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# Allan thought she had a deal with hospital workers. They are no longer convinced

Kieran Rooney and Daniella White

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On February 18, as Premier Jacinta Allan spruiked the opening of the new Footscray Hospital, it appeared her government's protracted battle with some of the state's lowest-paid hospital workers was finally over.

That morning, the government confirmed it had offered the Health Workers Union a pay deal that the union's leadership was prepared to endorse, bringing to an end industrial action which was delaying surgeries across the state.



Jacinta Allan celebrates the opening of Footscray Hospital in February, on the day a pay deal for HWU workers was unveiled. **JOE ARMAO**

But nearly two months later, that pay deal is yet to go to a formal vote, and elements of the HWU are now pushing to reject it in the face of inflation taking off once again and a more lucrative offer having been dangled in front of the state's teachers.

*The Age* can reveal the state government had canvassed a shorter deal with higher annual increases for the HWU – which represents hospital workers including cooks, cleaners, orderlies and theatre technicians – before reaching the compromise that members are due to vote on this month.

If HWU members reject the agreement, it would intensify another messy industrial dispute for Allan as she fights to return Labor to power for the fourth consecutive election in November.

*The Age* can also reveal that in the hours before the deal was struck – the day before Allan's press conference – the Victorian Hospital Industrial Association applied to stop a planned HWU strike, arguing it would affect patient safety at Monash Health.

Melinda Collins, director of operations and nursing for surgery and anaesthesia at Monash Health, told the Fair Work Commission on February 17 she was "extremely concerned" about potential health risks for patients if the strike proceeded as planned the next day.

She told the commission if the action went ahead as planned, only two of nine operating theatres at Dandenong Hospital would be in use and just one emergency theatre available across Dandenong and Casey hospitals.

There were 11 planned emergency procedures scheduled across both hospitals that day, with an additional 29 unplanned emergency patients anticipated. Emergency procedures are those that must be treated immediately.

There were also 21 scheduled category one procedures – the most urgent of all planned surgery types – that would need to be cancelled if the strike went ahead, alongside 23 category one endoscopy patient surgeries.



Health Workers Union members at a rally earlier this year. AAPIMAGE

Industrial action may not be protected under federal law if it endangers patient safety.

The application came just weeks after *The Australian* reported the government was considering using this legal argument against the union to suspend strike action. At the commission hearing, the HWU did not oppose the government's push to pare back the strikes at Monash Health.

The next morning, the union announced its tentative agreement with the government. It said it would deliver a 12.4 per cent pay rise over 2½ years, with an increase backdated to December last year plus two more raises in December this year and next year.

In the weeks since then, however, there has been internal unrest within the HWU and a campaign among some members for a better pay deal. These critics, in a message broadly sent out to hospital workers, have questioned why HWU bosses did not continue to push for a 6 per cent annual increase as it had initially promised when strike action began.

They have also criticised the claim the deal goes for 2½ years, arguing the agreement will stretch out to three years because the government will not approve a pay increase any earlier than December 2028. The union's leadership believes it can secure further pay rises sooner.

The issue was partly reignited by the Allan government's first official offer to teachers, which includes a first-year boost of 8 per cent and then three more 3 per cent increases.

Departmental documents seen by *The Age* show the government had canvassed a two-year offer to the HWU which would have given workers a 10 per cent pay increase over two years, as well as a \$2500 one-off bonus. The offer endorsed last month by the union gives workers a 12.4 per cent increase over what it says is 2½ years, plus a \$1500 one-off bonus. Lead union organiser Jake McGuinness denied there was a better deal on the table, arguing the best offer put to the union was the one they were in the process of accepting.



Health Workers Union lead organiser Jake McGuinness at a rally last year. HEALTH WORKERS UNION/SUPPLIED

He accused outside forces of opposing the current deal and said previous offers would have stripped multiple entitlements that would have sent members backwards.

“It’s sad some people, outside of the union and healthcare industry, are trying to discredit the HWU’s achievements as they position themselves for upcoming union elections,” he said.

“The union achieved the best possible deal for workers. It’s a deal that will lift their wages, ban worker outsourcing and improve conditions.”

McGuinness said the current offer had been endorsed by members in an online poll in February, where 91 per cent backed progressing negotiations. However, some factions of the union are now urging members to reject the deal and go back to the negotiating table.

One HWU source, speaking anonymously to detail confidential discussions, said the deal benefited Allan and the current union leadership as they both faced elections later this year. They argued healthcare workers were being told to settle when the government had more to give.

“[McGuinness] is describing this offer as a landmark investment by the Victorian government,” they said. “But that same government just handed the nurses 28 per cent (four years) and the ambos 17 per cent (four years).”

A Victorian government spokesperson said the in-principle agreement would deliver “a real and significant pay rise for the workforce”.

“We will always back our dedicated healthcare workforce and the extraordinary care they provide to Victorians who need it most,” the spokesperson said.

After announcing the government’s offer in February, McGuinness urged the membership to support what he described as an “8 out of 10” deal.

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***‘The union achieved the best possible deal for workers.’***

Jake McGuinness, HWU lead organizer.

In other messages to members, it was also made it clear the union was facing pressure from the government over the impact of its strikes on surgeries. One email warned escalating the dispute would face legal difficulties as the government would run a “patient safety argument aggressively”.

McGuinness told *The Age* the Fair Work case did not ultimately influence the decision to accept the government’s offer.

“The only trigger for a deal was the Victorian government finally making an offer that included a pay rise above inflation and genuine improvements to worker conditions,” he said.

“We had been prepared to continue the campaign through to November and beyond, if necessary.”

McGuinness said the union would never risk patient safety.

The HWU is also embroiled in a separate dispute with the national office of its parent, the Health Services Union, for going to court to maintain its affiliation to the Labor Party.

HSU national secretary Lloyd Williams told *The Australian* last month the Victorian HWU branch was insolvent and had huge debts to the Australian Taxation Office which meant it should be focused on financial management rather than paying affiliation fees.

“The administrator is not elected or endorsed by the members but rather has been appointed by the court to restore the financial health of the HWU branch,” he said.

“Members rightly expect that position to be focused on integrity, accountability, and the long-term interests of the union, and not party affiliations utilising members’ money.