

Mobil plans strike-breaking operation at Adelaide refinery

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The Australian Manufacturing Workers Union launched legal action on April 17 in a bid to stop Mobil Australia from continuing to organise a strike-breaking workforce for its Port Stanvac refinery in Adelaide, South Australia. The AMWU's action followed a report in the *Australian* newspaper on April 12 that Mobil was using a Sydney-based company to prepare strike-breakers for use in the event of an industrial dispute with maintenance workers.

According to the *Australian*, the recruitment agency advertised for workers two months ago and was training them at a secret location in western Sydney. The men were being paid \$800 a week while in training and would receive \$1,400 a week plus overtime when they began duties at the refinery. Applicants were informed that they would be involved in “crossing picket lines and union busting”.

Mobil spokesman Alan Bailey denied the claims but said the company “had to take certain precautions to ensure we can maintain our operations if industrial action is taken”.

Negotiations over a new union contract at Port Stanvac became deadlocked earlier this month after workers rejected a company plan to slash the maintenance workforce from 31 to 12. While talks have been in progress with the AMWU since February, Mobil only recently tabled its job cut proposal, suggesting that it had been holding off until its “contingency plans” were ready.

The present union agreement expired on April 16. Under the federal government's Workplace Relations Act, the workers can now legally take industrial action. Any lockout by Mobil will also be a “protected action” under Act.

On April 17 the AMWU wrote to Mobil managing director Robert Courtney Olsen accusing the company

of planning to provoke “massive and unnecessary industrial action” that “clearly involves a lockout for a substantial period of time”. Earlier, AMWU national secretary Doug Cameron told ABC radio that the union knew of plans for “four multi-skilled teams to be helicoptered into the Mobil plant after Easter”.

Federal Workplace Relations Minister Tony Abbott has so far declined to comment publicly on the dispute. His spokeswoman said he “would not comment on every union paranoia that's about”. Given the continuing market pressure on the government to push ahead with its stalled industrial relations “reform” program, however, and Abbott's recent elevation to the portfolio, government involvement in the Mobil affair cannot be ruled out.

Abbott has a history of anti-working class actions, including introducing tough measures against the unemployed when he was Employment Services Minister, and may well be looking to make an early mark in the industrial relations arena.

In 1998, Abbott's predecessor Peter Reith backed a similar strike-breaking operation on the waterfront by Patrick Stevedoring, designed to pave the way for widespread use of contracted non-union labour, job cuts throughout key industries and far-reaching changes to work practices. The company sacked its 1,400 workers and replaced them with secretly-trained non-union contractors.

Patrick's military-style operation, using a small army of hooded security guards accompanied by dogs to drive waterfront workers from the docks in the middle of the night, provoked outrage among working people. Mass pickets developed at Patrick terminals around the country despite attempts by the union leadership to contain the situation.

This unexpected opposition created a sharp political

crisis for the government, which had counted on the inaction of the trade union leadership to gain a swift victory. The government's problems deepened when it was revealed that it had conspired with Patrick to breach the anti-discrimination provisions of its own Workplace Relations Act by backing the company's exclusion of unionists from the workplace.

The ensuing debacle required the intervention of the Federal and High Courts. They ordered the reinstatement of the sacked workers and, in effect, instructed the company to enter discussions with the Maritime Union of Australia to end the dispute.

While the Australian Council of Trade Unions (ACTU) hailed the outcome as a major victory for waterfront workers, the negotiations delivered the sweeping changes and productivity increases sought by the company and the government. Patrick was permitted to shed half its workforce and vastly increase the use of contract and casual labour. Crane rates were soon driven up from 18 to a new benchmark of 25 containers an hour.

The *Australian Financial Review* recently reported that Patrick managing director Chris Corrigan, who instigated the 1998 operation, "is achieving record crane rates and ship turnaround times for a fraction of the labour costs the company used to incur". The five-port average crane rate now stands at 25.5 containers an hour.

In the wake of the developments at Mobil, the AMWU has stated it will not compromise on job numbers at the refinery, claiming the cuts would endanger safety at the plant. Yet, national secretary Cameron declared there was scope for a "negotiated settlement". Cameron said he was staggered when employers "used sledgehammers to crack nuts". In other words, the company's covert measures were an overreaction when it could more easily achieve its demands via the union.

The AMWU has no fundamental objection to either job losses or the reduction of working conditions. Over the past five years, with Cameron playing a leading role, the union has overseen the reduction or elimination of in-house maintenance workforces at major companies throughout the country.

In 1995, the AMWU joined with other unions to head off a struggle by workers when Kellogg sacked its entire maintenance workforce at the Botany plant in

Sydney. The unions quickly came to an arrangement with the company, allowing the retrenchments to proceed, in return for union coverage of the contract workers hired to replace the dismissed workers.

During 1995-96, the AMWU carried out similar operations in Victoria at Kraft, Nestles and ACI Glass, as the companies eliminated hundreds of maintenance jobs. In each case, the unions contained and then suppressed workers' initial opposition and rapidly came to an accommodation with the companies. These betrayals opened the door for a continuing drive by employers to terminate permanent maintenance jobs.

Mobil is undoubtedly conscious of this history and may be banking on a union-assisted outcome in Adelaide. Mobil spokesman Bailey welcomed Cameron's offer last week to fly to Adelaide for negotiations, saying that a "settlement was still possible depending on the mindset they (the unions) bring to the negotiations".

The company "would be prepared to consider fewer redundancies" if the union was willing to "explore alternatives to meet the desired outcome". That is, the union must agree to deliver the required reduction in operating costs, including job losses, speed-up and the elimination of working conditions.

Since Cameron made his offer to enter discussions with the company, the issue has faded from the pages of the media. While he is due to attend a compulsory conference in the Australian Relations Commission this week, both Cameron and the management are maintaining a public silence about their negotiations. All of this indicates that the AMWU is working behind the scenes to put together a deal that will, to all intents and purposes, deliver Mobil's demands.



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