

Australia: Corporate-backed government offensive against Victorian nurses

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Nurses in the Australian state of Victoria confront a provocative campaign spearheaded by the state Liberal government, in conjunction with the federal Labor government, that aims to cut real wages, undermine working conditions, and slash funding for public hospitals.

The dispute over a new four-year enterprise bargaining agreement (EBA) is being closely followed in corporate circles as a key industrial test case, following the recent grounding of the Qantas airline and threatened lockout. The *Age* yesterday revealed that the Victorian Hospitals Industry Association (VHIA), the body responsible for conducting the EBA negotiations with the nurses union, has made detailed preparations for an unprecedented lockout of Victoria's 60,000 nurses.

A 43-page document was drawn up by VHIA CEO Alex Djoneff for hospital management. It includes precise information on how to conduct a legally authorised lockout within the framework of the Labor government's Fair Work Australia industrial regime—including draft form letters to be issued to nurses and union officials, and scripts for any verbal communication with locked-out nurses. The document also advises management to take photographs of striking nurses, as well as record their vehicle number plates, and any signs, banners, or identifiable clothing. Hospitals were also given instructions on hiring scab workers, with management assured that “the costs incurred by utilising alternative labour are offset by wages forfeited by employees who have participated in industrial action.”

Djoneff insisted that the provocative document was drafted only to identify “all the possible legal mechanisms.” He declared: “We have already taken the position that there will be no lockout, there will be no Qantas.”

These assurances ring hollow. The day before the *Age* revealed the lockout preparations, the *Australian Financial Review* published a front page story, headlined “Health row shaping as another Qantas.” The article explained: “[T]he parallels between the Qantas and Victorian health disputes appear set to intensify business concerns... Employers are becoming increasingly concerned at union action to seek

outcomes on management decisions outside the traditional bargaining over pay and conditions.”

As far as the Australian financial elite is concerned, “management decisions” ought to involve the unfettered ability to shift production to offshore low-wage platforms, hire-and-fire casual workers as needed, and implement whatever other restructuring measures are deemed necessary. Qantas grounded its global fleet in response to limited industrial action taken by ground staff, engineers and pilots aimed at preventing mass job losses triggered by the airline's shift to low-wage platforms in Asia.

One of the key issues in the Victorian nurses dispute is the state government's drive to abolish mandatory nurse-to-patient ratios which are viewed as an intolerable obstacle to the never-ending drive to slash costs.

A cabinet briefing authored by Health Minister David Davis, leaked to the *Sunday Age*, revealed that the government plans to cut public health funding by at least \$20 million by abolishing the nurse-patient ratio. Another \$40 million is to be extracted through greater “roster-shift flexibility”, and a further \$40 million through the introduction of less-trained and lower-paid “nursing assistants.” In return for these “productivity” concessions, nurses are to be given a nominal annual wage increase of 3.5 percent—a real wage cut, given high cost-of-living increases.

Victorian nurses have indicated their determination to fight these measures. They are the lowest paid in Australia—a new TAFE-trained nurse receives just over \$800 a week, before tax, while a nurse who has completed a four-year university course earns just over \$930 per week. At a mass meeting convened by the Australian Nursing Federation (ANF) last Friday, nurses voted by a majority of 98 percent to take industrial action to defend the nurse-to-patient ratio and demand an 18.5 percent pay rise over the course of the EBA. Work bans are expected to soon be imposed in hospitals.

The ANF has already indicated its willingness to barter away working conditions. State ANF secretary Lisa Fitzpatrick has repeatedly appealed to Premier Ted Baillieu to be “reasonable” and negotiate with the union. She

declared that union officials were “doing our very best” to deliver productivity concessions, urging the Liberal government to recognise “there is no fat in the system.” Fitzpatrick has promoted Labor’s Fair Work regime that is being utilised to prepare a lockout. She has welcomed “conciliation” between the union and government conducted under the auspices of Fair Work, declaring that it was “a very positive step that we have the assistance of Fair Work Australia”.

For the state Liberal government, however, defeating the nurses is a key component of its drive to impose real wage cuts and productivity concessions across the public sector. Teachers, paramedics, public servants, and other layers of public sector workers are all negotiating new EBAs with the government this year. Baillieu has declared that annual pay rises will be limited to just 2.5 percent, with anything more to be offset by spending cuts.

Baillieu came to power 12 months ago when the incumbent Labor government was thrown out of office, despite the backing of big business and the media. The Liberal government’s first budget last May was not well received by financial circles—it failed to deliver the demanded spending cuts and instead increased public debt to pay for Baillieu’s “law and order” election promises. The premier was clearly put on notice, and the negotiations with the public sector workers may determine his immediate future.

In the campaign against the nurses, the Labor government of Prime Minister Julia Gillard stands squarely behind the state Liberal government. The leaked cabinet memo authored by Health Minister David Davis made clear that Gillard’s Fair Work laws would likely play the critical role in eliminating the nurse-patient ratio. The document explained that the staffing condition would be “extremely difficult [for the union] to negotiate away”, but it could be removed on “legal and merit grounds should these be tested in arbitration” conducted by the Fair Work tribunal.

Nurses confront a political struggle against the Baillieu and Gillard governments.

The entire political establishment functions as the instrument of the banks and major corporations, which in line with developments in Europe and the US, are determined to orchestrate a sweeping restructuring of the economy at the expense of workers’ wages and conditions. Public healthcare is at the forefront of the ruling elite’s drive to slash public spending and reverse every social concession granted to working people in the course of the twentieth century. In the US, President Barack Obama has moved to dismantle Medicare and Medicaid programs to slash healthcare costs. Similar moves are underway internationally, including in Australia. Gillard is attempting

to cut long-term health and hospital spending and promote a privatised and “user pays” system, in which only those who can afford top-tier insurance will enjoy properly resourced care.

Freely accessible, high-quality healthcare ought to be a social right enjoyed by every person in modern-day society. Yet the requirements of the profit system now make this a revolutionary question.

To advance their campaign and secure decent wages and working conditions, nurses must first break out of the straitjacket imposed by the Australian Nursing Federation and allied trade unions. The unions have collaborated with successive Liberal and Labor governments over the past three decades, presiding over the devastation of the public health system. In the current dispute, the ANF is striving to prevent a political confrontation of nurses with the state and federal government and in doing so prove its credentials as an industrial policeman.

Nurses must form independent rank-and-file committees in every hospital, independent of and in opposition to the ANF. These committees ought to turn out to other sections of the working class facing similar attacks—beginning with other health workers in every state, public sector workers, and Qantas employees. Such a campaign, based on an appeal to the entire working class in defence of the public health system, would strike a powerful chord throughout the country.

What is required above all is the development of a new political perspective and leadership. The alternative to the crisis-stricken profit system is socialism, which would involve bringing the banks and key sections of industry, including the billion-dollar private healthcare industry, under public ownership and the democratic control of the entire working class. The Socialist Equality Party urges nurses to contact us via the *World Socialist Web Site* and develop a discussion on these issues.



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