

Australia: Industrial court shuts down strike by electrical workers across New South Wales

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The Fair Work Commission (FWC) last week ordered a two-month suspension of industrial action by around 400 electrical workers at Transgrid. The decision strips workers of the right to mount any organised opposition to the company's real wage-cutting proposed enterprise agreement.

The Electrical Trades Union (ETU) was forced to cancel a strike planned for Monday, instead appealing for workers who were rostered off to join an around the clock "peaceful assembly" outside Transgrid's Sydney headquarters, which the union has maintained for more than six weeks.

The anti-democratic ruling comes amid a bipartisan political attack spearheaded by the Labor government against the Construction, Forestry and Maritime Employees Union (CFMEU) and its members. It is part of a broader crackdown on any attempt by workers to fight for real improvements to wages and conditions.

The underlying premises of this assault on energy workers in New South Wales (NSW), or any other workers taking industrial action, was spelled out in an article in the *Australian Financial Review* (AFR). Published almost simultaneously with the Transgrid strike ban, the AFR claimed that industrial stoppages and bans by workers at Endeavour Energy, Essential Energy and Ausgrid were delaying \$23 billion worth of infrastructure projects.

The newspaper accused electrical workers of exacerbating many aspects of the social crisis, from holding up renovations to Royal Prince Alfred Hospital to preventing low-income tenants from moving into new housing and forcing a Western Sydney school to rely on a diesel-powered generator.

The article declared that, while electrical workers were seeking 8 percent per annum pay rises, "Elsewhere in the economy real wage increases have fallen in consecutive quarters and are almost back at the 14-year lows reached in 2023."

In other words, ETU members were being targeted because they are pushing back against the real wage cuts imposed upon vast swathes of the working class, with Labor

governments and the union apparatus playing the central role.

Last month, Transgrid workers voted down a 13 percent nominal pay increase over three years, plus a \$1,500 one-off payment, despite the company's threat that it was the last chance for a backdated pay rise. The previous enterprise agreement expired late last year, meaning workers' pay has not increased since they received a 3 percent bump in December 2022, when official inflation was at 7.8 percent.

The company is responsible for the High Voltage Transmission Network in NSW and the Australian Capital Territory (ACT). The network carries power from electricity generators to distributors and other states, as well as directly supplying some major industrial plants.

The most recent financial records available show that Transgrid made a \$104.3 million net profit in the 2021–22 financial year. Despite this, Transgrid has reportedly told ETU negotiators it cannot afford to meet workers' pay demand, claiming that it would cost the company \$15 million over three years.

The ETU originally called for a 24 percent wage increase over three years, but subsequently offered the company a "compromise" deal of 16 percent over three years.

The union estimates that wages at Transgrid have fallen 8 percent compared with inflation since 2016. This attack on real wages, however, has been facilitated through previous ETU-brokered agreements.

Due to protracted negotiations, the previous 2020 agreement was not finalised until April 2022, when official inflation was already at 5.1 percent and rising rapidly. The union signed off on the 3 percent per annum pay "rise" deal, knowing it would deliver a huge real wage cut.

This is not a new phenomenon. In recent decades, the ETU and other unions have enforced thousands of job cuts in the energy sector and presided over the privatisation of NSW's electricity infrastructure. From the beginning of this process, under the Iemma Labor government in 2008, the unions blocked strikes and diverted widespread opposition to the sell-off into limited protests and appeals to politicians.

Friday's anti-strike ruling follows a three-week suspension handed down on July 24, which expired last Thursday.

Last month, Fair Work Commission Deputy President Cross ordered that industrial action be suspended for three weeks, on the grounds that it "has threatened, is threatening, or would threaten to endanger the life, the personal safety or health, or the welfare, of the population or of part of it."

This finding was based on Transgrid's claim that the action had threatened blackouts or load shedding on six occasions. Not a single customer was without power at any point during these "incidents," but the company alleged that delays in bringing systems back online after maintenance posed a threat to hospitals and patients on life-support.

The ETU argued that Transgrid falsely categorised this as "emergency work," meaning workers would face docked pay or disciplinary action if they refused to do the jobs immediately, in line with an "extended safety commitment" agreed to by the union.

These measures are supposed to cover "work that if not performed imminently, would create a serious and imminent threat to human life or a serious and imminent risk of personal illness or injury," arising from "major emergency situations such as storms, bushfires, IT breakdown and major equipment failures."

The full bench of the FWC also denied the ETU the right to appeal the suspension order, despite acknowledging that errors were made in the initial ruling.

While the FWC has not ordered that industrial action be terminated, the successive suspensions make clear the determination of the Commission, acting on behalf of the company, to prevent workers from playing any further direct role in this dispute.

The order gives the ETU bureaucracy a further two months to push through a sell-out deal, under conditions where workers are stripped of any industrial rights. The latest FWC ruling noted the statements of ETU national industry coordinator Matthew Murphy—"that the union is willing to compromise further"—and ETU NSW secretary Allen Hicks—of "its willingness to consider further proposals and modify its claims accordingly."

The latest suspension confines workers to the sidelines until after the nine-month "minimum bargaining period" has elapsed, meaning Transgrid will be able to apply to the FWC for an "intractable bargaining" declaration.

This measure, part of a suite of anti-strike industrial relations legislation introduced in 2022 by the federal Labor government, empowers the FWC to arbitrate an enterprise agreement, if it determines that there is "no reasonable prospect of agreement being reached."

The spectre of an FWC-imposed deal has been raised by union bureaucrats in other disputes, as a means of

convincing workers they have no choice but to accept a sell-out deal.

This mechanism was used in 2022–23 at tugboat operator, Svitzer. After the company secured a six-month strike ban by exploiting Australia's draconian Fair Work Act, the maritime unions pushed through real wage cuts. This was aided by a warning to workers by FWC Commissioner Bernie Riordan, a former ETU state secretary, that intractable bargaining would "deliver what I believe will be an inferior result."

There are indications that similar moves will be made to shut down industrial action by thousands more electrical workers in other major disputes, including 800 at Endeavour Energy, where the deadline for intractable bargaining is also rapidly approaching.

While Endeavour Energy's initial application for a strike ban on safety grounds was rejected, the company has launched an appeal to the full bench of the FWC and will likely cite the Transgrid ruling as a precedent.

The attack on electrical workers at Transgrid and through NSW highlights the need for a political struggle against the whole apparatus of the capitalist state, including the industrial courts and the Labor government.

This is inseparable from a fight to reverse the privatisation of the power network and other critical public utilities. This sell-off has resulted in continual attacks on workers' jobs, wages and conditions and driven up prices for households, while delivering vast profits for the financial and corporate elite. This poses the need to fight for a new political perspective, socialism, and for workers' governments to place vital public infrastructure under democratic workers' control and ownership.

Such a fight is impossible within the framework of the corporatised union bureaucracy, which functions as an industrial police force of big business and government. Instead, workers need to take matters into their own hands, and build new organisations of struggle, rank-and-file committees in every workplace.



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