Union shuts down strikes as DP World threatens Australian port workers

Martin Scott, Steve Strietberg 15 January 2024

The Maritime Union of Australia (MUA) has curtailed industrial action due to be taken throughout this week by around 1,500 DP World stevedores at the company's Melbourne, Brisbane, Sydney and Fremantle terminals.

Around midnight last night, the MUA agreed to withdraw most of the planned action, including daily eight-hour quayside stoppages, until Sunday and a 24-hour ban on loading and unloading ground transport set to start at 6 a.m. today.

The union's backdown is aimed at defending the company and is a warning that it is preparing to shut down any struggle. This was clearly expressed by MUA Assistant National Secretary Adrian Evans, who said today: "We are trying to make sure DP World doesn't escalate the dispute and start to harm the economy."

The union says workers will now limit their daily stoppages to two hours but claims they will proceed with a 24-hour truck and train ban on Friday.

The planned strikes, for which workers voted overwhelmingly in September, were called in opposition to a real wage cutting enterprise agreement offer from DP World.

The company is trying to impose a sub-inflationary 13-percent-over-four-year nominal pay rise. At the same time, DP World plans to increase terminal access charges at Sydney, Melbourne and Brisbane by up to 50 percent from February 1. In the first half of 2023, the company recorded US\$9.04 billion in global revenue, a 13.9 percent year-on-year increase.

The Maritime Union of Australia (MUA), which covers the workers, has put forward a demand for a two-year deal containing 8 percent per annum pay increases.

While higher than the current inflation rate of 5.4 percent, the MUA counter-offer falls far short of what is required to make up for prior losses. The previous 2019 union-management agreement delivered nominal annual pay rises of just 2.5 percent, while inflation reached 8.1 percent.

8 percent would not even begin to address the pay differential between DP World workers and their counterparts at other stevedoring companies, which the MUA claims is as much as 17 percent. In any case, during negotiations the union bureaucracies have invariably "compromised" on their initial wage deal, forcing through a far lower pay claim than first advanced.

The company is also seeking changes to rostering and penalty rates which the union claims would cut some workers' wages by up to 32 percent. These changes would also be a major hit to quality of life, especially through the demand for stevedores to work 65 Saturday or Sunday shifts a year, up from the current 52.

The MUA's late-night strike cancellation was not preceded by any concession from DP World. On the contrary, it is a response to the company escalating its campaign of threats and intimidation against workers.

Last week, DP World declared that starting January 12 it would dock workers a full day's pay if they took part in even limited work bans. As a result, on Friday many workers refused to work because they would not be paid.

The union immediately stepped in to save DP World from a shutdown of its own making and ensure that maritime operations and corporate profits were not disrupted over the weekend. Evans declared on Friday: "The MUA will withdraw some of the low level protected action that [DP World boss Nicolaj] Noes has used to justify a nationwide, employer-directed stoppage of four Australian container terminals."

The MUA claims its cancellation of industrial action is a tactical manoeuvre aimed at avoiding a company-initiated lockout which is intended to force the intervention of the Fair Work Commission (FWC) or the federal Labor government. Evans said today, "I think they are trying to bait us into the type of industrial response which would warrant a lockout of staff."

In fact, by immediately acceding to DP World's declaration that it will not tolerate any form of industrial action, the MUA leadership is trying to send workers a message that fighting for a better deal is impossible.

Both the company and the union recognise that workers are unlikely to accept lightly this assault on their pay and conditions. DP World will not hesitate to resort to a lockout if the union fails to coerce workers into accepting the company offer

The blueprint for such an operation was clearly laid out in a recent episode involving 600 tugboat drivers at Svitzer, of which Noes was then managing director.

In November 2022, Svitzer threatened to lock out its entire

workforce, which would have effectively shut down Australia's entire shipping industry due to the company's monopoly position.

The FWC intervened, using sweeping powers enacted by the Rudd Labor government that allow the industrial courts to shut down industrial action on the basis that it poses a threat to the national economy. Under these draconian laws, an order by the FWC to suspend or terminate industrial action applies to both employer and employee, regardless of which party initiated the action.

The six-month suspension ordered by the industrial tribunal allowed Svitzer to operate with no restrictions, while workers were banned from taking any action to oppose the company's attacks on their wages and conditions. Despite the anti-democratic character of this ruling, it was celebrated by the union leadership.

With workers stripped of their basic industrial rights, the MUA and other unions were eventually able to ram through a sell-out deal, just before the six-month ban elapsed.

In order to avoid a similar fate, workers at DP World will not only need to take up a struggle against the company, but against the FWC and the anti-worker laws it administers. This is impossible within the framework of the trade unions, which worked closely with Labor to draft the anti-strike legislation and which have defended these laws against any challenge from workers since their introduction.

The Labor government would not hesitate to intervene on behalf of DP World against striking workers. It has not yet done so only because it believes that, if the MUA is unable to deliver the company's demands, the FWC will, helped by the stepped-up powers it was granted by the Labor government in December 2022.

Following calls from the federal Liberal opposition leader for Labor to shut down the dispute, Australian Council of Trade Unions Secretary Sally McManus declared: "We have Peter Dutton getting up like he's a union delegate for the sheikhs and sultans of Dubai, backing them in all the way, rather than his own people, the Australian people and their families."

McManus, together with the MUA, are spewing nationalist and xenophobic poison. The actions of DP World are not the product of the Middle Eastern background of the company's owners, but of the continuous cost-cutting and profit-maximising throughout the logistics industries, including shipping.

If McManus is claiming that DP World is uniquely aggressive in its attacks on workers, which stevedoring companies is she suggesting take a more beneficent approach to their employees? Other stevedores, including Patrick and Hutchison, have carried out identical assaults on their workers, including with mass sackings, lockouts and a continual erosion of conditions.

They have all carried out that program with the full support of Labor and the unions. The ACTU and the MUA back the entire logic of the capitalist system which pits workers against one another in a race to the bottom to slash labour costs and drive up returns. Every job cut by stevedores over the past three decades has been imposed by the MUA, regardless of the ultimate national origin of the companies involved.

The peddling of nationalism, and even racism, is an attempt to cover-up the responsibility of the unions for the state of affairs confronting workers in the industry. Its purpose is to divide and weaken workers, line them up behind no less ruthless sections of the Australian ruling elite, along with the Labor government, in preparation for a sell-out.

Workers should reject this filth with the contempt that it deserves, break with the corporatist union bureaucrats and take up the fight for a unified rebellion for jobs and conditions by workers throughout the industry all over the world.

Stevedores and other logistics workers are a critical component of the Australian and global economy with the capacity to shut down supply chains. The breathless coverage in the corporate media of even the most limited industrial action by port workers, as well as the growing resort to drastic measures such as lockouts, is a reflection of how seriously the ruling class takes this threat.

This underscores the need for workers to break free of the stranglehold of the union bureaucracy in order to realise this potential. The unions are the last line of defence for capitalism against the mobilisation of these workers.

In order to fight for real improvements to pay, conditions and job security, DP World workers will need to form rank-and-file committees, democratically led by workers, not well-heeled union bureaucrats. The struggle cannot be confined to a single company. Through such committees, workers can reach out to maritime workers throughout Australia and around the world, and build a unified struggle against the global assault on their working conditions.



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