

# Australia: Desalination workers challenge attempt to cover up spying affair

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About 1,300 construction workers at a desalination plant site in Wonthaggi, Victoria ended their strike this morning, after walking off the job last Thursday when they learned that the company operating the project had hired a notorious provocateur to spy on them and prepare a backup scab labour force.

Yesterday morning the workers took an important and principled stand when they voted to remain on strike, in defiance of pressure from the trade unions to resume operations. At a mass meeting held on Monday morning on the vast construction site, located about 140 kilometres from Melbourne, about 800 to 1,000 workers responded with anger to union assurances that the cursory investigation commissioned by the company into its covert surveillance operation had found that no serious privacy breaches had been committed.

Workers subsequently told the *World Socialist Web Site* that the officials, from the Construction, Forestry, Mining and Energy Union (CFMEU) and Australian Manufacturing Workers Union (AMWU), were heckled and told to “Get f-----”. The union’s motion to end the strike was rejected by an overwhelming majority—one worker estimated that only about 50 people wanted to resume work. In the ensuing discussion a wide range of issues was canvassed, including long standing grievances with construction company Thiess Degremont such as workplace safety, the treatment of shop stewards and the proper payment of wages. A resolution was passed demanding that Thiess’s plant project director and human resources manager be sacked within 24 hours.

The unions were clearly taken aback by the response. The media was likewise shocked at the workers’ decision to continue their strike. On Sunday evening, prior to the next morning’s mass meeting, the ABC news web site had already updated the situation under the headline “Desal workers end strike after pay talks.” The unions had presented a return to work as a *fait accompli*, declaring that they were satisfied with the company’s investigation, which was reportedly overseen by external consultant Deloitte and the unions’ lawyer Rob Stary. AMWU chief Steve Dargavel declared that the spying operation was the fault of two “rogue managers”. The AWU’s Cesar Melhem insisted he was satisfied that none of his members was spied on. He described the spying/scabbing operation as “amateurish and completely misguided” and said,

“we are pleased with the outcome and pleased Thiess as an organisation was not supporting this behaviour.”

The unions’ concern was not to uncover the truth about what happened, but to ensure the desalination project resumed as soon as possible, thus demonstrating to the company, and the state Labor government, their vital function as industrial police.

Serious questions remain unanswered. Thiess’s claim that no-one other than two site managers knew about “Project Pluto” is, to say the least, highly implausible. Townsend’s services, utilised between March and June, reportedly cost the company \$500,000 and was initially budgeted in the millions of dollars. How two lower level managers could supposedly authorise such expenditure independently of senior management has not been explained. It is also unclear whether initial media reports of extensive electronic surveillance, and allegedly illegal breaches of workers’ privacy, including their tax file numbers, were accurate or not.

At the mass meeting this morning, where the workers voted to return to work, the unions declared that the company had agreed to the demand to sack, rather than merely suspend, the project director and human resources manager. Details are still emerging as to what other assurances were provided to the workers.

Several spoke with the WSWs before the meeting and expressed their anger over the situation. “This is outrageous,” a member of the Electrical Trades Union (ETU) said. “I don’t believe a word from the company—how can you—it’s really serious. We are being used as a test case in the industry. I don’t care what the company says, this is not on and we have to make it clear that we are not going to allow it. It shouldn’t be allowed anywhere ... What are you supposed to do if you have a wife and kids and this company has people spying on their phone calls and our emails are bugged?”

A CFMEU member added: “This is a political issue. Thiess think they can come in here and treat us like garbage. They talk about rorts, but Thiess is working with a career criminal to try and destroy our rights in the workplace. It’s not on. Murdoch is involved and probably the government. Only an idiot would believe the company about this.”

An AMWU member with 45 years experience in the industry said yesterday that he had “never before seen this sort of behaviour from a company”. He added: “What they’ve done is immoral, we’ve been violated. This has left a very bitter taste. The meeting [yesterday morning] was very volatile. There was a lot of pent up frustration and the boys weren’t happy with what the union organisers put forward.” He condemned the earlier spying operation on anti-desalination plant protesters by Victorian police and the company. “That was wrong,” he said. “We’re now the by-products of the second step in this spying.”

The Murdoch press has its own agenda. It is using the spying operation and the resultant Wonthaggi dispute to exert even greater pressure for a coordinated government-corporate assault on wages and conditions in the construction industry.

The *Australian* newspaper, having initially revealed the corporate spying project (apparently after being tipped off by a “Project Pluto” insider who had an axe to grind with Bruce Townsend), is now playing up unfounded allegations of “rorts” involving allegedly improper union influence over who was hired to work on the site. A feature article yesterday declared: “in the desperation of Thiess and Premier John Brumby to get the controversial desal plant back on track so that the company and the Labor Party do not suffer more financial and political pain, the biggest risk is that the allegations of union rorts will be put on the back-burner.”

The real issue that the Murdoch press wants put on the “front-burner” is what it regards as the excessive wages being earned in the construction industry.

Particularly in Victoria, the last decade has seen a building industry boom, partly driven by a speculative bubble in the property market that is yet to burst. In other states, the mining industry has fuelled rapid growth. The CFMEU and ETU have striven, on behalf of the major construction companies, to prevent industrial unrest in return for a steady and lucrative flow of funds, including through their own for-profit industry investments via the CBUS superannuation fund. At the same time, sections of building workers have been able to win improvements in their wages and conditions.

For the ruling elite, this situation is no longer tenable. The latest stage of the global economic crisis is seeing national governments in Europe and internationally impose savage austerity measures against the working class, including mass public sector layoffs and cuts to social services. The federal Labor government of Prime Minister Julia Gillard has been told in no uncertain terms that precisely the same measures must now be imposed in Australia, in order to maintain the economy’s “international competitiveness”—i.e., its high rates of profit.

In Greece, France, and other European countries, the campaign to lower wages and destroy pensions and other entitlements in the public sector has involved attempts by the gutter press to incite

resentment against a supposedly “privileged” section of the working class.

In like manner, the Murdoch press is now slandering construction workers. In the *Australian* today, economics editor Michael Stutchbury crudely tried to pit lowly paid employees in the social and community sector, mostly women, against workers in the building industry. “Union muscle at a Victorian desalination plant will widen the gender wage gap,” he thundered. “Revelations that Thiess has used a notorious anti-union strike breaker at the Victorian government’s \$5bn desalination plant site is really a reminder that many of these big construction projects remain a ‘war zone’... [ETU state secretary] Dean Mighell’s union muscle has helped plumbing and electrical tradesmen earn as much as \$220,000 a year at the desal plant. That’s setting a cracking resources boom wages pace and widening the gender wage gap more than supposed sex discrimination.”

Part of the media campaign involves the demand that the Gillard government maintains all of the Australian Building and Construction Commission’s (ABCC) draconian powers when the agency is eventually renamed and incorporated into Labor’s misnamed “Fair Work Australia”. The ABCC was created by the former Howard government and retained by Labor after it came to office in 2007. The industry “watchdog” enjoys extraordinary and antidemocratic powers. It can interrogate workers, subpoena internal documents, issue multi-million dollar fines and threaten imprisonment for anyone who refuses to cooperate.

While Gillard has made clear her determination to retain a “strong cop on the beat” in the building industry, she has promised to formally abolish the ABCC by transferring its authority to an agency of Fair Work Australia. But exactly which of the agency’s powers will be retained or modified remains unclear, with big business and the media demanding that there be no watering down of the body’s punitive capacity. Opposition workplace relations spokesman Eric Abetz declared that Thiess’s spying operation highlighted the “deterioration of the industrial relations climate” and the need for the ABCC to remain operating.

The ABCC is currently investigating the allegedly unlawful strike action by the desalination workers and may bring charges. Agency chief Leigh Johns told the *Australian* today: “The ABCC is aware of the failure of workers to return to work at the desal plant in Victoria and of what appears to be sympathy unlawful industrial action at other Thiess sites in Victoria, Queensland and NSW. The ABCC is closely monitoring the situation and investigations are continuing.”



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