

Australia: NSW government launches public transport carve-up

Mike Head
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As part of its intensifying assault on public sector services, jobs and conditions, the New South Wales state government is pushing through a bill to completely restructure public transport. The legislation will scrap existing working conditions and pave the way for the privatisation of rail, ferry, bus, ports, roads and other services.

With only token amendments by the Labor Party and minor party MPs, the Liberal-National Party's legislation to carve-up the public transport system has already been rammed through state parliament's upper house, the Legislative Council, in just two days, and is now in the lower house.

The Transport Legislation Amendment Bill contains "the most significant restructure of transport in the history of this great state," Roads and Ports Minister Duncan Gay told the Legislative Council on August 23. Transport for NSW—a new entity that will employ no staff—will have the power to contract out all public transport services, as well as "non-core services", such as administration.

The legislation specifies that transport services must operate according to a "strong purchaser-provider model". Transport for NSW will take over the coordination and procurement functions of all the main public transport agencies, including the Department of Transport, RailCorp, the Roads and Traffic Authority, the State Transit Authority, Sydney Ferries, the Maritime Authority of New South Wales, the Transport Construction Authority and the Country Rail Infrastructure Authority.

Thousands of public sector jobs will be eliminated as services and infrastructure are tendered out to corporate operators. Public transport employees are to be

transferred to another new entity, Transport Services. After an unspecified initial period, their existing conditions will be abolished, with the director-general of transport given the power to fix rates of pay and employment conditions, or enter into industrial agreements with Unions New South Wales and the transport unions.

Premier Barry O'Farrell's government is working in close collaboration with the trade unions in order to impose this onslaught on public transport workers. Minister Gay told parliament: "Consultation with Unions New South Wales and the transport unions on the changes has taken place and is ongoing today. Already, the integration has commenced, and employees from a range of agencies have been assigned and are working side-by-side in the Department of Transport as a temporary arrangement."

In an August 25 bulletin, the transport unions claimed that Labor's amendments had "protected transport workers' conditions". Nothing could be further from the truth. The relevant clause only states that conditions of employment will be retained for transferred employees "until such time as further provision is made under this Act or any other law."

While claiming to oppose privatisation, the unions are seeking to prove their value to the Liberals by offering the means to pressure their members into accepting the sell-off of transport operations, starting with Sydney Ferries. The six unions covering the ferry workers have offered to back the proposed franchising of the harbour ferry network, provided that staff remained technically public servants and only management was contracted out.

At a meeting with union officials last week the government rejected this offer and instead outlined a “transfer package” for employees to be shifted to private operators. The package includes a one-off payment of up to 30 weeks salary and no forced redundancies for two years. Both the government’s package and unions’ offer have the same aim: to break down the resistance of workers to the privatisation and create mechanisms to phase out the existing workforce and working conditions.

The unions worked hand in glove with the previous Labor government in NSW for 16 years as it chronically under-funded public transport services and infrastructure, featherbedded the private bus operators and strove to privatise the electricity industry. Now, they are desperately seeking to revive illusions in the discredited Labor Party as a supposed “lesser evil”.

The reality is that the O’Farrell government is actually implementing Labor Party policy, which fully backs the “purchaser-provider” model that is being applied in many other government areas, including vocational education, health care and welfare services.

Public transport and its workforce in NSW are being targeted as a key component of a wider offensive against all public sector workers and services—an agenda fully backed by the federal Labor government. Amid a deepening global economic crisis, finance capital and credit agencies are insisting that every level of government slashes spending in order to provide business with lower taxes and ensure budget surpluses.

Prime Minister Julia Gillard’s government is attacking social welfare, public health and public education in order to achieve Labor’s pledge to produce a surplus by 2012-2013. It is also seeking to impose a wage cap on federal employees, alongside cutbacks throughout the public service.

State Labor governments in Queensland, South Australia and Tasmania are following suit, imposing similar real pay cuts and axing thousands of jobs. In Queensland, the Bligh government has just carried through a wholesale privatisation of rail, motorway and other basic infrastructure, despite protests by working people.

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