

A union 'victory' takes shape

Australian waterfront workers face heavy job cuts

Terry Cook
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Less than three weeks after a so-called victory in the High Court, Australian waterfront workers are facing moves by Patrick Stevedoring and their trade union to slash hundreds of jobs and impose draconian new working conditions.

The Maritime Union of Australia (MUA) lifted pickets and organised a return-to-work following a High Court ruling on May 4 that supposedly secured reinstatement for the 2,000 workers who had been sacked by Patrick's on April 7.

Under the terms agreed to by the union in the courts, wharfies are continuing to work with no pay, while many remain locked out at major ports, including Newcastle and Adelaide. In those ports workers have been served with Supreme Court injunctions forbidding pickets at the terminals of the other main stevedoring company, P&O.

Three plans have emerged, each aimed at slashing jobs and conditions to restore the profitability of the labour hire companies set up by Patrick's to carry out the April 7 mass sacking. Patrick's and its parent company, Lang Corporation, withdrew hundreds of millions of dollars from the shell companies to orchestrate the sackings.

One plan has been advanced by Patrick's, another by the administrators appointed to oversee the insolvent companies, and another from the MUA itself.

The first plan, unveiled by Patrick's chief Chris Corrigan, demonstrates the extent of the cuts demanded, regardless of which proposal is adopted. Corrigan produced an Enterprise Agreement to slash the workforce from 1,400 permanent and 600 casual jobs to 650 full-time and 200 casual. Wages would be cut to between \$38,000 and \$60,000 -- 30 to 40 percent

below present levels -- through the abolition of penalty rates.

The administrators' plan recommends that any decision to continue trading or to liquidate the companies be postponed for one month while 'consultants conduct a review' to determine manning levels and work practices. If the 'commercial future was dim' after one month, they would liquidate the companies, sacking all the workers once more. This would free Patrick's from any legal obligation to hire only its former unionised workforce.

Corrigan said he had 'warmed' to the administrators' proposal because he was confident the review would recommend job cuts close to his own estimate of 750 and embrace wage reductions.

MUA national secretary John Coombs offered Corrigan an alternative plan to negotiate a new Enterprise Agreement that would 'include redundancies and productivity gains'.

Coombs told the media that the union objected to the other proposals because they would mean 'large job losses and cuts to entitlements being imposed unilaterally rather than agreed through negotiations.'

The union is proceeding with a Federal Court case alleging that the company engaged in an 'unlawful conspiracy' with the Howard government to breach the government's own Workplace Relations Act, by sacking the Patrick's workers on the basis that they were union members.

Backed by the Labor Party, the MUA bureaucracy is using the case as a bargaining chip to stitch up a deal with Patrick's and the government. Even if the case goes ahead, the millions of dollars in damages for wrongful dismissal will be used to provide a slush fund,

controlled by the union, to finance redundancy pay-offs.

Meanwhile, the Howard government, which had been thrown into considerable crisis by the failure of its initial plan for a swift and triumphant defeat of the waterside workers, is able to claim that its underlying objective of securing 'waterfront reform,' is being met. It is continuing with plans for an early election, first unveiled two days after the mass sacking.

See Also:

The Australian waterfront conflict: a political assessment

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