Australian public sector union in closed-door talks with government

Terry Cook
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Since Malcolm Turnbull's installation as Australian prime minister last month, the main trade union covering 160,000 federal public sector workers has stepped up its efforts to prevent industrial action by its members over new work agreements.

After stalled negotiations that have left most workers without pay rises for 18 months, the Community and Public Sector Union (CPSU) is trying to broker deals with the government that accept cuts to real wages and working conditions.

CPSU national secretary Nadine Flood last week held a closed-door meeting with new Employment Minister Michaelia Cash after earlier congratulating Cash on her appointment by Turnbull.

Emerging from the meeting, Flood declared: "I guess after 18 months, it's positive that they're willing to talk." She had no intention of making the details of the discussion known to the union's membership. "We will not be providing a running commentary on a dialogue with government," she stated.

Flood is keeping the "dialogue" secret because scrutiny would reveal the union's readiness to meet the government's cost-cutting demands. For the past year and a half, the CPSU has kept workers divided along departmental lines, while restricting all industrial action to limited stoppages and protests.

Last month, after an overwhelming rejection by 10,000 workers in the Department of Immigration and Border Protection (DIBP) of the government's below-inflation pay offer, the CPSU organised industrial action but did everything possible to minimise disruption to services.

This ranged from stoppages that began on September 21 to two-hour, twice-daily work stoppages over 10 days, staggered across various locations, including Australia's eight international airports. These restrictions allowed the department to deploy middle managerial staff to replace strikers, an operation that the union did nothing to oppose.

The DIBP stoppages were the last industrial action called by the CPSU and other public sector unions since Turnbull took office. On September 15, the unions held a half-day stop-work rally in Canberra at which Flood pleaded with Turnbull to "sit down" with the unions. "We are up for discussions with this government to resolve this long-running dispute," she stated.

Over the past year, agreements have been struck covering less than 2 percent of the public sector workforce. Workers in other key departments, including Human Services, Employment, Environment, Education, Agriculture, Defence and Veteran Affairs, as well as at the Australian Tax Office (ATO) and Medicare, have overwhelmingly voted down the government's "offers" and endorsed industrial action.

The government's below-inflation pay rises have been coupled with demands for trade-offs of conditions. The ATO is seeking changes to working hours that will slash part-time workers' take home pay and remove entitlements such as the "health and well-being allowance." The Department of Human Services has offered annual pay increases of around 1.8 percent, while seeking to abolish a series of increment payments.

At the beginning of this month, workers at the Productivity Commission also rejected the government's offer, with 81 percent of those participating voting no. Over 80 percent of the agency's staff turned out to vote.

Around 2,000 employees at the Department of the Prime Minister and Cabinet are expected to vote similarly in a ballot that began on Monday. The

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department wants to cut working conditions, including performance-based incremental advancement arrangements and career progression paths, in return for a 4.5-percent pay increase over three years.

When Turnbull's predecessor, Tony Abbott, headed the government, it largely marginalised the unions, despite their willingness to help destroy jobs and conditions. Under the previous Labor government, the CPSU assisted in eliminating up to 14,500 positions and imposing repeated "efficiency dividends"—a mechanism to force department heads to slash costs. A further 1,500 to 2,000 jobs were cut via the Liberal-National government's May 2014 budget.

Turnbull has signalled a possible shift towards more directly incorporating the unions into the "reform" agenda demanded by big business, which stalled under Abbott's government. On September 21, he said he wanted a "more flexible" industrial relations system without "waging war with unions."

This declaration was followed by a closed-door summit on October 1 of government, business, trade union and social welfare leaders. Australian Council of Trade Unions (ACTU) president Ged Kearney called the meeting "a step forward."

On the CPSU website on October 2, Flood also welcomed the summit, saying it "suggests a possible new direction on workplace relations and economic reform." She added that "a good place to start" would be the government's public sector bargaining policy.

Like Turnbull, Cash has said she is happy "to engage constructively with unions" in the "national conversation" on industrial relations, adding that "it is critical that the union movement takes its responsibilities seriously."

The public sector unions are moving swiftly to prove their worth to the government. Flood has said the CPSU will seek "to resolve this (pay dispute) as quickly and effectively as possible." In other words, the CPSU will work closely with Cash to break up resistance by public sector workers to the government's agenda.

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