

# Australia power union calls off New South Wales strike

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The Electrical Trades Union (ETU) last month called off a scheduled 80-hour strike in New South Wales (NSW) by thousands of workers at state-owned electricity distribution company Essential Energy.

The move followed a directive by the Fair Work Commission (FWC)—the federal government’s industrial tribunal. The union, which covers the vast majority of the company’s workforce, did not call members’ meetings to discuss its unilateral decision to cancel the stoppage.

The strike, which was to begin on May 23, was part of a campaign of limited industrial action, endorsed by power workers in March, in a long-running dispute over a new enterprise agreement. The company and the NSW government are demanding the destruction of longstanding working conditions and a mass shedding of jobs.

Along with a two-year pay freeze, Essential Energy is seeking to axe 800 jobs by 2018 and impose unlimited sackings after that. It also wants to maintain a ban on re-employing redundant workers within two years, except for casual or temporary positions, halve the amount employees are paid when called in for emergencies, and reduce the wages and conditions of contractors.

This offensive will eliminate more than a quarter of the company’s 3,000-strong workforce, affecting about 70 regional and rural towns, from Port Macquarie to Broken Hill. Since last year, more than 400 workers have already been pressured into quitting or have accepted so-called voluntary redundancies.

Essential Energy’s attack intensifies a decade-long drive under both Liberal-National and Labor governments, federal and state, to sell off what remains of the state-owned electricity industry, all across the country, at the expense of both power workers and household consumers. Successive governments in

every state have sought to satisfy the demands of the financial markets to slash social spending, drive down workers’ wages and conditions and open up lucrative new investment opportunities.

The current NSW Liberal-National government introduced legislation to privatise, via 99-year leases, urban electricity distribution companies Ausgrid and Endeavour Energy, where hundreds of jobs have already been axed to slash costs and make them more attractive to potential buyers. High-voltage network company Transgrid was sold off last November.

While rural-based Essential Energy is to remain state-owned for now, the privatisation of the other companies will create the conditions for it to be sold off in the near future. This would complete the privatisation of the electricity network begun under the previous state Labor government. With the support of the power trade unions, Labor privatised the electricity retail businesses before suffering a landslide defeat at the 2011 state election.

During the 2015 state election, the Labor Party cynically claimed to oppose the Liberal-National government’s plan to privatise the electricity distribution assets. Once the election was over, Labor leader Luke Foley flagged support for privatisation, declaring “private and not-for-profit sectors should play a significant role in the delivery of our public services.”

Throughout this entire process, the unions have worked to block any unified campaign by power workers to oppose government cost-cutting and privatisation, diverting all opposition into futile appeals to MPs, ineffectual protests and limited stoppages designed to let off steam.

The unions’ concern all along has been to maintain their position in the industrial relations setup as labour brokers and industrial policemen, working with

whichever government is in office to deliver a pro-market agenda.

This was the objective motivating the ETU's manoeuvre in the FWC last month. In order to cover its tracks in the eyes of workers, the union argued against the company's application for a suspension of industrial action at depots and control centres. Essential Energy had claimed that the action threatened public safety.

Instead, the ETU called on the tribunal "to take the other course of action available" and order the termination of all industrial action. The union knew that would trigger a 21-day compulsory arbitration period and open the way for a deal with Essential Energy or a court-imposed settlement along the lines demanded by the company.

ETU state secretary Steve Butler hailed the industrial tribunal's decision as "the best possible outcome." He claimed that the ruling "forces the company to sit down and negotiate in good faith." The union could "put its case to the independent umpire who will then make a final decision."

Butler's claims are a fraud. The FWC is not an "independent umpire." It is part of the state apparatus, which includes the courts and the police. Introduced by the federal Labor government in 2009, with the enthusiastic backing of the trade union movement, the tribunal is armed with a barrage of anti-strike provisions and the power to impose severe penalties on workers. It has intervened in dispute after dispute, from the airlines to the waterfront, to shut down industrial action and impose the requirements of the corporate elite.

Labor's Fair Work laws allow the FWC and the federal government to terminate any industrial action deemed to "threaten to cause damage to the Australian economy" or endanger the "welfare" of any part of the population. At the same time, as illustrated by the ETU's manoeuvre, the Fair Work legislation officially entrenches the unions in the strike-suppression framework.

The ETU's call for an 80-hour strike at Essential Energy was always intended to push the dispute into the FWC, creating the conditions for a pro-company deal, enforced by the threat of severe fines and penalties against workers who oppose the outcome.

What is clear is that Essential Energy workers, along

with their counterparts at Ausgrid and Endeavour Energy, and electricity workers nationally are facing a political offensive by Labor and Liberal-National governments alike, assisted at every point by the trade unions.



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