Jobs and conditions destroyed on Australian waterfront Maritime union deal aids Howard government

Terry Cook 25 June 1998

There were few surprises in the final agreement struck between the Maritime Union of Australia and Patrick Stevedoring to end the waterfront dispute that erupted on April 7 when the company sacked its entire workforce.

The outcome of the backroom negotiations involving Patrick's chief Chris Corrigan, MUA national secretary John Coombs and Australian Council of Trade Unions (ACTU) assistant secretary Greg Combet had been widely leaked to the media--well before Patrick's workers were called to union meetings to vote on the pact.

The leaks were part of a process to condition waterside workers to accept a result presented by the union as both inevitable and unavoidable, even though nearly half the Patrick's jobs will be lost.

The finalised agreement demonstrates the fraud of the claims of the trade union leadership and its supporters among the ex-radicals that the MUA was in the forefront of a political fight against the Howard government in defence of workers' conditions.

Even on the eve of the deal being consummated, the Democratic Socialist Party wrote in its journal *Green Left Weekly*: "The struggle of Maritime workers against the attack of Patrick Stevedoring has weakened the Howard Government and other bosses' chances of a general attack on the rights and conditions of workers."

Nothing could be further from the truth. The MUA and the ACTU have rendered invaluable assistance to the Howard government, which has been staggering for months under the impact of an acute political crisis made worse by its waterfront debacle.

First, the agreement delivers all the cuts to jobs and working conditions demanded by Patrick's and its bankers, as well as the productivity benchmarks specified by the government, allowing it to claim--with justification--that its strategy produced results.

Over 600 jobs will be slashed from the 1,400-strong permanent workforce. At least 200 of these, in cleaning,

security, maintenance and line marking, will be outsourced, with retrenched wharfies having to accept new conditions working for contractors.

Those workers who hang onto their jobs will be subjected to a relentless speed-up to deliver greater "flexibility" at all levels and to drive up container handling rates from 18 to at least 25 per hour--the exact number specified by the company and the government. Crane crews will be halved.

An annualised salary package will effectively abolish overtime and penalty rates, cutting take-home pay and providing a workforce on call around the clock. Corrigan is boasting that the agreement will slash labour costs by 50 or 60 percent.

As the two-month-old dispute dragged on, it continued to disrupt maritime operations, fuelling growing demands from shippers, exporters, the banks and other major business interests that the waterfront mess be cleared up without further delay.

The MUA agreement has met this demand. It has also removed the dispute from the political agenda, extricating the government from a highly compromising situation on the eve of an impending federal election.

Workplace Relations Minister Peter Reith was able to crow to the media last week: "The fact is that the Australian waterfront will never be the same again. Quite frankly, we have never seen such an extensive change in Australia in recent times."

Secondly, the MUA has agreed to dispense with its "unlawful conspiracy" case against the government and the company. The case, due to begin in the Federal Court by the end of the month, alleges that Patrick's and the government conspired to breach the government's own Workplace Relations Act by sacking workers for belonging to a union and for taking lawful industrial action.

By settling the case out of court, the MUA will formally join hands with the government and Patrick's to ensure that documents and evidence relating to the role of government leaders, including Howard and Reith, the banks and other sections of big business, as well as the military, in the waterfront conspiracy remain buried. Leaked Cabinet documents have already shown that Howard and other senior ministers were closely involved in planning the April 7 mass sackings, and have misled parliament by denying their participation.

The proposed court action would not have defended the interests of workers, anymore than the Federal and High Court rulings which consciously laid the foundations for the MUA-Patrick's compact. Nevertheless, the conspiracy case, if not dispensed with quickly, may have unveiled material that prompted workers to question the behind-the-scene machinations of the employers, their political servants in parliament and the union officials.

Far from acting as a deterrent to a general attack on workers' conditions, the outcome strengthens the hands of every employer--from steel to mining and manufacturing--to demand similar sweeping cuts to jobs and work practices.

Even before the ink was dry on the Patrick's agreement, the largest stevedoring company, P&O Ports, indicated that it intended to avail itself of the blow struck to wharfies. Its managing director, Richard Hein, announced that the company planned "as a basic minimum" to match the cost savings secured by Patrick's. "We will not be looking for any less. We would follow I think, the broad principles," Hein told the media.

This outcome is not accidental. It flows entirely from the program spearheaded by the MUA, ACTU and Labor Party over the past two decades--that of "waterfront reform" and "international competitiveness."

From the very beginning of the latest dispute, the MUA and ACTU deliberately contained the struggle and sought to suppress the emergence of a broad movement of the working class, in order to wear down the resistance of waterside workers and to gain time to put together such a deal.

As far as the union leaders were concerned, the defence of jobs and conditions was never the question, let alone a political challenge to the Howard government.

The union's strategy was summed in the slogan "MUA here to stay." Its sole concern was to reinforce the union's position as the agency through which every attack on maritime jobs and conditions has been administered over the past 20 years.

This was confirmed by Greg Combet who told the *Australian Financial Review* on June 18: "At the end of the day the changes that will occur if the agreement is endorsed by the MUA members are changes that could have been achieved through negotiations over a year ago and without all the attendant costs and pain of this dispute."

Pointing to union bureaucracy's proven record, Combet

reminded the employers and the government that "under the co-operative approach" the waterfront unions had delivered even "larger improvements in efficiency" to the previous Labor government. He was referring to the downsizing overseen by the unions in 1988-92, slashing jobs by 57 percent nationally to a total of just 5,500.

Combet was joined by Coombs. Cynically ignoring the devastation of jobs at Patrick's and the job cuts now looming throughout the stevedoring industry, Coombs told the media: "We are back in the gate, the members are exclusively covered by the MUA, their security of employment is returned." Coombs claimed that the union had "won all its key objectives".

Clearly, these "objectives" relate to defending the interests of union bureaucrats, not those of maritime workers or the working class as a whole. Yet there has been no serious opposition to the agreement with Patrick's. For maritime workers and their supporters, who only weeks ago were celebrating what they believed was a victory, it is surely time to question the political conceptions which guided them in the dispute and the misplaced trust they placed in the union leadership.

Downsizing and "waterfront reform" is an endless process that will only accelerate under the impact of the deepening global struggle for markets. The outcome of the waterfront conflict--together with the long line of betrayals and defeats over the last decade--demonstrates once again that it is not possible for the working class to oppose this onslaught, or advance its interests, through the unions that are organically tied to the profit requirements of the employers and the national economy.

Without the turn to an alternative political program that rejects the dictates of the capitalist market and aims at the reorganisation of society along socialist lines, in the interests of working people, workers will continue to suffer ever worsening setbacks and defeats.



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