Australia: Unions enforce Labor's "Fair Work" ban on sugar strike

Terry Cook 9 September 2010

Trade unions are continuing their efforts to suppress strike action by sugar workers in northern Queensland after enforcing a four-week ban on industrial action, ordered on July 27 by the federal Labor government's Fair Work Australia (FWA) workplace relations tribunal. The dispute highlights the extent of the antistrike laws imposed by the Labor government and the role of the unions in policing them.

Last week, unions took part in private FWA conciliation hearings in Brisbane and gave undertakings that they would halt any stoppages while the talks continued. Nationally, union bureaucrats have kept silent on FWA's use of its extraordinary powers to outlaw strikes that might cause "significant damage" to an employer or industry.

The 1,500 workers are fighting to defend wages and conditions at seven mills on Queensland's North Coast. Members of the Australian Workers Union (AWU), the Australian Manufacturing Workers Union (AMWU) and the Communications Electrical and Plumbers Unions (CEPU) held stoppages in May, June and July against Sucrogen, an arm of the sugar giant CSR. Negotiations between the three unions and the company over a new enterprise agreement have dragged on since mid-2009.

After years of below-inflation pay rises—agreed to by the unions—the workers are seeking a 10 percent pay increase over two years. The company has refused to budge from its offer of just 3.7 percent per year and is demanding productivity trade-offs, which include management having the power to dictate the timing of rostered days off.

A Sucrogen spokesperson told the media: "If we are to continue to be a viable global sugar producer, we cannot afford to pay the large increase." In reality, CSR is seeking to benefit from higher global sugar prices and wants the harvest completed as quickly as possible in order to take advantage of them. On the back of these prices, it has agreed to sell Sucrogen to Singapore's Wilmar International for \$1.7 billion, under a deal current awaiting approval by the Foreign Investment Review Board.

On July 27, FWA used draconian provisions in the 2009 Fair Work Act that allow the tribunal to terminate "protected" industrial action if it is "satisfied" the action "has threatened, was threatening, or would threaten to cause damage to the Australian economy".

"Protected" action is permitted only within the narrow bargaining period for a new enterprise work agreement. Even then, workers must comply with onerous and time-consuming requirements, including applying to FWA to conduct a secret ballot.

The FWA ruling overturned its earlier decision on February 24 to allow "protected" action at Sucrogen after the majority of mill workers voted in support. Workers went on strike for 24 hours on May 31, again on June 10 and for 48 hours on June 19. Overtime and call out bans were imposed. A further 24-hour stoppage was planned for July 28.

FWA Commissioner Paula Spencer accepted the company's argument that its sugar producing operations in seven Queensland regional areas "were being compromised by industrial action which in turn was impacting on the surrounding economy". She ruled that "the impact of the threatened protected action would be an immediate loss of \$313,000 to the mills alone" and "threatened to have a compounding effect by reducing optimum harvesting and crushing time".

Spencer's declaration that the sugar industry "has a finite processing period and a perishable crop" is significant because only 40 to 50 percent of the sugar crop has been harvested. The commissioner stated:

"The impact of the industrial action would reduce the ability to harvest all the season's cane at the required time ... prior to the very real threat of rain shortening the available harvesting and crushing period." Her reasons make clear that under Labor's workplace regime, any industrial action that threatens company profits can be prohibited.

Despite the serious implications of the FWA decision for workers throughout the sugar industry and beyond, the unions immediately complied with July 27 order. At the same time, they have refused to mobilise other sugar industry workers to back the Sucrogen workers.

Before the FWA ruling, AMWU Queensland assistant secretary Rohan Webb told the media: "Sucrogen must recognise the workers' right to take protected industrial action under the Fair Work Act of 2009." He added: "The sugar milling companies should be reminded that the laws have changed and workers have a right to fair and decent outcomes." As the FWA decision demonstrates, nothing could be further from the truth.

The unions deliberately avoided raising the four-week strike ban during the campaign for the August 21 federal election. To have done so would have highlighted the pro-employer nature of Labor's laws and cut across the multi-million dollar campaign by the Australian Council of Trades Unions (ACTU) warning that a Liberal-National Coalition victory would see the return of the former Howard government's hated WorkChoices legislation.

The ACTU and its affiliates are desperate to hoist Labor back into power not because its laws are less draconian than WorkChoices. On the contrary, as the Sucrogen dispute demonstrates, the Fair Work laws contain far-reaching powers to back employers and terminate strikes. Labor's legislation also empowers the workplace relations minister to prohibit industrial action on similar grounds.

The unions have endorsed Labor's Fair Work regime because it reinforces their role as industrial policemen over the working class. The necessary political conclusions must be drawn. Workers cannot defend their basic rights through organisations that are appendages of the employers and the capitalist state.

What is required is a rebellion against the industrial laws and the unions that enforce them. That is only possible on the basis of the fight for a socialist perspective and a workers' government that would place the sugar industry, together with the banks and other basic industries, under public ownership and democratic workers' control.



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