# Blue Mountains Union News

# **BMUC**



News and Views selected by the Blue Mountains Unions Council

June 2013

#### Sen. Doug Cameron - Ford

Senator Doug Cameron, while slamming Ford for being "absolutely delinquent" in failing to pursue export markets over more than a decade, called on Labor's leadership to convene a crisis summit to rescue Australian manufacturing.

"I think this could have national implications because of the downstream work that takes place in the industry," he said.

Senator Cameron, the former national secretary of the Australian Manufacturing Workers Union, rounded on the big mining companies for helping to create the "Dutch disease", where the exploitation of natural resources pushes up the currency, increases the competition for labour and crowds out manufacturing.

He praised previous government assistance for the car industry but said the high dollar had made the situation for Ford intolerable.

"I call on the Industry Minister and the Prime Minister to convene a meeting between the industry, the suppliers, the unions and the industry peak organisations like the Ai Group, and some of the issues to be discussed is how do we get lower interest rates and a lower dollar, and should we be providing some tax incentives to companies who are prepared to continue to manufacture in Australia," he said.

"I think the miners have got a massive responsibility to ensure that more local equipment is sourced within Australia. They could assist by establishing an engineering and fabrication hub in Geelong for the manufacture, maintenance and repair of mining infrastructure."

#### Ken Davidson: School Funds

Australia's system of state aid for private education is unique. It avoids confronting what every educationalist understands, namely that beyond a certain point, the transfer of middle-class students from government to non-

government schools impoverishes the students who remain in the public system.

It also undermines social solidarity at its most vulnerable point and promotes an ugly form of class consciousness.

Australia has one of the most privatised school systems in the Organisation for Economic Co-operation and Development - only 66 per cent of lower secondary students are enrolled in government schools, compared to the OECD average of 83 per cent.

Finland, with the highest proportion of students in government schools (96 per cent), also regularly tops the OECD Program for International Student Assessment (PISA) tests in science, literacy and maths. New Zealand, Canada, South Korea and Japan also rate well according to the PISA tests.

Most OECD counties avoid the residualisation of their government schools by making it a condition of public funding that fees are prohibited or limited, so private schools, accepting state aid, can't be better resourced than government schools.

The countries that rate highest in terms of PISA focus their public resources on bringing the educational tail up to the average and, at least in the case of Finland, it is claimed that this has a positive effect on the performance of the brightest students.

It costs more to educate children from low socio-economic backgrounds and children with disabilities, but society is more than paid back from this additional investment as children who are "at risk" are given the tools to live an active and productive life.

Evidence presented to the Gonski committee by Professor Richard Teese from Melbourne University shows that meeting the education needs of the disadvantaged costs more, and the cost is greater where there is a critical mass of such students in a particular school. The Gonski committee accepted the view that government schools had reached that critical point.

### Queensland signs NDIS

May 2013

Queensland has signed on to the national disability insurance scheme (NDIS), with Premier Campbell Newman declaring it a "historic day" for the state and a victory for disability campaigners.

Mr Newman made the announcement with Prime Minister Julia Gillard at Autism Queensland's headquarters in Brisbane today.

The deal leaves Western Australia and the Northern Territory as the only ones yet to sign on.

The scheme, which is now known as DisabilityCare, will cost the state \$1.9 billion over the next decade and provide support for 97,000 people.

With Queensland on board, almost 90 per cent of Australians will be covered by DisabilityCare.

Mr Newman congratulated disability campaigners who have fought for the the scheme, saying they have "fought the good fight".

"Throughout this whole debate I've been painfully conscious from a personal perspective of the needs of people with disabilities and particularly what it means to families to have to care for somebody, a close relative, in such circumstances."

Ms Gillard said the scheme will provide "practical, real-world solutions" for people with disabilities and their families.

"This will make a difference to almost 100,000 people in Queensland for severe disabilities.

"This is a big thing to do. It's also a



costly thing to do and so as two governments we've had to work together to put the money together to make this happen."

#### **Public Housing disgrace**

May 2013

Greens councillor Irene Doutney has warned the forced eviction of public housing residents in Millers Point may be just the tip of the iceberg.

As Millers Point residents anxiously wait for the Land and Housing Corporation to finish their assessments of the historic neighbourhood, it has been revealed they may not be the only ones facing potential eviction from their homes.

"Similar meetings have been held in Redfern and Waterloo and what happens is they go in and do this community consultation but all the time they are just assessing what they will get rid of, what they will demolish and what they will sell," Cr Doutney said.

"You already have these high-rise developments being planned for Redfern and Waterloo right on the side of the area that all this public housing sits.

"Developers are not going to want to put these sites here for a wealthy market if they are being overlooked by public housing.

"In Redfern and Waterloo the proposal was to remove 700 pubic housing dwellings but where are these people supposed to go?

"The majority of these people are good members of the community and they are just going to be brushed aside.

"We have over 50,000 people currently waiting to get into public housing as it is."

Cr Doutney said demolition by neglect was fast becoming justification of eviction.

"I have spoken with residents who have so much mould in their homes they are now at risk of developing bronchitis.

#### Gonski - Indigenous Schools

The promise of \$5.5 billion to narrow the gap between indigenous and nonindigenous students will be at risk if the states do not sign up to the Gillard government's plan for school improvement, Schools Minister Peter Garrett has warned.

More than \$200 million is earmarked to improve the results of about 11,500 indigenous students in more than 1500 Victorian schools under the plan that so far has been resisted by Premier Denis Napthine.

The plan has been dubbed a potential "game-changer" by indigenous academic Professor Marcia Langton, provided it is properly backed.

"If the public system is able to engage indigenous students at the primary and secondary level and lift completion rates, that would close the gap faster than any other initiative," Professor Langton told The Sunday Age.

Figures to be released on Sunday show a special "indigenous loading" under the plan will mean an average of about \$30,000 in extra funding for each of an estimated 200,000 indigenous students over a six-year transition to a new funding model.

Mr Garrett said the plan would expand targeted funding that had dramatically improved results in some areas since 2009, and help close a gap in which the reading and numeracy skills of indigenous students are two to three years behind the average for non-indigenous students.

"Education is the passport out of poverty for many indigenous students, yet we are still leaving thousands of kids behind," Mr Garrett said.

"New South Wales has shown the way by signing up to our plan and delivering a better deal for almost 54,000 Aboriginal students in that state.

"It's now up to other state and territory leaders to show they care about delivering a better future for young indigenous Australians, and sign up to our plan."

#### **Liberals and Superannuation**

The \$1.5 trillion super industry and its veterans have lashed the Coalition's plans to defer the increase in the compulsory superannuation guarantee, labelling it a "sad decision" that would slice \$46 billion from retirement savings over the next decade.

The Coalition had pledged not to rescind the increase in the superannuation guarantee (SG) to 12 per cent by 2020, but in its budget reply said it would defer reaching the 12 per cent level until 2022. Under the plan, the SG would remain at 9.25 per cent until July 2016, with Tony Abbott saying this would save \$1.1 billion in 2016-17 and more than \$2.5 billion over forward estimates.

The Financial Services Council (FSC), called on the Coalition to "unequivocally re-commit" to increasing the SG to 12 per cent by 2020, rather than 2022.

"Australians need a stronger commitment from the Coalition ... They must unequivocally re-commit to increasing the Superannuation Guarantee to 12 per cent," it said.

John Brogden, CEO of the FSC said: "Last night's announcement is a bitter disappointment and a blow to the retirement savings of Australians."

"There is a very strong public policy and economic rationale for raising the Superannuation Guarantee to 12 per cent."Between July 1992 and June 2003, when the Superannuation Guarantee was lifted to 9 per cent:

Australian GDP growth averaged 3.9 per cent per annum; Unemployment fell from 11 per cent to 6.1 per cent;

Labour productivity grew strongly, above its 30 year average, at 2.2 per cent per year; Real unit labour costs fell over the period by 4.4 per cent; and Business profitability grew by 6.1 per cent a year.

"For Australians to retain confidence in the Coalition's pledge to make no adverse changes to superannuation in their first term, there must be a guarantee that compulsory superannuation will increase to 12 per cent by 2021-22", Mr Brodgen said.

#### **ACTU: Liberals and Gonski**

16 May 2013

"Failing to commit to Gonski is a betrayal to schools and education," said Dave Oliver, ACTU Secretary.

"We have had a glimpse of what this society will be like under a Coalition

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government.

Workers and their superannuation savings under attack while miners enjoy a windfall.

"Not content within his existing plan to increase superannuation taxes for 3.6 million workers, the Coalition is now attacking the retirement savings of every single Australian worker. This will cost the average worker thousands in retirement.

"Given we have an ageing population, pulling money out of the super system is economic vandalism.

"Any political party that commits to pillaging from the pockets of the poor to benefit the rich is no friend of the worker. For most workers saving enough superannuation is the difference between retiring comfortably and finding themselves in financial strife, this after a lifetime of work.

"The Coalition has consistently opposed policies which stimulated the economy and have kept our unemployment rate low

"We are concerned that a policy of austerity from a Coalition Government would cost jobs unnecessarily. Australia's government debt is low by international standards and we have retained our triple-A credit rating.

"Mr Abbott has failed to confirm that the Coalition will support the Government's crackdown on multinational companies using 'thin capitalisation' rules to reduce their tax in Australia, a measure which would ensure extra revenue for services."

#### Banks greed slashes jobs

May 2013

"By sacking people it (ANZ) was able to boost profit significantly. Put simply, a reduction in headcount produced 22 per cent of the increase in profit from the first half of 2012 to the first half of 2013."

Sydney Morning Herald, 1st May 2013



In their latest public announcement of impressive facts and figures in reporting the half year result, ANZ continue to prove that their profits are more important to the bank than their people. Disappointingly there is no mention given to the people whose jobs and livelihoods have been lost in order to achieve this outcome.

In an interesting comparison, the number of FTE jobs at Westpac has actually increased at the same time as the bank reported a 10% profit increase - demonstrating that profit does not actually have to come at the expense of jobs.

Culling jobs in order to boost profits is indicative of pure and relentless corporate greed.

Our finance industry is the most stable and successful in the world, and workers should therefore be entitled to job security and their fair share of these astronomical profits. There is no excuse for finance sector workers to be losing their jobs when they work in the country's most profitable industry. If billion dollar companies like ANZ are making money out of our communities then it's time they started returning the favour and investing in Australian jobs and skills.

NAB's half-year results were announced today. The bank reported cash earnings of \$2.92 billion, up 3.1 per cent rise, and a 22.8 per cent increase in net profit to \$2.52 billion.

In achieving this result NAB cut jobs by 731 FTE globally, driven by a reduction in the UK of 795 FTE jobs.

### **CFMEU - Win for Democracy**

18 May 2013

The Victorian state government attacks on building unions is in disarray after the Federal Court ruled it had broken federal workplace laws by threatening not to use big builder Lend Lease on the new Bendigo Hospital project.

The decision by Justice Mordy Bromberg is a major blow to the Coalition's antiunion agenda and its bid to slash costs on big projects by destroying workers' rights.

In a related case involving a small recycling firm, the government was also found by Justice Bromberg on Friday to have used coercion to try change a workplace agreement. The Victorian government now faces the prospect of Work laws.

CFMEU state secretary John Setka described the decisions as a "win for democracy".

Justice Bromberg ruled that the government had discriminated against Lend Lease workers by threatening to not use the builder. The workers, he ruled, were entitled to the "benefits" of a four-year agreement struck between the builder and the CFMEU, which had been approved by the Fair Work Commission.

In November 2012, the largest building firm Lend Lease was banned from all state government work because its agreement had restricted the use of outside labour and allowed the flying of union flags.

Under the state government's unlawful code and guidelines that took effect in July 2012, any builders that signed union-friendly deals risked being prevented from bidding for publicly funded work.

Mr Setka said the government's rules were finished. "It's dead in the water, they can have a code but they can't breach federal law and that's what they did," he said. "For them to get done for coercion and adverse action, they ought to be ashamed of themselves."

Mr Setka said the case involving the \$630 million Bendigo Hospital showed the "fallacy" of claims that union agreements cost the community more. In April, the government awarded the contract to build the hospital to a consortium that included Lend Lease as builder, despite it being banned. It had been ranked well ahead of its rival bidder during the tender process.

Slater & Gordon described the judgments as a "significant blow" to the government's code that would allow construction workers to "retain the positive benefits they have fought for and bargained for."

#### JOIN BMUC Blue Mountains

residents can become BMUC members if they support our Aims and Objects. Membership is open to union members, to retired unionists and to those who are unemployed or unwaged.

Membership Fees Waged \$15.00 pa Unwaged \$5.00 pa

BMUC Secretary 52 Great Western Highway Mount Victoria NSW 2786 Phone 02 4787 1401

#### **Gonski Five Key Findings**

The Gonski Review was the most comprehensive review of schools funding in almost 40 years. Its recommendations give us a way to ensure real equality of opportunity for our children in education.

## 1. There is an urgent need for change.

The Gonski Review found that Australia is investing far too little in schools and the way the money is distributed is not efficient, effective or fair. The system is failing too many students who are missing out on the resources they need.

## 2. There are growing gaps in student achievement.

While Australia remains a high achieving nation in education, our overall performance has fallen in the last decade. Students in disadvantaged areas are up to three years behind those of the same age who live in wealthy areas. One in seven 15 year old students does not have basic reading skills.

#### 3. We must invest for success.

The review recommends a major increase in funding to schools. The way it is distributed would also change to better meet the needs of students. It says public schools should get the greatest increases in funding for additional staff, learning programs and upgraded facilities. Funding would vary according to the needs of students, but the average increase would be almost \$1,500 a student per year. That is enough for seven extra teachers in a public school with 500 students.

## 4. The Federal Government needs to lead the way.

Gonski recommends a much greater funding commitment to public schools from the Federal Government. Currently it is only providing 15 per cent of the money that public schools receive, despite having access to greater revenue sources than state and territory governments

## 5. Our children's future is at stake.

The report's recommendations are aimed at ensuring every child has the same chance to receive a high quality education. But Gonski warns a failure to act will cost not only our children but our country: "Australia will only slip further behind unless, as a nation, we act and act now."

# **Grave Alarm About Victims Compensation Changes**

The Community Legal Centres NSW chairperson Anna Cody said the law will not only disadvantage thousands of victims already in the claims system, it will make it even harder for female victims of crime to claim in the future.

The government bill runs counter to the UN's recommendations on reparation for women who have been subjected to violence.

The changes will reduce the maximum compensation payouts to victims of crime from \$50,000 to \$15,000.

# Community Legal Centres in NSW are gravely alarmed about the recent announcement to reduce victims compensation payments.

On 7 May 2013, the NSW Government introduced the Victims Rights and Support Bill 2013 into Parliament which will replace the NSW victims compensation scheme. Community legal centre lawyers are deeply concerned about the proposed scheme.

The new scheme will apply to victims already in the old scheme. This means that victims awards will likely be significantly lower and in cases where the act of violence occurred outside of 10 years, they will likely receive nothing.

The Government's own Review of the Victims Compensation acknowledged that for existing claimants it would be unfair to change the goal-posts midway.

The new scheme imposes a 10 year time limits for claims by victims of domestic violence, child abuse and sexual assault.

This means that many victims appearing before the Royal Commission into Institutional Responses to Child Sexual Abuse could be excluded from victims compensation in NSW.

The new scheme ignores and undervalues trauma suffered by victims of domestic violence and child sexual abuse. There are no recognition payments for psychological abuse and harm and financial assistance favours those employed.

The new scheme requires victims to have reported the crime to the police or Government agency to be eligible for compensation. Many victims are fearful of police and report their crime to support service.

#### Liberals' Green Slip Outrage

Children will no longer be covered for all injuries under changes to the green slip insurance scheme.

The NSW Labor Opposition is calling on the O'Farrell government to ammend its motor accident injuries legislation to ensure children do not lose their special cover under the compulsory third party insurance scheme.

Shadow Treasurer and finance spokesman Michael Daley said the former scheme covered children under 16, regardless of fault, for all injuries and medical expenses for life.

The new law has abandoned that protection for children. Like adults, children whose injuries do not exceed 10 per cent whole person impairment will have their payments for medical expenses cut off after five years.

Mr Daley said the change was unfair because some children have to wait until they are adults to have operations, such as the resetting of a leg.

He said injuries which do not reach the ten per cent threshold include scarring from ear to chin, a moderate traumatic brain injury, complex fractures, spinal injuries causing ongoing shooting pains into the legs and disabling psychiatric injury.

"Currently children who are injured in car crashes receive medical and treatment expenses for life, as well as payments for loss of future earnings," he said.

"This is cruel and grossly unfair. Making children suffer will do nothing to drive down greenslip prices".

