

# Steel unions appeal for deal to impose BlueScope sackings

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27 August 2011

As the scale and impact of BlueScope Steel's destruction of more than 1,400 jobs becomes clearer, the steel industry trade unions are anxiously appealing to the company to improve its redundancy packages in a bid to head off the anger among workers and their families, and implement the job cuts without a potentially explosive struggle.

Far from fighting the job cuts—which will devastate the working class communities of Wollongong in New South Wales and Hastings in Victoria—the unions hope to convince BlueScope to offer more money for “voluntary redundancies” to eliminate the jobs. By boosting the payouts, the unions aim to entice enough individual workers to quit so that the company can achieve its target without outright sackings.

As they have done since the 1980s, the unions are working closely with management and the government to deliver an “orderly closure” of sections of the steel plants, at the expense of the jobs and the future of younger generations. It is precisely through these methods that more than 30,000 jobs have been eliminated in the steel industry over the past three decades.

Unions are due to enter further backroom negotiations with BlueScope over redundancy packages on Monday, even as workers receive retrenchment letters and further details emerge of the extent of the sackings. Not just steel workers but many others in associated industries will be thrown on the scrapheap with little or no chance of finding alternative work if the company and the unions succeed in eliminating the steel jobs—whether “voluntarily” or not.

In Wollongong, it became known on Thursday that another 200 jobs would be destroyed at the Port Kembla

wharves because BlueScope is terminating steel exports. This is on top of the loss of at least 1,130 jobs in the steelworks itself, including those of 330 contractors. At Hastings, workers told the WSWS yesterday that far more than 300 jobs associated with the hot strip mill would go, including at least 30 contracting positions, and that there would be further restructuring across the plant.

Across both steel plants, the management is creating fear and uncertainty by refusing to clarify exactly how many jobs are to be eliminated in various sections. Hundreds of employees have received company letters asking them to sign a redundancy “expression of interest” form by September 9.

Anger over the widening fallout has been intensified by the announcement by the former owner of the BlueScope plants, BHP Billiton, that it made a record net profit of \$22.5 billion last financial year.

The corporation has offered jobs in its mining operation to those that have lost them in BlueScope, but this will mean uprooting families to work thousands of kilometres away in the remote northwest of Australia. There is nothing magnanimous about the offer—BHP will use the BlueScope workers to end the “skills shortage” in its mines and to batter down the wages and conditions of the existing workforce.

Union officials yesterday told the *Illawarra Mercury*, the daily Fairfax newspaper in Wollongong, that they still believed they could convince the company to give redundant workers four weeks' pay for every year of service, instead of the offer of 2.5 weeks, as well as 14 weeks' pay, plus a \$5,000 cash payment. Australian Workers Union (AWU) official Wayne Phillips said the redundancy deal being sought was the same offer to BHP

employees when it closed the steelworks in Newcastle, another major industrial centre in NSW, in 1999.

Just as the unions assisted BHP—via bigger redundancy payouts—to shut down the entire Newcastle plant at the cost of thousands of jobs, they are scrambling to do the same in Wollongong and Hastings.

Phillips told the *Mercury* that if BlueScope could not “get enough volunteers and we do go to a forced situation” the unions would insist that those forcibly retrenched be paid the equivalent of the “voluntary” redundancy package. As his statement makes clear, the unions also stand ready to impose forced retrenchments.

Having known of the company’s plans well in advance, union bureaucrats, aided by the *Mercury* and other capitalist media outlets, are now trying to present their redundancy pleas as a militant stand. According to today’s *Mercury*, the unions “are at loggerheads with BlueScope Steel representatives” and threatening to hold a mass protest at Wollongong’s WIN Entertainment Centre next week unless the company improves its redundancy offer.

The unions are cynically using the prospect of a protest rally to dissipate anger among steel workers. No mass meetings of workers have been held in either Wollongong or Hastings to discuss the sackings, let alone to carry out a campaign against them. Instead, small meetings of union delegates have been called to back the union’s redundancy pay plea.

Officials from the AWU, Australian Manufacturing Workers Union (AMWU) and Electrical Trades Union conducted what the *Mercury* described as a “heated” delegates’ meeting in Wollongong on Thursday afternoon. Ultimately, according to the newspaper, “delegates from three unions agreed to call on the company to put on hold any actions related to the restructure until more consultations had taken place.”

While union officials welcomed the corporate media, including WIN News, into the delegates’ meeting—in order to broadcast their pleas to the company—they refused to allow the WSWS to report on the discussion. Several officials threatened violence against WSWS reporters unless they left the premises.

The union bureaucrats bitterly denounced the WSWS team for distributing copies of the Socialist Equality Party’s statement, “Oppose the BlueScope sackings! Fight for a socialist strategy to defend steel and manufacturing jobs”.

The SEP statement explained that in order to defend their jobs and communities, BlueScope workers had to form independent rank-and-file committees and turn out to other sections of the working class facing similar attacks on the basis of the fight for a socialist program and a workers’ government.

Taking its cue from the anti-Chinese chauvinism of the unions, the *Mercury* pushed the same economic nationalism, blaming the job cuts on Chinese imports. Its front page on Thursday had a huge headline, “Made in China.” It reported that a new grandstand at the city’s football stadium was being built with 40 percent of its steel imported from China. The newspaper’s editorial endorsed calls by the unions and local Labor MPs for greater government subsidies for steel companies and for protectionist schemes to compel major construction projects to use BlueScope-made steel.

These nationalist proposals are designed to subordinate workers to the profit interests of BlueScope, divide Australian workers from their fellow workers in China and internationally, and obscure the real source of the intensifying global destruction of jobs and working conditions in the wake of the 2008-09 financial crash—the profit system itself. The reality is that the assault on jobs can be answered only in the fight for a socialist and internationalist perspective.



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