

Unions and Labor leader fraudulently posture as opponents of privatisation at Australia Post

Oscar Grenfell
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Union officials called a Wednesday morning meeting at Australia Post's Alexandria facility in Sydney to provide federal Labor Party leader Anthony Albanese with a platform to falsely posture as an opponent of plans to privatise the national postal service and to promote him as a defender of its workers.

The event was a cynical attempt by the Communications, Electrical and Plumbing Union (CEPU) and the Communication Workers Union (CWU) to cover up their role over the past year in enforcing the deepest pro-business restructure at Australia Post (AP) in decades. The purpose was to damp-down mounting anger among workers over the intolerable conditions that have resulted, and to prevent them from breaking with the forces responsible, above all Labor and the unions.

The meeting also served to promote the unions' latest maneuvers, including secret backroom talks with management for a new enterprise agreement, close collaboration with Labor and overtures to right-wing crossbench senators in the federal parliament. These sordid exercises, which will deepen the assault on jobs and conditions, were presented as a struggle for the interests of AP workers.

Speaking to around 70 workers, Shane Murphy, the CWU national president and CEPU vice-president, did not bother to explain why the meeting was being held. Despite sweeping changes at AP over the past year, only a handful of tightly-controlled meetings have been called by the unions.

Both Murphy and Albanese expressed shock and outrage over revelations that the Liberal-National Coalition government has considered proposals to privatise the postal service.

The issue came to the fore this month at Senate hearings over the ouster of former AP CEO Christine Holgate in a manufactured expenses scandal last October. Holgate revealed the contents of a secret review of AP, commissioned by the government in November 2019 and conducted by the Boston Consulting Group (BCG).

The report, which Holgate claimed to oppose, recommended that unprofitable sections of AP, including up to 190 post offices, be closed. It called for the government to "investigate a full or partial divestiture of the parcels business." The general thrust was for AP to be broken up, its assets "divested" in a fire sale and its most lucrative section, the parcel division, privatised, in the interests of private equity firms and corporations in the delivery market.

Murphy condemned the fact that these plans had been kept hidden. He maintained that as part of its fight to ensure that AP remained publicly-owned, the unions were opposing any extension of the Alternative Delivery Model (ADM), under which restructuring has occurred over the past months. Murphy clearly indicated that the ADM was a step in the direction of the Coalition's "secret plans" to "privatise and cut up AP."

Who does Murphy think he is kidding?

The CEPU and the CWU have worked hand-in-glove with the Coalition government and AP management to enforce the ADM. In July, under the pretext of the pandemic, the unions signed a Memorandum of Understanding with management, without any prior discussion with the workforce, committing them to implement the restructure and banning all industrial action for 12 months. Leading union bureaucrats have hectorated and shouted down workers who denounced this collaboration and called for a fight against the ADM at the Alexandria facility itself.

Murphy's claims that the union was blindsighted about the ADM being a preparation for "secret" privatisation are laughable. He only needed to read the *World Socialist Web Site*, which has been warning since April last year that the overhaul is aimed at preparing AP to be sold-off.

The measures undertaken in the ADM, including an end of daily-letter delivery, the transfer of 2000 posties into the lucrative parcel division, and the creation of a new class of workers, termed "floaters," who can be shunted into any area of the business, clearly had nothing to do with the pandemic. These steps were outlined in other "reviews" into AP, which were not secret, including a 2018 report by the PricewaterhouseCoopers (PWC) financial firm, leaked to the press early last year.

Murphy, aware that he was on thin ice, insisted that the ADM was solely the product of government regulation passed last April, allowing for an end to daily letter-delivery and other changes. The solution, he indicated, was to align with Labor, which would vote against any extension of the regulation, and to lobby right-wing crossbenchers, including from Pauline Hanson's xenophobic One Nation Party, to do the same.

This is an attempt to direct workers into the complete dead end of appealing to parties of big business, that are no less committed to a pro-business overhaul of the postal service than the Coalition. This was demonstrated by two aspects of the meeting: the promotion of Holgate and of Albanese.

Murphy hailed Holgate's "bravery." She had "stood up" to the government and provided a great service by making public the contents of the BCG report. But it was Holgate who oversaw the introduction of the ADM and also kept the BCG report secret until it suited her best interests to release some of it.

As the WSWWS has explained, Holgate's ouster reflected tactical divisions within the ruling elite, over the best methods to proceed with the privatisation of AP. While the BCG and Holgate's opponents on the AP board favoured a rapid carve-up and a selling-off of the parcel division, Holgate advocated a more protracted pro-business restructure

and an expansion of AP into financial services.

Holgate's own proposals, outlined in 2018, were in some cases more far-reaching than those of the BCG. She called for a reduction in letter-delivery to one day a week. This would allow for a \$124 million cut to annual labour costs for deliveries, as well as \$60 million in "processing" through the "consolidation" of letter sorting centres into "three or four regional facilities." In other words, she wanted mass job cuts and closures.

Holgate's supporters in the financial press have explained that the aim is to prepare a privatisation of AP, without dividing it up, along the lines of the sell-offs of CSL, Telstra and the Commonwealth Bank. Holgate's only opposition to the BCG recommendations was that splitting up AP prematurely could disrupt such a privatisation and cause difficulties for other sections of big business.

Murphy echoed these concerns. The way the ADM had been rolled out, he said, had had a "negative effect" on the community. Delivery issues meant that "people wanting to buy shares in other businesses" had in some cases "not receiv[ed] their share notice until after the share event was over." Such are the concerns of the union bureaucracy.

Albanese also favourably referenced Holgate. He declared that a Labor government would not privatise AP and would "respect it" as an "essential public service." This was almost the sum total of the Labor leader's policy statement. When a worker raised in a brief question period that he and his colleagues were already being compelled to work 14-hour days and rarely saw their families, Albanese said nothing about the conditions that a Labor government would introduce at AP.

His claims about opposing privatisation are not worth the paper they are written on. Albanese has pitched Labor to the corporate elite as a party that can deliver greater "productivity" and "economic growth," code words for stepped-up assaults on workers' jobs, wages and conditions to boost profits.

Albanese's claim, moreover, that Labor has "fought the changes and cuts to Australia Post services up until now" are a lie. The current restructure is the deepening of a decades-long undermining of the postal services, initiated by Labor governments.

This began in 1975, when the Whitlam Labor government abolished the Postmaster-General's Department, splitting off postal and telecommunications.

The resulting entities, the Australian Postal Commission and Telecom (the predecessor of Telstra) were independent of the control of the Public Service Board and responsible for their own arrangements relating to staffing, wages and conditions. Combined with a requirement that they self-fund a portion of their activities, for instance 50 percent of their capital works programs, the overhaul was aimed at incentivising cost-cutting and moves to expand revenue.

In 1989, the Hawke Labor government fully corporatised the postal service. This effectively required it to operate as a private business, despite being government owned. It meant that Australia Post was compelled to be a fully self-funded concern that needed to continually boost its profits to sustain itself. This has been the basis for the endless union-enforced restructures and cost-cutting measures ever since, including the destruction of thousands of jobs.

The Hawke-Keating Labor governments similarly corporatised telecommunications, clearing the way for the privatisation of Telstra by the Howard government. In the 1990s, Labor, with the assistance of the unions, directly privatised Qantas, CSL, the Commonwealth Bank and the major airports. At the state level, Labor governments

have sold-off electricity, gas and water supply networks, railways and other public transport facilities.

Albanese harked back to this record during Wednesday's meeting, declaring that a government he led would collaborate closely with both the unions and the employers. This was the model associated most with Hawke and Keating.

Moreover, the last Labor government, in which Albanese was a senior minister, carried out sweeping attacks on education and healthcare, belying his claims of a great commitment to the public sector.

Wednesday's meeting is a warning to AP workers. Over recent months, Albanese has visited the picket lines of the Coles' Smeaton Grange dispute in Sydney and the McCormick strike in Melbourne. In both cases, his appearance had the character of a death knell, and was rapidly followed by union sell-outs.

The same is being prepared in the secret enterprise agreement negotiations between the postal unions and AP. In one form or other, the restructuring associated with the ADM, even if it goes by another name, will continue. All factions of the ruling elite, including Albanese and Holgate, with whom the unions have identified themselves, are committed to an overhaul aimed at driving up AP's revenues and preparing for an eventual sell-off.

This underscores the importance of the appeal made by the Postal Workers Rank-And-File Committee. It has called for a break with the unions and an independent political and industrial struggle by workers around a clear set of demands, including a complete end to the ADM or any version of it, the restoration of all lost conditions, a ten percent per annum wage rise with no trade-offs, and no privatisation.

As the committee has explained, this struggle is inseparable from a rejection of the corporatised character of AP as it currently exists, which is fully supported by Labor and the unions. The committee insists that "Australia Post must be transformed into a genuine public utility, under real public ownership and the democratic control of the working class, to meet the needs of society, including the basic social right to a secure and affordable postal service."

The Postal Workers Rank-And-File Committee can be contacted at austrialworkers@gmail.com.



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