

# Australian government welfare staff may strike over pay dispute and “debt recovery”

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Up to 34,000 workers at the Australian government’s Department of Human Services (DHS) are scheduled to hold rolling strikes over the next two weeks. They include staff at Centrelink, the agency that oversees welfare payments, along with Medicare and Child Services employees.

The limited industrial action has been called by the Community and Public Sector Union (CPSU) in the face of protracted opposition by public sector workers to the government’s demands for cuts to wages and conditions. There is also immense popular anger over the government’s draconian “debt recovery” scheme targeting current and former welfare recipients, which Centrelink workers are being forced to implement.

The Liberal-National government of Malcolm Turnbull filed an extraordinary application to the Fair Work Commission (FWC) industrial tribunal yesterday to prevent the strikes, alleging they would be illegal. The move follows a series of interventions by the FWC—established under the former Labor government—in other industries, to ban strikes and annul existing enterprise bargaining agreements (EBAs), clearing the way for massive pay cuts.

The government’s move is another indictment of the CPSU’s repeated claims that the interests of workers could be advanced by pressuring the FWC to take action in the long-running public sector dispute, in which tens of thousands of workers have effectively suffered a three-year wage freeze.

Contrary to the government’s claims that the strikes will cause widespread disruption, the CPSU has confined them to “micro-stoppages.” They will be just 30 minutes long and will take place in various workplaces over six days, February 15 to 24. This is part of the union’s ongoing efforts to channel the anger of public sector workers into impotent appeals to the

Turnbull government.

Across the public sector, the government has sought to push through new deals with pay rises that do not keep pace with the rate of inflation, and which provide for an expansion of casual and contract work, along with other cuts to conditions.

Up to two-thirds of the country’s 100,000 public sector workers are working without an EBA, with employees at government departments repeatedly voting down the punitive offers over the past two years.

DHS workers have overwhelmingly rejected three government offers, with the last ballot, in November, registering a 74 percent no vote. The proposed agreement included an annual wage rise of just 1.5 percent in 2016 to 2017, and scrapped working conditions relating to work scheduling, rostered days off, miscellaneous leave and caps on the number of casual employees.

The CPSU has reiterated its willingness to negotiate a deal that cuts the wages and conditions of its members—so long as its position at the bargaining table is maintained. In September, CPSU national secretary Nadine Flood declared that the government had “ridiculously claimed the CPSU is standing in the way of a resolution but history shows the opposite.”

Flood touted deals that the union had signed with previous federal Labor and Liberal-National governments, which resulted in the destruction of thousands of public sector jobs over the past three decades. According to the CPSU itself, another 5,000 jobs have been destroyed at DHS over the past three years, with no record of the union having mounted any opposition.

The union has repeatedly called for the Turnbull government to “see sense” and strike a deal. In September, the CPSU called a one-day strike, which

featured pathetic appeals to the government. The impotent action was widely boycotted by public sector workers, with just 5,000 Centrelink staff participating out of more than 30,000. Similarly stoppages were held late last year.

The latest industrial action has been proposed under conditions of seething hostility toward the government's welfare "debt recovery" scheme. Up to 20,000 "debt notices" have been sent to current and former welfare recipients, demanding they repay money they were allegedly over-paid. This offensive is seeking to harass and intimidate social security recipients and extract \$4 billion from the most impoverished and vulnerable sections of the working class.

Media reports and social media posts have documented hundreds of cases of incorrect debt notices being issued by an automated data-matching system linked to the tax office and other government agencies.

Low-paid workers, people with intellectual disabilities and mental illnesses and old-age pensioners have been among those receiving notices falsely accusing them of owing the government thousands of dollars. Many have reported being hounded by debt collectors, operating under multi-million dollar contracts to "retrieve" the debt. The government has declared that those who do not pay could face imprisonment.

In one recent case, reported by the *Courier Mail*, an elderly couple, aged 90 and 88, were sent a notice last year accusing them of owing the government more than \$45,000. They were warned that if they did not pay the debt by last August, their pensions would be terminated, threatening their ability to buy fundamental essentials, including cancer medication.

The couple's requests for an instalment plan, or a postponement of the payment deadline, were summarily denied. Having paid back \$37,000, they were later told they had been "overpaid" only a few thousand dollars each.

Numbers of Centrelink workers have courageously spoken out against the program, and expressed their solidarity with the people being targeted by the government. The management has reportedly warned that leaking information to the media may be a "criminal offence."

The CPSU has attempted to divert the anger among

staff behind calls by the Labor Party and the Greens for a Senate inquiry into the debt recovery scheme. However, it was the last Labor government, kept in office with the support of the Greens, that established the automated debt recovery program, as part of a broader assault on welfare.

In 2011, current Labor leader Bill Shorten, who was then assistant treasurer, declared that the scheme would result in "more people being referred to the tax garnishee process, retrieving more outstanding debt." Under Labor, the amount of alleged debt recovered via the threatening letters rose from \$1.8 billion in 2010–11 to \$2.2 billion in 2013–14.

The union's record in promoting Labor, and constraining public sector workers within the framework of appeals to the government, means that workers can go forward only through a rebellion against the CPSU. Against the union's attempts to isolate employees in each department, rank-and-file committees need to be established, completely independent of the CPSU, to unite workers across the sector for a unified political fightback in defence of all jobs, wages and conditions, and against the bipartisan assault on the social right to welfare.



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