Australian union agrees to enforce ten-year strike ban at Melbourne port

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Over recent weeks the Maritime Union of Australia (MUA) has brokered new enterprise agreements (EAs) with major stevedoring companies across a number of Australian ports.

The agreement that most glaringly encapsulates the MUA's decades-long drive to incorporate itself ever deeper into management structures and cement its position as an industrial police force for the stevedoring employers is the four-year deal it brokered with Victoria International Container Terminal (VICT).

As part of the VICT agreement, the MUA has agreed to enforce a ten-year ban on "illegal" industrial action at the facility in exchange for the company dropping an $80 million damages claim against the union that arose from its picketing of the Webb Dock terminal in 2017. This action was conducted by union officials and their supporters, with no participation of the workers, in a bid to establish an MUA presence at the facility.

Why the ban on "illegal" industrial action? The MUA, in dispute after dispute, has enforced the draconian Fair Work Australia industrial relations laws introduced by Labor in 2009, with the full support of the unions, prohibiting all industrial action other than that permitted during the narrow enterprise bargaining window every three to five years.

In practice the legislation bars workers from taking independent industrial and political action. The only stoppages that it permits are those called by the unions, either to strengthen the position of their privileged bureaucracy vis à vis management, or to let off steam among workers in preparation for a sell-out EA.

During the ten-month negotiations with VICT, the MUA prevented any serious industrial action thereby proving to the company that it could maintain control over the workforce.

The ten-year ban constitutes a commitment from the union to suppress any potential opposition by workers to future restructuring by the company and to the impact on jobs and working conditions that will inevitably flow from the newly-negotiated EA deal.

The MUA bureaucracy, like its counterparts, is well aware of the growing rebellion by workers in countries internationally against the unions' decades-long role in enforcing the restructuring agenda of big business and the wholesale destruction of jobs and working conditions.

VICT is the Australian subsidiary of the Philippines-based global terminal operator International Container Terminal Services (ICTS) and runs the highly automated Webb Dock terminal at the Port of Melbourne in the state of Victoria. It also runs highly exploitative low-staff operations in Asia, the Americas and the Middle East.

In 2017, before operations began at Webb Dock, which was constructed through a public-private partnership (PPP), the company struck an EA with the small Australian Maritime Officers Union (AMOU) imposing extremely exploitative working conditions.

These included a highly casualised workforce along with harsh shift arrangements and hugely inadequate manning levels that reportedly resulted in workers having to forgo scheduled meal breaks, work excessive levels of overtime and extra 12-hour shifts. Some workers were compelled to take on up to 70 additional shifts over the course of a year to maintain the production levels demanded by management.

Employing around 160 workers, VICT handles more than one-third of Australia's container trade, loading and unloading more than the equivalent of 1 million shipping containers a year.

The MUA became a party to the latest round of EA negotiations, in which the AMOU and Communications Electrical and Plumbing Union (CEPU) played minor roles, after a large number of workers at the facility joined the union in the hope of securing better working conditions. The workers voted overwhelmingly for a campaign of industrial action after rejecting two EA offers from the company.

The MUA has rushed to highlight that the VICT agreement, covering a workforce of just 162, roughly one-third the number at competitor operations, includes 75 percent of casual workers at the terminal being converted to permanent positions. In other words, the arrangement means 25 percent of VICT workers will remain casuals.

In truth, the MUA has overseen the decades-long job destruction and massive casualisation across the waterfront, including through the Hawke Labor government's Waterfront Industry Reform of 1987–1991 that resulted in the destruction of 4,500 jobs, and the betrayal of the Patrick Stevedores dispute in 1998, which saw another 1,400 permanent workers axed and laid the basis for an unceasing assault on full time jobs.

The MUA has also made lofty claims about so-called "job security" provisions in the VICT deal that it claims prevent the company from outsourcing, offshoring, or contracting out work covered by the agreement. However, the union also claims that the agreement means "workers will have input prior to any forced redundancies."

In other words, rather than outright rejecting job cuts, the MUA will have "input" in organising future downsizing demanded by the company as it seeks to cut costs in a conflict with its rivals for greater market share.

VICT is looking to increase its share of Melbourne's container traffic from the current 34 percent to about 50 percent to make it the dominant stevedore in Australia's busiest port. While this competitive war could result in a sharp decline in jobs across competitor operations, this would not be offset by any significant increase at VICT, the only fully automated terminal in Victoria.

The union boasts that the four-year agreement delivers substantial pay increases of up to 40 percent over four years, but this figure would only apply to a small number of specialised employees at the terminal. According to a report by peak industry body Shipping Australia, the average pay increase across the workforce over four years will amount to 13.6 percent, little more than 3 percent per annum, barely enough to keep pace with the rising cost of living. Notably absent in the agreement is any significant increase in the size of the workforce despite the union's earlier claims that gross under-staffing at the terminal had resulted in intolerable workloads and unsafe conditions.

During the EA negotiations, MUA spokesman Will Tracey declared that the union had "outlined a range of offsets to cover the costs of these claims." He assured the company that reducing the weekly roster from 42 to 37 hours in line with industry standards would not require any significant increase in staff.

The benefit of the offsets promised to the company, and made to the detriment of the workers, was testified to by VICT CEO Tim Vancampen who told media that by granting the limited pay increases and other demands the company had "avoided the bigger cost of inefficient manning levels and roster controls."

Endorsing Vancampen's remarks, Shipping Australia wrote that the VICT agreement will provide the company with substantial gains including the continuation of the four shifts on, four shifts off roster, along with a flexible 42-hour work week that had earlier been decried by the union as "unacceptable."

As the conditions enshrined in the EA begin to bite and VICT looks to impose further restructuring across its operation to gain a greater edge over its competitors, workers will be faced with the necessity to resist and fight back. In this they will confront not only the company, backed by Liberal-National and Labor governments at federal and state levels, but also the MUA, whose officials owe their lucrative positions to their role as labour brokers and an industrial police force for the stevedoring and shipping companies.

The way forward for workers is a break with the corporatist unions and the construction of an alliance of independent rank-and-file committees across the waterfront in Australia and internationally to develop a unified struggle to defeat the decades-long corporate offensive and lead the fight for decent jobs and working conditions for all.

Such a struggle must be based on a socialist perspective and the fight for a workers' government to place the stevedoring and shipping industry under public ownership and the democratic control of the working class.