

Australian waterfront company steps up provocations against dock workers

By Patrick O'Connor
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Stevedoring company Patrick's provocative campaign against its workforce is clearly designed to pressure the Labor government into intervening and banning all industrial action on the ports. On Wednesday, amid a protracted dispute over a new enterprise bargaining agreement, members of the Maritime Union of Australia (MUA) imposed work bans, scheduled to last seven days at terminals in Sydney, Brisbane and Fremantle. Patrick has responded by effectively locking out the workers, bringing three of Australia's key ports to a standstill.

The confrontation is the most serious on the wharves since the protracted dispute in 1998, when Patrick collaborated with the former Liberal government of John Howard to deploy a scab workforce as part of a vicious assault on dock workers. The stevedoring company is now instigating another fight, aimed at sending a signal to the entire Australian working class on behalf of key sections of business. Prime Minister Julia Gillard has been put on notice, with the dispute regarded in ruling circles as a critical test case for the Labor government and its draconian industrial relations regime, Fair Work Australia.

The MUA has done everything possible to reach an accommodation with Patrick and block any industrial action. It cut its members' pay claim from 10 percent annually to 6 percent, and in February declared that this goal would be "flexible." Patrick has offered a 4 percent annual pay increase, with another 1 percent provided "internationally recognized safety, productivity, and efficiency targets are met to ensure that the company remains competitive in a changed Australian marketplace."

The main sticking points remain Patrick's refusal to make any concessions on the exploitation of casual labour and on safety provisions. More than 60 percent of all wharf workers are non-permanent, with no job security and no annual leave or superannuation benefits.

Responding to enormous anger among its members over a spate of workplace deaths in recent years, the MUA has demanded that a union-appointed safety officer be present for every shift. Such a measure is anathema to Patrick, which has refused to negotiate on safety and training matters, reflecting its determination to maintain a "lean" and "flexible" workforce that can be stood down or forced to carry out productivity

speed-ups as necessary.

At stake is not merely Patrick's profits—though this is a major concern for the company's owner, Asciano Group, which registered a 33 percent decline in net profits in the second half of 2010—but the future of a key component of the export infrastructure of Australian capitalism. The mining industry is committing unprecedented levels of investment towards opening up new sources of minerals and raw materials for the Chinese and East Asian market. The restructuring measures on the wharves are aimed at ensuring that port workers' concerns for their safety and job security do not impede the transport of substantially higher export volumes in the coming period.

Not coincidentally, at the same time as industrial conflict has flared on the wharves, workers in the airline industry are under similar attack. Qantas is now engaged in a ruthless restructuring drive, aimed at reorienting the company towards the Asian market and boosting international competitiveness at the direct expense of the wages and conditions of its engineers and pilots.

The MUA last month called off planned rolling strikes and work bans just before they were scheduled to commence. However, negotiations since then have broken down. Work bans, authorised under federal industrial relations legislation, were imposed after the union rejected Patrick's offer to have the matter conciliated and arbitrated by the Labor government's Fair Work Australia industrial tribunal, "based on productivity and national interest."

MUA deputy national secretary Mick Doleman described the offer as a "PR stunt." He accused Patrick of hypocrisy for rejecting the union's extraordinary offer to enforce a blanket ban on all industrial action for three years.

"We put to Patrick in our enterprise agreement that we would have conciliation and arbitration on all matters during the life of the agreement, where we can't take protected industrial action and we will arbitrate on every matter," he explained. "They refused that on every occasion. Now, for media and for other purposes they want to have arbitration and conciliation. We say no, we're not entertaining that. We will go to the bargaining table and we will negotiate within the frames and the laws of Fair Work Australia."

Doleman's remarks point to the MUA's real concerns in the

dispute. The union's overriding priority is to maintain its privileged position on the waterfront by preventing workers from acting outside of the harsh and restrictive framework set by Fair Work Australia, and by delivering on all the productivity demands issued by Patrick and the other stevedoring companies.

The 1998 waterfront dispute was resolved after the MUA called off mass picketing at Patrick terminals across the country and diverted the struggle into the courts. This paved the way for a settlement that saw hundreds of jobs destroyed, core working conditions eliminated, increased crane rates and other speed-ups imposed, and the utilisation of a much higher proportion of casual labour. The union's betrayal paved the way for similar conditions to be imposed by every other stevedoring company. The MUA and its supporters nevertheless declared the outcome a "victory"—precisely because the union had re-established its role on the waterfront as the vehicle for implementing the company's restructuring measures.

Its commitment to this agenda is why the MUA has isolated the port workers in the face of Patrick's latest offensive. No effort has been made to turn out to other sections of the working class, at Qantas and in other industries, confronting similar attacks.

The MUA has condemned Patrick for refusing to pay workers' wages unless they committed to working without any form of bans. Doleman insisted that the union's "limited" bans would have allowed operations to continue at around 30 percent capacity, and accused the company of "taking industrial action against itself." The bureaucrat's pleas underscore the extent to which the MUA has bent over backwards to accommodate Patrick and prevent even the limited industrial action it has authorised from causing any significant difficulties.

The problem that the union has confronted is that the stevedoring company is determined to engineer a confrontation with its workforce that involves the Labor government.

Shipping Australia chief executive Llew Russell declared that Gillard now had to intervene, saying she needed to show "leadership" and "stop hiding behind Fair Work Australia." He demanded the government utilise an anti-democratic clause in its industrial relations legislation that allows strikes and other action to be banned if it is deemed to "cause significant damage to the Australian economy or part of it." Russell stated: "I think it is fairly easy to prove quite massive economic damage when you are talking international containers."

The *Australian's* business commentator Matthew Stevens yesterday declared that "this dispute is looming as a test case of the arbitration powers of FWA and the thresholds of the 'significant economic damage' test that must be met to assert those powers."

The Murdoch media and several business lobby groups have been campaigning for Gillard to redraft her government's

industrial laws to better facilitate the sweeping restructuring measures being prepared by the corporate elite. Steve Knott, chief executive of the Australian Mines and Metals Association, seized on the Patrick's dispute to place further pressure on Labor, saying, "It's critical for the government to act now and review our flawed workplace laws to ensure Australia and its businesses are well-placed for the inevitable softening of the Chinese economy and the resource boom."

The government has responded by insisting that its Fair Work laws, which contain sweeping provisions against the right to strike, are up to the task. Workplace Relations Minister Chris Evans yesterday released a statement declaring that the government expected the MUA and Patrick to "meet their obligations" under the legislation to negotiate in "good faith." Tacitly encouraging the company's efforts to have the current industrial action outlawed, Evans noted that the Fair Work tribunal could impose a binding return to work if it were found that union officials were "not genuine in their attempts to reach agreement."

Among the corporate elite, dissatisfaction with Gillard is mounting. Behind the scenes the government is no doubt furiously working in league with the trade unions to resolve the situation on Patrick's terms.

The MUA has already sent a clear signal that it will comply with any return to work edict issued by the government or its Fair Work agency. Earlier this month, Fair Work Australia banned all industrial action in Melbourne, Australia's busiest container port, for three months. The union immediately fell into line, refusing to organise a nationally-coordinated campaign. That is why the bans now underway in Sydney, Brisbane and Fremantle do not affect operations at Patrick's Melbourne terminals. The situation underscores the urgent necessity of waterfront workers developing a unified struggle in defence of their wages and conditions independently of, and in opposition to, the trade unions and the Gillard Labor government.

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