

Australia Post to axe another 1,900 jobs in preparation for privatisation

By Keith Morgan
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Australia Post CEO Ahmed Fahour last month announced the elimination of a further 1,900 postal workers' jobs, underscoring the Abbott government's drive to prepare the corporation for privatisation, as urged last year by the government's Commission of Audit report.

While Fahour claimed that forced retrenchments would be avoided, the so-called voluntary redundancies are designed to pressure more workers out the door, with the assistance of the trade unions.

As with every previous round of job destruction unveiled by Fahour, this attack was falsely presented simply as a response to declining mail volumes. To bolster this lie, the mass media highlighted plans by Australia Post to report a full-year loss for the first time in 30 years. This was attributed to a \$500 million loss in the letters business that supposedly "swamped" its substantial profits on its parcels operations.

In reality, the letter and parcels businesses share much of the same sorting, delivery and retail infrastructure. The mail losses are artificially separated out, and trumpeted by the media, to try to justify the destruction of jobs and deflect public opposition to the carve-up and privatisation of postal services.

This is a smokescreen for the fact as many as 10,000 jobs will go over the next three years, as part of preparations to make Australia Post profitable enough to attract corporate buyers. These plans were endorsed last July by a Boston Consulting Group report commissioned by Communications Minister Malcolm Turnbull.

Other plans include scrapping Australia Post's legislated Community Service Obligations to deliver mail door-to-door, five days a week. This will clear the way to reduce standard mail delivery to three days a week, with customers forced to pay for extra services

via increased stamp prices.

Fahour, a former banker, who was appointed by the previous Labor government to prepare Australia Post to be sold off, confirmed that Turnbull had approved a "reform" package that includes a two-tier delivery service, plus a basic stamp price to rise to \$1.

Asked to comment on the job losses, Labor Party opposition leader Bill Shorten feigned sympathy for Australia Post workers, describing the news as "sad." Ruling out any opposition to the job cuts, he called on the Abbott government to retrain the retrenched workers.

This is a political diversion. Shorten was a senior minister in the Labor government that installed Fahour, and is therefore directly responsible for the ongoing carve-up of Australia Post.

The 10,000 jobs to be eliminated represent up to 40 percent of the existing workforce—on top of 900 jobs axed last year. Since June 2009, nearly 4,000 jobs have been destroyed in six years. Most of these jobs were scrapped under the Rudd and Gillard Labor governments.

To cover all these political tracks, the union covering postal workers issued a ludicrous call for Turnbull to sack Fahour. Communication Workers Union (CWU) assistant national secretary Martin O'Nea said Fahour was to blame for Australia Post no longer having the staff numbers to deliver mail consistently on time. O'Nea proposed no fight to oppose the job losses.

Likewise, Jim Metcher, the New South Wales state secretary of the Communications Electrical Plumbing Union (CEPU), which incorporates the CWU, offered only a few worn-out phrases. He asked Australia Post to "be clear with their workforce and the Australian public on about how they will continue to maintain a quality mail delivery service with a reduced

workforce.”

Metcher urged “the community of postal users and in particular older Australians and those from regional areas to speak up against the cuts before their postal service is irreparably damaged.” Yet the unions have played the central role in stifling workers’ opposition. In the last round of sackings, Metcher offered to work with management to help make Australia Post a “viable business.”

Shorten’s claim that workers can be relocated or retrained is another illusion promoted by the Labor and union leaders to divert the anger and frustration among workers. Some 4,400 workers have been relocated already to new roles. Now the job destruction will begin in earnest.

Postal workers are confronting the same processes internationally. The US postal service has shed more than 70,000 jobs in the past three years and more than 170,000 since 2006. Britain’s now privatised Royal Mail has slashed more than 50,000 jobs since 2003. Similar cutbacks have been imposed in Canada and New Zealand.

The drive to privatise postal services is part of an international offensive by major global corporations, seeking out potentially lucrative assets, such as Australia Post, which has been valued at \$4.7 billion. The Business Council of Australia (BCA) has demanded the full privatisation of Australia Post. The profitable parcels business would be split off, forcing users to pay ever-increasing costs for basic postal services.

While Turnbull last year claimed that the government decided not to sell off Australia Post for now, that was only to allow Fahour’s restructuring to proceed, shedding enough workers’ jobs to make the enterprise an appealing proposition for corporate raiders.

Postal workers cannot defend their livelihoods and basic rights through the trade unions. Around the world, the union bureaucrats are working with governments and corporate management to boost profits and productivity at the expense of the working class. Whether in the car industry, the airline industry or the postal services, the unions’ response has been the same—enforcing layoffs and cost-cutting in the name of “international competitiveness.”

Fighting this assault requires breaking out of the straightjacket of the unions, which have become

nothing more than mechanisms for policing the dictates of big business, and unifying the struggles of postal and communications workers internationally on the basis of a socialist perspective.

The author also recommends:

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