

# Australia: Fair Work tribunal rubberstamps pay-cutting at Brisbane meatworks

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Australia's industrial tribunal, the Fair Work Commission, last week approved an enterprise agreement at the Beenleigh meatworks, south of Brisbane, that will severely cut pay and conditions from its commencement date of October 4.

The ruling, handed down within two weeks of the Abbott Liberal-National government taking office, is another warning—on top of a similar deal imposed on General Motors Holden workers in Adelaide and Melbourne last month—that the Coalition will deepen the wage-cutting drive that began under the Labor government.

The 800 workers at the Teys/Cargill plant will be forced to work about an hour longer each day, have their overtime rates cut, and lose public holidays. They can be forced to work up to a total of 12 hours per day, without being paid overtime, and the company can reclassify them to lower grades. Previous entitlements to end shifts once quotas were met will be replaced by small annual bonuses, subject to onerous performance and profit criteria. Workloads will increase massively, but wage rates will increase by only 3 percent a year, not enough to cover rising living costs.

Fair Work Commission (FWC) deputy president Ingrid Asbury ruled that the company's proposed enterprise bargaining agreement (EBA) was "genuinely made," when in fact workers literally had a gun at their heads: Teys/Cargill declared that it would shut the plant unless they voted yes. To reinforce the ultimatum, the company conducted its own ballot, inside the plant, on August 1 and 2.

Despite this bullying, most meatworkers rejected the EBA. Officially, 359 voted yes and 350 no—a narrow margin in favour—but the management fraudulently organised 19 office workers and supervisors to vote, even though they are not covered by the EBA.

While formally opposing the EBA, the trade union covering the plant, the Australasian Meat Industry Employees Union (AMIEU) applied to the FWC to be covered by the agreement. FWC deputy president Asbury granted the request, which means that the union is officially committed to enforcing the EBA.

The EBA states that the union, as a party to the agreement, intends to "work together" with the company for "joint aims" that include "an internationally competitive operation" and "a continued profitable operation." This means that the union will collaborate with the ongoing cost-cutting drive by the company, which is a joint venture between Teys Australia, one of Australia's biggest meat processors, and Cargill, a giant US-owned conglomerate. Cargill is ruthlessly restructuring its operations worldwide to drive down costs. Earlier this year, Cargill shut down a meat plant in West Texas, destroying about 2,000 jobs.

The imposition of the bogus ballot was only possible because the AMIEU blocked any fight by workers against it. The AMIEU systematically isolated the Beenleigh workers from May, when Teys/Cargill demanded that workers take an average 20 percent pay cut. After two half-day stoppages, the union called off industrial action and entered negotiations with the company to deliver its cost-cutting requirements by other means—which is precisely what the EBA now does.

The union vehemently opposed calling for support from other workers. AMIEU officials declared that such action would be illegal under the Labor government's Fair Work laws, which ban any solidarity action. In reality, all the unions, including the AMIEU, voted for this legislation, which retains the unions as industrial policing agencies over the working class.

A young kill-floor worker told the WSWS that the Beenleigh workers were disgusted by the outcome. “They [Teys/Cargill] rigged the ballot up so that there was no way they could lose. Then they put in the newspapers that it was a big victory, when in fact there was narrow vote in their favour and they had names on the voting list who were office workers or supervisors... Most of the workers are asking: how did that happen?”

“For me, it means an hour’s more work every day, for the same money. I don’t know all the details, but there’s a lot else too, like some people will get paid less for their overtime. It adds up to a couple of hundred bucks a day that we are losing, for the extra work we are doing. They have speeded up the production so much that we’re working like slaves half the time.

“The company has got what it wanted. They figured pretty quickly that no one wanted a pay cut, so they offered everyone a 3 percent annual rise, but in return for a workload increase of about 6 percent. They put in an incentive of \$1,000 to sign it, but that was just the back pay that they should have been paying us anyway.”

The young worker commented on the wider implications for the working class. “This is happening everywhere. They say it’s cheaper to go overseas and get it done, like in China and Brazil. It’s not just going to happen in the meat industry; and it’s going to turn Australia into a country where some people are so rich they can buy what they want, while some people are going to be struggling to make ends meet, because they aren’t being paid enough.”

Another Teys/Cargill worker, a labourer, said workers had heard nothing from the union about the approval of the EBA. But the pace of work had been stepped up already. “There is lots of product being pushed through,” he commented. “A lot of it is for export. It is more money for them [Teys/Cargill], and extra work for us.”

Cynically, the corporate media depicted the FWC decision as good news for the Beenleigh workers, because they would keep their jobs. The Brisbane *Courier-Mail* claimed that the 800 workers would “have a much better Christmas.”

The company, however, proclaimed a precedent-setting victory. Teys Australia executive Tom Maguire said the new EBA was a “watershed moment for the

Australian meat industry” that “focused on the company and our workforce working together to lift productivity in a globally competitive environment.”

Throughout the dispute, Teys/Cargill went on the offensive, confident of the support of both the previous Labor government, which was dedicated to assisting major companies to restructure their operations to “boost productivity,” and the incoming Liberal-National government. During the federal election campaign, Liberal leader Tony Abbott, now prime minister, threw his weight behind the company’s EBA, declaring at an August 17 media conference that “it’s hard to see why anyone would object to it.”

The experience of the Beenleigh workers demonstrates that the deepening assault on workers’ jobs and conditions can be answered only by breaking from the industrial and political straitjacket of the unions and the Labor Party, which are just as committed as Abbott to imposing the demands of the Australian and global corporate elite. This means fighting for an independent, political movement of the working class, and the establishment of a workers’ government based on a socialist program.



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