

# Australian union chief warns of workers' pent-up discontent

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Australia's top trade union bureaucrat this week anxiously warned governments and the corporate elite that unrest among workers could break out of control this year, after more than twelve months of job destruction, wage freezes and pay cuts during the COVID-19 pandemic.

Australian Council of Trade Unions (ACTU) secretary Sally McManus was featured in a prominent interview in the Murdoch media's *Australian* newspaper yesterday to alert the rest of the ruling class to the growing danger of a working-class eruption.

"I don't think people will accept ongoing wage suppression in this country," McManus told the *Australian*, especially because company profits had "bounced back well." She warned: [Y]ou are going to see a lot of built-up frustration about wage freezes."

Without providing any information about how many millions of workers had suffered, McManus gave some indication of the extent of the unions' knowledge of, and involvement in, the assault.

"A whole lot of workers took wage freezes last year, a lot of people took pay cuts, a lot lost their jobs," McManus stated. This was "terrible," but workers had "accepted it to a degree," she claimed. However, "now that's changed," because workers "can see that employers and the big companies of Australia are doing fine," accompanied by "a shift in the country's wealth to the top end of town."

These remarks reveal nervousness throughout the union hierarchies that their role in policing unprecedented job and pay cuts over the past year has produced such pent-up anger that the unions will no longer be able to suppress it.

The danger of such a breakout has been seen already in recent disputes, particularly the more than three-month fight by Coles warehouse workers at Smeaton Grange in Sydney against the retail giant's lockout and restructuring, and the six-week strike at the McCormick

plant in Melbourne against wage-cutting. In both disputes, the United Workers Union, backed by the ACTU and Labor Party leaders, isolated the workers and eventually imposed deals it had struck with the companies that satisfied management demands.

McManus cynically rewrote history, asserting that workers simply accepted the assault on their livelihoods, displaying "goodwill" toward the employers and willingly "putting their shoulder to the wheel" due to the pandemic.

This claim typifies the entire union leadership's utter contempt for workers, as well as the unions' subordination of workers to whatever "their" employers demand in order to survive and boost profits.

The truth is that the unions systematically enforced the government-employer offensive to exploit the pandemic to further restructure working relations, blocking all calls for industrial action. They also opposed, and shut down as quickly as possible, moves by non-essential workers to walk off worksites to protect themselves from COVID-19.

As soon as the pandemic emerged—without consulting a single worker—the unions agreed to across-the-board cuts to hours, pay and conditions for entire industries. Then they helped draft legislation for the Liberal-National Coalition government's JobKeeper wage-subsidy scheme, which permitted employers to slash wages to the scheme's measly level of \$750 a week, all paid for by taxpayers.

This was just one of numerous "stimulus" packages and low-cost central bank financed loans provided to big business by the federal, state and territory governments to the tune of more than \$400 billion during 2020. These huge sums are now being extracted from the working class through the cutting of working and social conditions.

As a recent ACTU report itself acknowledged, the unions collaborated intensively with the government and employer groups all last year, joining them in backroom

discussions for five months on new industrial laws, making “sincere efforts to reach agreement around innovative proposals to respond to COVID-19.”

This partnership was so valued in ruling circles that Industrial Relations Minister Christian Porter hailed McManus himself as his “BFF” (best friend forever). McManus had told employers on national television last April: “You can get everything you want through cooperation and by doing it through the way that we’ve already demonstrated that we can.”

As employers in industry after industry—from the airlines and Australia Post to universities—ruthlessly axed tens of thousands of jobs and ramped up workloads, every union told workers they could not take any industrial action because it would be illegal under the so-called Fair Work Act. As they have for decades, the unions used such legislation, which they themselves drafted with Labor governments, to threaten and intimidate workers.

McManus and co are anxious because this government-union-employer cooperation has produced such a visible bonanza for the financial elite, while further eroding the position of workers, intensifying casualisation and leading to new levels of poverty, financial stress and social crisis.

As last month’s ACTU report admitted, almost 60 percent of the jobs “created” in the “recovery” since last May have been casual and almost two-thirds have been part-time, taking part-time employment to a record high of 32 percent of the total workforce.

As a result: “Company profits have grown seven times faster than hourly wages during the pandemic, the stock market has risen by 32 percent, thanks to ultra-low interest rates and higher profits, and Australia’s richest billionaires have taken in an additional \$50 billion, boosting their combined wealth by 31 percent.”

In fact, this is a gross understatement. According to the *Australian’s* list of the 250 richest Australians, they now have a combined wealth of \$470 billion, up from \$377 billion last year. At the top of the list, iron ore magnates Gina Rinehart and Andrew Forrest both more than doubled their wealth in one year to a combined total of more than \$66 billion.

Such obscene wealth accumulation represents an acceleration of a decades-long offensive against the working class. The ACTU’s report calculated that if workers’ share of gross domestic product had remained at the levels recorded in 1970, total wages would have been \$200 billion higher in 2019. Workers would have received, on average, \$15,000 each in additional income.

This historic reversal is the product of decades of the

strangling of the class struggle by the union apparatuses, especially since the Hawke-Keating Labor governments of 1983 to 1996, when a series of Accords with the ACTU drove down real wages and devastated working conditions under the banner of “international competitiveness.”

During this period, the trade unions, like their counterparts globally, underwent a qualitative transformation. From organisations that had once fought for limited improvements in workers’ wages and conditions—always within the framework of wage labour—they became the police forces of the endless “restructuring” demanded by big business, whether under Liberal-National or Labor governments.

In her interview, McManus noted that industrial action was at record lows, while claiming: “It always takes some more strongly unionised parts of the economy to break through.” The exact opposite is true. It is the unions that have increasingly straitjacketed workers since the 1970s.

As the painful experiences of the Coles and McCormick workers demonstrate, a counter-offensive requires a working-class break from these apparatuses and the formation of new genuine workers’ organisations, such as rank-and-file committees, totally independent of the unions.

The struggle against what is a global assault on the working class requires a fight for a socialist program and the transformation of essential industries into publicly-owned entities under workers’ control to reorganise economic and social life completely on the basis of social need, not corporate profit and wealth accumulation.

This can go forward only through the formation of networks of rank-and-file committees, unifying workers worldwide across industries and national borders. That is the objective of the call issued by the Socialist Equality Parties for the formation of the International Workers Alliance of Rank-and-File Committees.



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