

# Gas blast paralyses Australian state

## Job cuts revealed as possible cause

A reporter  
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Maintenance job cuts have been revealed as a possible cause of explosions that ripped through Esso's natural gas plant in the southern Australian state of Victoria last Friday, killing two workers, injuring eight others and shutting off energy supplies throughout the state for at least a week.

Questioned by the *World Socialist Web Site*, a union official confirmed that the number of maintenance workers at the 30-year-old plant was halved over the past six years. The official, from the electrical trades union, said Esso scrapped preventative maintenance and replaced it by 'breakdown maintenance,' that is, repair of breakdowns only.

Homes, hospitals, factories, hotels and restaurants across the state and parts of southern New South Wales now have no gas for cooking, hot water, washing and industrial operations.

Killed in the blasts were worker John Lowery and maintenance supervisor Peter Wilson. Another worker, Heath Brew, is in a serious condition in Melbourne's Alfred Hospital. Two other workers have been hospitalised and five more are recovering at home from smoke inhalation and abrasions.

Workers from the plant have told reporters that the installation, which processes natural gas from offshore fields operated by Esso-BHP under Bass Strait, was virtually destroyed in the explosions and fires that raged for 48 hours. Some have said they will refuse to ever work in the plant again, because of the dangers involved.

It is believed that gas was discovered leaking from a seal around a 'header' pipe inspection door. Two maintenance workers were sent to tighten the seal but could not stop the leak. As two supervisors then inspected the leak area, an initial gas explosion triggered a fireball. The eruption occurred in unit 905 at

the plant's most critical junction where gas from plant one is pumped to plants two and three.

The tragedy has exposed the vulnerability of the people of the state and, in fact, the national economy, to a breakdown of the natural gas supply and processing system. Nearly three millions homes have had to shut off their gas taps, leaving most of them without hot water and stoves. Families with young children and elderly people have been acutely affected.

Critical services have been dangerously threatened, including hospitals, where all elective surgery has been cancelled, and nursing homes.

Thousands of factories and businesses have been forced to close for lack of energy, and have stood-down hundreds of thousands of employees. Among the first to do so were Toyota and Ford, which almost immediately stood-down 6,000 workers between them. Factories and workers in other states will soon be affected as well. Losses are expected to run into the hundreds of millions of dollars and massive law suits are already being prepared.

If strike or protest action by workers caused such disruption, there would be hell to pay in government and media circles. But because this catastrophe was a corporate responsibility, Victoria's Premier Jeff Kennett blithely announced that supplies would take a week to restore and then declared that his government would go ahead with its plans to privatise the gas retail and distribution network.

Melbourne has become the fourth major city in the Australasian region to be brought to its knees by a breakdown in essential services since the start of the year. In February, electricity supplies failed in Auckland, New Zealand's largest city, and in Brisbane, the capital of the northern Australian state of Queensland. In Auckland's case, power was not fully

restored for two months. Then on July 28, the 3.5 million residents of Sydney, Australia's largest city, awoke to find that their water was unfit for human consumption.

While each breakdown has its own peculiarities, similar processes have been involved: massive job-shedding and cost-cutting, the transformation of public utilities into profit-making companies, and the privatisation of critical facilities.

In this case, the drive for higher profit margins has decimated the maintenance workforce. And according to one union official, the situation has become even more dangerous on the Esso-BHP natural gas platforms in the Bass Strait. Eight years ago, each platform used to have one electrician and one instrumentation person. Today there are only two of each for seven platforms—a reduction of a third.

When the now-ageing facilities first came on line in 1969, the then state Liberal government of Sir Henry Bolte gave BHP, Australia's biggest company, and its American partner, Esso, a fabulously lucrative monopoly over the supply of natural gas throughout the state. BHP alone has made billions of dollars as a result.

In recent years, the drive for cost-cutting has intensified as the prospect of competition loomed from newer gas fields in central and northern Australia. At the same time, each major project has remained in private hands, so that no national pipeline system exists to overcome the Victorian supply crisis.



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