

Australian transport union hails trucking corporations ahead of enterprise agreement negotiations

Martin Scott
11 May 2021

In a statement last week, the Transport Workers Union (TWU) made clear that it would work closely with the major logistics companies including Toll, Linfox, StarTrack and FedEx, to try and ram through pro-business workplace agreements covering its members. At the same time, the union will wage a phony campaign against other corporations, claiming that they are providing insufficient payments to the trucking companies.

The announcement followed a statement in the Summer 2020 edition of the *TWU Journal*, which spelt out that the union would approach the negotiation of upcoming enterprise agreements (EAs) from the standpoint that any improvements to workers' pay and conditions would be subordinated to the profit interests of the employers.

The union wrote: "Our plan is about protecting jobs, defending industry rates and conditions, and bringing up the rates and conditions of competitors in the sector who can afford it right now. And importantly, ensuring those clients who are making profits are brought to the table to bargain directly with transport workers who are doing the job."

At the TWU's national council meeting in Darwin, National Secretary Michael Kaine heaped praise on Toll, Linfox and StarTrack, which, he said, provide "good jobs with decent standards that support working families." Instead, Kaine insisted, the blame lay with "the major retailers, the manufacturers, the oil companies, the banks, who sweat the trucking companies and the owner drivers."

The characterisation of multi-billion dollar fleet operators as merely the helpless victims of larger corporations is a cynical attempt to justify the union's alignment with management. The reality is, these companies are massive enterprises.

StarTrack is part of Australia Post, the state-owned

postal service, which recorded \$4.3 billion in revenue for the second half of 2020, a 15.5 percent increase on the same period in 2019.

With over \$3 billion in annual revenue, and employing more than 24,000 people, Linfox is Australia's third-largest privately owned company.

Toll, which was sold to Japan Post in 2015 for \$6.5 billion, recorded \$4.7 billion in revenue in the first half of 2020, a 20 percent increase on the previous year. The company's Managing Director, Thomas Knudsen, described the second quarter as a "standout," suggesting that the ongoing impact of the COVID-19 pandemic will have further increased revenue.

June 30 is also the expiry date of the current EA at FedEx, which recorded global revenue of US\$69.7 billion in 2020, retaining its ranking of 47 on the Fortune 500 list. The company's Australian trucking operations were largely built from its \$6.3 billion acquisition of TNT Express in 2016.

Workers could well ask why Kaine included Toll on this list of "good employers," given that the union last year claimed to have lodged "one of our biggest ever disputes in the Fair Work Commission (FWC)" against the company over a litany of complaints in relation to a cybersecurity breach at the company.

At the time, the TWU alleged Toll had underpaid or failed to pay workers; attempted to negotiate lower rates with drivers; contravened the EA by standing down workers for disciplinary reasons; refused to pay COVID-19 leave to owner drivers; employed casuals to reduce overtime payments, and failed to offer casual conversion in accordance with the EA, as well as a host of other complaints.

Little more than a month ago, Toll eliminated all of its 44 rigid trucks powered by compressed natural gas and

made all drivers on the fleet redundant.

Toll workers enter into the upcoming negotiation having not received a pay rise for a year because the previous EA expired on June 30, 2020. The TWU struck a deal with the company last year to defer bargaining until April 2021 in exchange for 10 days of paid leave for workers who had to miss work due to COVID-19 self-isolation. The agreement also allowed the company to reduce staff in the event of decreased volume, as long as permanent employees and “tied” owner drivers were prioritised over labour hire workers.

The TWU claims that it is seeking annual pay increases of 3 percent and a “pathway” to 15 percent superannuation—currently 14.75 percent at Toll, 14.5 percent at Linfox and 12 percent at StarTrack.

Kaine said the union would organise protests and sit-ins targeting Amazon, Apple, Aldi, IGA, Kmart and Bunnings, declaring that those companies “are about to face a winter of discontent, followed by a spring offensive.”

These protests will not challenge the trucking corporations, instead demanding that the multi-billion dollar companies receive a better deal from their customers. Moreover, they will likely be little more than flag-waving stunts. Kaine stressed that the union was being “very careful” not to contravene Fair Work industrial laws prohibiting secondary boycotts. The legislation was introduced by the Rudd Labor government with the full backing of the unions.

Conspicuously absent from the list of companies to be targeted are Australia’s major supermarkets, Coles and Woolworths, which are among the country’s largest retailers and each have greater market share than Aldi and IGA combined.

Kaine claimed that Coles was the “gold standard,” on the basis that the company had signed a safety charter with the TWU late last year. Woolworths signed a similar charter in 2016.

The assertion that Coles is the “gold standard” of anything to do with logistics is extraordinary. Only months ago 350 warehouse workers at the company’s Smeaton Grange Distribution Centre in Sydney were locked out for 14 weeks without pay. They now face redundancy after management and the United Workers Union rammed through a sell-out deal for the closure of the facility. Four other warehouses are also slated to be shut.

The Coles charter is based on five principles that pay lip service to the genuine safety concerns of workers in the

trucking industry.

In 2019, 72 percent of all worker fatalities in Australia were related to vehicles, and 56 percent of all road collision fatalities involved heavy vehicles. Truck drivers are 9.4 times more likely than the average worker to be killed at work.

Fatigue is a major contributor to these accidents, and is a direct result of drivers being forced by low rates and per-trip or per-kilometre pay to work close to the daily maximum of 14 hours on a regular basis. This is compounded by a lack of adequate rest facilities and large amounts of unpaid time spent waiting at loading docks.

Regulatory measures to supposedly combat fatigue are frequently punitive, saddling drivers with heavy fines for working past their legal hours, often because they get caught in unexpected traffic or are unable to find a rest stop when they are due for a break.

The adoption of toothless safety charters by retailers will not resolve these issues. The fraudulent character of the TWU campaign is demonstrated by the union’s promotion of Coles and Woolworths, which are on the front lines of the offensive against logistics workers.

Workers should reject with contempt the TWU’s claim that their multi-billion dollar employers are at the mercy of their “wealthy clients,” and are powerless to improve their conditions. The TWU protests are a diversion, aimed at dampening down mounting discontent, and lining up trucking workers behind their bosses as they prepare further cuts to pay and conditions.

The alignment of the TWU with the trucking corporations demonstrates that it is a company union. Like its counterparts, it advances the interests of a privileged bureaucracy by enforcing attacks on the workers it falsely claims to represent.

A genuine struggle for trucking workers’ rights and conditions can only go forward through a break with the union and the establishment of independent rank-and-file committees, to unite workers across the sector, along with their colleagues throughout logistics. The major trucking companies should be placed under public ownership and democratic workers’ control. That requires a fight for a workers’ government and socialism.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact