

# Australian Labor and union leaders end fuel blockades

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2 October 2000

Labor Party and union leaders combined this week to end a three-day blockade launched on September 24 by truck drivers at the BP, Mobil and Caltex oil refineries in Melbourne. The intervention headed off similar protests in other states and averted a potential crisis for the Howard government over the escalating cost of fuel.

Only 40 drivers were involved in the blockade but they had stopped most oil tankers from leaving the refineries by parking vehicles across the main entrances. By September 26, Victoria's fuel supplies had been badly affected, with dozens of petrol stations around Melbourne running dry. A Mobil spokesman said fuel shortages would "soon impact badly on business".

The drivers lifted the blockade after state Labor Premier Steve Bracks promised to take up their concerns with the federal government at the November Premiers' conference. Bracks said he would press for a 2.5 cent per litre cut in the government fuel excise. A separate action by about 20 truck drivers at BP's Brisbane refinery in Queensland was called off a day after the Melbourne blockade ended.

Federal Labor leader Kim Beazley joined the Howard government in condemning the blockades. "I don't think the blockades are a good idea," Beazley said. "I think it puts too much pressure on ordinary Australians and I am worried, like all of us, about our presentation during the Olympics."

The Transport Workers Union (TWU) refused to back the blockades, even after Caltex threatened to take legal action against individual drivers. TWU national president Hughie Williams admitted that the union had been inundated with calls by drivers demanding that the union organise national blockades of refineries like those recently held in Europe. "We've sort of

discouraged it," he said.

In fact, over the previous two weeks the union held meetings with long distance drivers around the country in an attempt to prevent blockades until October. "I don't think we can hold them back once they get started," Williams warned.

Union leaders and non-union groups representing owner-drivers in New South Wales also agreed to quarantine the state against blockades as part of an "informal pact" covering the two weeks of the Olympic Games. Protests planned by farmers in Canberra to demand fuel excise tax cuts may still go ahead, but it is unlikely that truck drivers will travel to the capital to swell the ranks.

The Labor and union leaders ended the blockades as pressure began to mount on the Howard government and divisions emerged in its ranks. Liberal and National Party backbenchers, fearing an electoral backlash, and under pressure from farmers' organisations, trucking industry associations and motorists' bodies, urged the government to discuss a freeze on further fuel excise tax increases at next week's Cabinet meeting. State Premiers, both Liberal and Labor, said they would push the federal government to exempt the fuel excise tax from looming Consumer Price Index increases.

Rifts appeared between the federal government and farmers' organisations upon which the government has traditionally relied for support. NSW Farmers Association President John Cobb condemned Agriculture Minister Warren Truss for declaring that farmers risked losing their diesel fuel rebate if they persisted with their campaign over fuel prices. Cobb described Truss's threat as "amazing".

Buoyed by the ending of the blockade, Prime Minister John Howard declared: "No government led by me will respond to blockages." Howard said the

government had already ruled out Premier Bracks' proposal to cut the fuel excise. "In the present climate of world financial markets, it would be economically unwise for the government to take \$1.7 billion out of its surplus," he said.

While the immediate prospect of widespread blockades has been averted, hostility to rising fuel costs continues to grow among ordinary working people, as well as drivers and farmers. Commuters have seen their petrol bills rise by 50 percent in recent months, with the federal government's recently-introduced Goods and Services Tax and its fuel excise taxes magnifying the impact of world oil prices.

Truck owner-drivers are paid on average only \$1 a kilometre for hauling freight, yet the combined cost of fuel, truck repayments, maintenance, insurance, registration and other administration fees is now as high as \$1.16 a kilometre. According to figures released by the TWU, repossessions of trucks from owner-drivers and small haulers have increased 176 percent since June.

John McKinley, a truck driver of 10 years' standing who joined the blockade outside Caltex in Melbourne, said that rising fuel costs had stripped him of most of his income. "For the past three months I have worked for virtually nothing. There is no point driving a truck if you are not making any money. I will fight for a freight rate rise but if it doesn't happen I'll be forced to find something else."

Farmers' organisations have warned the Howard government that fuel prices are "the hottest issue" in regional and rural areas. The NSW Farmers Association said small farmers and larger farming concerns were "hurting badly". It released figures showing that the average broadacre farmer's fuel bill this year will be \$4,000 higher than last year. Larger grain growers will have to find almost \$20,000 extra.



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