

Australia: Vote “no” to union-government sell out of NSW health workers!

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20 October 2024

Tens of thousands of New South Wales (NSW) health workers are currently voting on a pay offer from the state Labor government that would amount to yet another real wage cut.

The “new” offer contains the same sub-inflationary 3.5 percent pay “rise” that workers decisively rejected in July, but the Health Services Union (HSU) bureaucracy is promoting the deal as a win and pushing workers to accept it.

The Health Workers Rank-and-File Committee (HWRFC) urges health workers to vote “no” to this sell-out deal. However, a “no” vote is only the beginning. The fight for decent wages and conditions cannot be taken forward under the leadership of the HSU bureaucracy, which is working with the Labor government to enforce this rotten deal.

Health workers must instead form their own rank-and-file committees, independent of the trade unions, to democratically discuss and develop a fight for demands based on their actual needs, not what governments or union bureaucrats say is possible.

The state Labor government’s original pay offer, made to all public sector workers, was for 3.5 percent this year, with 3 percent rises to follow in 2025 and 2026. The new offer is a one-year agreement, still at just 3.5 percent. The HSU is attempting to use the shorter duration to persuade workers that the fight for a decent offer can be put off until next year.

The only other differences between this offer and the previously rejected one are even more minor.

The offer’s “cost-of-living” relief—a \$1,000 one-off payment—would now apply if the Sydney Consumer Price Index (CPI) exceeds 4.0 percent in the year to the March quarter of 2025, rather than 4.5 percent as before.

The new offer will also supposedly raise salary packaging benefits to 100 percent immediately, rather than phasing in the increase over two years. This was promoted by the HSU as a measure that would be introduced by Labor if they were elected in March 2023. Following Labor’s election, the HSU worked with the government to force through a sell-out deal with just 50 to 60 percent salary packaging in 2023.

These tweaks do nothing to change the fact that Labor’s offer is a wage cut in real terms. The so-called pay “increase” is totally inadequate to keep up with the soaring cost of living. It also does nothing to make up for years of real wage cuts imposed by governments and the HSU, including a 2020 pay freeze and subsequent sub-inflationary deals.

This follows the imposition by the bureaucracy last year of a flat \$3,500 nominal pay increase that in particular hit allied health workers with an even larger real wage cut than the Labor government’s initial offer.

Concerned that workers would not accept Labor’s initial 4 percent pay increase offer, the HSU bureaucracy worked with Labor to develop the flat rate increase proposal, which did not cost the government an extra cent, and effectively turned one section of the membership against the other in order to satisfy the Labor government’s demands.

With the current ballot, the HSU is again driving a wedge through its membership. Allied Health and Health Services are voting “simultaneously but distinctly.” This is calculated to increase the chances that at least one section of the workforce will accept the deal, undermining any struggle if the other section does not.

Conscious of substantial opposition among workers, the union is attempting to ram through this sell-out deal by telling them that they have no choice—a “no” vote would only lead to arbitration in the Industrial Relations Commission (IRC), which could supposedly lead to a worse outcome than the wage cut already on the table.

In reality, the current offer is the product of union-government “conciliation” before the IRC. Since workers voted to reject the initial offer, the only action of the HSU leadership has been to engage in these discussions.

The July “no” vote by nearly 5,000 HSU members to the initial government offer was an important indication of health workers’ desire to fight back, but the HSU bureaucracy has blocked any industrial action by workers. Not a single strike has been called.

Coming out of the ballot, the HSU claimed it would adopt

a demand for a 6 percent pay increase because a majority of workers who voted had nominated this as “fair” in the survey. This 6 percent claim has been entirely dropped from the union’s communications.

The latest union-government deal will do nothing to improve working conditions in the crisis-ridden public health system. Health workers are being pushed to breaking point by understaffing and lack of resources. According to a survey conducted by the HSU earlier this year, 86.4 percent of health workers reported staffing shortages in their departments. More than 60 percent said that staffing levels had created safety risks and over half said they were considering leaving the job.

These conditions are the result more broadly of a public health system starved of funds. This includes the federal Labor government’s slashing of \$11 billion dollars from the health budget in 2023-24. In NSW, the state budget handed down in June revealed that health expenditure would rise by just 0.1 percent in 2024?25, far below the impact of inflation.

At the same time, workers in the public sector covered are facing job cuts. The HSU reported last month that South Eastern Sydney Local Health District (LHD) will cut \$7.5 million from their annual salary budget, resulting in fifty-five jobs being slashed. In North Sydney LHD it was reported that all Allied Health staff on temporary contract will lose their jobs and that there would be a reduction of 6 percent overall FTE at Hornsby Hospital for each Allied Health Department.

The HSU has called limited rallies in response; however, this has been entirely isolated from any fight for decent wages and conditions by the membership more broadly. These job cuts will directly lead to worsening conditions for health workers and patients more broadly.

The union tells workers that the question of conditions is being dealt with through their “Award reform” case, before the IRC. Workers should be under no illusion that improvements to conditions will be handed down through the pro-business industrial tribunal.

Thirteen claims around conditions were voted for by the HSU membership earlier in the year, however, the HSU’s latest update reported that, “Unfortunately, the Ministry had a singular and consistent response – there is no money, the government can’t afford it.”

In reality, while the governments say there is no money for wages or public health funding, billions are being spent on machines of war and tax cuts for the rich.

The union-government sell-out agreement is not an aberration. Health workers have experienced decades of real-wage cuts and worsening conditions in public healthcare which could not have been carried out without the

complicity of the trade unions.

In parallel with the HSU’s attempt to ram through a sell-out deal, the NSW Nurses and Midwives Association (NSWNMA) is conducting a similar operation. The NSWNMA recently shut down industrial action after two statewide strikes involving thousands of public sector nurses and midwives who were demanding a 15 percent pay rise.

Following the second strike, the NSWNMA announced that it would begin “intensive talks” with the state Labor government in the IRC and was ending industrial action by nurses and midwives “as a gesture of good faith.” At the same time, the NSWNMA announced that nurses and midwives would immediately receive a 3 percent “interim” pay rise, backdated to July 1—effectively implementing the Labor government’s offer to dissuade nurses and midwives from continuing to fight.

These experiences underscore that to take forward a struggle for real improvements to wages and conditions requires an independent fight outside of the trade union apparatus. Workers must organise their own rank-and-file committees, democratically controlled by workers themselves, to discuss and develop a plan of action and demands that meet the needs of workers themselves, not what governments and the unions say is affordable.

This must include a fight to overcome the isolation imposed by the union bureaucracies and bring together sections of workers, including those in different sections of the health system.

Above all, this struggle must be directed against the political establishment, including Labor and the unions, which workers confront as the chief obstacle in their fight for decent wages, safe working conditions and free, high-quality public healthcare.



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