

# Management and union ram through sell-out deal at Australia Post

**Postal Workers Rank-and-File Committee**  
**7 September 2021**

Australia Post (AP) announced last week that a majority of workers had voted in favour of a new Enterprise Agreement (EA). The result followed a joint union-management campaign, including the last-minute creation of an online voting portal, promoting a “yes” ballot.

The sell-out deal offered no improvements to conditions, a measly 3 percent per annum wage rise—less than the official CPI increase of 3.8 percent—and three more years of upheaval as the company ploughs ahead with its restructuring drive.

This follows a wage freeze last year as part of the Memorandum of Understanding (MOU) signed behind the backs of workers by the Communications Electrical and Plumbers Union (CEPU) and management. The MOU also included a no-strike clause that effectively blocked any opposition to the restructuring of AP through the introduction of the Alternative Delivery Model (ADM).

Under the guise of the pandemic and the CEPU-backed mantra that, “we’re all in this together,” the MOU not only froze wages but also greatly increased the exploitation of the workforce by ramming through the ADM.

Under the ADM, the workload of postal workers doubled as they were forced to deliver two rounds on alternate days instead of one round each day. Thousands of postal workers were shunted into vans to deliver parcels and others were not assigned a round but were used as “floaters,” meaning they could be forced to go to different facilities to fill vacant positions.

The imposition of these onerous conditions by management and the union led to the resignation of hundreds, possibly thousands, of experienced AP workers.

The new EA in no way recoups any of last year’s lost wages, nor does it reverse the attacks on postal workers or signal an end to the restructuring drive at AP.

The CEPU told members in an email that the EA “locks in all your existing conditions, continues to maximise full-time jobs [and] prevents members impacted by letter decline from being sacked.” In fact, the Terms of Reference [TOR] document which accompanies the EA makes clear that the CEPU is working hand-in-hand with management to protect the profits of AP.

The TOR states in clause 3.2 that, under a new delivery model: “The NWG [National Working Group] will be responsible for developing a framework for delivery operations that: ... (c) provides Australia Post with ongoing sustainability, flexibility, profitability and service reliability; (d) meets the current and future

needs of Australia Post and the Australian community; ... (g) provides Australia Post with the necessary framework to remain competitive in the markets in which it operates; (h) ensures that Australia Post can continue to invest and grow for the future.”

The purpose of the TOR is to ensure that AP remains competitive in the market, pitting worker against worker. It mandates the creation of corporatist mechanisms like the NWG and local working groups (LWGs) to implement the “new delivery model” and ensure the profitability of AP. These are aimed at integrating the union even more fully into AP’s corporate structures and dragooning a layer of workers behind management.

The union email continued: “Importantly, it (EA) seals the fate of the ADM – giving members real control of the modelling of their workplaces to restore the levels of service the public deserve and protect the quality of our members’ jobs.”

In fact, the “new delivery model” is a continuation of the same restructuring drive that brought about the ADM. The TOR, which provides the framework for implementing this “new delivery model,” was developed by management and the union after it became clear the ADM had failed to deliver the cost savings demanded by management.

The CEPU hailed the EA result as an “overwhelming endorsement” of the agreement, but a closer examination of the ballot figures reveals that this is far from the truth.

According to Sue Davies, AP’s executive general manager (EGM) of “People and Culture,” only 66 percent of eligible workers cast, and 10 percent of those who did, voted “no.” This means that in real terms, just 59.4 percent of the AP workforce approved the deal, while 6.6 percent voted against it and 34 percent did not vote or their ballots were deemed invalid.

The vote against the union-management deal was largest in Tasmania (43 percent “no”), where the state branch of the CEPU felt compelled to call for a “no” vote amid widespread anger among workers, including a ban on planned industrial action by the Fair Work Commission, the pro-business industrial tribunal. In Victoria, 22 percent of returned votes were against the deal. A state-by-state breakdown of the voter participation rate has not been published by AP or the union, and the private company which conducted the ballot, CorpVote, told the Postal Workers Rank-and-File Committee (PWRFC) it could not provide the details.

The significant opposition to the agreement reflects widespread anger over the imposition of the ADM last year and the blatant

disregard of AP and the CEPU for workers' health and safety throughout the COVID-19 pandemic.

Notably, the CEPU's email to members mentioned COVID-19 only in passing, stating: "[The vote] demonstrates just how important security and certainty is to CEPU members as we navigate through one of the worst health and economic disasters our country has ever faced."

In fact, what the CEPU and management are "navigating" is not how to protect the job "security and certainty" of postal workers, or their health and safety, as proved by their joint signing of the MOU and then ramming through of the ADM.

Instead they are trying to "navigate" how to fully take advantage of the massive profit opportunities presented by the surge in parcel revenue during COVID-19 lockdowns while ensuring that operations continue without interruption, despite the escalating threat of "economic disasters" posed by the pandemic.

The same day as the ballot results were revealed, AP announced annual profits of more than \$100 million and a 10.3 percent revenue increase to \$8.27 billion. It is by no means a coincidence that AP waited until the phoney 3 percent wage "rise" had been rammed through before workers learned precisely how much their labour had enriched the company.

The refusal of AP to hire enough full-time workers to handle the massive surge in parcel volume responsible for that revenue growth has led to workers being asked to work Saturdays and Sundays, and contractors putting in up to 16 hours a day, seven days a week.

Despite this, the backlog of undelivered packages is such that the company was forced to announce on Wednesday, September 1 that parcel collection from retailers would be suspended for three days in New South Wales, Victoria and the Australian Capital Territory, all currently in lockdown due to COVID-19. AP executive Gary Starr revealed that, "on any given day, we have close to 500 people out of our workforce as they follow necessary self-isolation and testing before clearance back to work."

Far from representing "stability and certainty," the new EA and the Terms of Reference will lead to a deepening of the attacks on the conditions of postal workers. The only "certainty" is that the union will continue to enforce every demand of management for continuous restructuring of AP under the "new delivery model." The privatisation plans, which underlay the ADM, have not gone away and will only intensify.

Under the anti-democratic framework of the enterprise bargaining system, the union has sought to condemn AP workers to three years without a chance to defend their pay, conditions and health. This system, enforced by the unions, acts as a straitjacket tying workers to the profit interests of their employers and banning almost all industrial action.

The PWRFC sees the EA ballot announcement not as the end, but as the beginning of a genuine struggle for the interests of AP workers. This means a fight, not just against management, but against Australia's draconian industrial relations laws, which are supported by the unions and all the major political parties.

The CEPU's ramming through of this sell-out deal, and the experiences of the past year, are a sharp illustration of the need for AP workers to break with the union and take up an independent

struggle. We call on workers in all AP facilities to build the PWRFC and fight for the following demands:

- 10 percent wage increases per year, with absolutely NO trade-offs.
- All current casual and part-time workers must be offered full-time employment.
- All beats must be filled on the basis of finishing within rostered hours. Relief postal worker numbers must be increased to adequately cover for absent workers.
- No more than 70 parcels per beat per day. Additional drivers must be brought on as full-time employees to deliver the remaining parcels.
- Limits must be placed on the volume of "junk" mail and postal workers must be granted the right to suspend its delivery when conditions are unsafe, such as during outbreaks of COVID-19.
- Vaccinations must immediately be made available to all AP workers, on company time and with no loss of income or sick leave if time is needed to recover from any side effects. This should be accompanied by an education campaign, conducted by appropriately qualified experts, to equip workers with the scientific understanding necessary to work safely during the pandemic and to address any concerns they may have about the safety of the vaccines.
- Rank-and-file committees must be elected, independent of management and the unions, to organise and fight for the protection of workers' health and safety.
- Increase annual leave by two weeks. Return the Authorised Holiday to the Christmas period.
- These measures must be financed by expropriating the profits extracted from Australia Post workers.
- 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.

We invite workers at Australia Post, along with all other delivery workers, to contact the PWRFC at [auspostalworkers@gmail.com](mailto:auspostalworkers@gmail.com) to discuss this perspective and join the fight.



To contact the WSWs and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**