

Striking Australian coal miners sacked

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28 January 1999

Coal Operations Australia sacked the entire 42-member workforce from its Chain Valley Bay underground coal mine near Newcastle, New South Wales last week. The miners, who have been on strike for nine weeks against the company's attempts to cut wages and slash conditions, were informed that the mine would close on February 15, leaving only eight people from middle management to carry out care and maintenance.

The sacked workers are maintaining a 24-hour picket at the mine but the Construction Forestry Mining and Energy Union (CFMEU) has not organised industrial support by other miners or even from Chain Valley's sister pits.

The strike began when the management demoted the workforce to lower work classifications slashing their wages from \$642 to \$565 a week after the miners refused to accept cuts to conditions in a new work agreement.

The miners are particularly bitter because over the past period both the union and management told them, that if they increased productivity the mine could remain operational.

One miner complained that management constantly pointed out that mine labour was cheaper in China and that Indonesian producers were selling coal on the world market for less than \$14 per tonne.

More than 200 jobs have been axed at the mine over the past four years. Miners said they had accepted sharp cuts in working conditions, including the introduction of staggered work breaks to allow unbroken production and the reduction of manning on production units from nine to five.

Productivity at the mine jumped from 80 tonnes per miner to between 140 to 160 tonnes despite antiquated mining machinery that continually breaks down.

One miner on the picket who worked at the mine for 19 years told the *World Socialist Web Site* that the new

wage levels proposed by management would have reduced his weekly take-home pay to about \$400 per week.

"You can't expect a man to go underground for that type of pay. It's no walk in the park underground. We work in a dirty and dangerous environment. You suck in diesel fumes and coal dust and at times work up to your knees in mud.

"In my time here I've lost two mates in accidents. Untold numbers of men have been maimed with leg and back injuries. Some have never been able to work again. There was an explosion here not long ago and two men were severely burnt and scarred, physically and emotionally."

Another striker said that safety would have been further undermined if they had accepted management's demands. "The proposals included working 12-hour shifts. It's dangerous enough being underground for eight hours. When men get tired they lose concentration. They make mistakes. For example they forget to check the roof and the next minute it's down on your head."

He pointed out that one man was crushed to death in a roof fall last year at the company's Wallarah mine, located only a few kilometres away, and another at the Awaba mine, situated on the same northern coal seam.

"This company is like a lot of others and not only in the coal industry either. They pillage and rape the place looking for a quick profit. Then they close down and leave nothing behind."

The job losses at Chain Valley are part of a wave of sackings to hit the coal industry over the past two years, driven by the sharpening competition for markets fuelled by falling global consumption.

In that period more than 3,000 coal mining jobs have been destroyed in Australia. Over 2,470 of these have gone from mines in NSW with 2,000 jobs lost in the coal-rich Hunter Valley, where the Chain Valley pit is

located.

At the same time productivity in NSW rose by 17 percent and 22 percent in Queensland, according to a report by the Australian Bureau of Statistics. "In effect, the coal industry has the same output with a third fewer employees," the report said.

The companies are maintaining and even increasing profit margins by downsizing their workforces and driving up productivity. Profits in the industry leapt by approximately \$200 million to more than \$650 million in the year ending September 1998. BHP Coal registered a 50 percent profit increase in the half year to November. Last year the company slashed 1,300 jobs from its 14 coal mines in NSW and Queensland, almost 25 percent of its workforce.

The companies have also benefitted from a rise in the Australian dollar value of coal exports produced by the dramatic fall in the currency's exchange value.

Major coal producers, such as Peabody Resources and Rio Tinto, which between them account for more than one-quarter of the country's steaming coal exports, said they were looking forward to greater returns despite an expected fall in steaming coal prices following the 18 percent cut in coking coal prices that emerged from recent negotiations with Japan's steel producers.

Many Asian countries, such as South Korea, are turning to steaming coal as a cheaper means to generate power and reduce production costs. Korea Electric Power Corp, one of the biggest power companies in the world, bought steaming coal at record levels last year instead of using fuels such as liquefied natural gas and fuel oil to fire power stations.



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