Australia: Maritime union calls off industrial action by port workers

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Anxious to prevent any confrontation that could challenge the fragile minority Labor government of Prime Minister Julia Gillard and its pro-business program, the Maritime Union of Australia (MUA) called off rolling strikes and work bans, scheduled to begin on April 8, by about 1,000 workers at Patrick stevedoring facilities.

The 11th-hour decision to postpone all action for at least two weeks came after five hours of talks with Patrick's management in the government's Fair Work Australia (FWA) tribunal. In the latest of a series of provocations, the company had launched legal action in the tribunal to halt the strikes.

Earlier, waterfront workers had voted for industrial action in postal ballots, required under Labor's laws, after Patrick refused to negotiate over a new work agreement, and the FWA had granted permission for "protected" industrial action.

Amid a mounting media campaign denouncing wage rises, the *Australian* newspaper warned that the ports nationwide were "on the brink of the most bitter confrontation" since the 1998 waterfront dispute. That six-week battle ended with the MUA agreeing to the elimination of the jobs of nearly half Patrick's then 1,427-strong workforce.

Just before this month's stoppages were due to commence, Patrick announced that, in line with the compulsory requirements of Labor's industrial laws, it would refuse to pay for entire shifts if workers imposed bans. This would effectively create the conditions for an employer lockout, a practice that is also protected under the government's legislation.

The MUA had already cut its members' pay claim from 10 percent annually to 6 percent, and in February declared that its goal was "flexible." The original union claim included improved long-service and sick-leave entitlements, an increase in employer superannuation contributions from 9 percent to 13 percent, cuts in casual labour, a $5,000 bonus for workers signing the new three-year agreement, a $1,500 "health and welfare bonus" and a union-appointed safety officer on every shift.

Patrick, currently owned by ports and rail operator Asciano Group, rejected the union's claims outright. The company offered a 4 percent annual pay increase in exchange for "productivity concessions" that would allow it to discriminate against workers on the basis of "disciplinary," sick leave and "physical ability" records.

Despite Patrick only committing to presenting a "revised" offer, the union claimed that the FWA talks on April 8 had made "real progress". MUA deputy national secretary Mick Doleman declared: "This, at last, is the certainty our members have waited for since the stalemate began in January."

Doleman's claim is a warning of preparations for another MUA betrayal. Faced with declining profits in its ports container division, Asciano is determined to slash costs and drive up output. In the six months to December 31, Asciano posted a 33 percent decline in net profits, to $126 million.

Asciano's profit fall reflects the slump in the Australian economy outside the booming mining sector. Return on invested capital in the container ports division was 6.5 percent in the last quarter of 2010, compared with 10 percent at the group's Pacific National coal operation.

Asciano appointed a new CEO in February—former global chief of logistics group DHL Express John Mullen—tasking him with "reviving" the company's share value and "reviewing" its operations.

The MUA is an unwavering supporter of the Gillard

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government, which in recent weeks has reiterated its backing for employers opposing wage rises. Workplace Relations Minister Chris Evans and Resources Minister Martin Ferguson this month declared that wages outcomes in the offshore oil and gas fields were "unreasonable". Evans said the government was determined to ensure good "productivity outcomes" across the industry.

Last September, the MUA hailed the formation of Gillard's minority government, claiming that it paved the way for increased superannuation contributions and better redundancy payments. MUA national secretary Paddy Crumlin declared: "With the re-election of Labor, Australian workers are guaranteed there will be no repeat of 1998 mass sackings or attacks on workers that we witnessed under the previous Coalition government."

Port workers should urgently review the lessons of the 1998 waterfront confrontation. The dispute erupted after the company, backed by the Howard government, sacked its entire workforce and brought in scab labour to drive through a far-reaching restructuring of conditions.

To head off massive support for the waterfront workers in the working class, the MUA diverted the struggle into legal action, and called off mass picketing at Patrick terminals across the country. After the courts paved the way for a settlement by ordering the sacked workers reinstated, the MUA agreed to the destruction of 625 permanent jobs, the elimination of core working conditions, outsourcing, greater use of casuals and increased crane rates.

This betrayal opened the way for similar conditions to be imposed at rival P&O Ports and other stevedoring companies. The MUA presented the outcome as a "victory" because the union had been re-embraced by waterfront employers as the best means for imposing ongoing restructuring and productivity speed-ups.

In 2001, the MUA negotiated a three-year enterprise agreement for Patrick that saw the destruction of another 50 full-time jobs, increased the number of casual employees and delivered the company further flexibility to arrange rosters and cancel shifts.

Even on the union's estimate, 60 percent of the Patrick workforce is now casual, with some employed on this basis for more than nine years. Another tragic outcome has been the impact on safety. As of April this year, there have been four deaths on the waterfront in five years and numerous life-threatening close calls.

Once again, the MUA has offered its services to negotiate more productivity trade-offs in return for minimal pay increases in the closed-door negotiations currently underway with Patrick Stevedoring.

The bitter experiences of more than two decades demonstrate that the renewed offensive by the waterfront employers cannot be defeated unless workers make a political break with the union, which functions as a direct agent of the stevedoring companies and the Labor government.

What is required is the building of new rank and file organisations to fight for a united political campaign across the entire waterfront and throughout the working class in defence of living and working conditions against the Gillard Labor government. Such a struggle must be based on a socialist perspective, which rejects the endless subordination of workers' needs to the drive for profit and insists on the reorganisation of society in the interests of the majority, not the financial and corporate elite.

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