



# Media Release

Monday, 29 June 2015

## **NSW electricity network to axe 2749 jobs this year: Companies threaten staff who wish to stay with forced redundancies and lower severance packages**

Publicly-owned electricity network companies Ausgrid, Endeavour Energy, and Essential Energy, have revealed plans to slash 2749 jobs from September this year, offering staff just one week to consult on the proposal.

Regional electricity provider Essential Energy will be hardest hit, with a proposed reduction of 1395 staff accounting for more than half the total job losses, leading to the decimation of services across the state and a massive economic blow for rural communities.

The Electrical Trade Union and United Services Union, which represent electricity network workers, slammed the draft redundancy policies released by the three companies, which not only implement the use of forced redundancies, but vastly reduce the severance payments made to employees who “involuntarily” leave.

The unions said long-serving staff who wish to continue working, but are forced out against their will, will be left tens of thousands of dollars worse off under the plan.

The companies have revealed that the intended job cuts will occur in two phases, with the first positions going in September, and the remainder expected to take place from October.

Essential Energy wants to make 1395 staff redundant, with 700 going in the first phase, Ausgrid intends to cut 1100 jobs, with 600 in the first phase, while Endeavour Energy will reduce its staff by 254, with 120 made redundant during the first phase.

TransGrid, which operates the high-voltage transmission lines across NSW, has said it will not be cutting any jobs, instead expanding its presence in contestable work markets to make up for the loss of regulated revenue following the Australian Energy Regulator’s decision.

ETU secretary Steve Butler said the draft policies revealed that the three companies already had a “hit list” of staff whose jobs they intended to cut, while all other employees would in effect be required to reapply for their existing jobs.

“These companies have said that the first staff to go will be those who have previously been redeployed, along with those whose job is being discontinued at a particular location,” Mr Butler said.

“They have also revealed is that they already know who these employees are — so there’s a hit list of staff who are to lose their jobs, yet employees have no idea if they are on it.

“For the remaining job cuts, the companies have said a ‘merit based selection’ will be used, essentially requiring all employees to reapply for their existing jobs, with management cherry-picking who can stay and who will go.

“Premier Mike Baird needs to come clean on whether he has signed off on this plan, because on his watch nearly 2,800 NSW families — more than half of which are in rural or regional areas — will lose their primary income.

“When challenged by the union at a meeting earlier this month, the Premier said the government would not expand the work carried out by the electricity businesses in order to keep NSW workers employed.”

USU energy manager Scott McNamara criticised the rushed nature of the proposal, which gave employees and their unions just one week to consult on the draft plans, as well as the attempt to blame the proposed jobs cuts on the AER.

“This policy highlights the sham nature of consultation under the Baird Government, with employees given just one week to consult on how almost three thousand people may lose their jobs,” Mr McNamara said.

“Worse still, they are continuing to try to blame the energy regulator for these proposed job cuts, which is extremely deceptive and has already been shown to be untrue.

“While Essential Energy wants to shed almost 1,400 jobs, TransGrid has given an undertaking to expand the current business into contestable works markets, in order to keep all current staff employed.

“This decision to slash jobs is a choice of management — and appears to have been influenced by the NSW Government — but it is a choice they don’t have to make.

“At the Parliamentary enquiry into power privatisation earlier this year, AER chief executive officer Michelle Groves specifically told MPs: ‘we have not made decisions requiring particular staffing levels for these businesses’.”

The unions said the proposed redundancy policies particularly disadvantaged loyal, long-serving staff who wished to continue in their employment.

For example, a 44-year-old linesperson with Ausgrid who started as an apprentice and has remained with the company for 25 years, would be entitled to a voluntary redundancy package worth 87 weeks pay. But if that same employee wants to keep working for the company, but is then made to take a forced redundancy, that payment would be slashed to 16 weeks.

“This policy of not only imposing forced redundancies, but paying much lower severance packages for them, is particularly nasty,” Mr Butler said.

“It means long serving staff who want to remain in their jobs risk losing tens of thousands of dollars, essentially forcing people to ‘volunteer’ for redundancy — whether or not they want to leave — or risk being jobless and thousands of dollars out of pocket.

“This is an incredibly nasty way for the Baird Government to treat people who have spent their working lives serving the people of NSW.”

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