

Australian local government employees strike against real wage cuts

Our reporters
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On May 5, more than 1,000 local government workers from eight Melbourne councils held a 24-hour strike against further real wage cuts. They rallied outside the Victorian Trades Hall Council (VTHC) building before marching to state parliament.

The action involved workers in waste collection, recycling, maternal and child health services, aged care, childcare centres, libraries, parks maintenance and parking enforcement. They struck across eight council areas—City of Melbourne, Greater Dandenong, Darebin, Hobsons Bay, Hume, Maribyrnong, Merri-bek and Yarra.

A *World Socialist Web Site* reporting team spoke to rallying workers, many of whom were attending their first strike, or their first in decades. Read their comments [here](#).

The strike was called by the Australian Services Union (ASU) after workers voted 98 percent in favour of industrial action. Like workers in every industry, they confront an intensifying cost-of-living crisis and the degradation of wages.

The strike showed workers are determined to fight. But there are numerous warning signs that the ASU leadership is preparing to impose a sellout, and was just using last week's rally as a means for workers to let off steam. Underscoring this, at the same time it called the one-day stoppage, the union announced a two-week "pause" on previously implemented bin-collection bans.

The ASU is putting forward a meagre wage increase claim of 22 percent over the next four years, 10 percent in the first year, followed by 4 percent in each of the following three years.

Even on its face, the union claim would barely meet current inflation, already at 4.6 percent and rising amid mounting global economic turmoil and the impact of

the US war on Iran, let alone compensate for severe real wage cuts endured by council workers over the past five years. Under previous enterprise agreements, brokered and enforced by the ASU, the workers have been slugged with as much as a 12 percent pay cut since 2021, in comparison with inflation.

The central line advanced by union speakers at the rally, which was timed to coincide with the announcement of the Victorian budget, was an appeal to the state Labor government to abolish its cap on council rate increases.

That is, the ASU bureaucracy was parroting the claims of the councils themselves, that they cannot afford pay increases because of the cap, implemented in 2016 by the state Labor government of Daniel Andrews. This demand has nothing to do with improving council workers' wages, but is an appeal on behalf of the councils to be allowed to extract more revenue from residents.

Moreover, the bureaucracy is making this appeal to a state Labor government whose own punitive wage policy has delivered years of real wage cuts throughout the public sector, as well as eliminating thousands of jobs and slashing social spending. This is part of a broader program of austerity being carried out by all the (primarily Labor) state and territory governments and spearheaded by the federal Labor government.

The most striking example of Labor's offensive is the federal government's announcement late last month that it would slash \$35 billion over four years from funding for the National Disability Insurance Scheme (NDIS), stripping all support from some 300,000 people with disabilities and drastically reducing the care provided to hundreds of thousands more.

Under these conditions, it is revealing that the first speaker invited to the platform by the ASU was a

representative of that government, Lisa Darmanin, a senator in the federal Labor government and a former ASU Victorian branch secretary.

Darmanin focused her comments on congratulating Labor for passing minor changes in 2023 to the anti-worker Fair Work Act that now allows multi-employer collective bargaining. “We know that workers have more power when they join collectively,” she said, “which is exactly what you are all doing in this collective action... Because our government believes that workers should collectivise, workers should organise.”

This is a fraud. The multi-employer bargaining laws were introduced as a mechanism to expand the coverage of unions, especially in low-income sectors, reverse their decades-long decline in membership and help the bureaucracy preside over a deluge of cuts to jobs and wages.

In fact, while the ASU is using the multi-employer bargaining laws to negotiate a single agreement with the eight local governments, it is cutting the council workers off from other sections of workers. This includes public sector teachers, who were set to strike last Wednesday, until the action was called off at the last minute as part of a sellout operation by the Australian Education Union (AEU).

The fraud of a broad united struggle was kept up by the next speaker, VTHC Secretary Luke Hilakari, whose presence was designed to promote the illusion of “solidarity.” The reality is that Hilakari and the Labor-aligned trade union bureaucracy he represents have ensured that every emerging struggle of workers in Victoria has remained isolated.

In a further attempt to promote illusions that workers need only pressure the state Labor government, Hilakari called on workers to “make noise” so that Parliament could hear them.

Labor’s destruction of social programs and its attacks on workers are inseparable from their total alignment with US war aims, including their direct involvement in the criminal war against Iran and its role in preparations for a US-led conflict with China. The Albanese government is forcing the working class to pay for the military transformation of the country, as seen in the AUKUS military pact of \$368 billion for nuclear submarines as well as the recent announcement of a \$53 billion increase to the military budget.

Hilakari and the ASU officials are desperate to prevent workers from taking the path of an independent struggle against Labor, under conditions where workers, youth and broad layers of the population are increasingly disaffected with the entire political establishment and are seeking alternatives.

The Victorian council workers’ fight for decent wages will end in a sellout if it is left under the leadership of the ASU bureaucracy. Workers should reject any agreement based on the ASU’s below-inflation claim and demand immediate wage increases that fully recoup years of real pay cuts. Future wage increases must be indexed to the actual cost of living.

In order to take this struggle out of the ASU’s hands, workers must establish rank-and-file committees in every council, independent of the union and democratically run by workers themselves, to coordinate opposition, circulate information and organise a unified campaign.

The issues confronting council workers are shared across the public sector, where workers face the same underlying assault on wages, jobs and conditions. Through rank-and-file committees, council workers can connect their fight with teachers, health workers and others, laying the basis for a broader working-class response.

Above all, workers must view their fight as an offensive against the Labor government and the capitalist profit system it defends. Provision of critical community services by council workers requires liveable wages and working conditions that can be fought for only through a unified struggle of the working class based on a socialist program to meet the social needs of the population, not the profits of a tiny minority.



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