

# Australian union manoeuvres with BHP in coal mine stoppages

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Coal mines owned by Australian mineral company BHP have been hit by a campaign of industrial action in recent weeks involving a claim for a 15 percent pay increase over two years and new work agreements.

BHP miners in two states—New South Wales and Queensland—walked out on October 1 for 72 hours. Then, on October 9, 500 workers at the company's mines in Gregory and Crinum, Central Queensland, and at the Hay Point bulk coal loading facility near Gladstone, began a five-day stoppage.

Finally, miners at BHP's Appin, Cordeaux and Tower collieries on the NSW South Coast voted to strike for five days, beginning on October 18, after rejecting a company offer for a 10 percent increase over three years. BHP's offer was attached to productivity trade-offs, including 12-hour shifts and the elimination of 22 jobs across the three mines.

The industrial action has been accompanied by militant posturing by the leaders of the mining division of the Construction Forestry Mining and Energy Union (CFMEU), who call the campaign “pattern bargaining” and claim that it represents a return to unified campaigns and common work agreements covering all mine workers.

Yet the industrial action has been called at a number of mines simultaneously only because individual enterprise agreements happened to terminate at the same time. At least five other BHP mines have been excluded from the campaign because their work agreements are still in force.

At the beginning of the campaign, CFMEU president Tony Maher told a mass meeting of NSW South Coast miners that he was furious BHP had refused to withdraw a log of claims that included further downsizing and sweeping changes to work practices.

Referring to BHP's recent attempt to introduce non-

union contracts at its iron ore mines in the Pilbara, Western Australia, Maher told the meeting: “BHP were bastards then and they are bastards now.” As evidence, Maher presented figures showing that over the past two years BHP has cut its national coal-mining workforce by 38.4 percent, destroying 2,143 jobs, and increased output per man by 54 percent. Over this period, BHP Coal recorded a record \$1.8 billion profit.

What Maher failed to say was that the union has collaborated in the assault on jobs and working conditions. Over the same two years, the CFMEU leadership negotiated cost-cutting enterprise agreements with BHP, allowing it to close pits, downsize the workforce and inflict heavier workloads on miners.

Only last year the CFMEU imposed a “survival agreement” on workers at BHP's South Coast pits, claiming that job cuts had to be accepted and working conditions surrendered. Otherwise, the union argued, the company would close down the mines. The agreement allowed BHP to dismiss its entire South Coast underground workforce and re-hire the retrenched workers as casual or contract labour.

In previous years, the union had negotiated a “framework” agreement with BHP that exempted the company from national strike action. The CFMEU leaders insisted that unlike other mining companies, such as Rio Tinto, BHP was a “union-friendly” company.

BHP is now demanding more. Its spokesman Ian Dymock said last week that the company had “merely caught up with the pack” and “now needed greater improvements and flexibilities to allow us to continue effectively”.

The present campaign does not represent a break with the CFMEU's past record. Fearing that BHP may move

to individual non-union contracts in its coal facilities, the union leadership is conducting a carefully orchestrated manoeuvre. On the one hand, it needs to placate the growing hostility of the miners over the loss of jobs and conditions. On the other hand, it must convince BHP that the union remains the best means through which the company can achieve its requirements.

Maher revealed the union's nervousness about rank and file anger when he told the *Sydney Morning Herald* that with BHP demanding 12-hour shifts across the board, “you can understand why BHP miners are hopping mad”. In fact, 12-hour shifts, hated and opposed by mine workers for years, have already been imposed in scores of mines with the support of the union.

The union leaders will not oppose further downsizing. The union's log of claims specifies that job shedding can proceed, provided it is on the basis of seniority and negotiated through the union. In response to BHP's latest move to axe 22 jobs at its South Coast pits, a CFMEU spokesman said: “The union cannot do anything to stop it.”

The union has also announced a deal with BHP's main rival, Rio Tinto, bringing an end to a three-year dispute at two of its coal mines in the Hunter Valley. The agreement will allow the merger of the Hunter Valley No 1 and Howich open cut mines and sweeping changes to working conditions in return for a 12 percent pay rise and continuing union coverage.

The company will be permitted to hire from the union-controlled labour pool on the basis of “merit” rather than on seniority, a practice that the union swore to oppose. The agreement extends the present high levels of multi-skilling and cuts idle time by allowing miners to be redirected to perform other duties during equipment breakdowns lasting more than four days.

The agreement will assist Rio Tinto to further reduce the 300-strong combined workforce at the two mines. The company will be permitted to hire a greater number of contractors, casual or temporary workers in periods of heavy workload and to cover absences caused by holidays or sickness.

Tony Maher claimed a victory because Rio Tinto had backed off plans to introduce non-union individual work contracts and had decided to work more closely with the union. In reality, mining employers are hailing

the agreement. The *Newcastle Herald* has described it as “a new benchmark for the entire coal industry”.



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