

Patrick Stevedores threatens to lock out Australian port workers

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In a highly provocative action, Patrick Stevedores has again warned it will impose a lockout against 900 port workers in response to any further industrial action in a long-running dispute for new enterprise agreements (EBAs) at the company's container terminals in Sydney, Melbourne, Brisbane and Fremantle.

Alexandra Badenoch, head of human resources and corporate affairs at Patrick's parent company Asciano, told the media on Tuesday: "If further industrial action is initiated a lockout becomes a more probable measure rather than a mere possibility."

Badenoch ruled out, for now, using an alternate workforce if a lockout was imposed, as Patrick management did during the 1998 waterfront dispute. That deployment of scab labour provoked widespread opposition throughout the working class and threatened the existence of the Howard Liberal-National Coalition government—which had conspired with the company in planning the assault—before the trade unions struck a sellout deal with the company.

Badenoch re-issued the lockout threat after workers, members of the Maritime Union of Australia (MUA), voted nationally by a margin of 98 percent in a company-initiated ballot to reject Patrick's latest EBA offer. She first warned of a lockout early last month, following renewed strike action at Sydney's Port Botany and Fremantle in Western Australia.

The company's offer includes a pay increase of just 9 percent spread over four years, or an average 2.25 percent annually. This is less than the 3 percent annual increase that the company tabled earlier, then withdrew. The company is seeking new rostering arrangements to compel workers to do more midnight and weekend shifts.

Patrick has rejected union calls for a cap on casualisation and for the introduction of a 32-hour

working week with no loss of pay at Port Botany, where the company has introduced automation to halve the workforce over the past two years.

Coming within days of Prime Minister Malcolm Turnbull calling a double dissolution election for July 2, Patrick's threats are highly political and are partly aimed at bringing big business demands for a far more draconian industrial relations regime to centre stage.

Significantly, the Liberal-National Coalition government used the defeat of legislation in the Senate for the reintroduction of the Australian Building and Construction Commission (ABCC), with far-reaching powers to harass and penalise construction workers, as a trigger to call the election.

While the ABCC, introduced under the Howard government in 2005, is specific to the construction industry, major companies, especially in key sectors such as ports, freight, rail and transport, have consistently pushed for tougher laws and penalties to prevent any industrial action by workers

In threatening the lockout, Badenoch specifically criticised the current federal workplace laws. She asserted: "This is not a path that we want, however, the legal and industrial framework provides little option for employers negotiating with unions who are unable or unwilling to make pragmatic and principled arrangements with employers."

Patrick's threat to close down its entire operations is also calculated to increase pressure for direct government intervention into the dispute to impose a settlement on workers in line with the company's requirements.

Under the Fair Work laws introduced by the previous Labor government in 2009, with the full endorsement of the trade unions, the government has sweeping powers to end any industrial action that "would

threaten to cause damage to the Australian economy” or cause significant economic harm to the employer or endanger the “welfare” of any part of the population.

In January, after more than 10 months of failed negotiations, the MUA eventually called 24-hour stoppages across Patrick’s terminals—the first national port strike action since the union betrayed the 1998 waterfront dispute. Federal Employment Minister Michaela Cash weighed in, declaring that strike action should be a “last resort” and “never be used to promote unrealistic claims.”

While Cash ruled out government intervention at that time, she pointedly warned: “Freight, rail and port logistics play a crucial role in ensuring Australia remains productive and competitive in an increasingly globalised economy. Actions that compromise productivity and put our international reputation at risk do nothing to serve the national interest.”

Responding to Cash’s prompting, the government’s Fair Work Commission (FWC) intervened, ordering the suspension of all industrial action at Patrick terminals and imposing a 35-day “cooling off” period—a directive with which the MUA readily complied.

Despite resuming industrial action last month, the MUA is restricting the campaign to limited stoppages, staggered across ports to minimise the impact on the company’s operations. The union has also fully complied with the Fair Work laws to provide advanced notice any action so the company can take counter measures, such as contracting out work to other stevedoring companies.

Significantly, the MUA allowed negotiations with Patrick to drag on to avoid calling any strike action until it secured a deal for redundancies and further restructuring at terminals owned by Hutchison Ports last November and finalised EBA deals at stevedoring company DP World (see: “Australian maritime unions betrays Hutchison workers”).

The MUA is bending over backwards to avoid a decisive confrontation and is seeking only to be brought back to the negotiation table for more closed-door talks to broker a deal acceptable to Patrick.

In response to workers decisively rejecting the company’s offer this week, MUA deputy national secretary Will Tracy said the result showed the union had a mandate to be “properly listened to” in its negotiations with management.

The MUA’s only concern is to maintain its position as a labour broker and industrial policeman in the industrial relations set-up. For decades, the MUA has helped impose far-reaching restructuring across the docks, working in lockstep with management and successive government, Liberal and Labor.

In the 1998 waterfront dispute, the deal the MUA struck with Patrick and the Howard government led to the elimination of 650 jobs—almost half of the company’s permanent workforce. The betrayal established the conditions for an ongoing assault on jobs and working conditions, speed up and increasing levels of casualisation throughout the industry, all imposed through union-brokered EBAs.

In 2012, the MUA called off industrial action after an intervention by Workplace Relations Minister Bill Shorten, who now leads the Labor Party. The union signed off on EBAs covering four Patrick’s ports that slashed the MUA’s pay claim from 10 percent per year to just 4.5 percent, conditional on productivity improvements. It also agreed to the removal of limits on contract and casual labour.

Port workers have to draw the political lessons of this record if they are to fight the assault on jobs and conditions. They need to turn to the establishment of new organisations of struggle, independent of the corporatised trade unions, which can unite all port workers, along with other sections of the working class.

Above all, a new political perspective is required, based on the fight for a workers’ government to carry out socialist policies, including placing the ports and other basic industries under public ownership and the democratic control of the working class.



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