

Australian electricity unions go to industrial tribunal to assist job shedding

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As the result of a manoeuvre by the trade unions, the federal Fair Work Commission (FWC) industrial tribunal has ordered state-owned New South Wales regional electricity distribution company Essential Energy to reverse an instruction ordering 74 workers to clear out their lockers and not report for work again.

The workers were suddenly called to a meeting on October 13 and told their positions were “unfunded” and they had just three days to remove their belongings.

The Electrical Trade Union (ETU) rushed the issue into the FWC to defuse the situation, fearing that the move by management could provoke an explosive response by workers. Instead, the unions will work with the company to deliver the job cuts via so-called voluntary redundancies.

Unions have taken similar steps in disputes across other sectors, including on the docks, in mining, the car plants and manufacturing, to head off the threat of immediate industrial action and gain time for unions to impose outcomes acceptable to the employers. Most recently, the Maritime Union of Australia took court action to stall the retrenchment of 97 Hutchison Ports workers, so that redundancy packages could be offered to push enough workers out the gate to satisfy the company’s demands.

The power unions hailed the FWC decision, which amounts to nothing more than a temporary stay of execution, as “a major legal win.” ETU state secretary Steve Butler said: “Our position—that Essential Energy had breached the workplace agreement and their own redeployment policy—has been vindicated.”

The 74 jobs will still be cut, however. Altogether, 262 positions across 32 regional locations, in depots, meter reading and vegetation management, are to be axed.

The ETU and United Services Union (USU), which cover electricity industry workers, have no objection to

the job cuts but want them imposed through “voluntary” redundancies in order to suppress opposition. In fact, the unions have already overseen the destruction of 315 positions in Essential Energy since June and the ETU boasts on its web site that another 123 workers “are currently going through the voluntary redundancy process.”

The unions fear that the outbreak of any substantial resistance by workers would undermine the mechanisms they have put in place through a series of enterprise work agreements to facilitate job shedding. Along with supposed voluntary redundancies, workers are also coerced into accepting “redeployment”—a process that allows jobs to be destroyed and ultimately pushes many redeployed workers out of the door.

These mechanisms are being utilised to axe a total of 2,800 jobs across three state-owned distribution network companies, Essential Energy, Ausgrid and Endeavour Energy. The unions are similarly seeking a FWC ruling to prevent Ausgrid and Essential Energy from using “forced” redundancies, not “voluntary” ones, to achieve targeted job cuts.

While working to isolate workers across the three companies, the unions are trying to create the illusion that the state Liberal-National Party government can be pressured into halting the job cuts. In a statement on October 13, Butler criticised National Party MPs for “failing to take action to defend local jobs.” He declared: “The silence of government MPs has been deafening.”

To suggest that the government is in some way neutral is a cynical fraud. The job cuts are part of the drive by Premier Mike Baird’s government to prepare Ausgrid and Endeavour Energy for privatisation. By slashing costs, the government hopes to make the sale more attractive to potential investors. The job cuts at

Essential Energy, which will remain state-owned for now, are designed to bolster dividends paid to the government.

The unions have also done everything possible to prevent any struggle against the sell off of the electricity distribution assets (poles and wires). This included urging workers to appeal to crossbench MPs in the state parliament's upper house, such as right-wing Christian Democratic Party leader Fred Nile, to block enabling legislation.

Nile then facilitated the legislation's passage after the government accepted amendments supposedly committing future owners of the companies to a five-year job guarantee. Not only did the "guarantee" not apply to the current round of job cuts, it will do nothing to protect jobs into the future. Similar guarantees that accompanied the sale of the state-owned generators in 2013 were also hailed by the unions, but did nothing to prevent the destruction of jobs.

The state Labor Party opposition is just as responsible as the unions for the ongoing assault on jobs and the privatisation of the distribution network. The former state Labor government laid the basis for the selloff of both the generators and the poles and wires. It ran roughshod over popular opposition and pushed through the sale of the electricity retail companies just before being swept from office at the 2011 state election.

During the March 2015 state election, the Labor Party cynically claimed to oppose the Baird government's selloff. But in May, state Labor leader Luke Foley backed the job cuts flagged by Networks NSW, which oversees the distribution companies, in response to price rulings by the Australian Energy Regulator.

Foley has since underscored Labor's support for privatisation, declaring in a state budget reply speech that "private and not-for-profit sectors should play a significant role in the delivery of our public services."

A stand must be taken against the escalating assault on jobs, which is producing a social catastrophe. A unified struggle by workers across the entire power industry is necessary. This will mean a direct confrontation, not only with the government, but with Labor and the trade unions, which enforce the dictates of the corporate elite.

Power workers should appeal to workers in steel, mining, the car industry and across manufacturing who are all facing similar attacks on jobs and working

conditions. Rank-and-file committees must be established, completely independent of the unions, to conduct this struggle, based on the fight for a workers' government and socialist perspective to reorganise society to meet social need, not private profit.



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