

Police break up picket line at Philippine port

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Last Saturday, Philippine police violently dispersed more than 100 sacked workers, who had been picketing at the gates of the port at Dumaguete city, the capital of Negros Oriental province. Ten people were reported injured, including four workers, a child and five police personnel.

Formerly stevedores at the port and members of a local chapter of the Associated Labor Union-Trade Union Congress of the Philippines (ALU-TUCP), the picketers were officially sacked on March 11, following the takeover of cargo handling operations by Prudential Customs Brokerage Services Inc (PCBSI).

For more than two weeks, however, the workers had managed to block entry and exit of cargoes from the port through a mixture of cajoling, appeals and threats. They had previously subsisted on wages as low as 56 US cents an hour, but now face a worse future of desperate unemployment.

Last Friday Prudential obtained a temporary restraining order from the National Labor Relations Commission, declaring the workers' actions an "illegal strike." The next day, local police, backed by the city mayor, forcibly cleared the port gates with a police truck. According to the *Sun Star Daily*, the truck almost hit workers and even their wives and children. Enraged, the workers fought back with stones and bottle throwing and, soon after, managed to restore their picket lines.

Another attempt to disperse the picket on Sunday was called off amid concerns that it might provoke a response from other sections of workers. The *Sun Star Daily* reported that an assistant secretary of the transportation and communications department asked local police "to let the situation cool down".

On Wednesday, the Philippine Port Authority (PPA), a government corporation, halted all further operations in the port. A halt was even called to passenger services, which had run for weeks without hindrance

from the pickets. Port manager Renato Tolinero told the *Philippine Daily Inquirer*: "It's disheartening to close the port. Everybody is a loser. Nobody is a winner with this kind of situation. We have to make sacrifices to solve this problem."

All these steps are designed to intensify the pressure on the port workers. Local businessmen immediately called for action. The Negros Oriental Chamber of Commerce and Industry (NOCCI) warned that "the closure of the port would have an immediate effect on prices of local goods".

The plight of the port workers is the product of two decades of market reform, labour "flexibilisation" and privatisation under successive administrations—from Corazon Aquino and Fidel Ramos to Joseph Estrada and now Gloria Macapagal Arroyo.

In 1994, heavy and passenger cargo handling operations in all Philippine ports were privatised. Port services have since become a lucrative business, with workers stripped of job security and forced to work as casuals on low wages. In 2004 alone, income remitted by port services contractors to the PPA was more than \$US17 million. Contractors' profits would have been much higher.

Workers in the Dumaguete city port organised a union in 1999 and obtained a collective bargaining agreement from the previous port services contractor. The arrangement was short-lived. In 2002, two years before the agreement expired, the contractor ceased operations. The PPA absorbed the port workers but, backed by the Civil Service Commission, insisted that no employer-employee relationship existed with the workers and refused to negotiate a new agreement in 2004.

As reported by the *Sun Star Daily* in 2006, Cipriano Sabanal, the local chapter vice president, pointed out: "The PPA pays our salaries, can fire and hire, and controls our work and still they say that they are not our

employer?” In late 2006, PPA tendered out the port services, underscoring its determination to privatise the port operations. Prudential won the bid amid allegations of influence peddling.

Then port manager, Noeme Calderon, gave assurances that Prudential would absorb all port workers. But the new contractor quickly insisted that hiring was a management prerogative. The company was backed by the new port manager Tolinero, who insisted Prudential had no legal obligation to absorb the workers.

Existing employees were considered as applicants and subjected to a screening process. Not surprisingly, all officers and active members of the union—around 30—failed to pass the screening process. In the end, out of around 200 workers, Prudential only absorbed 60.

The difficulties facing the sacked workers have been compounded by the officials of the chapter and its federation, the ALU-TUCP. On at least two occasions over the past fortnight, the union has allowed the PPA to offload and remove cargo, undermining the effectiveness of the picket. No attempt has been made to call for support from other sections of workers in Dumaguete or at other ports, let alone more broadly. The picketers have been effectively been left isolated.

The ALU-TUCP emerged during the Marcos dictatorship as a mechanism for suppressing the working class. The federation is run as a personal fiefdom by its head, Democrito T. Mendoza, who has a vested interest in the privatisation of port services. He chairs the board of the “workers-owned” Oriental Port and Allied Services Corporation (OPASCOR), which operates the Cebu International Port, one of the most profitable ports in the Philippines. Starting with the retirement benefits of retrenched Cebuano port workers, OPASCOR, by 2006, was estimated to have \$5 million in assets. OPASCOR reportedly contributes more than 70 percent of the revenue of the Cebu Port Authority, the government corporation that nominally owns the port. Mendoza also has interests in another port services contractor in Cagayan De Oro city, Mindanao.

OPASCOR itself participated in the bidding for the Dumaguete port services in 2006. It is not surprising therefore that the ALU-TUCP made no attempt to defend the port workers’ claim that they were regular employees of the port authority. Such a move would

have called into question ALU-TUCP’s own role as a contractor and exploiter of cheap labour. That is also why no concerted union campaign has been organised to support picketing workers now.



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