

Australian port workers threaten strikes against DP World's cuts to wages and conditions

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Around 1,800 waterside workers employed by stevedoring company DP World Australia (DPWA) are currently voting in a union-organised ballot for a campaign of limited industrial action, including stoppages and work bans, in a dispute over a new enterprise work agreement (EA). The action would impact the company's container terminals in Sydney, Melbourne, Brisbane and Fremantle.

DPWA is determined to drive down working conditions to cut costs, amid intense competition for market share in the industry. The company has demanded that the Maritime Union of Australia (MUA) drop all of its claims, including for restrictions on the use of casual labour. DPWA is seeking the rollover of the previous regressive work agreement brokered by the MUA.

The company has offered only a 2.6 percent annual wage increase. This would barely keep pace with the rising cost of living, amid significant increases to the cost of housing, fuel, electricity and other essential needs.

Moreover, in an attempt to intimidate workers to accept its demands, DPWA has threatened it will not renew income protection arrangements that were in the 2014 EA that is due to expire at the end of this month.

The Fair Work Commission (FWC), the pro-business industrial tribunal, established by the previous federal Labor government with the support of the unions, gave permission for the strike ballot. It also, however, granted an "exceptional circumstances" application by DPWA for the notice period on the industrial action be extended from three to five days.

The extension is aimed at providing the company with the maximum time to prepare contingency strike

breaking measures to mitigate the impact of any industrial action, no matter how limited, on its operations. FWC deputy president Geoff Bull declared that he was granting the extension on the grounds that third parties, "primarily maritime shipping lines," would suffer exceptional adverse consequences.

The reference to the impact of industrial action at DPWA on a third party sets the stage for a possible intervention into the dispute by the FWC. It has sweeping powers under the Fair Work laws to order an end to any industrial action and to impose compulsory arbitration aimed at delivering an agreement acceptable to the employers. It has used these powers repeatedly against workers under both Labor and Liberal governments since their introduction in 2009.

While the union has branded DPWA's actions as an "extraordinary act of corporate irresponsibility," it will, as it has done in the past, enforce the directives of the FWC and ensure that the dispute remains within the highly restrictive bargaining parameters of the Fair Work laws.

Since the last EA, Dubai Ports World has obtained a quarter share in the company. A new CEO was at DPWA last month.

The union's primary concern is that the company could now be moving away from its reliance on the MUA to police the workforce and may be turning to more direct means to impose its demands.

This would jeopardise the MUA's role as an industrial police force, which maintains the privileged position of the union officialdom by negotiating away workers jobs, wages and conditions. The MUA is fearful that the abolition of a union-managed income protection scheme, which has been threatened by

DPWA, could hit the substantial coffers of the union bureaucracy.

The broader concerns of the unions were expressed in a telling statement by MUA National Secretary Paddy Crumlin earlier this month. He stated: “In the past, new CEOs at DP World Australia would reach out to our union and seek to create an avenue for consultation and cooperation at the very least.”

Such “consultation and cooperation” between the union and company has been directed against workers. Crumlin acknowledged as much, commenting that “wages were restrained in the last round of negotiations, setting DP World Australia up for massive profits.”

The 2014 agreement tied workers to a paltry 2.6 percent annual pay increase, with an additional 0.3 percent increase entirely conditional on them delivering increased productivity, including company specific production targets.

The union also agreed to oversee the destruction of jobs under the introduction of automation. The MUA ruled out any demand for a reduced working week on full pay, instead agreeing to “dignified arrangements for those that will have to exit the industry,” i.e., job destruction.

The union is now working to ensure any action in the present DPWA dispute is limited and isolated. The union is seeking to prevent any unified struggle by workers across the waterfront.

Workers at Hutchison Ports’ container terminals in Sydney and Brisbane are currently in a dispute over a new EA. The company is demanding sweeping cuts to pay, superannuation, parental leave and sick leave.

The MUA, however, has restricted Hutchison workers to limited stoppages and ineffectual “community protests” at the company terminals. It has refused to organise joint action targeting the operations of both companies and has no intention of calling out workers at rival Asciano-owned Patrick. This allows the companies involved in each dispute to contract out work and diminish the impact of any industrial action.

At the same time, the union is using the disputes to promote the Australian Council of Trade Unions’ (ACTU) fraudulent Change the Rules campaign. The MUA has declared that the actions of DPWA show “why we need to change the rules to restore fairness to Australia’s industrial relations system.”

Change the Rules is aimed at channelling the widespread discontent among workers behind the election of yet another pro-business federal Labor government which, like its predecessor, would intensify the onslaught on jobs, wages and conditions.

The MUA’s role is a continuation of its decades-long record of collaborating with successive Labor and Liberal-National governments, and the corporations, in the destruction of thousands of jobs across the waterfront sector.

This demonstrates that to go forward, waterfront workers need to break with the union and establish new organisations of struggle, including independent rank-and-file committees. These would act to end the union-imposed isolation at DPWA and Hutchison, and coordinate industrial and political action by all port and stevedoring workers, along with other sections of the working class in Australia and internationally.

Above all, what is required is a new, socialist perspective that rejects the dictates of the profit system and aims to establish a workers’ government that would place the ports, shipping and other basic industries, along with the banks, under public ownership and democratic workers’ control.



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