

Australian unions plead for continued secretive talks with government and employers

By Mike Head
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The Australian Council of Trade Unions last week issued an anxious plea for the federal Liberal-National government and employer representatives to prolong their “confidential” talks with union bureaucrats in order to finalise “reforms” of workplace conditions.

For four months now, trade union leaders have been closeted away in five industrial relations (IR) “working groups” with the government and business chiefs, at the invitation of Prime Minister Scott Morrison.

At the same time, they have worked together to keep a lid on unrest amid the worst mass unemployment since the 1930s Great Depression and to enforce returns to work in unsafe conditions despite the spiralling global COVID-19 pandemic that has resulted from the same corporate profit drive.

Behind a veil of secrecy, the union chiefs have been discussing how to keep suppressing working-class opposition as impoverishment deepens, while they exploit the pandemic to help impose the destruction of thousands of jobs and the decimation of workers’ wages and basic conditions.

Various tactical differences, however, caused the talks to fail to meet their deadline last week to present their proposals to the government. In response, ACTU secretary Sally McManus appealed for the backroom bargaining to continue in “a new phase of bilateral meetings between the various parties and the Morrison government.”

In her media release, McManus pleaded: “We remain hopeful that an agreement can be reached which will benefit working people and the national interest.” She said it was necessary to “reach common ground” at “a time of unprecedented national crisis.”

By the “national interest,” McManus means the interests of the ruling capitalist class, which is intent on further restructuring the economy at the expense of the working-class as the government cuts JobKeeper wage subsidies and JobSeeker dole payments to poverty levels to

coerce workers into low-paid work on worse conditions.

Pledging to keep all the details hidden from workers, McManus criticised some employer groups for publicly opposing aspects of the deals being struck with the unions. “[I]t has become obvious that a number of employer lobby groups no longer wish to respect the confidentiality agreement or engage with this process in good faith,” she complained.

According to media reports, Industrial Relations Minister and Attorney-General Christian Porter is now conducting informal talks with select unions and employers in the hopes of getting agreements over the line after formal discussions ended without clear consensus.

If the last-minute talks fail to achieve agreement among the parties, Porter said the government would take ideas from each working group and “try and build them into a product that can A) grow jobs and B) make its way through parliament.”

Some working groups got close to agreement. McManus reportedly finalised a deal with Business Council of Australia chief executive Jennifer Westacott, representing the largest companies. They proposed to axe the supposed “better off overall test” (BOOT) for registering a workplace pay deal, clearing the way for enterprise agreements to openly reduce the conditions of workers.

In return, union-negotiated agreements would be fast-tracked through the Fair Work Commission—the federal industrial tribunal. This would further entrench the unions as the ruling elite’s preferred mechanism for enforcing cuts to conditions via “enterprise bargaining” and anti-strike laws.

BOOT has done nothing to prevent countless union-imposed agreements that have lowered wages, slashed conditions and facilitated job destruction. However, it became the basis for several legal challenges to sweetheart deals between the unions and major companies, especially in the fast food and supermarket industries.

The abolition of BOOT would remove any impediment, no

matter how contrived and cosmetic, to sweeping attacks on jobs and conditions in new union enterprise agreements.

The prioritising of union deals also would take to a new level the corporatist partnership established between the unions and the employers under the Accords of the Hawke and Keating Labor governments of 1983 to 1996.

However, various employer groups, including Master Builders Australia, which represents construction companies, objected to preference being given to union agreements, demanding equal fast-tracking for non-union deals.

Another deal close to consummation is designed to reverse a court ruling that gave some regular casuals access to annual leave and other entitlements reserved for permanent workers, which could cost businesses \$40 billion.

Business leaders, the corporate media and the government had denounced the ruling, saying it would reduce employers' "flexibility" to keep their staff on insecure work arrangements and "cripple" firms struggling with the pandemic.

In the casuals working group, the unions reportedly felt optimistic they could strike a bargain after the small business lobby split from other employers to back a potential compromise. Casuals would get a chance to convert to permanent employment after a set period, perhaps nine months, and in return forgo back pay claims.

Leaks to the media indicated that the unions rejected the proposal because it would only give workers the opportunity to ask for a permanent job, which employers could too easily decline. Nevertheless, "there was general agreement around the concepts," one source told reporters.

In the group dealing with simplification of industrial awards, Council of Small Business Organisations of Australia (COSBOA) chief executive Peter Strong told the media that his group's proposal was "still in the mix."

COSBOA proposed a series of 24 schedules that would allow small businesses greater workforce flexibility. Businesses with fewer than 40 employees could pay a single weekday and weekend pay rate, effectively scrapping after-hours penalty rates, and hire part-time workers without paying overtime rates.

The "compliance" group reportedly failed to reach agreement after unions sought higher penalties for underpayment of workers. The group discussing four-year union-enforced agreements on new work sites apparently could not agree on the size of projects to qualify for such an agreement, which would prohibit industrial action.

Whether or not all the deals are ultimately finalised, the unions will step up their collaboration with the government and big business. They will intensify the attacks on workers' pay and conditions in response to the

"unprecedented national crisis" produced by the pandemic and the worldwide economic crash.

That record is already clear. As soon as the pandemic erupted in March, the ACTU rushed to help the government allow employers to scrap basic conditions under the JobKeeper subsidy, even as big business took the lion's share of the hundreds of billions of dollars handed out under the scheme and other corporate bailout packages.

In addition, without any consultation with their members, the unions rapidly organised the gutting of pay and conditions for millions of workers in the retail, hospitality and clerical industries.

For her services in supervising these assaults, McManus was personally thanked by Morrison and Porter, who proclaimed her his "BFF" (best friend forever). Once falsely promoted as a "militant" when she was installed as ACTU boss in 2017, McManus became the darling of the media. The Murdoch-owned *Australian* congratulated her for having "recognised the merit of employer concerns."

This is no aberration produced by the pandemic. The close personal relations between the unions, employers and government take to new depths the decades-long role of the unions as a ruthless industrial police force, first displayed under Hawke and Keating.

Amid growing social inequality, unsafe conditions and widespread impoverishment, the unions and their "best friends" know that the scene is set for the eruption of major working-class battles. The essential issue for workers is to mobilise independently, against the unions, as well as the governments and the corporate elite. That requires a socialist program to reorganise society on the basis of human need, not corporate profit and private wealth.

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