Australia: Union shuts down picket of locked out meatworkers

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28 December 2010

The National Union of Workers (NUW) shut down a picket of 140 cold storage workers at a meatworks plant in the western Melbourne suburb of Brooklyn on December 22. The workers had been protesting outside the plant, operated by JBS Swift, since the company locked them out on December 3 in retaliation for their rejection of a proposed new enterprise bargaining agreement (EBA) involving significant real wage cuts.

While the union has said it will revive the picket on January 4, the workers should treat this declaration with the contempt it deserves. The purpose of the "break" is no doubt to give officials time to prepare, behind the workers' backs, a sell out deal with the company.

The NUW has insisted that the Brooklyn meat workers accept the draconian constraints of the federal Labor government's Fair Work Australia (FWA) industrial relations regime, while JBS Swift has used the very same laws in its offensive against them. The lockout is authorised action under Labor's workplace relations regulations, yet the workers were restricted to what was little more than a token, isolated, protest. As far as the union is concerned, the picket was always designed to fail. Production has continued at the plant, with scab workers flown in from Queensland and others sourced from a labour-hire agency.

The majority of the factory's workforce—permanent boners and other meatworkers who are covered by the Australian Meat Industry Employees Union (AMIEU)—have been kept at work since the lockout began. When they arrived for work on the first Monday after the lockout, a large number of them assembled at the picket and declared their support for the cold storage workers' struggle. The AMIEU, no doubt working closely with the NUW, moved immediately to quash any united struggle, threatening that any industrial action would be deemed a "secondary boycott", attracting legal action, including fines against individual workers.

Moreover, the lockout took place at the same time as workers at Visy, in Melbourne's south-east, were also involved in a bitter industrial struggle. Far from making any effort to link these struggles, the unions supported an ongoing and active police presence at the Swift picket, just as at Visy, in order to suppress any move by the locked out workers to "illegally" block the movement of delivery trucks in and out of the plant.

The attitude of the union to the picket has been underscored by its refusal to give the workers any strike pay. In the nearly four weeks since the lock-out, the lowly-paid, mostly immigrant workers have been granted a one-off payment of just $250—paid when the picket was disbanded—described by one of the picketers to the *World Socialist Web Site* as "an insult".

JBS Swift is attempting to boost profits by slashing its wages bill and raising productivity by offering a nominal wage adjustment of just 2 percent a year over two years—a significant real wage cut given the rate of inflation. The company is also demanding changes to rostering that would see shifts increase from 8 hours to between 9.5 and 12.6 hours, including on weekends, thereby cutting workers' overtime and weekend penalty rates.

These demands are part of JBS Swift's globally coordinated restructuring measures. The Brazilian-based transnational corporation is the world's largest beef producer, employs more than 120,000 workers globally, and maintains substantial operations in Brazil, Argentina, the US and Australia.

The company was originally called JBS Friboi and was a major player in the Brazilian market before rapidly expanding its international operations during the past three years. In 2007 it bought out US meat

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company Swift Foods for $225 million, at the same time assuming more than $1 billion of Swift's debt. The purchase allowed the Brazilian company easier access to lucrative markets in America, Europe, and East Asia that restrict access to Brazilian meat over foot-and-mouth disease concerns. In 2008 the company also bought America's Smithfield Beef Group Inc, for $565 million, and Australia's Tasman Group for $150 million. Tasman operates six plants with 1,800 workers, three in Tasmania and three in Victoria, including the Brooklyn plant where the lockout is now underway.

JBS Swift has since bought up other meat producers in the US, Australia, Russia, and Europe. The company now has an estimated annual revenue of $30 billion, more than ten times what it raked in just four years ago. It has even branched out into the banking industry, last year establishing JBS Bank and offering $US4 billion in loans to beef farmers in Brazil, Europe, and Australia.

The company's rapid global expansion has raised concerns on financial markets. In September 2008, just after JBS Swift bought up Smithfield Beef in the US and Australia's Tasman Group, ratings agency Moody's warned of a possible credit downgrade amid fears that, as one media report stated, "JBS could not generate cash enough to maintain its operations and also a surplus to amortise indebtedness". An analyst with Dutch merchant bank ABN Amro, Pedro Galdi, similarly declared that "one of the fears is that the company is growing too fast, which could result in cost and management problems".

JBS Swift has responded by stepping up its drive to boost productivity and cut costs. In the US, more than 130 executive positions have been eliminated since 2007, with five of nine hierarchical levels removed.

At the same time, abattoir line workers have come under mounting pressure. JBS Swift has been at the centre of recent food contamination recalls in the US—in June 2009, the company recalled 421,000 pounds of beef linked to E-coli outbreaks. In 2010 there have been three recalls of about 400,000 pounds of various beef products produced in a JBS plant in Brazil and shipped to the US. JBS Swift has sought to capitalise by being the first American meat producer to subject its workforce to constant video surveillance. Nominally aimed at boosting safety and hygienic meat processing, the real agenda is to speed up production and target "slack" workers.

In Australia, Swift's drive to boost profits has seen hundreds of workers laid off in recent months, including 430 from plants in Dinmore and Townsville in Queensland, and 90 at Longford in Tasmania. This month the company announced that 80 jobs in Cobram, Victoria, half the workforce, are to be eliminated. And last April, Swift shut down production at its meat processing plant on King Island, near Tasmania, standing down 100 workers without pay. The facility reopened on December 9, after the state Labor-Greens government agreed to underwrite the company's losses while it conducted a review of operations, and then issued a $12 million loan to upgrade the plant.

Now the cold storage workers at the Brooklyn plant are under attack. They can only successfully resist to the extent that they develop an independent strategy, with the first step involving a determined rejection of the trade unions and their subordination of the workers to the company's dictates and interests. This requires the election of a rank and file committee to take the struggle out of the hands of the unions and to turn to other workers for support—beginning with the hundreds of meat workers in the Brooklyn plant, as well as the many others facing similar attacks throughout the industry in Australia and internationally.

Such a struggle necessitates a new political perspective. Meat workers, like their counterparts throughout the country, must make a conscious break with the entire official political establishment, including the Labor Party and its savage "free market" agenda, and take up the fight to build a new mass party of the working class based on an internationalist and socialist program, which includes the nationalisation of the food and agribusiness giants under the democratic control of the working population itself.

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