Australia: Wage-slashing agreement imposed at Pampas despite strong opposition

Martin Scott 19 January 2023

Goodman Fielder informed workers yesterday that a regressive new enterprise agreement struck with the United Workers' Union (UWU) had been approved at its Pampas pastry and bread factory in western Melbourne.

Under the agreement, workers will receive a 4.5 percent per annum nominal wage rise, well below the official inflation rate of 7.3 percent. A meagre \$500 sign-on bonus will not even come close to covering wages lost during the four-week strike.

According to the official count, 50 workers voted "yes" and 14 voted "no". The number of abstentions was not reported.

The tally was compiled by representatives of management and the union, which were jointly working to ensure it was approved. Absentee voting conducted by email meant that workers unable to vote in person had to reveal their vote to both management and the union.

Under Australian industrial relations law, while ballots to authorise strikes must be conducted by the Australian Electoral Commission or another independent organisation, votes to approve enterprise agreements are not. All that is required is for the union and management to sign the agreement, and for the Fair Work Commission (FWC) to be satisfied that there is "genuine agreement" among workers.

Any claim that there is "genuine agreement" in favour of this deal is entirely illegitimate in view of the anti-democratic character of the voting process.

The strike was ended by the UWU on the pretext that a number of casuals would immediately be offered fulltime jobs. Under the pro-business Fair Work Act, these workers had no right to vote on the agreement.

The union kept the enterprise agreement secret from workers until the final days before the ballot and gave workers no opportunity to discuss the details and raise questions in a mass meeting.

The substantial 22 percent "no" vote represents only a fraction of the opposition among workers to both the sell-out deal and the United Workers' Union (UWU) bureaucracy that struck it with management.

One worker, who told the *World Socialist Web Site* last week she was voting "no," said: "I'm not happy with the union because it rushed to end the strike—we should have had a bottom line and it should have been more than 4.5 percent."

The "yes" vote does not reflect broad agreement with the deal. Instead, many workers reluctantly voted for the enterprise agreement simply because they could see no way to take their struggle forward within the framework of the UWU.

On Tuesday, a worker leaving the plant told WSWS reporters he had voted "yes" only because he "couldn't afford to miss any more work."

The UWU isolated and starved the Pampas workers into submission. The union's pathetic "strike pay" amounted to less than a quarter of workers' normal wages. The UWU, which has around \$300 million in assets, created the situation where workers were exhausting their savings and faced the prospect of going into debt to pay for rent and groceries, placing them under immense pressure to return to work and vote "yes".

The imposition of this enterprise agreement will resolve none of the issues facing workers that led to the dispute.

The highly conditional measures to allow long-term labour-hire casuals to move to permanent jobs will do nothing to stop the company's use of the exploitative practice. The sub-inflationary "pay rise" means that, with every passing week, wages will be further eroded and the already palpable anger and resentment will build.

Pampas workers need to draw the necessary lessons from this betrayal by the UWU bureaucracy, take matters into their own hands and prepare to wage a genuine struggle for jobs, wages and conditions.

The UWU, like all other unions, postures as a workers' organisation but is in reality an agent of big business and governments, tasked with shutting down workers' opposition to continual attacks on their jobs, wages and conditions. The UWU's vast financial investments and close links to major superannuation funds, as well as the six-figure salaries of union officials, mean its fortunes depend on corporate profits derived from slashing labour costs.

Workers need a fighting organisation of their own, a rank-and-file committee that is completely independent of the union.

This rank-and-file committee can bring together workers from all sections of the plant, union and non-union, including the labour-hire casuals and warehouse workers who were excluded from this vote. It should discuss and draw the lessons from this dispute and cut through divisions sown by the union apparatus, including between "yes" and "no" voters.

A rank-and-file committee would seek to put power back in the hands of workers on the factory floor to oppose any future sell-outs by the parasitic probusiness bureaucracy.

This committee will provide the forum for workers to democratically formulate a set of demands based on their needs and concerns, not what Goodman Fielder or UWU officials say is affordable or possible. As a starting point, these could include an immediate wage rise, far in excess of current inflation to make up for past losses, monthly cost-of-living adjustments and an end to labour hire, with permanent jobs—full-time, part-time or casual at workers' discretion—offered to all.

The fight for these demands cannot be deferred, as the union leadership insists, until the new agreement expires in 18 months.

Under Australia's draconian anti-strike laws, any struggle by workers for improved pay and conditions outside of the enterprise bargaining period is illegal. These laws were enacted and strengthened by successive federal Labor governments, including the current one, with the full support of the unions.

This means that the fight for improved wages and secure jobs at Pampas will have to challenge these laws and conduct a political struggle against the Fair Work Commission, Labor and the union apparatus.

These are formidable opponents, but they are nothing compared to the power of the working class, upon whose labour all of society and the economy are built.

Throughout the country and internationally, workers confront attacks on jobs, wages and conditions amid sharp rises in the cost of living. Also common is the roadblock that masses of workers are running up against as they attempt to fight—a union bureaucracy that is collaborating with corporations and governments to stop them in their tracks.

Through a rank-and-file committee, Pampas workers can turn to these growing layers of workers in Australia, and around the world, and take up a unified struggle to defeat the global assault on the working class.

This onslaught is being fuelled by the escalating global economic crisis and the demands of capitalist governments and the corporate elite that the working class be made to pay for it.

Thus the struggle for decent wages and conditions is inseparable from a fight for a socialist perspective and a workers' government to implement it. Socialist policies include placing vital industries such as food production, along with other major corporations and the big banks, under public ownership and democratic workers' control.

The Socialist Equality Party pledges to provide Pampas workers every political assistance in their struggle. We encourage you to contact us today.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact