

Hutchison Ports axes half its Australian workforce

Richard Phillips
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Global stevedoring company Hutchison Port Holdings (HPH) sacked 97 wharfies and maintenance employees—almost half its 224-strong national workforce—at its Australian container terminals just before midnight on Thursday.

Fifty-seven Port Botany (Sydney) and 40 Brisbane workers were sent text messages and emails at about 11.30 p.m. telling them that their positions “will not be retained” and that “there are no redeployment opportunities.”

Sacked HPH workers who arrived at the terminals yesterday morning were confronted with locked gates and security guards and prevented from collecting their belongings. Company officials told them that the contents of their lockers would be sent to them by courier. HPH workers, who are members of the Maritime Union of Australia (MUA), established picket lines and held rallies outside the Brisbane and Port Botany gates yesterday.

The Hong-Kong based HPH is one of the world’s largest port operators with major facilities in 26 countries. The company opened the \$700 million Brisbane and Port Botany terminals in 2013 and 2014 respectively, aiming to secure a substantial share of the profitable Australian stevedoring market, but has failed to do so. HPH has not been able to secure terminal facilities in the busy Melbourne port and only has 3 percent of the market in Sydney, which is dominated by rivals DP World Australia and the Asciano-owned Patrick Ports.

The mass sackings are an attempt to undercut its rivals by slashing costs, driving up productivity, axing working conditions and increasing casualisation of the remaining workforce. The company recently subcontracted some its stevedoring work to other companies.

Codenamed “Phoenix Rising,” the company’s strategy, which was foreshadowed in a memo from CEO Mark Jack in June, also involves the introduction of automated straddles and remote quay cranes. HPH could only “remain active in the Australian market,” Jack’s memo declared, if it operated on “a lower cost base.”

The MUA, which has been appealing for negotiations with the company for weeks, held stop work meetings in Brisbane on July 30 and at Port Botany on August 3.

Yesterday the union denounced the sackings as an “unconscionable” and “barbaric” union-busting operation and declared that it would “unleash every tool available—legal, political and industrial” against HPH.

“We are going to be here until all our members, all our workers get justice,” Paul Keating, MUA Sydney branch deputy secretary, told a protest meeting outside the gates yesterday.

Last night the Fair Work Australia industrial commission ordered HPH employees, who had struck in defence of their sacked colleagues, to end all industrial action. While there was no return to work today and protest picket lines remain outside the Port Botany and Brisbane terminals, the pickets are political window dressing by the MUA.

The purpose of the MUA’s so-called “community assemblies” is to dissipate the anger and concerns of maritime workers while the union negotiates a deal. Maritime workers have demonstrated time and time again over the past two decades their determination to defend their jobs, wages and conditions.

The MUA has known for months that the HPH planned mass sackings. From the outset, the union has appealed to the multi-billion dollar global corporation to involve the union in implementing its cost-cutting

plans.

MUA assistant national secretary Warren Smith told the media yesterday that the union would “accept job cuts if the company could justify them ... If they’re genuine, we are prepared to come back with a range of creative solutions to get through whatever difficult times the company is confronting.” In other words, the MUA is prepared to do whatever is necessary to maintain the company’s Australian operations.

HPH and other waterfront workers from DP World, Patrick and other companies are shocked over the mass sackings and have rightly warned that the company plans even more ruthless assaults (see: “Australian waterfront workers denounce job cuts”). These attacks on waterfront jobs and all the escalating demands for increased productivity, casualization and other attacks on working conditions over the past two decades could not have occurred without the collaboration of the unions.

Under the Hawke Labor government’s “waterfront reform program,” the stevedoring and maritime unions helped impose sweeping restructuring across the country’s ports from 1987-91, driving up crane container movements from 14 to 23 per hour and halving full-time employment from 8,300 to 3,800.

This productivity and job destruction agenda was further advanced in 1998 when the MUA brokered a deal to end a six-week waterfront confrontation with Patrick Stevedoring and the Howard Liberal government. The agreement eliminated 650 permanent jobs—nearly half Patrick’s workforce—increased crane rates to up to 26 an hour, and allowed greater use of casuals. Hailed as a victory by the MUA and its political supporters, the deal served as a benchmark that was imposed across all ports.

In the 17 years since that betrayal, the union has collaborated with company demands for greater workplace “flexibility,” downsizing, casualisation and erosion of working conditions.

Before 1992, there were no casuals in Australian ports. Today, more than 50 percent of workers are casuals, forced to work irregular hours and available on a 24/7 basis. Each new enterprise agreement sees further job-cutting production and new equipment automation deals with terminal operators throughout Australia.

Rather than mobilising its membership to fight this

ongoing war of attrition, the unions work hand-in-glove with the employers, posturing as opponents of the attacks while negotiating each new deal and then imposing it.

The mass sackings at HPH make clear that this assault is now being stepped up and will be unleashed against other key sections of the working class. MUA appeals to HPH for the union to determine who should be axed, demonstrates that waterside workers cannot defend their jobs and conditions through the union apparatus but only in a political struggle against it.

Waterfront workers have to organise independently and turn out to other sections of the working class in Australia and internationally. As a first step, it is necessary to establish a rank-and-file committee to prosecute such a fight. This requires a political struggle on a socialist program and against the entire Labor Party and union apparatus which defends the profit system.

The author also recommends:

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