

Australia: Labor's punitive industrial legislation in action

Noel Holt, SEP candidate for Newcastle
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Months after a settlement was reached in a dispute at Woodside Petroleum's \$12 billion Pluto gas project in Western Australia, hundreds of workers are facing huge fines for taking industrial action to defend their basic conditions.

The 1,500 workers went on strike for eight days in January to oppose Woodside's plan to end housing in individual units or "dongas" and to impose a system of "motelling" at the company's Gap Ridge village in Karratha. The issue of stable accommodation is an important one for workers in the remote Pilbara region, who fly in, work long shifts and then fly out.

Workers were stunned when they received letters from their lawyer this week informing them that the Chamber of Commerce and Industry Western Australian (CCIWA) representing 13 contracting companies on the Pluto project was proceeding with legal action in the Federal Court. Workers face individual fines of \$28,000 and hefty court costs.

On Tuesday, Federal Court judge Neil McKerracher dismissed attempts to stop the legal action on the grounds that the papers had not been properly served. In many cases, notices to workers had been jammed under doors or pushed through windows.

The CCIWA's action rests on the federal Labor government's Fair Work Australia (FWA) legislation, which bans all industrial action outside of the narrow period of enterprise contract bargaining. As industrial relations minister, Prime Minister Julia Gillard was responsible for drawing up the draconian FWA laws.

The case is part of an ongoing campaign by Woodside and employers backed by the federal Labor government to severely punish the Pluto workers for striking. Its purpose is to send a warning to workers throughout Woodside's

operations and more generally in the key mineral sector that industrial action will not be tolerated.

Woodside is desperate to complete projects and boost capacity to take advantage of high prices for gas and petroleum. Recent research by the company Sanford C. Bernstein predicted that the worldwide LNG consumption could increase to 300 million tonnes a year in 2015 from 180 million tonnes in 2009. "This makes the market window for the start up of new projects in 2014-2015 attractive in our view and strongly supports our positive outlook on Australian LNG," Bernstein analyst Neil Beveridge said.

Last month's ousting of former prime minister Kevin Rudd by Gillard was directly at the behest of the major mining corporations, which bitterly opposed his government's attempt to impose a limited extra tax on their profits. The Australian economy rests heavily on the mining sector and LNG is regarded as potentially being a leading new export industry.

From the outset, Woodside and its primary contractor on the Pluto site, Foster Wheeler Worley, received the unstinting backing of the Labor government. The FWA tribunal declared the strike "illegal" and issued a return-to-work order just one day after it erupted.

After workers defied the order, Industrial Relations Minister Gillard encouraged employers to take legal action against the strikers. She issued a statement warning that "the workers involved face steep penalties under Australia's workplace relations laws." Restating Labor's stance, Gillard declared: "The taking of such action is completely unacceptable."

The CCIWA immediately sought injunctions in the Federal Court against the strikers on the grounds that their action had been ruled illegal by the FWA tribunal. Its ruling is the underpinning of the current case against Pluto

workers.

In response to complaints by employers that the legal processes to end the strike had been too slow, Gillard promised to take a tough line against “unlawful” strikes. She told the National Press Club on February 24: “People should expect to be punished; they should expect to feel the full force of the law; no apologies, no excuses, full stop.”

The CCIWA’s decision to proceed with legal action against the Pluto workers in the midst of the current election campaign is to send another message that the mining companies expect stronger measures from the next government in policing workers. Business leaders are far from happy that neither Labor nor the opposition Coalition headed by Liberal leader Tony Abbott have made further industrial relations “reform”—that is, even more repressive laws—an election issue.

Earlier this month, Australian Chamber of Commerce & Industry’s chief executive Peter Anderson told the media: “The failure by both Tony Abbott and Julia Gillard to contemplate necessary workplace reform is going to hold our economic development back.” He warned that employers “are disappointed that the government has not accepted that the implementation of its laws will require legislative change over the course of the next three years”.

Throughout the Pluto dispute, the trade unions—including the Construction Forestry Mining and Energy Union (CFMEU) and the Communications Electrical and Plumbing Union (CEPU)—have played a central role in policing workers. Far from challenging the FWA legislation, the unions backed its implementation and have used the laws to intimidate and discipline workers.

Having failed to prevent the strike going ahead, the unions isolated the dispute to the Pluto site even though the dispute obviously had consequences for broader sections of workers. They justified their refusal to mobilise support from other Woodside workers and across the resources sector by referring to FWA clauses banning secondary boycotts.

Where the courts, employers and the Labor government had failed, the unions managed to engineer an end to the strike by hoodwinking workers into believing that the company had been forced to negotiate in good faith. The unions held talks behind the scenes with the employers and FWA and brokered a deal that delivered the company’s key demands. The agreement did not exclude further legal action against workers.

After notices were served on workers this week, the CFMEU immediately made clear that it had no intention of defending workers. Western Australian branch secretary Kevin Reynolds announced that the unions would be “hard pressed to pay the fines” and advised Pluto workers to seek reduced amounts through mediation slated in September. He warned that workers “could face bankruptcy and even jail” unless they were prepared to reach a mediated arrangement.

The unions are adamantly opposed to any broader struggle in defence of Pluto workers, which would mean a political fight against the FWA legislation and the Labor government. Reynolds even acknowledged this week that “some workers say let’s fight to the end”. His response, however, was to declare: “Well, they can do that but they’ve got to understand what the consequences are.”

Pluto workers must not be left to face the combined assault of the Labor government, the courts and employers by themselves. A broad industrial and political campaign is needed by workers across the resources and mining sector and more widely to fight the CCIWA’s punitive legal action and to oppose Labor’s entire industrial relations regime.

The Socialist Equality Party (SEP) warns in advance that such a campaign will only take place in a conscious rebellion against the trade union apparatus which functions as the industrial policeman for business and the Labor government. That will require new methods of struggle starting with the formation of factory committees led by trusted workers elected by the rank-and-file.

Such a campaign can only go forward on the basis of socialist perspective that fights for a workers’ government to completely reorganise society on the basis of human need, not private profit. This includes the nationalisation of the huge mining corporations under the democratic control of the working class so that the wealth created by the labour of workers can be used to benefit all.

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