

# Australia: Thousands rally against attack on NSW public sector workers

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Some 12,000 workers rallied outside the New South Wales (NSW) parliament on June 15 against new legislation that will enable the new Liberal-National coalition government of Premier Barry O’Farrell to dictate wage outcomes to the Industrial Relations Commission (IRC) for about 400,000 state public sector workers.

Nurses and other health workers from 40 hospitals travelled by bus into the centre of Sydney, while fire stations maintained only skeleton crews so hundreds of firefighters could take part in the protest. Staff from numerous government buildings, including parliament itself, walked off the job to participate, and they were joined by Sydney Harbour Bridge maintenance workers, teachers and TAFE staff. There were also numbers of off-duty police and delegations of officials from various private sector trade unions. The demonstration was the largest by NSW public sector workers since the mid-1990s.

Behind the mobilisation was growing anger at the prospect of declining real wages. Workers also expressed their hostility to O’Farrell’s contempt for voters in the March 26 state election, which brought his government into power, where he made no mention of new methods of wage control.

As part of broader cutbacks to spending that were initially drawn up by the former state Labor government, O’Farrell’s legislation will mean that no new public sector workplace agreement can include more than a 2.5 percent increase—a rate far below the real increase in the cost-of-living. The IRC—the court that adjudicates state-based workplace agreements—will also be instructed to stipulate that an additional 1.5 percent “productivity” increase can only be paid after 12 months if it is financed from “employee-related savings” such as job losses and increased workloads.

O’Farrell’s legislation will enable future state governments to dictate outright wage cuts, along with reductions in core conditions such as penalty rates, sick leave, long service leave entitlements and holidays.

Yesterday’s demonstration underscored the very different conceptions animating the workers who took part on the one hand, and the trade union organisers on the other.

Workers demonstrated in order to fight to protect their standard of living, and public sector conditions as a whole. The main union speakers, Australian Council of Trade Unions (ACTU) secretary Jeff Lawrence and Unions NSW secretary Mark Lennon, made clear that the union bureaucracy only opposed O’Farrell’s legislation because it undermined the supposed “independence” of the industrial courts.

In reality, the IRC underpins an arbitration system that has historically been utilised by Australian employers and the trade unions alike to regulate and suppress the class struggle. For well over a century, the union officials have channelled struggles over wages and conditions into the courts in order to block industrial action and subordinate the working class to their dictates. The unions have invariably promoted the IRC, as well as other arbitration courts, as “independent umpires” whose rulings are fair and balanced. Both workers and employers, they insist, have to accept the “umpire’s decision”, pushing the hoary old lie that the two sides are somehow “equal” before the law.

The entire bureaucratic apparatus, made up of well-paid union officials, lawyers and researchers, revolves around bargaining in the courts. Over the past 30 years, under the impact of the globalisation of production and the collapse of national economic regulation, the unions have used bodies like the IRC to impose a historic reversal in workers’ living standards. From the Accords with the Hawke-Keating Labor government in the 1980s, through to agreements struck under enterprise-based bargaining, unions have “negotiated” continuous real wage cuts and the destruction of their members’ working conditions in the name of making the Australian economy “internationally competitive”.

The concern of the trade unions is that O’Farrell’s legislation creates the danger that workers will openly defy the IRC, a component of the tried and tested mechanisms for

imposing the demands of the Australian financial and corporate elite on the working class. Any movement by NSW public sector workers against an IRC ruling could trigger a wider rebellion by workers throughout the state and nationally against the unions, the arbitration system and the government.

The denunciations by Lawrence and Lennon of O'Farrell's attack on wages were nothing more than unbridled hypocrisy. Under the former NSW Labor government, the public sector unions worked to impose "productivity" cutbacks and suppress wage demands. If Labor had been re-elected, they would have agreed to the very 2.5 percent and 1.5 percent benchmarks being implemented by O'Farrell. The anger and frustration expressed by workers at the demonstration reflected the legacy of 16 years of Labor—under-staffing, under-funding and general crisis in hospitals, schools and throughout the public sector.

No union official raised opposition to the 2.5 percent wage cap announced by the Queensland state Labor government on June 14. Nor did they mention the public sector job cuts and wage caps being implemented by the state Labor government in South Australia and the Labor-Green coalition in Tasmania. The ACTU is certainly not proposing a campaign against the 3 percent real wage cuts being imposed on public servants by the federal Gillard Labor government, the 1.5 percent "cost savings" being gouged out of federal government spending or Prime Minister Gillard's assault on social welfare.

The only "campaign" the NSW unions intend to conduct is several months of personal appeals to O'Farrell and other members of parliament to desist from side-lining the IRC. At the same time, they are desperately trying to use O'Farrell's law to rebuild support for the Labor Party, at both the state and federal level, and channel growing discontent back into the safe channels of electoralism and the moribund two-party system.

The ACTU's Lawrence read a letter to the rally from Prime Minister Julia Gillard, presenting her as a champion of the "independence" of the industrial courts. Gillard's letter declared that "of course" there had to be "efficiency"—that is, cost-cutting—in the public sector.

Lawrence concurred with Gillard's position that the NSW legislation was a prototype of what a future federal Liberal government would implement, and thus a clear argument for why workers should support Labor. The unstated message of all the speeches and union-led chants was that all workers

could really do was to wait for the next state election in 2015, and re-elect the ALP.

That this message was left unstated due to the obvious hostility of the rally participants to the NSW Labor Party was revealed when it became clear that Lennon was preparing to invite Labor's new state leader, former union official John Robertson, to address them. As Robertson emerged onto the platform, he was greeted with catcalls of "traitor" and demands that he "get off the stage." Undoubtedly fearing an eruption of universal booing and jeering, the organisers asked Robertson to depart.

Socialist Equality Party members and supporters distributed many copies of the SEP's statement "The political issues facing NSW public sector workers" at the demonstration, discussing with workers the international driving forces behind the federal and state government assault on wages and conditions, and the perspective necessary to fight it.

O'Farrell's move to bypass the IRC and the unions is a measure of his government's concerns over how to meet the demands of the financial markets for massive cutbacks to spending. The global economic crisis is deepening, while the austerity measures being imposed on the working class in the US and Europe have created savage new benchmarks for international competitiveness. Not only are governments being instructed to cut wages and conditions even further, but also what remains of the social welfare state, and the public provision of health, education and other services are also to be slashed. This agenda is shared by the entire Australian political establishment—Labor and Liberal, the Greens and the trade unions.

In order to defend their interests, public sector workers must begin to organise independently of the trade unions and turn out to other sections of the working class facing similar attacks. The interests of the working class can only be taken forward by an independent political movement, based on a socialist and internationalist perspective, aimed against the capitalist profit system itself. This entails the fight for political power and the establishment of a workers' government that will reorganise society to meet social need rather than private profit.



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