

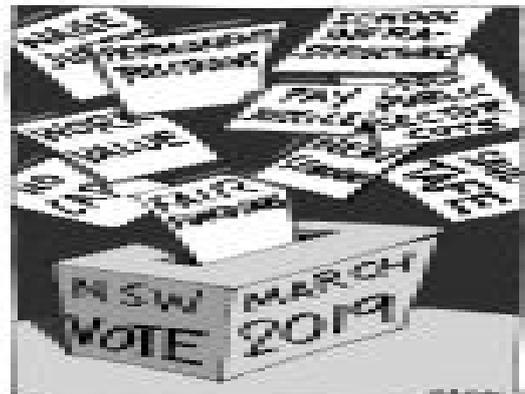
## Election opportunity for salary justice

September 21, 2018

The NSW election next March provides an opportunity to highlight the need for pay justice, school infrastructure spending and additional permanent positions from equity funds.

A salary claim to break out above the NSW Government's 2.5 per cent pay cap was discussed at this year's Annual Conference.

The 2018 NSW Budget again set public sector wage caps at a 2.5 per cent increase -



per annum. Hypocritically, the Budget assumes tax receipts from wages growth are forecast above 3.4 per cent by 2022. It seems Treasurer Dominic Perrottet wants to have his cake and eat it too!

This contradiction from the Treasurer is entirely in keeping with the government subsidy of privatisation of infrastructure.

The budget allows for a \$87 billion spend on infrastructure over the next four years, or \$22 billion per year on projects such as WestConnex and NorthConnex road tunnels and the Metro rail including privatisation of the Bankstown line.

It's our wages that are subsidising their privatisation plans with Treasury estimating that the cap has amounted to \$11 billion over the seven years from 2011. The 2018 Budget is in surplus at \$3.9 billion, the fourth in a row saved from capping public sector wages and cutting services.

The cap is a remnant of the austerity regime during the 2007 global financial crisis. Across various industries workers have been held to either zero or small rises, on the rationale of returning businesses to profit. That has now happened, and it is time we get to share in the return to growth.

The cap is increasingly anachronistic. Surplus has replaced deficit, worker sacrifice and productivity growth is recognised. However, spending on infrastructure is rampant. NSW has become Bob the builder's playpen, with cranes, bulldozers, tunnelling machines becoming permanent fixtures.

Waste and misdirected priorities, with light rail budget blowouts and a civil action for local shop owners, are placing the government's develop-at-all-costs agenda under almost constant scrutiny by the nightly news.

We broke the cap under the previous Labor governments, however, the state Liberals legislated the figure after winning the 2011 election.

The state wages policy claims that any increase above 2.5 per cent has to be offset by "productivity offsets". Regardless, they are cutting the numbers of employees in the public sector, projected to be 1200 over this Budget cycle.

The mechanism of this is the so called "efficiency dividend", a misnomer of false economics as it is cutting rather than providing jobs. The rate has been further increased from 2 per cent from 2017 to 3 per cent into 2019.

However, the real productivity gains (to use their language) we have achieved over the past 15 years, since a work value case in 2003, have been pocketed by the government without recompense.

Since 2003, the nature of teaching has changed, delivering significant outcomes for students. Information technology, with the move to electronic whiteboards, e-classrooms and interactive education software is one area of progress.

Another, related area is the shift to student-centred learning- together as the often quoted 21st century learning. We should rightly be able to seek another work value case, to claim these improvements since 2003.

The state Labor Opposition supports returning the right of unions to proceed with work value claims to the Industrial Relations Commission, denied by the Liberals since 2011.

However, at this stage, Labor has not committed to wage rises above the 2.5 per cent cap. The pre-election phase is an opportunity to pressure both parties to hold an auction to position them to win us over with better offers.

New Zealand teachers have recently taken action, including a day of strike action, and at the time of writing are entering negotiations seeking 16 per cent over 2 years (8 per cent per year). Similarly to NSW, the New Zealand Government's counter offer is just 6.1 per cent over three years (2.03 per cent per year) for top-of-the-scale teachers.

Train drivers in NSW achieved a deal of 3 per cent in March, however, while improving overtime and holiday rostering, the deal also contained trade-offs around sick leave procedures and barely gained the necessary figure of 50 per cent from a postal vote. They had threatened strike action, which the government was successful in halting through threats from the Fair Work Commission.

Such threats to workers are being challenged through the Change the Rules campaign. As the ACTU and Unions NSW increase the pace of meetings, rallies and door knocking, momentum for fair funding and salary justice can be built even before the March state election and federal election, which has to be held before May.

Fair funding for students, spending on new schools and updating buildings, and real wage rises for teachers are a trifecta that goes hand in hand to ensure quality education.

Teachers should be rewarded for their work and improvement in our practise, and build the future through attracting bright and keen new graduates to education.

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