

Australia: Telstra workers vote on industrial action amid mass sackings

Oscar Grenfell
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Thousands of workers employed by Telstra, Australia's largest telecommunications firm, are currently voting on a campaign of industrial action, as the company imposes one of the largest job cuts in Australian corporate history and presses ahead with demands for a new enterprise agreement (EA) that would contain reductions in real wages.

The industrial action ballot, which began last month and concludes on February 25, was called by six unions, including the Communications, Electrical and Plumbing Union of Australia (CEPU), the Communication Workers Union of Australia (CWU) and the Community and Public Sector Union (CPSU).

The unions have not specified the nature or extent of the proposed industrial action, which will potentially involve as many as 30,000 workers. They will undoubtedly seek to limit any stoppages, as they stress their willingness to impose yet another sellout agreement and suppress widespread opposition to Telstra's 2018 announcement that it will destroy up to 9,500 jobs over the next four years.

The dispute over a new agreement began last year, with the previous EA expiring in October. Negotiations between the unions and Telstra for a new deal have been ongoing since May 2018.

Telstra is demanding that most employees accept a wage increase of just 4.5 percent over three years, or 1.5 percent per annum. The figure is below the official rate of inflation and is far behind the rapidly rising cost of living, amid growing prices for fuel, electricity, housing expenses and other essentials.

Some workers will not even receive that meagre pay rise. In 2013, Telstra introduced a new category of staff, dubbed "Family Employees," in a bid to create a two-tier workforce and expand the use of casual labour. Those workers will be subjected to an effective wage

freeze.

In August, some 81 percent of Telstra employees who cast a ballot in a company-organised vote, rejected the deal.

The company has made clear that it is not prepared to alter its pay offer. Its attempt to force through real wage cuts is part of a broader offensive against jobs and conditions, amid stepped-up competition across the telecommunications sector.

Late last month, the CPSU stated that Telstra management had informed it of 752 imminent sackings across the company's national operations. While full details have not been announced, it appears that some of the positions targeted will include frontline roles. Some 1,100 jobs were destroyed last August, many of them reportedly from back-office positions and middle-management.

Under its "Telstra 2022" restructure, the company is seeking to reduce costs by \$1 billion over four years, including through a 30 percent reduction in labour costs. This includes the elimination of a quarter of the company's entire workforce.

In addition to eliminating between two and four layers of management, Telstra is expected to destroy hundreds of jobs at its Sydney headquarters. Large-scale sackings are expected in other capital cities and in regional centres across the country. This will exacerbate a deepening unemployment crisis and create a pool of cheap, skilled labour that will be used to further drive down wages and conditions in the telecommunications industry.

Heavily-exploited call centre workers are also expected to be affected, as Telstra moves to digitalise and outsource many of its remote customer service operations.

Other companies in the sector are also imposing mass

sackings. Last May, Optus announced 400 job cuts, followed by another 440 sackings in August.

Telstra and Optus are locked in intense competition for dominance in the 5G mobile network, which is set to be rolled out nationally in the next several years. In December, Telstra announced that it had customer connections and was trialing the new network.

The unions which cover Telstra's workforce have made clear that they will enforce its cost-cutting agenda. In negotiations for a new EA, they have made vague calls for the company to make a "fair" wage offer, without publicly specifying a percentage figure.

At the same time, the unions have presented the mass sackings as a fait accompli that workers must accept. The CPSU's deputy national president Brooke Muscat-Bentley, for instance, complained last month that Telstra was refusing to "agree to provide a dignified redundancy process."

To the extent that the unions have criticised the job cuts, it has been to warn that they will negatively affect Telstra's business operations. Muscat-Bentley warned that the "impact from a mass sacking on this scale" would be "felt throughout the organisation" and would not "help with faltering customer satisfaction."

Unions officials have previously claimed that they were not informed of the planned job cuts, before they were publicly announced last year, and have appealed to the company for "fair" and "good faith" negotiations.

The unions are fearful of any move by Telstra to deprive them of their seat at the "bargaining table," where they have negotiated away the jobs, wages and conditions of workers they falsely claim to represent, in exchange for the privileges of the union officialdom.

The unions collaborated for years with successive governments, as they prepared the ground for the privatisation of Telstra, which was previously publicly-owned. In 1991, they backed the federal Labor government of Paul Keating as it corporatised Telstra, then called Telecom, in preparation for its sell off. The unions suppress mass opposition as privatisation was completed by the Liberal-National government of prime minister John Howard.

Since then, all of the unions have enforced unprecedented job destruction at the company. In 2001, Telstra employed approximately 48,000 workers. Only around 30,000 remain. Between 2013 and early 2018

alone, the unions oversaw the elimination of an estimated 6,000 positions.

Workers should reject the latest enterprise agreement and begin an industrial and political struggle against the mass sackings.

This requires a complete break with the unions and the establishment of new organisations of struggle, including independent rank-and-file committees. These would be tasked with breaking the isolation imposed by the unions, and coordinating joint action with workers, throughout the telecommunications sector and more broadly, who are facing a similar corporate offensive against their jobs and conditions.

Above all, what is required is a new political perspective, which rejects the corporatism of the unions. This means the fight for a workers' government which would implement socialist policies, including placing major corporations such as Telstra, along with the banks, under public ownership and democratic workers' control.



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