

Australia: NSW government unveils thousands of public sector job cuts

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In its budget, brought down on Tuesday, the Liberal-National Coalition state government in New South Wales announced it will eliminate up to 3,000 public sector jobs over the next four years as part of a bid to slash social spending by \$3.2 billion.

The mass redundancies are part of a broader offensive against workers' jobs, wages and conditions, being enforced by Labor and Coalition governments across the country, amid a slowdown of the property bubble and other signs of an accelerating slump of the Australian economy.

The government headed by Premier Gladys Berejiklian did not specify where the job cuts will be imposed. Public sector workers across the state therefore have the axe hanging over their head. The Coalition cynically sought to package the sackings as a reduction in "back office roles" and management positions. The scale of the job cull, however, means that broad layers of workers will be targeted. Essential frontline services inevitably will be affected.

The state Labor Party opposition quickly signalled its support for the cuts. In question time on Tuesday, Labor's finance spokesman Clayton Barr demanded only that the government give an assurance that sackings would not take place in regional and rural areas.

Labor's tacit endorsement of the layoffs is in line with its central role in gutting the public sector over the past three decades. It is also in line with the party's new federal leader, Anthony Albanese, who has condemned "class-war rhetoric," and pledged that Labor will "work with" big business.

The public sector sackings were the centrepiece of a state budget geared to meet the demands of the corporate and financial elite. Treasurer Dominic Perrottet declared the government would ensure a

budget surplus of more than \$1 billion in the next financial year and \$2.5 billion over the coming four years.

This is based on the Coalition government's rejection of calls for increased funding to essential health care, including psychiatric treatment, and other social services, including those that assist the growing homeless population.

On the same day the budget was handed down, media reports revealed that three services that assist victims of domestic violence—the Sydney Women's Counselling Service, Penrith Women's Health Centre and Cumberland Women's Health Centre—had been denied ongoing funding, threatening them with imminent closure. Amid widespread public outrage, the government was compelled to renew their funding.

At the same time, the government pledged to spend \$93 billion on infrastructure projects over the next four years. These feature transport and road projects, geared to the needs of big business, and upgrades to sport stadiums. Most of the contracts have been awarded to private companies, providing a multi-billion dollar boon to major corporations.

The infrastructure program is also a desperate attempt to stimulate the economy. The Australian Broadcasting Corporation's business editor noted that the budget was based on predictions of "blue skies ahead despite global and domestic economic doubts."

Ian Verrender pointed to China's economic slowdown, "a growing possibility of a messy Brexit," "the continued escalation of a trade war between the US and China" and the collapse of the property bubble as potential triggers for deepening economic slump.

The government has also foreshadowed privatising other state-owned assets, which would mean further job cuts.

The unions responded with hypocritical posturing. Unions NSW secretary Mark Morey declared: “This government is no longer cutting fat, it’s actually cutting into the bone of the public sector.” Officials from the Public Service Association (PSA) and the Community and Public Sector Union (CPSU) made similar statements.

The unions are promoting the fraudulent claim that austerity measures are only the result of the right-wing proclivities of the Coalition government. This is aimed at channeling anger behind the pro-business Labor Party and covering up the central role of the unions themselves in enforcing decades of sackings, wage reductions and cuts to working conditions across the public sector.

At the federal level, the unions fully backed the Labor government of Prime Minister Bob Hawke as it introduced “efficiency dividends” to the public sector, mandating continuous funding reductions.

The unions similarly supported the federal Labor governments of Julia Gillard and Kevin Rudd, which eliminated up to 14,500 federal public sector jobs between 2007 and 2013. In its final year in office, the Rudd government boosted the “efficiency dividend” from 1.25 percent to 2.25 percent, creating the conditions for further major cuts by Coalition governments.

Throughout 2017, the CPSU forced through regressive enterprise agreements at a host of federal public sector departments. The union did everything it could to divide the workers and channel their anger behind impotent appeals to the Coalition government and support for Labor. The agreements mandated wage rises around the government’s public sector pay cap of just 2 percent per annum and entrenched, or worsened, the growing prevalence of casual and contract labour.

The unions have played the same perfidious role at the state level. In 2017, the Western Australian Labor government, which had recently taken office with the support of the unions, announced 1,700 public sector job cuts.

The same year, the South Australian Labor government unveiled a plan to eliminate 750 positions in the state public sector. While bemoaning the sackings, the PSA declared that “cost reductions” were required.

In NSW, the PSA sold out a 2013 struggle by public

sector workers across the state against the Coalition government’s enterprise agreement. The deal enforced by the union mandated a pay rise of just 2.5 percent per annum, and cleared the way for further job cuts, after thousands had been eliminated over the preceding years.

The record demonstrates that any genuine struggle against the latest sackings will require a rebellion against Labor and the unions.

New organisations, including independent rank-and-file committees, are needed to break the isolation imposed by the unions and to coordinate a unified industrial and political fightback of all public sector workers in NSW and across the country.

This must be linked to a struggle against layoffs in the private sector, including the elimination of some 18,500 jobs by the formerly government-owned telecommunications company Telstra.

Above all, a new political perspective is required, which rejects the class collaboration of the unions with governments and the corporate elite. This means fighting for a workers government that would implement socialist policies, including placing the banks and the corporations under public ownership and securing the social right to well-paid, secure full-time employment for all workers.



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