deliver the number of redundancies sought by the company, including by forced layoffs. In fact, the union warned the Sydney mass meeting that any strike against forced redundancies would see the Gillard government's Fair Work Australia (FWA) industrial tribunal order a return to work under the threat of heavy fines.

The MEAA and the entire trade union movement have endorsed Labor's draconian "Fair Work" industrial relations laws, including no-strike provisions that are being used to back the employers' drive across various industry sectors for a new wave of restructuring. The MEAA will enforce any return-to-work directive issued by the FWA.

The union's collaboration with Fairfax's latest cost-cutting operation is a continuation of its role over more than a decade in trying to make the media companies "competitive" by subordinating its members to a never-ending drive to slash costs and bolster profits.

In 2008, when journalists did strike to oppose the axing by Fairfax of 550 jobs—30 percent of these among editorial staff—the union deliberately isolated the dispute. It made no appeal to Fairfax printshop employees for support, and rejected calls for the setting up of picket lines at the company's major print works

at Chullora in Sydney and Tullamarine in Melbourne.

The MEAA then brokered a deal to end industrial action, allowing the job cuts to proceed in exchange for pay increases of between 11 percent and 12.25 percent over three years (increases barely in line with inflation).

The 2008 jobs cut was the fourth downsizing at Fairfax in four years, each one facilitated by the trade unions. By December 2010, some 700 journalist jobs had been eliminated in metropolitan newspapers across the country since the onset of the global financial crisis in 2008.

In 2009, Fairfax's major rival News Limited shed 100 jobs, including from its flagship publication, the *Australian*. The MEAA accepted the cuts, asking only that the company explain its decision directly to staff and that entitlement payouts include a higher pay rate, which had been scheduled to begin after the redundancies took effect.

As Fairfax moved this month to slash jobs, the Murdoch group announced a plan to change the edition structure of the *Australian* and the Sydney *Daily Telegraph* to free up capacity at its Chullora, Sydney printing facility, a move that will see 21 jobs axed—11 printers, three team leaders, four electricians and three fitters.

Fairfax has held discussions with News Ltd about sharing printing arrangements and the extra capacity could be used to print Fairfax titles, including the *Sydney Morning Herald*, *Sun-Herald* and *Australian Financial Review*. Fairfax had already announced that changes planned at its Chullora printing establishment would mean job losses.

The union covering printers and maintenance workers, the Australian Manufacturing Workers Union (AMWU), has remained silent on the job cuts at both companies. Undoubtedly, like the MEAA, it will accept them, as it has done during the raft of closures and downsizing across the printing industry over the past three years.

Together with every other union, the AMWU and MEAA are intent on preventing any struggle against the ongoing destruction of jobs and conditions that could win support throughout the working class and trigger similar action in other affected industries, such as motor vehicles, oil refining and airlines.

Such a development would pose a direct challenge to the pro-business agenda of the Gillard government,

which is backing employers to restructure their operations to “improve efficiency”, “deliver ongoing cost reduction” and “flexibility”—the aims specified by Fairfax.

Fairfax and News Ltd, like other media conglomerates worldwide, are being hit by a sharp decline in advertising revenues due to the ongoing financial crisis, stagnation in consumer spending, and increasing competition from on-line media.

Globally, new benchmarks are being set. Just this week, the Federal Association of German Newspaper Publishers (BDVZ), whose members face similar pressures, flagged massive pay cuts in a new contract covering 14,000 journalists and editorial staff, plus a 30 percent lower pay rate for new starters.

The race to remain “competitive” is endless. Further cuts at giant media corporations are inevitable as they fight to maintain profits at the expense of their employees.

These recent bitter experiences point to the need for media and print workers to turn to a new political perspective—one that fights to defend jobs, working conditions and rights, and challenges the private ownership of society's mass media. This requires a decisive break with Labor and the trade unions, which operate as the direct agents of the employers.

Independent mass meetings should be called, and independent rank and file committees set up at all media workplaces, to reject all job cuts and map out a unified industrial and political struggle against the employers' attacks, the Labor government's corporate agenda and the union enforcers. This means turning to the fight for the establishment of a workers' government that will place all the major banks and industries, including media and communications, under social ownership and the democratic control of working people.



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