

Financial press hails Australian government's union-employer offensive against workers

By Oscar Grenfell
29 May 2020

The financial press has welcomed Prime Minister Scott Morrison's announcement on Tuesday of a tripartite offensive against workers' jobs, wages and conditions, to be enforced by state and federal governments, the major corporations and the trade unions.

Speaking at the National Press Club, Morrison outlined plans for the establishment of five government-led "working groups" involving corporate figures and union officials. They will be tasked with providing recommendations for a further pro-business overhaul of working conditions and industrial relations by the end of September, on the pretext of the economic disruption caused by COVID-19.

In a sign of what is to come, business commentators have invoked the Accords introduced by the Hawke Labor government in the 1980s, which provided for the deregulation of the economy and the destruction of hundreds of thousands of jobs across industry and manufacturing.

As in the 80s, the unions are to play the central role in suppressing opposition from workers and imposing the dictates of big business.

Morrison made a point of thanking the Australian Council of Trade Unions (ACTU) and its secretary, Sally McManus, for their role since the coronavirus pandemic began. This has included slashing penalty rates for millions of hospitality and clerical workers and removing shift restrictions. He insisted that it was necessary for companies and the unions to continue to work together and to "put the weapons down."

When McManus was installed as ACTU secretary in 2017, she fraudulently presented herself as a "militant" who would be willing to break "unjust" laws to advance the interests of workers. A life-long bureaucrat who has overseen countless sell-out deals, McManus adopted this posture in a bid to head-off growing hostility among workers to the sordid machinations of the unions. She was

depicted in the media as a radical firebrand.

Now, however, McManus has openly become the darling of the financial press.

Yesterday, the *Australian* published an opinion piece by the ACTU secretary headlined "Seat at the table a chance to create stronger economy together." McManus stated that the government had "at last recognised what millions of Australian workers already know—unions are a vital part of a civil society." The unions, she wrote, "want to be part of building a better, stronger economy."

The *Australian's* editorial this morning began, "ACTU secretary Sally McManus was right to declare in our pages on Thursday that as we contemplate the mammoth challenge of rebuilding Australia's economy, 'it's become clear that there is no going back to business as usual.'"

The Murdoch-owned newspaper congratulated McManus for having "recognised the merit of employer concerns" about clauses in federal legislation that supposedly place nominal restrictions on cuts to jobs and wages, along with "inefficiencies and delays in the bargaining process."

McManus and the ACTU have cynically claimed that their participation in the government is aimed at ensuring the creation of jobs, after having overseen the laying-off of more than a million workers since the pandemic began.

The *Australian* editorial further exposed this fraudulent posture, demonstrating that the unions have already agreed to some of the key demands of the Australian Industry Group and the Business Council of Australia, whose calls for a restructuring of industrial relations motivated the government's creation of the working groups.

The editorial indicates that the ACTU has agreed to the abolition or curtailment of the "Better off overall test" (BOOT) that must be fulfilled when enterprise agreements (EA) are established. On paper, it requires

that the conditions of all workers covered by an EA be “better off” than previously. This is aimed at presenting the EA system as “fair” and “equitable.” In practice, it has done nothing to prevent innumerable union-imposed EA’s which have lowered wages, slashed conditions and facilitated job destruction.

BOOT, however, has come to be viewed as a thorn in the side by major employers and the unions. It has served as the basis for a number of legal challenges over the past two years to sweetheart deals between the unions and major companies, especially in the fast food and supermarket industries. The abolition of BOOT would clearly be aimed at removing any impediment, no matter how toothless, to sweeping attacks on jobs and conditions in new EAs.

Industry lobby groups have also insisted that the EAs and federal awards be “streamlined” and “simplified,” so that individual employers can more rapidly impose their dictates. McManus has previously bragged about the ACTU’s role in overhauling working conditions within the space of a week across a number of industries since March. She has insisted only that the employers continue to work through frameworks involving the unions, declaring last month that this would enable them to “get everything you want.”

In comments to the media, federal Industrial Relations minister Christian Porter signalled that hospitality workers will be among the first in the firing line, with a push to “simplify” the federal awards that govern their conditions. Employer groups have called for the measures imposed by the unions since the pandemic began, including the slashing of overtime penalty rates for hospitality workers, to be permanently instituted.

McManus has collaborated with Porter on a near-daily basis throughout the pandemic, prompting him to describe her last month as his “BFF” [best friends forever.]

This week, the *Australian Financial Review* magazine profiled the two, examining “how the new BFFs are getting along.” One commentator described the article as “When Christian met Sally.”

McManus revealed that she was invited to secret government briefings in early March, revealing the scale of the coronavirus dangers while governments, the unions and the employers were still resisting calls for lockdown measures to be introduced.

At one of the first such meetings, she told those gathered “that the union movement’s prepared to put aside all hostilities and work together with the government, and with employers. Now we have three

meetings, usually, a week.”

Porter states that he contacted former ACTU secretary, Labor parliamentarian and industrial relations “fixer” Greg Combet: “I’d sort of said to him I think I need to try and talk directly with people in the union movement. I don’t necessarily speak their language. And Greg suggested that Sally was probably the one that I should talk to first.”

Porter and McManus then began meeting on a daily basis. The right-wing government minister told the AFR that “Sally’s intelligent, rational, reasonable.” McManus in turn praised Porter: “[W]hat Christian actually does is interrogate it. He’ll ask questions. He’ll probe, and want to understand the argument.”

Both declared that the pandemic meant an end to “politics as usual” and the old “theoretical views.” “We’ve developed enough of a relationship to understand each other,” McManus said.

Her role is described by the *Conversation*: “McManus has greased wheels during the crisis—the government hopes it can now parlay the relationship with the ACTU into assisting Morrison’s attempt to land permanent industrial relations reforms.”

Far from being an aberration produced by the pandemic, the close relationship between McManus and Porter demonstrates the real role of the unions as a corrupt, industrial police force of governments and the corporations.

McManus has made clear that, having already imposed sweeping attacks on workers over the past three months, the unions are preparing to take their pro-business offensive to yet new levels. The emerging struggles of the working class, in defence of jobs, wages, conditions and safety, will confront these corporatised organisations as their enemies.

To contact the WSWS and the
Socialist Equality Party visit:

<http://www.wsws.org>