

Australia Post announces major restructure threatening thousands of jobs

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Australia Post, the country's government-operated postal service, announced a sweeping restructure on Tuesday on the pretext of the major disruption to its operations caused by the coronavirus pandemic.

The federal government and management, with the crucial assistance of the unions that cover the sector, are cynically exploiting the COVID-19 crisis to press ahead with a longstanding cost-cutting agenda, aimed ultimately at the privatisation of the already corporatised entity.

Company executives have not said anything to Australia Post's 36,000 direct employees about the implications of the latest changes for their jobs and conditions. The scale of the overhaul, however, demonstrates that mass retrenchments, along with the slashing of working hours and regressive changes to shift arrangements are all on the agenda.

At the centre of the restructure is a reduction in the frequency of letter-delivery in metropolitan areas from every business day, to every second business day. This will undoubtedly create the conditions for cuts to the hours and jobs of postal workers particularly in metropolitan areas.

The mandated time frame for the delivery of regular intrastate letters will also be extended and the priority mail letter product will be abolished as part of a broader shift away from letter delivery. Postal offices will also have greater discretion to close, on the pretext of the dangers posed by the pandemic. Up to 2,000 postal workers who currently use motorbikes are to be retrained as van drivers dedicated to the delivery of parcels.

In announcing the changes, Australia Post chief executive Christine Holgate described them as the biggest shift in the business in at least two decades. This is a warning to workers, given that previous restructures have been accompanied by hundreds or thousands of job cuts and the destruction of conditions.

Federal Finance Minister Matthias Cormann pointed to

the pro-business character of the overhaul, declaring that it was aimed at providing Australia Post with "greater flexibility to optimise its operations."

The government and Australia Post management have long viewed letter-delivery as a cumbersome drain on its revenue and an obstacle to privatisation. In the 2018–19 financial year, the parcels and services sector of the business accounted for \$4.8 billion of the company's \$6.99 billion revenue, up 7.7 percent on the previous year. Revenue from addressed letters was down 8.9 percent.

Management has claimed that the restructure is a response to a major increase in parcel volume since the coronavirus pandemic hit Australia, citing a rise of 80 percent over the past four weeks.

In reality, the changes go in the direction of recommendations contained in a 2018 strategic review commission by Holgate and leaked to the Fairfax press.

Conducted by the PricewaterhouseCoopers financial firm, it called for a drastic reduction in hours spent on letter-delivery, to as few as one day per working week. This, it forecast, could result in annual savings of over \$180 million.

The review called for management to lobby the government to change legislation requiring that it operate 4,000 postal stores with 50 percent in regional areas. It envisaged a "downsizing of the network" and a smaller "physical foot-print," including through the creation of kiosks with parcel lockers.

While the review did not spell it out, such a program would result in the destruction of thousands of jobs. Significantly, it noted that a number of the changes, including a reduction in the number of letter-delivery days, could only take place after a further fall in letter volumes. This has taken place over the ensuing two years.

The review, which was publicly-reported on earlier this year, and the protracted corporatisation of Australia Post, underscore the fraudulent character of the posture of

shock and anger adopted by union officials who cover the workplace.

The attempts of the union to stymie opposition to the restructure were demonstrated by an email to members last night from Shane Murphy, New South Wales branch secretary and national president of the Communications, Electrical & Plumbing Union's communications division, and Greg Raynor, the national secretary.

Raynor bemoaned the fact that Australia Post and management had not "consulted" with the union over the changes. He "called on Australia Post to immediately come to the table and consult on exactly how their proposed changes will be implemented" and proclaimed the union's willingness to engage in "cooperative consultation."

In other words, the sole concern of the union officials is to maintain their own position at the negotiating table, where they bargain away the jobs, wages and conditions of the workers they falsely claim to represent and thus shore up their own privileges. They are more than willing to enforce another round of pro-business restructuring, provided only that they are not sidelined.

Both bureaucrats touted their role over the past months in imposing management's dictates, including changes to starting times, which have resulted in reduced overtime pay, and the ever-expanding use of contract labour.

In a damning self-exposure, Murphy declared that the union had ensured members had been "patient" in "swallowing the increasing visibility of contractors and casuals in their workplace, changing their starting times, shifting work locations, cutting their overtime and putting up with delay after delay in the distribution of necessary personal protective equipment."

In fact, the union has made sure that workers remain on the job, despite the dangers posed to them by the pandemic. In an April 4 email to members, Murphy reported that 11 postal workers in Sydney had contracted COVID-19. Four of them had been ill while they were on the job.

Murphy solidarised himself with the company, declaring that the union "recognise[s] Australia Post's response to heightened risk so far, and appreciate the difficulties they have confronted in procurement of PPE [personal protective equipment] to mitigate against an imminent risk to your health and safety." He lamented that "in some areas... the response has been inadequate."

Murphy essentially declared that it was up to workers to protect their own safety. In an admission that many postal workers have been denied the most elementary health

precautions, he advised workers that they could refuse to undertake certain duties if they had not been provided with hand sanitiser, but that they would need to notify their supervisor.

In other words, the union made clear that any workers who protested the unsafe conditions would be on their own with management.

This callous indifference is a continuation of the decades-long collaboration with management in the gutting of workers' conditions. This included the enforcement of 900 sackings announced in 2014, and another 1,900 job cuts the following year, along with other measures, such as the increased use of contractors, aimed at paving the way for privatisation.

The record demonstrates that postal workers can only defend their jobs and their safety through a rebellion against the thoroughly corporatised trade unions. New organisations of struggle are required, including independent rank-and-file committees, to coordinate a genuine fight in defence of all jobs and for the implementation of whatever safety measures are required to protect the health of postal workers.

Such committees will immediately be confronted with major political issues. The struggle against privatisation requires the fight for a workers' government, which will place postal and other essential services, along with the banks and major corporations, under public ownership and democratic workers' control.

We invite all postal workers who want to discuss their experiences and take part in such a struggle to contact the Socialist Equality Party at sep@sep.org.au



To contact the WSWS and the Socialist Equality Party visit:

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