

Philippine port workers sold out by unions

Dante Pastrana
14 April 2010

The Philippine Port Authority (PPA) pressed ahead with the long-delayed handover of Manila North Harbour to its new private operator last Sunday. Police and harbour security guards violently dispersed dockworkers who were barricading the entrances to pier 10 and pier 8 in protest over the loss of jobs and non-payment of back wages and benefits. At least five people were injured in the clashes.

The trade unions gave the green light for the takeover by signing a sell-out deal on March 30 with the new port operator, paving the way for major cuts to jobs and conditions. Only 1,000 of the current workforce of more than 5,000 will finally be absorbed. As part of the privatisation, an estimated 141,000 impoverished families squatting on government land along the Tondo foreshore will be evicted to make way for port expansion.

The North Harbour privatisation has been planned since the 1980s, only to be repeatedly held up by infighting among the ruling elites. The facility is Manila's premier domestic port, which last year handled over 16.7 million tonnes of domestic cargo and 2.1 million tonnes of foreign cargo. Over a million passengers disembarked and embarked at its piers.

Last year the PPA, backed by the administration of President Gloria Arroyo, rammed through a public sale with only one bidder and handed a 25-year government contract to operate, maintain and develop the port facilities to Manila North Harbor Port Inc (MNHPI)—a consortium of Harbor Centre Port Terminal and Metro Pacific Investments. MNHPI will invest an estimated \$312 million to improve and expand facilities and provide \$5.8 million to the government annually and, in return, will collect all fees, charges and rents.

The port takeover, previously set for January 15, was held up by the failure of MNHPI to meet contract requirements for the delivery of sufficient cargo handling equipment and opposition by shipping lines over increased charges. The Philippine Liner Shipping Association filed for a restraining order last Thursday to prevent the handover and is continuing proceedings in the Supreme Court to have the contract declared “null and illegal”.

However, the chief obstacle to the privatisation was the opposition of workers, many of whom were deeply concerned about their jobs and conditions. The unions under the Alliance of Port/Transport Workers and Porters-North Harbor (APTWP-NH) along with their Maoist allies in the Kilusang Mayo Uno (KMU) labour federation, claimed to oppose the privatisation, but refused to lead any principled fight against it. From the outset, their main demand was to maintain union recognition and existing collective bargaining agreements and separation benefits.

Current APTWP-NH leader Jake Lazores told *Bulatlat.com* as far back as 2006: “Although port workers are not against the rehabilitation and modernisation of the port, they are furious over the fact that their demands for keeping their jobs even until a private operator takes over the port have fallen on deaf ears.” In other words, the privatisation could proceed as long as the unions' basic demands were met.

Port workers and workers from the neighbouring shanties have repeatedly shown their determination to resist the privatisation in a succession of protests, blockades and strikes. Last August, hundreds of porters, truck drivers and vendors stormed the PPA offices at South Harbour to protest against the North Harbour sell off. A one-day strike last September

closed down the North Harbour port.

After sustained protests in January, the planned handover of the port was delayed, as PPA general manager Oscar Sevilla explained, “so there will be no bloodshed” between waterfront workers and the new operator. However, over the following two months, the APTWP-NH played the essential role in wearing down the opposition of workers.

Under the deal signed last month with MNHPI, the APTWP-NH has agreed that only 1,000 existing workers will be absorbed into the company. The unions, sitting on a joint committee, will be intimately involved in the process of deciding who will keep their jobs. MNHPI agreed to severance pay and to delay layoffs for three years, but insisted that absorbed workers be considered as new hires and work under new contracts, essentially abrogating all existing collective agreements.

Speed-ups and wage cuts to benefits will undoubtedly be imposed. The consortium has pledged to increase cargo throughput from an estimated 800,000 to 1 million T.E.U. (Twenty-foot Equivalent Unit) within the next three years and cut handling fees by 10 to 15 percent. Moreover, there is no guarantee amid the present global economic crisis that MNHPI will keep its promise to delay layoffs. Having taken over the port, it will do everything possible to boost profits.

One of the unions involved in the APTWP-NH—the Pier 8 Workers Union—opposed the agreement as disadvantageous to its members and supported continuing protests, but did not oppose the privatisation as such. After the APTWP-NH signed the deal, the PPA ordered the MNHPI to take over port operations. The *Manila Standard Today* reported on March 22 that PPA general manager Sevilla asked “local police to deal with possible violence”—setting the stage for last Sunday’s confrontation.

The APTWP-NH and the Maoist KMU are directly responsible for this unmitigated disaster for workers. Over the past three decades, the trade unions have been responsible for overseeing one privatisation after another as well as the slashing of jobs, pay and

conditions as part of the drive by successive governments to make Philippine capitalism “internationally competitive”.

The privatisation of North Harbour will follow a familiar pattern. The sale of the nearby Manila International Container Terminal in 1988 resulted in the sacking of 600 workers. The privatisation of the Manila Water Sewerage Services in 1997 saw over half of its 7,500 workforce taking early retirement, or being laid off. Over a thousand workers were sacked in the 2009 privatisation of the National Transmission Corporation.

The Filipino working class must draw the necessary conclusions. Workers cannot defend even their most elementary rights to decent jobs and conditions without a complete break from the trade unions, which act as industrial policemen for the pro-market agenda of government and the corporations. The struggle against privatisation necessitates the unification of workers in the Philippines and internationally in a common fight to abolish capitalism and refashion society on a socialist basis.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact