

# Australia: Knauf locks out plasterboard workers in Melbourne

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The global building products company Knauf has indefinitely locked out around 70 workers at its Port Melbourne plant in Victoria as part of a dispute over a new enterprise agreement.

The lockout began on September 16, in response to a series of one- and two-hour stoppages and overtime bans by workers. One worker told *World Socialist Web Site* reporters that management had called him at home and threatened legal action if he continued to refuse overtime.

Workers voted unanimously on August 24 for protected industrial action, after rejecting a proposed agreement containing a 5 percent pay increase in 2022, followed by 4 percent increases in each of the next three years, far short of the rapidly rising cost of living.

The proposed agreement would also have allowed the company more discretion to use labour-hire casuals instead of permanent staff. Currently, Knauf uses a pool of five labour-hire workers to replace permanent workers when they are on leave, but the Construction Forestry Maritime Mining and Energy Union (CFMMEU) claims the company is seeking to increase this to 50 percent of the Port Melbourne workforce.

The CFMMEU is asking for annual pay “rises” of just 6 percent, less than the official June quarter inflation rate of 6.1 percent and well below the expected rise to at least 7.75 percent by the end of the year. Significantly, these “official” inflation figures do not include the impact of increased mortgage payments, which have skyrocketed after successive interest rate rises by the Reserve Bank.

One of the locked-out workers told the WSWs he had been working up to 60 hours per week in order to earn enough to support his family. The rise in interest rates had hit particularly hard, with his mortgage payments increasing by almost 50 percent from \$2,100 to \$3,100

per month. Another worker said the increases in the cost of petrol and food were crippling.

A third worker said he was going to have to get another job if the dispute continued. This is because of a conscious decision by the CFMMEU bureaucracy to starve these workers out.

Workers have not been given any strike pay, despite the immense resources of the CFMMEU, one of the largest unions in Australia. The Victoria-Tasmania branch’s Construction and General subdivision alone holds some \$80 million in net assets.

Rather than tap into its vast wealth, the union and the Victorian Trade Hall Council have started a crowd-funding page with a goal of raising \$30,000. To date it has raised less than \$15,000 as the unions have done little to promote it. Even if the target is met, with the lockout now entering its third week, the total would amount to less than \$30 per day, per worker.

Under already difficult economic conditions, the CFMMEU is ensuring that the lockout will financially cripple the workers, leaving them with no choice but to accept whatever rotten deal the company puts before them.

The same strategy was used by the United Workers’ Union at Coles’ Smeaton Grange distribution centre, where around 350 workers were locked out in November 2020. On more than ten occasions, the workers rejected essentially unchanged union-management offers until, after more than three months with no financial support from the union beyond a couple of supermarket vouchers, the proposed agreement was accepted by a narrow margin.

The unions are also doing everything possible to isolate the Port Melbourne workers. The CFMMEU has said nothing about the dispute on its national Facebook page, and most of the unions which cover workers at

Knauf facilities in other states have been similarly silent. The Australian Manufacturing Workers' Union made its first post yesterday.

This has allowed the company to mitigate any financial impact of the lockout, with production elsewhere in the country unaffected. A worker told the WSWS the company was bringing stock in from other states in order to fulfil contracts.

Knauf is headquartered in Germany with global revenues estimated at \$24 billion and operations in every region of the globe. In Australia, Knauf has revenues of over \$1 billion and operates three very large plants including the one at Port Melbourne in Victoria, Camellia in New South Wales and Pinkenba in Queensland.

Workers at the Port Melbourne site also expressed concerns over safety. One told the WSWS production had recently been halted for three weeks in order to install a safety guard on a machine, following the death of a worker using similar equipment at a Knauf factory in Russia. He also reported a recent gas leak, in which the plant was only partially evacuated and said the site did not have adequate first-aid facilities.

Workers are also concerned about the presence of cancer-causing silica dust in the factory. They have been provided with face masks but want laundry facilities so they do not have to take contaminated clothing off the premises to wash.

While the CFMMEU has recently made a show of opposition to these conditions, the reality is the union is responsible, having allowed these safety issues to exist without challenge over many years.

The Knauf dispute once again shows that the role of the union bureaucracy is as an industrial police force of management. The CFMMEU is consciously seeking to wear down the locked-out workers and keep them isolated from their counterparts at other Knauf facilities around the country and the world, in order to prevent any opposition to the company's attack.

In order to fight for decent wages and conditions, and a safe working workplace, Port Melbourne Knauf workers must break with the union and take matters into their own hands.

Workers must take up a fight to build a rank-and-file committee to democratically determine a set of demands based on the needs of workers, and prepare a plan of action to fight for them.

In direct opposition to the isolation tactics of the unions, the locked-out workers must reach out to other workers at Knauf, throughout the manufacturing and construction industries and more broadly across the working class.

Australia is in the early stages of a surge in industrial action, with working days lost to strikes rising to levels not seen for a decade. The new federal Labor Government came to power in May this year and immediately replaced its campaign promise of a "better future" with an insistence that workers had to make "sacrifices."

As is taking place around the world, the rapidly rising cost of living has pushed workers to the limit, as the ruling class seeks to pass the cost of massive handouts to big business during the COVID-19 pandemic and escalating military expenditure on to the backs of workers.

It is to this developing movement that Port Melbourne Knauf workers must turn, in order to take up a fight, not just against their employer, but against the unions, Labor and all other representatives of big business and the capitalist profit system.



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Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**