



SITREP 03/17

New Premier off to a good start, but more needs to be done

Earlier this week, Gladys Berejiklian was elected unopposed by her Liberal Party colleagues as Premier following the sudden and unexpected departure of Mike Baird, who may return to his former and far more lucrative profession of merchant banking. The Liberals are now resetting for the next election in 2019.

The Union has already written to the Premier on the Department's threat to close Weston Fire Brigade, and it seems to have had a positive effect. Abermain members are poised to move back to their own station, and the threatened closure of Weston is being reviewed. While the new Premier is in a receptive mood and reviewing some of Baird's more unpopular policies the Union will also approach her regarding the effect the Labour Expense Cap (LEC) is having on frontline agencies such as FRNSW.

The LEC requires FRNSW to find some \$22 million in savings and has resulted in the Department's ham-fisted attempt to rip \$2 - \$8 million out of the retained wages bill via the RBRP. This can only end in cuts to community and firefighter safety, but Premier Berejiklian has the chance to avert this and restore funding to FRNSW. Today's story in the Sydney Morning Herald (available on the online version of this SITREP) shows this has become a mainstream issue that the government cannot ignore. More to follow.

Strong unions the answer to inequality

Whilst proponents of free trade and globalisation wring their hands and shed crocodile tears over the loss of manufacturing industries and jobs, some politicians are quick to blame "outsiders". What is striking is what generally is not discussed: bolstering the power of workers to bargain for better wages and redistributing wealth from the top to the bottom. The US administration may have scrapped the TPP, but will it pass laws making it easier for US workers to join their unions, or to get big business to pay more tax?

The stark reality is that globalisation has reduced the bargaining power of workers, and corporations and governments have taken advantage of it.

"People talk about inequality, how it's a major problem, the greatest threat to globalisation and the global economy," Nobel Prize recipient Joseph Stiglitz said in a recent interview. "You have to recognise that the way we have managed globalisation has contributed significantly to inequality. But I have not yet heard a good conversation about what changes in globalisation would address inequality."

That is not an accident, he surmised. Any sincere list would have to include items that involve transferring wealth and power from the real elites to ordinary workers via more progressive taxation, increased bargaining rights for unions, and greater protections for workers in general. Don't hold your breath.

Leighton Drury
State Secretary

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