

Australia: Hutchison pushes cuts to waterfront workers' wages and conditions

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In negotiations for a new enterprise agreement (EA) covering 380 workers at its two ports in Sydney and Brisbane, stevedoring company Hutchison Ports Australia has presented a far-reaching log-of-claims that spells out the slashing of wages and the dismantling of remaining working conditions.

Hutchison, the largest port operator in the world, entered the Australian stevedoring industry as the third waterfront terminal operator in 2013 and has since been in ruthless competition for domestic market share with its rivals DP World and Asciano. In this it has been aided at every point by the Maritime Union of Australia (MUA), which has functioned as an industrial police force, committed to imposing the dictates of the company.

According to an MUA bulletin issued at the end of last month, Hutchison is seeking to impose a total freeze on wages in the first 12 months of the new agreement, followed by one percent per annum increases for the remaining two years. The figure, well below the current 2.1 percent rate of inflation, would amount to a real wage cut.

Pay is to be further slashed through a reduction of the hourly rates for grades across the board. This would result in annual wages falling by tens of thousands of dollars for some workers. Level 5 grade hourly pay, for instance, would be reduced from \$57.42 per hour to \$47.42.

The company is also demanding sweeping changes to working hours and shift arrangements, including the replacement of the current 30-hour work week with a 35–40 hour week. Employees would be compelled to work 14 days in a row and accept being called in to provide additional labour on extremely short notice. The company is also calling for compulsory shift extensions with just two hours warning.

Hutchison wants the complete removal of a raft of conditions including long service leave, redundancy arrangements and grievance procedures, together with sharp reductions in sick, compassionate and parental leave and the jettisoning of a picnic day holiday. Any conditions previously agreed to, written or verbally, that fall outside the previous EA, could be abolished. Numbers of current in-house positions will be outsourced including shift leader, maintenance store person and bus driver/first aid attendant. Further jobs cuts will be achieved through automation.

The MUA has described Hutchison's demands as "brutal and totally outrageous" and claimed that the company is "going further than any previous stevedoring employer in waterfront history." In reality, the union itself has cleared the way for the latest onslaught, and has signalled its willingness to continue collaborating with Hutchison against the workers it falsely claims to represent.

In 2015, the MUA suppressed a struggle by Sydney and Brisbane Hutchison workers against the sacking of 97 of their colleagues, half of the company's national container workforce.

After ending week-long strike action and preventing any stoppages at other stevedoring companies, the MUA restricted opposition to impotent "community protests" staffed by union bureaucrats and functionaries.

At the same time, union officials threatened Socialist Equality Party supporters who warned of the impending betrayal, and sought to prevent them from distributing leaflets to Hutchison employees. This was aimed at suppressing the widespread hostility among workers to the MUA's sordid backroom machinations.

The MUA forced through a sell-out deal, which it falsely claimed would reverse all of the company's

attacks. In fact, the union, working with Hutchison, organised the destruction of at least 67 jobs via “voluntary redundancies” and an expansion of casual and contract labour.

At that time, Hutchison’s acting chief executive Mark Jack praised the MUA for helping the company “manage its significant costs in a difficult environment” and for “providing it with greatly enhanced flexibility.”

Demonstrating that the union’s primary concern was to ensure company profits, and its own privileged position at the negotiating table, MUA assistant secretary Warren Smith responded: “We can now move forward with Hutchison in a way that can underpin getting their business back on its feet.”

This was a continuation of a decades-long collaboration between the waterfront unions and the stevedoring companies, aimed at driving down costs and ensuring that the industry was “internationally competitive” amid the globalisation of production.

The Waterside Workers’ Federation (WWF), forerunner of the MUA, fully supported the federal Labor government’s Waterfront Industry Reform from 1987–91, which eliminated 4,500 jobs.

The MUA, the result of a merger between the WWF and the Seamen’s Union of Australia, sabotaged the major struggle that erupted in 1998 against stevedoring company Patrick’s assault on its workforce. The union’s sell-out agreement resulted in the destruction of 1,400 jobs, and cleared the way for a substantial casualisation of the workforce. This set a precedent for similar attacks by other stevedoring companies across the waterfront ever since.

The MUA has reacted to Hutchison’s latest demands with militant posturing, declaring the log-of-claims to be “the most severe attack on waterfront conditions in a generation” and pledging that it will oppose “corporate greed.”

In a bulletin last month, however, the union declared that it wanted to “build a relationship” with Hutchison, based on “a more consultative and cooperative approach,” that would avoid “unnecessary disputes.” In other words, the union is preparing to force through yet another sellout.

The record demonstrates waterfront workers can only defend their jobs, wages and conditions through a complete break with the MUA.

New organisations of struggle, including independent rank-and-file committees, must be established to unite workers throughout the industry in a counter-offensive against the corporate onslaught.

These would be posed with the need for a new political perspective, based on the fight for a workers’ government that would implement socialist policies, including placing the major haulage, port and stevedoring companies under public ownership and democratic workers’ control.



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