

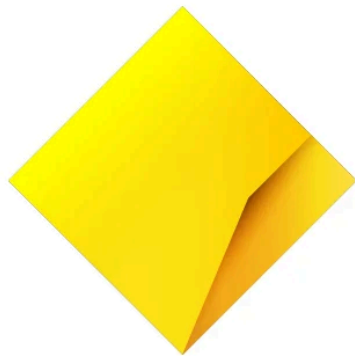
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CBA Faces Union Backlash Over Job Offshoring to India

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— Categories: Finance



Commonwealth Bank

The Commonwealth Bank of Australia (CBA) is under fire from the Finance Sector Union (FSU) after allegedly outsourcing hundreds of Australian jobs to India, in a move that may violate its own enterprise agreement. The FSU has launched legal action in the Fair Work Commission, claiming the bank breached Clause 36 of the CBA Enterprise Agreement, a provision that outlines the specific conditions under which redundancies can be lawfully enacted. At the heart of the dispute is whether shifting roles offshore qualifies as legitimate redundancy or an unacceptable breach of contract.

CBA, the country's largest publicly listed company, has drawn sharp criticism not only from union bodies but from a growing segment of the public concerned about the loss of skilled Australian jobs. Clause 36 states that redundancies are only applicable when work is no longer required or if it is moved to a location beyond reasonable commuting distance. The FSU contends that by sending this work overseas, CBA is circumventing these provisions. FSU National Secretary Julia Angrisano accused the bank of "gutting Australian jobs to maximise profits," calling the decision a betrayal of long-serving staff.

What's striking in this dispute is the broader message it sends about corporate governance and responsibility in a high-cost, highly regulated economy. The offshoring trend is not new, but the backlash against it is gaining traction, especially as cost-of-living pressures mount for everyday Australians. While corporations have a duty to shareholders, they also have a social contract with the workforce that sustains them. The current federal government, under Labor leadership, has offered little beyond rhetoric in responding to offshoring practices, further fuelling frustration among working Australians who feel left behind in a globalised economy.

This case could set a precedent for how Australian labor protections apply in a borderless workforce. If the Fair Work Commission finds in favor of the FSU, it may signal a tightening of compliance expectations for major corporations. But if CBA prevails, it could open the door to more aggressive cost-cutting strategies at the expense of local jobs. Either way, the episode underscores the importance of policy settings that reward domestic employment and productivity, not just short-term shareholder value. Australians deserve a banking sector that invests in people, not just profits.