

Australian maritime union delivers “productivity” demands to DP World

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The Maritime Union of Australia (MUA) announced on Saturday an “in principle” deal with stevedoring company DP World for a new enterprise bargaining agreement that delivers productivity concessions and shuts down planned strike action by wharf workers in Melbourne. The pact follows DP World’s 24-hour lockout of 140 workers in South Australia on January 3 and the company’s threat to take the same provocative action against striking workers elsewhere.

Another company, P&O Automotive and General Stevedoring (POAGS), staged lockouts in several ports last month, triggering a Labor government intervention. Workplace Relations Minister Bill Shorten imposed a month-long “cooling off period.” The MUA called off all industrial action, and backroom negotiations between the company and union were convened under the auspices of the Fair Work Australia (FWA) industrial tribunal.

No government intervention proved necessary in the DP World dispute. Details of the MUA agreement have not yet been released, and further meetings involving union officials and company management are taking place this week. It is nevertheless already clear that the deal marks another stage in the MUA’s collaboration with the government and the stevedoring companies, in restructuring Australia’s ports at the expense of wharf workers, undermining safety protections and workplace conditions in the name of “international competitiveness.”

MUA national secretary Paddy Crumlin said he had secured a wage rise “in the ballpark” of 15 percent over three years, a figure only marginally above the official cost of living index, and also improved superannuation

benefits. Crumlin was notably silent about the other key issues at stake, including safety protections and casualisation levels.

“They [DP World] were looking to ensure that they had the level of productivity required in the highly competitive and charged environment that is the waterfront these days,” the union leader told the *Australian*. “MUA members know their job security is linked to a competitive and viable stevedoring service in a pressured market.” Crumlin boasted that the deal would mean “a long period, three to four years, of predictable and stable environment for importing and exporting containers and other goods.”

Underscoring the regressive nature of the new agreement, opposition workplace relations spokesman Eric Abetz congratulated DP World “for holding out in demanding some productivity gains, and the MUA similarly for accepting the need for productivity gains.”

DP World, based in Dubai, is the third largest stevedoring company worldwide, operating more than 60 terminals across six continents. Its parent company, Dubai World, has recently restructured its global operations to fulfil debt repayment requirements of more than \$30 billion. In 2010, DP World sold 75 percent of its stake in Australian ports to Citi Infrastructure Investors, a part of banking giant Citigroup. The company’s management still operates the container port terminals located across five Australian states, handling about half the Australian stevedoring market. It faces stiffer competition as Hutchison, the largest ports operator in the world, moves into the Australian market next year in Sydney and Brisbane with more automated operations.

Conditions for DP World workers are dominated by job insecurity, irregular hours and high use of casual labour. Such conditions have prevailed throughout Australia's ports, including those operated by POAGS and Patricks, since the 1998 maritime industrial struggle was settled. At that time, the MUA entrenched its position in the industry in return for stepping up its enforcement of productivity measures aimed at boosting profit rates.

Several DP World workers in Melbourne last week told the *World Socialist Web Site* they had been unable to attain permanent status despite working for the company for several years.

The previous enterprise agreement struck between the MUA and DP World underlines the union's collaboration with the company in allowing casual labour. In that deal, the workforce was broken up into different categories. Permanent employees were paid a fixed salary, "variable salary employees" received much less for being "available for totally irregular allocation", "guaranteed wage employees" were effectively casuals but paid a minimum salary, while "supplementary employees" were casually employed.

The attacks against stevedoring workers are part of a wider drive by big business in Australia. Qantas and other leading corporations have used lockouts to assert their managerial "right" to restructure their operations, expand the use of casual and contract labour, and impose mass layoffs. The ports are an important focus of the drive to cut costs and improve the competitiveness of Australian businesses.

The pro-business Gillard government has played the key role, working closely with the trade unions. Labor's industrial relations regime punishes virtually all industrial action by workers, while employers are given free rein to carry out lockouts and job destruction.

The government's current review of the Fair Work Act is set to see Gillard impose even more right-wing economic "reforms." As the global economic crisis escalates and the austerity measures are intensified

across Europe and America, the media in Australia is demanding the Labor government enact significant changes to its workplace relations laws.

Developments on the docks are being used to bolster this campaign. Workplace Relations Minister Shorten claimed that the MUA-DP World agreement "shows the system of current laws has been effective." The *Australian*, however, insisted in an editorial today that "before we get too dewy-eyed, we need to recognise the ground that has been lost during negotiations, and consider the role the Fair Work Act might have played in the long-running dispute." It called for the FWA review to be "thorough and determined," adding: "With the global economic climate so unstable, the act must foster superior productivity outcomes with minimal industrial disruption."

DP World workers should reject the MUA agreement when it is put to the vote next month. This can only be the first step in a coordinated counteroffensive uniting all wharf workers, together with other sections of workers confronting similar attacks. The struggle must be taken out of the hands of the union bureaucracy, with wharf workers forming their own democratically elected rank-and-file committees to advance their independent interests.

This requires a fight against the Labor government and its pro-business industrial laws, and the adoption of a new industrial and political strategy, based on the struggle for a workers' government that would reorganise society on socialist lines, with the ports and other key industries publicly owned and democratically controlled by the working class.



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