Unions enforce pro-business restructure at Australia Post

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The unions covering Australia Post (AP) are continuing to enforce a pro-business restructuring of the government-owned postal service, even as it is clear that the overhaul is already resulting in greater workloads and worsening conditions, and opens the way for mass job cuts and privatisation in the near future.

At the beginning of the month it was publicly-revealed that AP management had issued an appeal to its Victorian workforce to "volunteer" their time to clear a backlog of parcels, using their own vehicles. In other words, management, which reported a $7.5 billion full-year revenue in August, up seven percent, was demanding unpaid labour. The backlog was itself the result of restrictions on overtime, aimed at cutting costs.

Across the country, postal workers have reported less extreme examples of the same process. Changes introduced on the pretext of the coronavirus pandemic, with the backing of the unions, have led to postal workers being forced to deliver even greater quantities of parcels and junk mail than before and to cover multiple beats, without any increase in the size of the workforce and with management still seeking to limit overtime as much as possible.

According to some reports, postal workers who have been on the job for years delivering letters by foot or bike have been told that if they do not agree to switch to a new role distributing parcels by van, they will be out of work.

This demonstrates the sham character of assurances by the federal Liberal-National government and management—echoed by the Communication Workers Union (CWU) and the Communications Electrical Plumbing Union (CEPU)—that the overhaul is time-limited and is solely aimed at responding to the COVID-19 crisis.

On April 21, the government granted AP relief from federal regulations that set out the parameters of its operations, on the pretext of the disruption caused by the pandemic.

Management immediately announced that it was pressing ahead with a sweeping overhaul that would include a reduction in the frequency of letter-delivery from every business day, to every second business day, and the retraining of as many as 2,000 of its employees as van drivers dedicated to parcel delivery.

There was no clear explanation as to what the changes had to do with the health crisis. Indeed in the early stages of the pandemic, workers complained that they were not provided with sufficient personal protective equipment. Several in Sydney contracted COVID-19, with some infectious while they were on the job.

As the WSWS warned, the restructure was in line with previous calls for AP to refocus its operations to parcel delivery, which has accounted for a greater portion of its revenue each year, and to scale back its letter services, which are consistently operating at a loss. The transparent purpose is to make AP an attractive entity to a corporate buyer, if and when privatisation occurs, by making the business as profitable as possible.

When the April changes were announced, CEPU and CWU officials acknowledged that they could result in as many as 2,500 jobs being destroyed, out of AP's roughly 36,000 direct employees.

The ensuing five months have seen a carefully orchestrated charade. The unions have continued to denounce aspects of the overhaul, but have collaborated behind closed-doors with management and the government to ensure that it proceeds.

Their sole concerns have been to maintain their own position at the negotiating table, where they bargain away the jobs, wages and conditions of workers in exchange for their own privileges, and to prevent any struggle against the restructure.

In July, CEPU national secretary Greg Rayner revealed that the unions had been in talks with the government, even prior to the regulatory changes in April. This underscored the fraudulent character of the unions' claims that they had been blindsided by the overhaul.

On July 7, the two unions announced that they had a "memorandum of understanding" (MOU) with AP management, suspending negotiations for a new enterprise agreement. The deal allows for the main changes demanded by AP, centering on the reduction of letter-delivery and a greater focus on parcel operations, to go ahead.

Underscoring their contempt for the workers, and close collaboration with AP, the MOU was not discussed at any meetings with union members before it was agreed upon. Instead, workers were informed after the fact, in two letters, one from management and the other from the CEPU and the CWU.

The unions have touted the agreement, because of a worthless pledge from management that they will not enforce job and wage cuts while it is in effect. The entire restructure, however, is premised on slashing unprofitable aspects of AP's operations, meaning that job cuts are all but inevitable in the future.

Management has refused to give any guarantee that it will not begin sackings when the MOU expires next year. Moreover,

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because the overhaul is proceeding, and workloads are intensifying, management no doubt calculates that some postal workers, especially older employees, will leave the job because the pressure is too great.

Most significantly, the MOU includes a year-long no strike guarantee, in a pledge from the unions that they will act as an industrial police force, to repress opposition from the workers they falsely claim to represent.

The signing of the MOU cleared the way for a vote in the federal Senate on August 27 for the extension of the regulatory changes until June 30 next year, at which time they will be "reviewed." In other words, management has a year to proceed with its overhaul, and then it may be extended. Either way, workers know from experience that once a pro-business restructure is underway, management never voluntarily brings it to a halt.

While the unions continue to bemoan some of the conditions facing workers, their real relationship with management was summed up by an article in the *Australian Financial Review* (AFR), one of the preeminent publications of big business, on August 21.

It reported that Rayner was now a member of AP's leadership council for safety. In other words, the union is completely integrating itself into management amid a pro-business offensive against workers' conditions. Such committees, especially during a pandemic, are used to damp-down concerns from workers over their safety, and to ensure that business operations continue no matter what.

Christine Holgate, the CEO of AP who has led the restructure, told the AFR that Rayner's promotion was a "reflection of the respect [in which] I hold them," i.e., the unions. Holgate made plain that the occasional conflicts between the unions and management were not fundamental: "We will always on occasions have different points of view. But back in July we signed an MOU with them which gave confirmation of their support for this temporary, regulatory relief."

Most revealingly, Holgate stated: "One of the things they [the unions] are really keen on, and so am I actually, is we move to what we call a one network operation where we have more streaming into posties [postal workers] of parcels and we stop this sort of separation which had taken place between parcels and letters and we sort of bring it together and keep the postie's job alive."

Despite the vague corporate jargon, Holgate was clearly referring to a drive to increase the efficiency and the competitiveness of AP, and to force workers into areas of the business that are most profitable at any given moment. In other words, both management, and the unions, are concerned above all with boosting revenue, which means further cuts to conditions, and eventually, jobs and wages.

The rhetoric about "keeping the postie's job alive" is window-dressing and a thinly-veiled threat that if workers do not accept a continuous overhaul of conditions they will be thrown on the scrap-heap.

The unions are currently calling on workers to join Local Working Groups (LWG) established by management. They are absurdly claiming that the participation of postal workers in these bodies, which were explicitly created to enforce the restructure, will help them to defend their conditions.

At the same time, the unions are telling workers to appeal to federal senators to make sure that no permanent restructure, involving job destruction, is imposed in the future. At Senate inquiry hearings over the past months, Labor and Greens parliamentarians have "grilled" Holgate about different aspects of AP's operations and the intentions behind its overhaul. But the restructure proceeds.

The purpose of the Senate hearings, and the union promotion of them, is to divert workers behind the federal parliament and the official political parties responsible for the assault on postal employees and workers more broadly. Thousands of jobs, moreover, were slashed under previous federal Labor governments, which are no less responsible for the corporatisation of AP than their Liberal-National counterparts.

The experiences of this year are further proof that postal workers can only defend their jobs, wages and conditions and oppose the pro-business offensive of management by breaking with the unions. These are anti-working class organisations, thoroughly integrated into management structures.

New organisations of struggle, including independent rank-and-file committees, are required. These would be tasked with coordinating a genuine industrial and political fight against the restructure, enforcing basic safety measures and turning out to other sections of the working class.

The ongoing drive to privatise AP demonstrates the need for an alternative political perspective, which rejects the subordination of essential services to the demands of the market and the corporate elite. That means the fight for a workers' government that would implement socialist policies, including placing AP and all essential services, along with the banks and corporations, under full public ownership and democratic workers' control.

We appeal to postal workers interested in discussing this perspective to contact the Socialist Equality Party (SEP) today, at sep@sep.org.au.

To contact the WSWS and the Socialist Equality Party visit:

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