

Employers seek to smash conditions on Australian waterfront

Terry Cook
12 February 1998

Backed and financed by Australia's major employers, the National Farmers Federation (NFF) has launched a full-scale offensive at Melbourne's Webb Dock in a bid to shatter working conditions on the waterfront.

The Federation has spent millions of dollars on equipment and an army of security guards and paramilitary thugs, supplied with government riot shields, to break through picket lines. It is setting up a scab training base at Webb Dock, in the middle of Australia's busiest container port.

The dock has been leased out by Patrick's Stevedoring, one of the country's two major waterfront firms, to a new NFF-sponsored company, P&C Stevedoring. The operation's purpose is not to run a stevedoring business—the lease prohibits P&C from handling international container cargo. Instead its function is to train new recruits, including current and former military personnel, so that employers can break strikes, inflict mass layoffs and introduce casual labor and the abolition of overtime and penalty rates.

In the February 9 edition of *Business Review Weekly*, NFF industrial director James Ferguson, an executive of P&C stevedoring, states that “commercial success” is not “the main game” for P&C Stevedoring. “If in a few months’ time, P&O [the other major stevedoring company] and Patrick have improved their performances, then maybe we can fold up our tents and go home.”

According to the article: “The new breed of wharfie envisaged by P&C Stevedores will sign individual contracts, work a 35-hour week requested by the employer, receive an annualized salary and forgo penalty rates.”

The Webb Dock operation is the result of months of secret discussion involving major companies and the Australian government. Workplace Relations Minister Peter Reith and Patrick's Chairman Chris Corrigan have admitted holding frequent talks since at least March 1997 about dismissing waterside workers en masse in the event of a serious dispute.

However, they realized that mass layoffs were not possible without skilled replacements. Sections of the employers set about establishing a training facility at Dubai, in the United Arab Emirates. However, they were forced to retreat amid a

growing scandal over their employment of active duty soldiers.

Corrigan and his backers then turned to Webb Dock. After months of denying any role in the Dubai exercise, Corrigan has admitted he was directly involved. And military personnel sent to Dubai have resurfaced at Webb Dock.

Reith and Prime Minister John Howard continue to deny any government connection with Dubai or Webb Dock, but military personnel could not be used without official knowledge and consent. Moreover, the Victorian state Liberal government headed by Jeff Kennett supplied riot gear from the state's prisons to one of P&C's hired security firms, the Australasian Security Group.

The media and union officials, as well as all the middle class left groups, have portrayed the dispute as an attempt to break the Maritime Union of Australia—the implication being that the MUA acts to protect workers' jobs and conditions. In reality the union has closely collaborated with the employers and both Labor and Liberal governments to decimate the work force and drive up productivity rates over the past two decades.

From nearly 27,000 at the end of 1953, the national waterside work force has been cut to less than 5,000 today. Between 1989 and 1992 the MUA and the Australian Congress of Trade Unions (ACTU) worked with the previous Labor government and the employers to eliminate more than 5,000 jobs.

MUA officials are publicly appealing for that process to continue. Writing in the *Sydney Morning Herald* soon after the dispute erupted, MUA National Secretary John Coombs boasted of the union's record under the 1989-92 Waterfront Industrial Reform Agreement:

“In fact the work force was halved, container crane handling rates increased by 50 percent and net ship working rates by 64 percent; labor productivity for bulk handling went up 60 percent; stevedoring costs for container handling went down by 29 percent and container stevedoring charges were slashed by 24 percent.”

Coombs argued that the union remained the best vehicle

for employers to achieve their requirements. “Reform was successful because it was a cooperative process involving the Federal Government, the stevedoring companies and the unions,” he wrote.

However, driven by the impact of the economic meltdown in Asia, the companies and the government have decided to impose further drastic cuts in jobs and conditions, and they question the union’s ability to help impose such attacks.

In order to match cut-throat global competition, the stevedoring employers, urged on by other sections of big business, require the removal of all remaining restrictions on the operation of cranes and other equipment, 24 hours a day at the cheapest rates.

After negotiations between the union and the Howard government broke down last December, Reith said a union was needed “that was not only willing to encourage reform, but also had the capacity to deliver on reform, which is a bit of a question mark for these guys.”

The companies and the government increasingly drew the conclusion that a frontal assault was needed to smash waterside workers’ conditions because of resistance by the workers, not the union.

Patrick’s workers in Melbourne rejected a union-management agreement to impose major changes to their rosters. Workers only grudgingly accepted the changes after the Industrial Relations Commission handed down an order preventing industrial action.

The union has bent over backwards to prove its value to the employers. Within hours of the current dispute erupting, Coombs publicly assured waterfront employers that the union would cause “as little disturbance to trade as possible.”

The MUA has refused to call for support from other sections of the working class or even call out its own membership. MUA members continue to work at other Patrick’s docks and the company has been permitted to divert ships to P&O wharves. Hundreds of Toyota vehicles were moved to a P&O facility to be loaded by union labor.

The union has restricted pickets to allow the NFF to bring in giant cranes, forklifts and other equipment. When one worker allegedly threw a stone at a van carrying security guards, the union condemned him and vowed to take disciplinary action, including expulsion from the union.

To justify their role in isolating the Webb Dock workers, ACTU and MUA bureaucrats have pointed to the threat of massive fines, damages and jail terms under the Howard government’s Workplace Relations Act. But that legislation did not fall from the sky. The Liberals were only able to introduce it in 1996 because the unions attacked workers for opposing it outside parliament house, strangled all opposition and joined the government in backroom talks. In

fact, Democrats leader and now Labor star recruit, Cheryl Kernot, was the chief architect of the legislation’s final draft, backed by ACTU President George and other union leaders.

While blocking any industrial movement within Australia, the MUA and ACTU have urged dockworkers to rely on the International Transport Workers Federation to counter the present assault. The ITWF also promised international backing for the protracted Liverpool dockers’ strike, but did nothing to assist them. After isolating the British dockers for nearly two years, the unions officially called off the dispute last month.

The NFF has a long history of heading up strategic attacks on the working class. Its leading figures, including P&C Director Paul Houlihan, were centrally involved in the mid-1980s operations against meat workers at Mudginberri in the Northern Territory and confectionery workers at Dollar Sweets in Melbourne.

The ACTU isolated those workers, creating the conditions for their defeat and the imposition of crippling legal damages. Led by today’s Labor leaders, Simon Crean and Martin Ferguson, as well as Bill Kelty and Jennie George, the ACTU then adopted the program of “award restructuring” to meet the demands of the employers for the destruction of hard-won conditions in every industry.

With the full support of the MUA leaders, the ACTU later went on to introduce “enterprise bargaining” to further sacrifice conditions to the corporate-government drive for “international competitiveness.”

If the MUA and ACTU leaders are allowed to create the conditions for a similar defeat at Webb Dock—one of the largest and traditionally most militant areas of the waterfront—it will strengthen the employers in mounting a new wave of attacks on every front.



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