QUEENSLAND
BRANCH NEWS
NEWSLETTER of the QLD Branch of the MARITIME UNION of AUSTRALIA
73 SOUTHGATE AVE., CANNON HILL 4170 - Phone: (07) 3395 7215 - Fax: (07) 3395 7688 - Email: muaqld@mua.org.au

To be truly radical is to make hope possible, rather than despair convincing - Raymond Williams

No. 81 – Monday 3 April, 2017

Qld Branch Rallies at Rio Tinto – Insight: Penalty Rates - Swedish Dockers

ON TUESDAY 28 March 2017, the Queensland Branch held a successful rally and occupation of Rio Tinto's building at 123 Albert Street, Brisbane.

Some 80 MUA members and supporters from other unions including the CFMEU, ETU, United Voice, ASU and the QCU came out in support of our battle against Rio Tinto and the right of Australian seafarers to work in their own nation.

We occupied the lobby of the Rio Tinto office and a delegation of Paul Petersen – Organiser, Michael Clifford – QCU and member, Glenn Frew spoke to the Rio Tinto industrial relations team and said that we would not leave the building until the decision makers in Rio Tinto agreed to meet with us.

Occupying the lobby at Rio Tinto

As a result, the head of Rio Tinto's world wide fleet agreed to meet an MUA delegation on the 10th of April.

To the QCU and all unions who supported us on Tuesday, our heartfelt thanks.

Branch Secretary, Bob Carnegie

To members who are fighting for all MUA seafarers, the Branch thanks you.

To all those sitting on their arse, whinging and doing nothing the Branch asks you to get active. Come to meetings, come to demonstrations and fight with us as union men and women who have decided we will FIGHT ON OUR FEET for our industry, for our families, for our birthright and NOT lay down at the feet of corporate Australia and meekly accept the destruction of our right to work! As our great CFMEU comrades say, STAND UP, SPEAK OUT, FIGHT BACK!!!

Penalty Rates

JANET IS A great friend and comrade of mine and the Queensland Branch. Janet has spent a lifetime in the workers struggle and has been a militant trade unionist in the NSW public service for decades.

Janet's article is insightful and breaks down the real beneficiaries of the attack on penalty rates ie: the big end of town. ***Bob Carnegie***

Who will profit from penalty rates cut?

By Janet Burstall

Sourced from: http://www.workersliberty.org/node/30976

The Fair Work Commission's Cuts

Penalty rates included in the awards for Hospitality, Clubs, Restaurant, Fast Food, Retail, Pharmacy workers will be cut for Sundays and Public Holidays by between 25-50%. The larger cuts are to the pay of non-casual retail and pharmacy workers, from double-time to time and a half, chiefly benefiting the bottom line for the large retail employers. Fast food workers remain the worst off, with Sunday penalty rates cut to Saturday level. The cuts to Public Holidays take effect from July 2017, with possible "transitional arrangements" for Sundays. The Fair Work Commission will hear this in May 2017.

The Restaurants award was not cut to the same extent in this decision because Sunday loadings had already been cut from 175% to 150% in 2014. Full and part time (non-casual) workers, in retail and restaurants, will feel the pressure to take on extra hours to make up for their lost pay, and employers will have an incentive to take those hours away from casuals who retain higher penalty rates.

The SDA Victoria estimates "that every year more than $1 billion dollars will be ripped from the pockets of Australia's retail and fast food workers." While the cuts apply only to awards, not enterprise bargaining agreements, as the SDA Victoria acknowledges "employers will use these cuts in penalty rates in negotiations for new agreements."

And the winners are…

The two top Australian companies by annual revenue in 2016 are Wesfarmers at $66.2 billion and Woolworths at $58.6 billion, ahead of 3 major banks next on the list (IBISWorld).

Whilst Wesfarmers and Woolworths are known for their retail brands, both have significant liquor and hospitality investments, including poker machines and gambling. The SDA had already made agreements with Coles and Woolworths that have cut penalty rates even further than the Fair Work Commission. The FWC penalty rates decision further strengthens Coles and Woolworths to continue the downward pressure on take home pay.

Wesfarmers claims to be the largest private sector employer in Australia, paying around 220,000 people who spend their time working for Wesfarmers, over $8 billion a year, only 4 times the total of $2 billion paid to shareholders. Employees are paid on averages less than $36,400 a year. The 530,000 shareholders are paid on average almost $3,800 a year each just for owning shares, (Wesfarmers Annual Report 2016) and we can be sure there are many shareholders with well above average holdings. Woolworths employs over 205,000 people, with 111,000 of these in "stores, distribution centres and support offices." Woolworths took $1.5 billion revenue from hotel investments in 2016. (Woolworths Annual Report).

According to newspaper reports, "Citi Research analysis shows cutting penalty rates would boost shareholder earnings by 8 per cent for Myer and JB Hi-Fi and 5 per cent for Wesfarmers." It also shows that in November 2016 "most of Australia's ASX-listed retailers have expired enterprise agreements. Those with expired agreements included Big W, Bunnings, Coles Supermarkets, JB Hi-Fi, Just Group, Kmart, Myer and Target…"The reason most retailers have expired EBAs in our view is the hope that wage reform will be implemented lowering penalty rates," the Citigroup report says."

Franchising in the fast food and hospitality industries makes it more difficult to identify the size of operations for companies such as Retail Food Group, Bakers Delight, Pizza Hut and Dominoes, all covered by the SDA. Casinos are the largest single site employers in the hospitality industry, and covered by United Voice.

The proportion of employees working weekends has grown since 2008 in hospitality from 58.6% to 60.8%, and in retail from 44.4% to 47.6%. This compares to the proportions across all employees growing from 25.9% to 276.5%. The penalty rates cut is targeted to benefit employers and penalise workers in the industries that pay the most in penalty rates.

The Squeeze

In 2011 The Productivity Commission found a "long-term downward trend in the growth rate of retail sales" largely because of cheaper goods. The PC quotes research showing that larger retail firms in Australia have historically enjoyed relatively high returns on shareholders' funds" and that labour productivity growth in retail is similar, on average, to that of the rest of the Australian economy. However retail grew more slowly than overall gross domestic product between 2003-2013. And the level of productivity in the retail industry remains lower "in terms of output per hours worked …than most OECD countries." Growth in all but 2 categories of retail ranged between 1.2% and minus 2.1% between 2003-2013. The higher growth was in clothing, footwear and personal accessory retailing at 2.5%, and in non-store retailing (mainly online) at 17.6%.

In January 2017 Fairfax Media reported on "confidential supermarket scan data" illustrating "how dire the outlook might be for the Australian grocery sector, and how aggressive discounting has pushed Coles and Woolworths down a road of mutual profit destruction."

This competition between companies in the retail industry is being taken out on both farmers, with intense downward pressure on prices, and on retail workers, with intense downward pressure on wages. You can be pretty sure that it is not the corner store that drove the Fair Work Commission decision to cut penalty rates.

The Unions

The workers whose take home pay will be cut are covered by the unions that are parties to the relevant Awards, the SDA (Shop, Distributive and Allied Employees' Association), United Voice, Meat Industry Employees Union, and Professionals Australia (representing employed pharmacists).

The most visible union campaigning against the penalty rates cuts has been petitioning and signing up to a "Save our weekend" campaign, driven by United Voice.

The 230,000 member SDA has been complicit in eroding penalty rates, despite officials claiming to defend them. In September 2013 its website announced a "massive defence of penalty rates and overtime." But 4 months earlier in May 2013 the SDA had already struck a template enterprise agreement with Business SA which abolished Saturday penalty rates and reduced Sunday penalties. And in August 2016 " Fairfax published a massive investigation revealing that the SDA had cut deals with some of the country's biggest retail and fast-food chains that left more than 250,000 workers being paid below what they're worth." Agreements with Woolworths, McDonald's and Coles have since replicated the trade off of penalty rates. The SDA claimed that the deal offered higher base rates of pay, guaranteed annual pay rises and improved rostering and shift breaks, but it left many employees worse off.

After unsuccessful attempts to reform the SDA from inside, a group of dissatisfied members worked with Josh Cullinan to form a new union The Retail and Fast Food Workers Union in November 2016. Josh Cullinan reacted to the February 2017 penalty rates cut. "Workers at the major retail and fast-food outlets have already had these penalty rates cut. That's half a million workers out of the fight. We don't think the Commission could have cut rates today if those 500,000 workers were in the fight."

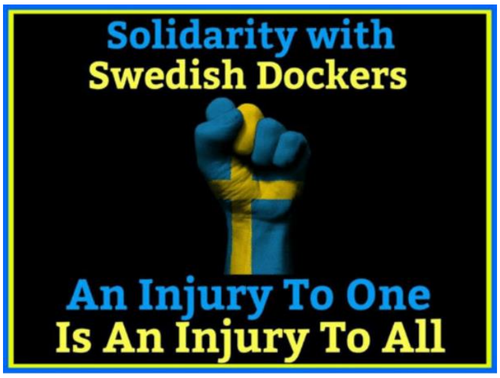
Meanwhile the SDA and the trade union movement are calling on Malcolm Turnbull to "intervene[e] immediately to protect take home pay and then review… the laws that have led to this decision."

Labour council and the ACTU officials are speaking out against the penalty rates cuts and organising public meetings. Daniel Andrews announced a parliamentary inquiry in Victoria into the changes to penalty rates, and said the Labor government will be looking at ways to protect "thousands of Victorians from these attacks on their living conditions." Bill Shorten is proposing a private members bill to stop the FWC cuts being implemented. It won't get through the House of Representatives. The Save Our Weekend lobbying campaign, a partnership between United Voice and peak union bodies, is aimed at the next election. Given Labor's record on replacing Work Choices with Work Choices Lite aka the UnFair Work Commission, a political campaign will not be enough to win back penalty rates.

The driving force behind these cuts is the large corporations that benefit from them, and there is no way to win without taking on those employers, by demanding restoration of penalty rates in enterprise agreements. There are many EBAs that have already expired or expire shortly.

However, the SDA leadership is incapable of this, United Voice may not have the confidence, RAFFWU doesn't have the membership base, and Professional Australia membership is less concentrated and perhaps less likely to have enterprise agreements. The Meatworkers have stood up in large meat processing plants in the past, but there is no obvious sign that they have been able to take on the retail giants.

The power to win back full penalty rates is industrial. The affected unions should organise for enterprise agreements that include the old level of penalty rates, and that withdraw previous clauses that traded off penalty rates. The leaders of peak union bodies, and all left trade unionists should be organising and looking for ways to make this happen, despite obstruction by individual union leaders. This includes exploring how to support the efforts of RAFFWU to overcome the sellouts by the SDA leadership.



Swedish Dockers Struggle Continues

Sourced from: http://hamn.nu/article/2400/APM-Terminals-Gothenburg-launches-massive-cuts-on-Monday.html

THE STRUGGLE AT Maersk is reaching a new low in the treatment of workers. The IDC will fight with our Swedish brothers and sisters to defeat this outright attack on Dockers rights. ***Bob Carnegie***

APM Terminals Gothenburg launches massive cuts on Monday

THE 3RD OF APRIL marks the start of an extensive programme of cuts in Gothenburg's container terminal. The austerity measures are aimed at getting rid of close to a hundred dockworker jobs before and during the summer.

Starting tomorrow, new work patterns will be implemented for the Night- and Day/Evening- Vessel shifts (handling the ships) as well as the Day/Evening-shift handling in- and outcoming containers in the Yard.

The new manning model

APMT Gothenburg's managment has also unilaterally, without negotiations or union involvement, developed a new model for manning where three (instead of today's four) dockworkers are supposed to continuously man two straddle carriers during each shift, while also performing other tasks. A blueprint for this massive programme of manning cuts was presented to the unions as early as January 2016, but seems to have been postponed when the company's offensive against the Swedish Dockworkers' Union (SDU) started that same winter. The new manning model reduces the total number of dockworkers needed to continously man one crane, two straddle carriers, the crane tally and manual tasks from 9 to 8 persons. This places Gothenburg in the bottom layer in an international comparison with other modern container ports (for example: APMT Aarhus in Denmark uses 10 dockworkers/crane).

The manning cuts are being implemented at a time when terminal productivity is already extremly low, both in comparison with its previous years under private and public operators as well as compared to other container terminals with a similar capacity in Europe and around the world.

However, APM Terminals Gothenburg seems to be launching its efforts to drastically cut personnel costs as a plan that will also, in ways still unknown, increase productivity. In a company presentation for one of the Vessel shifts the current productivity had been calculated to an historically low figure - 18,5 containers/hour - but the company management stated that after the cuts and following layoffs in the coming months it was aimining to reach 26 containers/hour. According to APMT Gothenburg's management, the key to such a surge in productivity does not seem to be improvements of the current Navis computer system, planning, maintenance, access to cranes and machines or the overall climate of operation between the staff and the senior management in the terminal. Instead, the management is focused on changing the way of thinking amongst the blue-collar workforce. The (poorly spelled) presentation states that:

"A change of the mindset and increased productivity must be reached to avoid consequences. All malpractice in relation to above mentioned issues and material will be documented by TOS [lower management] and reported [to senior management].

In a letter to APM Terminal's customers this week, the company management once again claimed to have an unnormal level of absenteeism in the terminal, despite the fact that dockworker applications for leave are turned down. Like so many times before, production failures were blamed on the dispute with the SDU. According to the letter, the union's industrial actions made it hard for the company to live up to its production commitments.

In response to growing complaints about long queues, the company management claimed that the terminal's overall capacity in the Yard would be increased by 20% next week as the programme of cuts is launched. This statement is true, if one disregards the following:

- The utilization rate of the straddle carriers in production will decrease as the new manning model calls for an increase of driver changes during the Yard's opening hours.

- The increased workload and increased exposure to vibrations amongst the dockworkers driving the straddle carriers will lead to a worse working enviroment, but hardly contribute to higher straddle carrier productivity.

- The dockworkers that are made redundant as the workload of the remaining machine drivers is increased, can only contribute to a higher overall capacity if they man additional straddle carriers in the Yard. Today, all functioning straddle carriers in the terminal are already in use during the Yard's opening hours.

- In APM Terminal's redundancy calculations, about 25% of the dockworkers in the Yard are regarded as redundant with the the new manning model. Therefore, an equivalent number of dockworkers will soon be layed off if the volumes stay at the current level. The company has presented a plan to lay off some 35 dockworkers with permanent contracts and around 60 dockworkers with temporary contracts (many of whom have been present in the terminal for over a year) during the coming months.
  This means that any company claims of increased Yard capacity is strictly theoretical and temporary by nature. Rather than improved service for the customers, a further decrease in service levels should be expected.

No regard for previous Health & Safety studies and no interest in the consequences for the employees

The new manning model is implemented unilaterally by the APMT management, without agreements with any trade union. In a message published on the company intranet the management makes clear that it is familiar with previous external studies of increased strains and exposure to vibrations related to a proposed increase of straddle carrier driving within the work rotation. These studies have clearly adviced against such steps in the current working enviroment in the container terminal. The company management has now, without the approval of the Health & Safety organisation, made its own amateur assesment that all previous problems have been handled and that the new work rotation will not lead to an increase of short- and long term injuries amongst the dockworkers.

Despite external expert advice, APM Terminals Gothenburg has refused to survey current injuries amongst the affected dockworkers before launching its new work rotation. The company has also disregarded all external recommendations that such changes should be thoroughly followed up within six months, and is now saying that any such investigation of the consequences amongst the workforce will have to wait at least until spring 2018.

Productions responsibility, the ovetime ban and redundancies

Regarding the issue of the terminal's poor production performance and the management's responsibility for this, a few things have to be clarified regarding industrial action:

The Swedish Dockworkers Union has conducted one (1) work stoppage at APM Terminals Gothenburg since late November 2016. The strike took place between 12.00 and 20.00 on the 24th of January this year. Since a few weeks back the SDU has issued a ban on overtime in the container terminal, but there are no limitations on the use of casual dockworkers between 07.00 and 16.00 on weekdays.

The current union overtime ban coincides with the fact that APMT's management has given notice about mass redundancies and is preparing to lay off just below one hundred dockworkers currently employed at concistent work patterns in the terminal. The majority union SDU has been barred from the redundancy talks and none of the affected dockworkers have yet received any official information from the company. The company is still claiming that the list of the dockworkers about to be sacked, which they claim to have negotiated and agreed upon with the minority union the Swedish Transport Workers Union (STWU), is secret. This contributes to a situation where a much larger part of the workforce is living with anxiety and the uncertainty about whether or not they will lose their jobs in coming months.

Changes of the work patterns

Regarding the new work pattern for the Yard, the company management have unilaterally decided on sequenced starting and finishing times within the shifts.This makes the operation vunerable to all kinds of unplanned absence (illness, taking tace of sick children etc.) when the early shift starts and during shift changes.

The Night shift working the Vessels was informed only last week that its weekly working hours has been unilaterally increased by +4,5 hours/week. The Night shift machine drivers are now expected to drive a straddle for a total of 8 hours per night during four consecutive shifts with no loss in productivity.

Regarding the Day/Evening shift working the Vessels there are still a number of unclear issues, but the general aim of the management has been to get rid of the six days of extra leave a year that the dockworkers currently have because their weekly work hours exceed the legal limits (38,75 h/week). This is achieved through shorter shifts and by advancing shift changes in a way that creates problems for a lot of parents leaving their kids at kindergarden before work.

The total number of dockworkers will be cut on all three work patterns. The process has already started as one of three Night shift crane gangs is being scrapped and a small number of dockworkers who've previously worked these work patterns are leaving their positions as of late March and early April. However, the bulk of the manning cuts will come into effect in late May and the beginning of June.

The SDU local 4's evaluation of the situation

During the past week, the minority union STWU's local officials informed the dockworkers of their view of the upcoming changes to the work patterns and the manning model. It was understood that the STWU has reached an agreement about the wages for the new wok patterns but not about the working time. However, the STWU will not oppose the new work patterns or pursue oustanding issues any further, stating that "they [the Swedish Transport Workers' Union] will sign at the central level anyway".

Regarding the new manning model there are no agreements between APM Terminals and the CBA stakeholder STWU. APM Terminal's management has unilaterally decided to implement these extensive cuts without agreements or even constructive negotiations with any trade union. The STWU's local Head of Health & Safety told the dockworkers that he might be considering to stop the new measures if a signed protocol of the risk assesment was not presented before Monday, but the statement was very vague.

It is clear that the dockworkers in Gothenburg's container terminal henceforth will have to rely on themselves, as they have in the past. The SDU, which organises some 85% of the dockworkers in the terminal and a overwhelming majority of the now affected employees, has been barred from all information as well as negotiations since last year. Thus, both the new work patterns and the new production model lack legitimacy amongst the workforce. The APMT management's austerity measures are ill-considered, will present grave long term Health & Safety problems and may also result in productivity and service levels dropping even further. This could accelerate the current trend of customers leaving the largest container port in Scandinavia, at a time when overall trade is increasing and neighboring terminals in the port of Gothenburg are extremely busy.

The only way to solve the current chaotic situation is to re-establish a constructive dialogue with the Swedish Dockworkers' Union - the trade union APM Terminals' blue-collar workers have actively chosen to affiliate to - and engage in good faith negotiations to restructure the whole production model in the terminal. New long term agreements, involving all affected unions, would lay the groundwork for a climate of cooperation between the company's management and its employees and start the process of regaining the customers' trust.

Today there are no indications that the APMT Gothenburg management is neither willing nor capable of breaking the downward trend, and similar decisions to unilaterally ax the manning of the shifts handling the Railway, the Empty Depot and the Gates are expected before summer. As of now, there is no solution to the APMT Gothenburg Dispute in sight.

Branch Officials Details
QLD Branch Secretary Bob Carnegie
Mob: 0439 478 996
Email: bob.carnegie@mua.org.au
QLD Deputy Branch Secretary Jason Miners
Mob: 0401 211 866
Email: jason.miners@mua.org.au
QLD Assistant Branch Secretary Paul Gallagher
Mob: 0408 494 1268
Email: paul.gallagher@mua.org.au
QLD Organiser Paul Petersen
Mob: 0404 453 869
Email: paul.petersen@mua.org.au
Growth Organiser Damien McGarry
Mob: 0410 318 078
Email: damien.mcgarry@mua.org.au

Authorised by Bob Carnegie, Maritime Union of Australia (MUA) Queensland Branch Secretary
73 Southgate Avenue, Cannon Hill QLD 4170