

Union sends Australian plasterboard workers back to work after 40-day lockout

John Wilson, Martin Scott

6 November 2022

On October 26, 70 plasterboard manufacturing workers at Knauf in Port Melbourne were sent back to work by union organisers after a 40-day company lockout. While the Construction Forestry, Mining Maritime and Energy Union (CFMMEU) declared this a “victory,” the union had in fact agreed to a management offer that will cut workers’ pay in real terms.

The proposed agreement, which is still to be finalised or voted on, would provide nominal pay rises of 5 percent in the first year, followed by 4 percent for each of the following three years. This is the same pay offer workers rejected in September, leading to their limited industrial action and Knauf’s retaliatory lockout. Throughout the lockout, the CFMMEU told workers it was seeking a 6 percent per annum increase, itself a meagre sum, well short of the soaring cost of living.

The only gain for workers in exchange for this wage cut would be the company’s withdrawal of its demand for increased use of labour hire workers. According to the union, the proposed agreement supposedly contains various other improvements to conditions, including double-time pay for overtime, a 7.5 percent increase to penalty rates and a laundry allowance. However, these were all accepted by Knauf before the lockout.

This was underscored by a statement issued by the company on October 27, in which Managing Director Tony Charnock declared: “I’m pleased that the union has agreed to our original offer of a fair pay increase, with a minor change to a clause related to the use of labour hire.”

Moreover, the full details of the company-union deal have not been provided to workers. In fact, it is apparently still being drafted. A media representative of Knauf told the WSWS today that “the process of formalising the agreement is ongoing. It’s unclear how

long that entire process may take.”

The CFMMEU Vic-Tas Facebook account posted about a “guard of honour in gratitude for the sacrifice the Knauf members have made during their 40 days locked out.” In fact, the proposed deal would mean those sacrifices by workers would continue for the next four years.

Indirectly admitting the role of the union in ensuring workers did not cause any disruption when they returned to work, a CFMMEU organiser told radio station 3CR last Sunday that “we marched them [the workers] back in a couple of days ago.”

The Socialist Equality Party urges Knauf workers to reject this regressive union-management deal. A show of hands outside the factory does not mean the dispute is over. Workers should vote “no” to this wage-cutting proposal when a formal ballot is conducted.

In order to fight for genuine improvements to wages and conditions, a “no” vote would be only the first step. The CFMMEU bureaucracy has showed its hand, proclaiming “victory” over a wage-slashing agreement that Knauf states it is “pleased” with.

Workers must take matters into their own hands. This will require building a rank-and-file committee, completely independent of the union, in order to democratically plan and execute a fight for demands based on what workers need, not what management says is possible.

Knauf workers need to link up with other sections of workers, throughout Australia and around the world, who are facing similar attacks on wages and conditions. This includes workers at the company’s other facilities. The concessions granted by the CFMMEU at Port Melbourne will serve as a blueprint for the company as a whole. There needs to be a turn to workers at other plasterboard manufacturers, such as CSR, where

workers are locked into four years of real wage cuts after a sellout deal rammed through by the CFMMEU late last year.

Knauf workers made their intentions clear in August with a unanimous vote for industrial action, and displayed their determination to fight throughout the lockout, but the CFMMEU bureaucracy isolated the dispute and starved workers out. From the outset, the union leaders sought to conceal the dispute from its wider membership, with not a single post about the lockout on any of its social media accounts outside Victoria until October 6.

Despite assets of more than \$310 million, the CFMMEU left workers high and dry with no financial support from the union coffers for almost three weeks. Even if every cent of the \$170,000 “fighting fund” announced by the union on October 5, and a subsequent donation of \$60,000 by the Maritime Union of Australia, had been given to workers, it would amount to little more than \$80 per day.

It was only on October 21 that a meeting of CFMMEU shop stewards agreed to collect levies on other sites to support the Knauf workers. In other words, the union waited more than five weeks to raise a levy. The CFMMEU sought to avoid a direct appeal to its 144,000 members, because that would run the risk of triggering a broader struggle.

The union organised a handful of stunts, sending delegations of workers to Knauf warehouses in Somerton and Derrimut and to the nearby Qenos plastics manufacturing plant where workers were also locked out. In these token gestures of “solidarity,” there was no call for a unified struggle of workers.

Pseudo-left groups provided a political cover for the CFMMEU bureaucrats throughout the dispute and are echoing the myth of a “victory.”

On November 2, *Green Left Weekly*, published by Socialist Alliance, declared “Knauf workers win,” reporting uncritically that workers would receive “wage rises” below the rate of inflation.

On November 4, Socialist Alternative’s *Red Flag* claimed that “a pay rise above the current inflation rate was a big part of the dispute,” although this was never demanded by the union. Whitewashing the sellout, the article declared, “in the end, they voted to take the gains on the table and walked back in with their heads held high.”

The promotion of the CFMMEU and other union apparatuses by the pseudo-left organisations is designed to block any mobilisation of workers independent of the treacherous union bureaucracy. Far from being socialist, these organisations serve, along with the unions, as defenders of the capitalist system and the subordination of workers’ needs to the profit demands of big business.

Australian workers, like their counterparts around the world, face increasingly intolerable conditions amid sky rocketing inflation and interest rates. The Albanese Labor government made clear in last month’s budget that the working class must be made to pay, through deeper cuts to real wages and social services, for escalating military spending, as well as the vast handouts to big business over the past decade and accelerated during the COVID-19 pandemic. Labor is depending on the unions and their pseudo-left satellites to suppress the mounting class struggle against these attacks.

At Knauf and throughout the working class, what workers confront is not just a wages dispute with management, but a political struggle against the Labor and the union machines. Winning this struggle will require the independent mobilisation of workers through a network of rank-and-file committees and a fight for a genuine socialist political perspective to meet the needs of ordinary working people, not the profit interests of the wealthy few.



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