

# THE GLOBAL ECONOMIC CRISIS HEIGHTENS NEED FOR JOB SECURITY

Economics has hit the front pages of the newspapers again as the impact of the global economic crisis is felt around the world. The crisis began as a result of unscrupulous lending practices by U.S. financiers who lent to people who could not afford to repay their loans. The crisis spread throughout the system by financial wizardry that repackaged dodgy loans into apparently safe investment products. While the banks get bailed out the real impact is being felt by workers both here and overseas. Unemployment in the United States has increased to over 7% and over 6% in the United Kingdom.

While we have yet to see job losses on this scale so far in Australia, there have been horror stories about massive cuts in the finance industry and we are seeing many companies in the Australian IT industry start to tighten their belts and make small numbers of staff redundant in preparation for needing a smaller workforce. Nobody knows how long the crisis will last or how bad it will get. The longer the crisis lasts, the more likely it is that there will be more jobs lost in the Australian IT industry. At this stage it seems more likely that the industry will contract, with small numbers of jobs lost as opposed to the collapse of any major IT companies.

With the possibilities of redundancy becoming more likely in the IT industry, bargaining often focuses on improving job security. Workers in many unionised companies are beginning to seriously demand increased redundancy entitlements for workers who are made redundant as a financial disincentive to companies who are looking to put off staff. Procedures such as consultation with unions about redundancy and calling for people interested in voluntary redundancy before making compulsory redundancies can also be implemented to make the process

fairer. At some companies without union agreements, workers entitlement to redundancy payment is entirely contained in policy. This allows companies to change the entitlement at will, as one large IT company recently did.

Workers in Australia will also find that their superannuation has taken a hit as the value of property and shares has dropped. This may mean that workers will be staying in the workforce for longer as they try to make up what they have lost. While all superannuation funds are performing poorly at the moment, it is important to remember that industry super funds will provide better returns because they are not operated for profit and do not receive commissions for the investments they make and many take on a lower level of risk than commercial funds.

The crisis has had a significant impact on CPI which will affect bargaining outcomes in the short term. CPI peaked at 5% in 2008 but in the final quarter of 2008 it dropped to 3.7%. Most economists are predicting that CPI will drop further in 2009. When inflation was high union members increased their expectations about outcomes in collective bargaining to keep up with the increased cost of living. However, as the rate of inflation slows union members won't need wage rises quite as high to maintain or improve their standard of living.

As the crisis continues it is important to build our unions and to keep organising and bargaining. Workers in unionised workplaces are more secure in their employment and fare much better in tough times than non-unionised workers. There will be pressure on workers to give up employment conditions that have been fought for over a long period of time. We need to make sure that we are organised so that we can protect what has been built.

**Globally, unions have issued the "Washington Statement" on the economic crisis. They are advocating for:**

- **A recovery plan for the economy including cuts to interest rates, infrastructure investment, investment in green jobs, and industries and support for development in less developed countries.**
- **Reregulating the finance sector and the global economy to prevent a crisis occurring again.**
- **Combating inequality in the distribution of income both within and between countries, between rich and poor and between men and women.**

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### HOW TO CONTACT US PHONE SYDNEY 9310 4000

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**SYDNEY** 39 - 47 RENWICK STREET REDFERN NSW  
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## FROM THE SECRETARY



In the past two weeks we have witnessed the shocking loss of lives and dreadful destruction wreaked on the people of Victoria by the worst bushfires in memory. Such terrible disasters reinforce what Australians know all too well, just how fragile our existence is on this tough, unforgiving continent. It also tells us something new and uncomfortable – the 44 degree temperatures on the

of the fires confirms what many scientists have warned us for decades now – unchecked global warming will result in extreme weather conditions.

Despite the great sense of loss and even despair we may feel, the remarkable thing that comes out of such events is that the great Australian quality of mateship is alive and well – whether it be the volunteer fire fighters, who leave their own homes to defend others or the solidarity that people across the country have shown in donating money or support to those who have been the victims. It shows how we can work together in times of adversity and win against the odds. The women and men who battled against nature's fury are our colleagues and fellow workers. They risked their lives to help their neighbours, often putting the interests of many in front of their own.

The other great disaster that is affecting the financial security of people world wide, the global financial crisis, continues to unfold with more job losses and company collapses announced every day. What started as a crash and credit crunch caused by the excesses of the big end of town has inevitably led to real financial pain inflicted on workers and retirees and the lowest and often least skilled of our workforce.

More than ever, belonging to a union provides protection from the ruthless behaviour of bosses in these times who will use the financial crisis as an excuse to reduce conditions, cut hours of work and lay off workers. Often these have been loyal employees for years, but this counts for little during an economic crunch. Being in the Union is the best job security you can have in these times. ASU members in unionised workplaces can fight to preserve conditions and wages and in the event of redundancies, union members consistently receive a better deal than other workers. It is our unique qualities of mateship and our ability to stick together as workers through the Union that will help Australians through these hard times.

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# BARGAINING

## NCR BARGAINING

**BARGAINING IS PROGRESSING AT NCR DESPITE MOVES BY THE COMPANY TO MAKE SOME WORKERS REDUNDANT. IMMEDIATELY BEFORE A NEGOTIATION MEETING WITH THE ASU IN JANUARY, NCR NOTIFIED THEIR INTENTION TO MAKE FOUR SYDNEY STAFF REDUNDANT. AT THE NEGOTIATION MEETING NCR INDICATED THAT PAY RISES AS PART OF THE AGREEMENT WERE DEPENDENT ON CUTS TO STAFF.**

Every Customer Engineer (CE) knows that NCR has been making significant profits in recent years. NCR were doing well enough in 2007 to pay CEO Bill Nuti a massive 141% payrise, but somehow can't offer technicians 2.5% this year without redundancies?

The table below summarises the responses by NCR to the claims made by the ASU and the ASU responses to NCRs claims.

### NCR RESPONSE TO ASU CLAIMS

WAGES – 2.5% 2009, min 2% up to 3% each year after dependant on performance.

BAND LEVEL INCREASES - no.

WORK FROM HOME – NCR to review their position on what is required for CEs.

COMMUNITY EMERGENCY LEAVE – no.

4 x 4 shift worker meal breaks – agreed to 2 x 30 minute breaks to be counted as work time.

24 HOUR TIME TO BE USED ACROSS ALL INSTRUMENTS – agreed.

OVERTIME TRAVEL @ OVERTIME RATES – no.

ALLOWANCES INCREASED BY WAGE RISE OR CPI – 3%.

POPs – ongoing, list not provided by NCR.

HIGHER DUTIES – agreed to be paid after the completion of one full day and to include payment for the full day.

PUBLIC HOLIDAYS ON WEEKDAYS @ OVERTIME – no.

10 HOUR BREAKS – NCR say NO to ensuring 10 hour breaks between shifts ending in overtime/stand by.

CARS – increase allowance to \$16,000.00, no to fuel card, motor association fees, road tolls, guarantee on 5 seater. Agreed on safety barrier, not yet

agreed on inclusion of carrying capacity into agreement.

SAFE HOURS PER WEEK – NCR will investigate what is considered safe hours – may become an item for policy not eb – ongoing.

REGIONAL CEs - back up plans, leave coverage etc – NCR say they have not reduced job numbers to pay for any such back up.

REMOTE SUPPORT ALLOWANCE – no.

PERSONAL LEAVE – agreed to use of unpaid sick leave in carer's leave situations.

### ASU RESPONSE TO NCR CLAIMS

4 X 4 SHIFTS IN 8 WORKING DAYS – no, could require a CE to be rostered every second day across 8 days. This is a major change for NCR original claim. NCR now to redraft words to describe exactly what they want – claim ongoing.

START OF DAY – commencing work by accessing your electronic equipment without pay – No when you receive a direction from your employer you are at work and should be paid.

RDOs – we say no to a 5% buy out of all RDOs for all CEs on RDOs. We have offered that a blanket buy out of RDOs for all @ 10% may be achievable and @ 5% it must be voluntary. NCR did not accept our response and took their offer off the table.

## CANON BARGAINING

**CANON TECHNICIANS ARE PREPARING FOR BARGAINING WITH THE COMPANY IN 2009. THE CURRENT ENTERPRISE AGREEMENT WITH CANON AUSTRALIA EXPIRES ON 28 FEBRUARY. THE COMPANY SEEMS TO BE RELUCTANT TO COMMENCE BARGAINING, BUT NSW TECHNICIANS ARE ONE STEP AHEAD.**

In November and December technicians in each region met to discuss what the issues were for them in bargaining and to nominate some people to act as union contact people. Canon technicians are now well prepared for bargaining.

The most important issues identified by Canon technicians were:

**CANON WILL NOT BE PREPARED TO MAKE CHANGES WITHOUT PRESSURE APPLIED BY THE TECHNICIANS.**

- Increases to redundancy payments.
- A procedure for seeking voluntary redundancies before making technicians redundant who want to stay.
- Improved provisions for transmission of business if the business is sold.
- An across the board payrise for all technicians, with any performance bonus in addition.
- Moving the balanced scorecard into the agreement so that any changes must be negotiated between Canon and technicians.
- Rostered days off.

In order to obtain these big improvements to the Canon agreement, technicians will need to be organised to work together and prepared to take action together if necessary. Particularly in the current climate, Canon will not be prepared to make changes without pressure applied by the technicians.

The next step will be a national survey of all Canon technicians to determine what the most important issues are for bargaining across the country. The ASU will also contact Canon to commence negotiations.



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# PRIVATISED POWER WON'T PAY FOR ITS PART IN THE FIRES

Who will be punished if the pending law suits find private power companies liable for the fires?

Why, you will, dear reader – thanks to the terms that state governments negotiated when they sold off our public assets. Consider the case of SP AusNet, the subject of a class action for negligence around the Kilmore fires.

The Insurance Council of Australia has estimated the damage of those fires at about \$500 million. But SP AusNet's legal liability has been capped at \$100 million under a deal struck by the former Kennett government with private utility operators, when the former State Electricity Commission was privatised in 1995. Legal sources said this meant the Brumby Government could be forced to cover a shortfall of hundreds of millions of dollars.

The recent heatwave highlighted some other results of the great privatization binge carried out a decade or so ago.

Connex, the group that seized Victoria's rail network, recently excused the 2300 services it cancelled last month on the basis of ... wait for it ... the weather. Its trains can't, you see, function in weather warmer than thirty-five degrees. Given that each year there's this phenomenon called 'summer' (you may have heard of it), operators of a transport system designed for the benefit of the public – most of whom, strangely enough, still have to work on hot days – might conclude that cool-weather-only trains simply don't cut it.

But Connex, of course, is a private company, and makes its decisions on the basis of an entirely different calculus. That's why, though Melbournians would clearly prefer to buy their fares from a conductor, we're stuck instead with dysfunctional ticketing machines, unable in most cases even to provide change. Not surprisingly, there's now a widespread culture of fare evasion, which the private owners attempt to counter with hectoring advertisements and roving gangs of thuggish inspectors.



But there's a bigger issue relating to climate change. Now, we don't have to believe in global warming. The science is complex and most of us don't fully understand it. But many of us are also sufficiently mathematically challenged as to not follow the process by which Eratosthenes of Cyrene first calculated the circumference of the planet. But we don't therefore sign up with the Flat Earth Society, since we possess sufficient common sense to accept the consensus of the scientific world.

If we adopt that methodology with climate change – aligning ourselves with the vast majority of scientists rather than the small but shrill denialist faction of oil-company flacks, shock jocks and the tabloid journalists who are professionally wrong about everything – certain things follow. We can expect a small but real increase in average temperatures, and that means bushfires will become more likely and more devastating. No, you can't ascribe the blame to climate change for any particular fire, just as you can't definitively link your heart attack to your pack-a-day habit. Heart problems kill non-smokers, too – but only a fool would conclude that means you can puff away without risks.

In other words, if we don't do something, we can expect more tragedies like the one we've just endured.

But that brings us directly back to privatisation. It's not only that the process by which we swapped our public assets for a bag of magic beans has led to an appreciable degradation in services, it's also disarmed us in the fight against the causes and consequences of climate change. How is the private company that makes money from selling you electricity – and thus becomes more profitable the more of it you use – going to foster energy efficiency?

The short answer is that it will do so about as effectively as, say, a pub campaigning for sobriety, a casino against problem gambling – or, to use a more apposite example – the private utility in charge of our taps for water efficiency.

The world financial crisis has already exposed many of the ideologues behind the neo-liberal excesses of the last decades as at best charlatans and at worst overt fraudsters. By all means, prosecute the arsonists. But let's also have some genuine accountability about the policy makers who got us into the mess we're now in.

*This article, written by Jeff Sparrow, editor of Overland, was published by Crikey on 16 February 2009.*

## KNOW YOUR RIGHTS AT WORK FACT SHEET 5: OCCUPATION HEALTH AND SAFETY

Over 477,000 people in Australia receive a work related injury or illness each year and about 6,700 people per year lose their lives. Ensuring that your workplace is a healthy and safe environment is the most important thing you can do as a worker, union member or delegate. Occupation Health and Safety is underpinned by a basic rule that:

**'Every worker has a right to healthy and safe work and to a work environment that enables them to live a socially and economically productive life.'**

The difficult thing is to know how to apply this basic rule to your everyday work.

### **Firstly, the rules.**

Your Occupational Health and Safety rights are set out in a number of documents including the NSW Occupation Health and Safety Act, Workers Compensation Act and NSW State Regulations.

### **Your Right to be Consulted**

Under the NSW OH&S Act employers are required to consult with you about Health and Safety at work. They must enable you to contribute to making decisions that affect your health, safety or welfare at work.

### **Getting together an OH&S Committee**

Every workplace is required by law to have an OH&S committee or representatives if it is requested by the employees. It is the job of the employer to set up a consultation process that includes either

- 1. an OHS committee if there are more than 20 employees or;**
- 2. elect OHS representatives if there are under 20 employees or;**
- 3. any other arrangement if it is agreed with employees who may be represented by their union.**

Whichever of these are in place, it is the right of the workers to elect their own representatives. There should be an open and transparent election from the workers to choose who will represent them on the committee or as an OH&S representative. It is also essential that the people that are elected get accredited OH&S training in work time.

### **What to do when you identify an OH&S problem**

If you identify an OH&S problem or hazard at work you should immediately inform your manager and your OH&S representative or an OH&S committee member. If it is an immediate threat to the health or safety of workers, the hazard should be isolated and work should not continue in that area until the hazard is removed. If the issue is of a longer term nature the employer should consult with you and your workmates about the best way to remove the hazard.

**If you have any questions about your rights with regard to OH&S talk to your delegate or call the ASU office on 9310 4000.**

## UNIONS CALL FOR SOLIDARITY IN GAZA – AND AN END TO VIOLENCE BY ALL SIDES

On the 27th December 2008 the Israeli Government initiated Operation Molten Lead, a brutal military attack on the people of Gaza that resulted in over 1000 deaths, mostly civilians. Israel claimed to be targeting " Hamas militants " but many of the people they claimed to be militants were actually government employees and the attacks so widespread and the population of the area so dense that a massive proportion of the dead were women and children.

These attacks have been condemned by the international community. Many international union organisations such as the International Trade Union Confederation and SOLIDAR – an international alliance of labour movement-based humanitarian aid agencies, called for an immediate end to the violence. At home the ACTU, Unions NSW, APHEDA and the Victorian Trades Hall Council Executive have all condemned the attacks and called for an immediate ceasefire and access to emergency and relief supplies. These attacks are brutal and their stated aim is to destroy Hamas. The political arm of Hamas is the elected leader of the Palestinian people.

The Palestinian population in the Gaza Strip is 1.5 million and the UN estimates that 80% of that population are almost entirely dependent on food aid or direct assistance. This dependence largely stems from the Israeli imposed blockade of the Gaza Strip which has brought the Palestinian economy to virtual collapse. These attacks have caused a huge loss of life and destruction to the infrastructure of Gaza, including destroying universities, schools, the parliament, communications networks and religious centres. This destruction of infrastructure will create further Palestinian dependence on international aid.

### **WHAT WE ARE DOING TO HELP.**

**Australian trade unions are committed to practical solidarity. The ACTU's international aid agency, Union Aid Abroad-Apheda, has been sending funds to the MA'AN Development Centre in Gaza for the past two years. These funds are for emergency food support for the most vulnerable households.**

**Funds have also been sent to El Wafa Rehabilitation Hospital in Gaza city, which has a rapidly increasing caseload of people with serious injuries and disabilities.**

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