

Australian union chief offers greater collaboration with government, employers

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Australian Council of Trade Unions (ACTU) secretary Sally McManus gave a speech at the National Press Club on Wednesday, which amounted to an open declaration that Australia's unions are ready to take their collaboration with big business and governments to new heights.

McManus was identified by a recent series in the *Australian* as one of those who “wield the most power” in Prime Minister Anthony Albanese's inner circle. She, along with other union bureaucrats, is expected to play a critical role in shutting down any opposition to the Labor government's agenda of austerity and war.

In recent months, strike activity in Australia has reached its highest level in almost two decades, driven by rapid inflation, successive interest rate rises and the ongoing COVID-19 pandemic. This is part of a global resurgence of the class struggle, in response to the soaring cost of living, a consequence of the US-NATO war against Russia and the homicidal “herd immunity” policies adopted by governments in every country except China.

Well aware of these mounting class tensions, McManus used the Press Club appearance to offer up the services of the trade unions to the ruling class and outline a plan to prevent an eruption of social unrest in Australia.

By way of establishing the ACTU's credentials, McManus began by recounting the unions' unprecedented collaboration with the federal Liberal-National government in 2020.

McManus recalled with amusement that some in government had expressed concern that the unions would “organise disruption” in the early days of the pandemic, when hundreds of thousands of Australian workers were immediately sacked or stood down without pay. McManus made clear that any conception that the unions would mobilise workers in opposition to this assault existed only in the “imagination” of right-wing politicians.

In fact, the unions worked closely with the Morrison government to implement the JobKeeper wage subsidy, a \$90 billion handout to big business, along with sweeping changes to minimum hours and other working conditions, designed to boost corporate profits.

Throughout the pandemic, the unions have forced workers to remain on the job in unsafe conditions, putting workers and their families at risk and promoting the spread of the virus. The unions have played a critical role in preventing any organised opposition to both mass illness and death and the assault on jobs, wages and conditions, with strike action reduced to historic lows in 2020.

This suppression was aimed at maintaining the stability of the fragile political establishment, amid fears that the pandemic and its

associated economic fallout would result in major social upheavals, coming on top of widespread anger over inequality and hostility to the official political parties. As former Prime Minister Scott Morrison, with whom McManus and the unions entered into a close partnership, later stated, the fear was of major “civil disruption.”

In order to build upon this class collaboration and facilitate an even greater onslaught on the working class, McManus and the unions are seeking assistance in the form of new industrial relations legislation.

This is motivated by fear in the ruling class that the mounting class struggle will take the form of a rebellion against the unions, which have served for decades as the primary mechanism of class suppression.

A six-fold increase in industrial action over the recent period has developed in direct opposition to the attempts of the unions to shut down all strikes and to force through sell-out deals. Increasingly, workers are entering into struggle not only with the employers and governments, but also with their defenders in the trade union bureaucracy.

In lockstep with big business and the Albanese Labor government, McManus called for the powers of the Fair Work Commission (FWC) to be strengthened. She complained that the pro-business industrial court was “mainly a bystander,” unable to “oversee difficult disputes.”

In fact, the FWC already holds the most draconian powers, including to ban virtually all strikes. Under the Fair Work Act, imposed with the full support of the unions in 2009 by the Rudd-Gillard Labor government, workers must apply to the tribunal for permission to carry out industrial action. This can subsequently be revoked if the FWC decides the strike is causing too much “economic damage.”

Employers and governments can ask the FWC to tear up “expired” enterprise agreements that are still in use, potentially reversing years of hard-won improvements to wages and conditions. This power is increasingly being threatened as a bargaining chip in long-running disputes to help unions push through regressive agreements on the basis that the rotten deal is better than the minimum-wage industrial award. The industrial court is also empowered to impose arbitration when enterprise bargaining negotiations stall.

McManus, business and the Labor government are now pushing for the FWC to play a far greater role in enterprise agreement

negotiations, before any dissent from workers can emerge. McManus said such powers would have allowed the ongoing New South Wales rail dispute to be “resolved six months ago.”

It is telling that McManus referred to this dispute, which has been marked on the one side by hysterical provocations from the Liberal-National state government and on the other by retreats and conciliation by the Rail, Tram and Bus Union. The ruling class is desperate to prevent these kinds of highly visible disputes in key sectors from sparking a broader movement of the working class.

McManus used her Press Club appearance to debunk “wild and ridiculous claims” that the introduction of multi-employer bargaining would lead to increased strike activity. She stressed that “having the option to take industrial action and actually taking it are two different things” and noted that in several European countries with multi-employer bargaining, the rate of strikes was lower than in Australia.

Multi-employer bargaining was a key component of the recent Jobs and Skills Summit, called by the Labor government, where the ACTU and the Council of Small Business Organisations Australia (COSBOA) jointly endorsed a plan to expand enterprise bargaining to small business, on an opt-in basis.

This has nothing to do with giving the five million Australian workers employed by small businesses the right to strike to improve their wages and conditions. The aim is to give a broader range of employers the ability to slash wages and conditions through enterprise bargaining, which has previously only been available to big business.

McManus spelled out the role the unions intend to play: “This is actually an offer from us, to put our resources and our time, into negotiating those agreements with COSBOA, if they want.”

The industrial relations reforms demanded by the unions are directed at maintaining the bureaucrats’ “seat at the table” in backroom bargaining sessions with business and government.

The unions also see multi-employer bargaining as a means of reversing the vast decline in union membership, from 47 percent in 1986 to just 14 percent in 2020. But this is not solely a membership drive. The union bureaucracy will be expected to preside over a deluge of job cuts and demands for ever-greater output, and they are conscious that they, like the Labor party, no longer have a mass base of support in the working class.

In an attempt to cover up the role of the ACTU and Labor in the destruction of wages and conditions, as well as the decline of the unions themselves, over the past four decades, McManus blamed the current intolerable conditions in the working class on the “demonising of unions” by successive Liberal-National governments under the influence of the extreme right-wing H.R. Nicholls Society.

In fact it was the ACTU and Labor Accords of the 1980s and 1990s that set in motion a downward spiral of wages as a percentage of gross domestic product, from 56 percent in 1982 to the current record low of 44 percent.

During this period, the unions in Australia and around the world were completely transformed. In an earlier period, the unions sought to defend the capitalism system by extracting limited concessions for workers from nationally-based employers and governments.

With the globalisation of production in the 1980s, this national-reformist program lost all viability. The unions took their nationalist and pro-capitalist program to its logical conclusion. They became the chief proponents of ensuring that national industry remained internationally competitive, through the continuous reduction of labour costs, achieved through unending attacks on jobs, wages and conditions.

Canberra Times reporter Nicholas Stuart pointed to the pro-business metamorphosis of the unions, remarking to McManus at the Press Club event that, in 2022, “no-one is worried about what you are going to say, because it will all be so reasonable.”

This was indeed the central theme of the Press Club address, which was a promise to the financial elite that the unions will not just be “reasonable,” but that they will do everything possible to ensure the working class does not stand in the way of the Albanese government’s pro-business, pro-war agenda.

This should serve as a stark warning for the working class. Amid a deepening social crisis, the only concern of the unions is how to further tighten the screws on workers while simultaneously preventing any eruption of already mounting class tensions.

In order to fight back against this union-government-business assault, the working class must form new organisations of struggle, comprised of rank-and-file workers and completely independent of the trade unions.

Workers all over the world confront similar attacks, and the same line-up of forces. Only through an international network of rank-and-file committees can workers in Australia reach out across industries and national borders and mount a unified counter-offensive.

What is required is not merely an industrial struggle over jobs, wages and conditions, but a fight for workers’ governments to carry out socialist policies, including placing the major corporations and banks under workers’ control to reorganise economic and social life on the basis of social need, not corporate profits.



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