Newspaper staff strike in Australia against job losses

By James Cogan
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Some 800 Fairfax Media staff, employed by newspapers including the *Sydney Morning Herald*, the Melbourne *Age* and the *Australian Financial Review*, staged a 36-hour strike beginning Wednesday afternoon. The industrial action followed Fairfax's announcement that it was eliminating 66 sub-editing and other editorial production positions at two major regional newspapers, the *Newcastle Herald* and the Wollongong-based *Illawarra Mercury*, as well as several smaller local publications.

Staff at the *Canberra Times* joined the industrial action on Thursday. The strike, which was illegal under the Labor government's draconian Fair Work Australia (FWA) industrial legislation, ended this morning on the urging of the Media Entertainment and Arts Alliance (MEAA). The MEAA covers unionised employees in the media and has consistently pressured workers to bow down and accept the continuous restructuring by the media companies.

Fairfax intends to outsource the sub-editing work for its Newcastle and Wollongong regional newspapers to a facility in New Zealand, which also finalises copy for New Zealand publications such as the Wellington-based *Dominion Post* and dozens of local newspapers. The latest job cuts by the company follow last year's destruction of 90 sub-editing and other positions at the *Sydney Morning Herald* and the *Age*, and the shedding of more than 260 production jobs at Fairfax printing plants in both Australia and New Zealand.

Fairfax had previously axed more than 500 staff—including sub-editors, proofreaders, journalists, photographers, designers, legal advisors and other skilled employees—in a major restructuring in 2008. The preparedness of workers at the time to oppose the job destruction was betrayed by the MEAA, which called off industrial action on the grounds that job losses would only be implemented by "voluntary redundancies".

The union's sell-outs in 2008 and 2011 have enabled the bulk of the sub-editing and proofing for Fairfax's major Australian publications to be outsourced to a Brisbane-based contracting company, Pagemasters, which Fairfax jointly owns with its ostensible competitor, Rupert Murdoch's News Limited. Both corporations are continuing the cost cutting drive by creating centralised "hubs", where in a single workplace the work of journalists from different metropolitan, regional, local, or online publications is readied for publication.

In an email to the *World Socialist Web Site*, one Fairfax employee explained that support for this week's strike action had been "almost unanimous" among staff in Sydney. He referred to the solidarity felt by staff with the workers at the smaller regional newspapers in Newcastle and Wollongong.

"Another factor in the mood to strike was a widespread belief we had made a mistake in not being more militant a year before when the company outsourced the bulk of the sub-editing process to a half-owned subsidiary, Pagemasters," he wrote. "The level of outrage then was stronger even than this year. But employees voted against going on strike then on the recommendation of the union House Committee. There were a few reasons for this, including that we should not go on strike until the company moved to compulsory redundancies (which it never did), and that we would leave ourselves open to reprisal fines from the workplace regulator [Fair Work Australia]. But the failure to take stronger action a year ago, I think, is now widely viewed as a mistake. It is viewed as a concession of weakness, and the lesson is not to repeat it."

The trade unions as a whole have repeatedly used the punitive powers of the Labor government's FWA laws to terrorise workers into accepting corporate restructuring. The willingness of Fairfax staff to strike this week in defiance of FWA, in the face of warnings that they could be individually fined more than $6,000 for each day of "unauthorised" industrial action, points to a growing rebelliousness among workers generally.

In the face of the opposition among its workforce, Fairfax is nevertheless pushing ahead with its restructuring. The sole concern of the financial stake-holders in the corporations is the generation of profit in a recessionary economic environment and amid the steady rise of rival internet-based mediums. Numerous companies have cut back their advertising budgets or shifted part of it online, while the sales of print publications are under immense pressure due to the ability of people anywhere in the world to access news and information through their computers, mobile tablets or phones.

Circulation for most major newspapers fell again in the first quarter of 2012, with *Sydney Morning Herald* and *Age* sales plunging by over 13 percent. Total sales of Fairfax-owned titles plummeted overall by 11 percent, according to the Audit Bureau of Circulation. Advertising revenue for printed newspapers is still below 2008 levels, when the global financial crisis hit. Fairfax profits fell 41 percent in the last half of 2011. The media and printing industry as a whole is wracked with crisis, with dozens of small publishers, printers and design studios going out of business over the past four years.

By contrast, traffic to the digital versions of the major Australian newspapers, which rank in the top 10 web sites accessed in the country, has continued to grow. Advertising on the online versions has more than doubled since 2006 to over $300 million and is continuing to trend upward. While this still only represents about 12 percent of what is spent on advertising in printed publications, the drift has been sufficient to call into question the profitability of newspapers.

An unconfirmed report published on May 28 by the News Limited-owned *Australian* claimed that Fairfax management is contemplating ending the weekday printed publication of the *Sydney Morning Herald* and the *Age* entirely, concentrating instead on online production and only publishing the newspapers on the weekend, when advertising revenue is the greatest. There is also ongoing speculation that Fairfax and News Limited will seek to sidestep legal obstacles to a merger of their printing operations, leading to the wholesale closure of Fairfax's major printing facility in Chullora, Sydney, at the cost of hundreds of jobs.

Fairfax Media CEO Greg Hywood provided grist to the rumour mill on Wednesday when he bluntly stated that the corporation was "on a journey from a predominantly print business to a predominantly digital business". Hywood declared that the company's "plan to reshape the business is far-reaching", and "would necessarily have a substantial impact on our people"—that is, the ongoing destruction of jobs and the erosion of working conditions.

News Limited is pursuing the same general business model. Industry analysts expect the corporation to announce at least 400 job cuts to its 8,000-strong Australian workforce next week. The job destruction is predicted to result from the merger of the editorial and other production tasks at its Sydney weekday tabloid, the *Daily Telegraph*, with its weekend version, the *Sunday Telegraph*.

The question posed before all print industry workers, and the working class as a whole, is in whose interests is the evolution of the traditional newspaper to digital publication going to be carried out. Under the capitalist market, it is being implemented solely to meet the demands of finance houses and shareholders for the generation of profit, at the expense of not only large numbers of jobs, but the diversity and quality of news. The restructuring is being carried out under the direction of the Labor government and with the full complicity of the trade unions.

Media workers face the necessity of breaking with the MEAA, establishing their own rank-and-file committees and taking up a political struggle against the Labor government, its FWA laws and the corporate interests they serve. This requires a turn to other sections of workers in Australia, New Zealand and internationally on the basis of a broader fight for a workers' government based on socialist policies. The demand must be raised that the major media corporations be put under public ownership, so the priority is not profit but the intellectual and cultural needs of the population.