Australia: Fair Work Commission suspends Svitzer lockout, strikes

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The Fair Work Commission (FWC) ruled today that an indefinite lockout of almost 600 tugboat workers by Svitzer Australia would not be allowed to proceed. The court ordered a six-month suspension of all industrial action over the four-year enterprise bargaining dispute.

While the ruling suspends the lockout—thus avoiding an immediate explosive struggle by maritime workers that would win support throughout the working class—it strips the Svitzer workers of their right to strike, even the limited right that remained under Australia's draconian anti-strike laws.

It also sets a precedent for similar outlawing of industrial action by other workers, all of whom face real wage cuts and attacks on working conditions like the tugboat workers.

But the trade unions hailed the verdict. This is a warning of their readiness to suppress workers' anger and resistance and to try to satisfy the company's demands. Maritime Union of Australia (MUA) National Secretary Paddy Crumlin said the decision was in line with the MUA's offer on Wednesday for both sides to withdraw industrial action until after Christmas to allow for further negotiations.

"After five days of holding the entire nation hostage, Svitzer's outrageous demands have been refused by the industrial umpire," Crumlin said. That concern for the "nation" typifies the nationalist and pro-business position of the trade unions. While posturing as defenders of workers, their preoccupation is with continuing to impose the requirements of employers on their members, as they have done for decades.

The FWC rejected Svitzer's call for a total termination of the dispute—a permanent ban on industrial action—in order to institute arbitration. However, the company is still pushing ahead with an application to the FWC to terminate its existing enterprise agreement, which is scheduled to be heard on December 8.

That reflects the fear held by Svitzer, a subsidiary of the Danish giant Maersk, and throughout the ruling class more broadly, that the unions can no longer be relied upon to deliver the class war agenda required by the financial elite.

That anxiety is shared by the Albanese Labor government. Workplace Relations Minister Tony Burke also sought termination but was open to a long suspension. He welcomed the FWC ruling but expressed concern it was only temporary.

Crumlin said Svitzer should withdraw the termination action as a mark of "good faith bargaining"—again pleading for the company to strike a deal with the unions.

An editorial in today's *Australian Financial Review* (AFR), the mouthpiece of the financial elite, made clear that this episode is not just about the wages and conditions of 582 workers at a single company, but the establishment of mechanisms for a new chapter of class warfare.

Referring to two previous historic confrontations, the AFR said the type of deep assault on workers' pay and conditions that Svitzer and the ruling class are seeking can only be achieved "when companies dig in hard, as Patrick did in 1998 or Qantas in 2010 [sic]." Only then did "unions accept real change has to follow."

But the editorial warned that "a classic industrial relations result" relying on the services of the unions would not go far enough to deliver the increased "productivity" i.e., profits, demanded by big business. Dismissing the "huge profits" of Svitzer's Danish parent company, Maersk—the world's largest container shipping line—the AFR denounced the refusal of workers to provide the "flexibility" demanded by the company.

What Svitzer, and the other maritime corporations, are demanding is a workforce that is permanently on call, available at a moment's notice, but who will not be paid for a single minute in which they are not actively contributing to the company's bottom line. All the costs of the delays inherent to shipping must be borne on the shoulders of workers, not the vastly profitable multinational shipping operations.

Turning reality on its head, the AFR claimed Svitzer's unilateral bid to lock out its workforce, which would effectively shut down the country's ports and result in thousands of workers being stood down throughout the maritime sector and logistics, was the product of a "guerrilla campaign" by the unions.

In fact, throughout the four-year enterprise agreement dispute, the unions have confined Svitzer workers' opposition to the company's attacks to sporadic, isolated and limited industrial action that has frequently been called off at last minute.

All three unions involved, the MUA, Australian Institute of Marine and Power Engineers (AIMPE) and Australian Maritime Officers Union (AMOU), not only supported the FWC's move to shut down strikes but officially withdrew all planned industrial action even before the FWC's ruling.

Expressing the agreement of the unions with the interests of Australian capitalism, a submission to the FWC by AIMPE senior national organiser Greg Yates read: "That Svitzer has ruthlessly pursued its own interests in slashing unit labour costs is not necessarily a cause for criticism. The fact that it is willing to compromise the public interest so recklessly is a cause for harsh criticism."

In other words, Svitzer's crime is not its vicious attacks on workers, but its threat to the operations and profits of other corporations.

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The lessons of the Patrick and Qantas confrontations

The AFR's reference to the Patrick and Qantas disputes as a model for Australian capitalism is highly revealing. These seminal experiences should be carefully studied by workers, as they have been by the bourgeoisie.

In April 1998, Patrick Terminals sacked its entire 1,400-strong workforce, with workers dragged from the docks by armed security guards accompanied by snarling dogs. This set off a bitter month-long dispute that drew the support of thousands of workers and youth.

Determined to prevent any further eruption of class tensions, and to deliver the company what it demanded, the MUA and ACTU mired the dispute in the courts. The outcome was that the MUA worked closely with Patrick over the following year to halve the workforce, outsource hundreds of jobs and slash hard-won conditions.

This also had the effect of saving the Howard Liberal-National government from a political crisis, enabling it to carry out sweeping attacks against the entire working class.

The ACTU and MUA's betrayal of workers in the Patrick dispute marked a critical moment in the class struggle. It was a turning point in the strike-breaking and wage-slashing process set in motion by the Hawke-Keating government Accords with the unions in the 1980s and 1990s, including the introduction of enterprise bargaining in 1991.

In 1991, 1.61 million days were lost to industrial action. By 1998, this had already fallen to 526,400, but since 2000, the annual average has been less than half that. Wages have fallen dramatically as a result of this union-enforced suppression, with recently released data from the Australian Bureau of Statistics showing that real wages are now below the level of December 2011.

The 2011 Qantas dispute was another pivotal attack. After unions notified the airline of limited industrial action, the airline grounded its entire fleet, stranding passengers around the world. As the company intended, this provoked the intervention of Labor Prime Minister Julia Gillard and the FWC, which ordered that industrial action be terminated.

The FWC ruling cleared the way for Qantas to proceed with a far-reaching restructuring operation, while the unions isolated and stifled workers' opposition. This included the slashing of 1,000 jobs and the increasing use of outsourcing and contracting arrangements to further drive down pay and conditions. None of this would have been possible without the perfidious role of the unions, which accepted, agreed to and enforced the FWC ruling and the company attacks.

The parallels with the current situation at Svitzer are stark. The Qantas lockout was the first opportunity for the FWC and the Gillard Labor government to try out the powers granted by the Fair Work Act to shut down strikes.

Now, the Svitzer lockout is being held up by the Labor government and the unions as a perfect example of why Labor's "Secure Jobs, Better Pay" industrial relations bill must be legislated immediately.

What is really behind the government's urgency is the recognition that the increasingly intolerable conditions workers face as living costs soar have produced seething unrest. To suppress this, new mechanisms must be developed because the unions are increasingly discredited in the eyes of workers after decades of sell-outs.

The bill would grant the FWC even greater powers to intervene in disputes, removing the current requirement to show that industrial action "has threatened, is threatening, or would threaten to cause significant damage to the Australian economy or an important part of it." Instead, the industrial court would be empowered to declare a dispute "intractable."

In other words, the process underway at Svitzer, in which workers are sidelined, with their fate to be decided by the pro-business FWC, will be streamlined. There will be no need for companies to threaten the "nuclear option" as a means of provoking the government or the courts to step in.

This is just one component of the bill's stated purpose to "de-escalate disputes before industrial action is taken"—in other words, to further eviscerate the already restricted rights of workers to fight for their jobs, wages and conditions.

The critical lesson from the experiences at Patrick and Qantas is that those defeats were inflicted upon workers because they were unable to break out of the union straitjacket. After declaring "victory" in the disputes, the union bureaucracies proceeded to enforce the mass destruction of jobs and conditions, an assault on workers that these fetid organisations have continued to perpetrate ever since.

To avoid a similar defeat, Svitzer workers must take matters into their own hands. In order to develop the struggle against Svitzer's attack, workers must be able to meet, discuss and organise support in broad sections of workers to fight. That requires a break with the union apparatus of the MUA and other unions who have hailed this six-month ban on strikes or any industrial action as a victory. It is not a victory. It is a move toward making strikes entirely illegal.

New organisations of struggle must be built—rank-and-file committees, democratically controlled by workers and completely independent of the unions. Through these committees, workers can organise and make decisions in their interests, not those of employers, governments and union bureaucrats. This transfers the power back to the workers, who can reach out to others throughout the country and around the world to mount a unified struggle against the global assault on their working and living conditions.

To discuss such a counter-offensive, the Committee for Public Education and Health Workers Rank-and-File Committee, rank-and-file networks supported by the Socialist Equality Party, are holding a joint online public meeting this Sunday, November 20.

Titled, "Unite educators and health workers: Oppose the ending of COVID protection measures! Lives before profit!" the meeting will outline a political perspective, including the building of rank-and-file committees, to unify health workers, educators and other sections of workers in the fight for safety, decent wages and conditions, and the elimination of COVID-19. Register now: https://bit.ly/3CRCuOh

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