Australian coal miners strike over safety, wages and conditions

Richard Phillips 20 February 2012

Up to 4,000 miners at seven BHP-Billiton Mitsubishi Alliance (BMA) coal mines in Queensland's Bowen Basin remain on strike after walking off the job on February 15 at the Norwich Park, Saraji, Peak Downs, Blackwater, Gregory Crinum and Goonyella pits.

The seven-day strike, the longest by BMA miners in more than a decade, is over a new enterprise agreement (EA). It involves members of the Construction Forestry Mining and Energy Union (CFMEU), the Australian Manufacturing Workers Union, and the Communications, Electrical and Plumbing Union. The EA negotiations began in 2010.

Protest pickets have been established outside the Saraji, Peak Downs, Goonyella Riverside and Blackwater mines. Rolling strikes and bans are expected at all seven pits following a return to work on Wednesday.

The Bowen Basin, which extends over 60,000 square kilometres of central Queensland, is one of the richest sources of high-grade coking coal in the world and has 47 operating mines.

BMA pits currently produce a million tonnes of coking coal per week, or about one fifth of the world's coking coal. Last year BHP-Billiton, the largest mining corporation in the world, posted a \$23 billion profit, much of it from coking coal and iron ore exports to China. It recently announced a \$9 billion profit for the first half of the 2011-12 financial year.

BMA has offered annual pay rises of 5 percent over three years—far below the cost of living increases in mining communities—and a \$15,000 bonus for each worker. The 'offer' is tied to a range of cost-cutting tradeoffs that boost productivity, reduce working conditions and seriously compromise safety.

The unions want three breaks for workers on 12-hour shifts rather than the present two, equal pay for labour-

hire workers, protections for permanent workers displaced by contractors, increased superannuation, improved housing, and maintenance of existing health and safety conditions.

BMA is insisting that it appoint health and safety officers, not the unions. Australian Manufacturing Workers Union assistant state secretary Rohan Webb told the media that BMA's health and safety agenda was "a cost-cutting proposal that moves responsibility for safety from the coal face to the management back office."

Safety is clearly a major issue in Australia's mining industry. BMA miners voted 99 percent for strike action. Thirty-five workers were killed between 2005 and 2010. This included two fatalities in the Bowen Basin during the last six months of 2010. In fact, the highest number of deaths in Australian mines in the past two decades occurred at BHP's Moura No 2 pit in the Bowen Basin, where 11 men were killed in a gas explosion in 1994.

BMA has categorically rejected union demands, describing them as "productivity-destroying". BMA senior executive Steve Dumble brushed aside workers' safety concerns, telling the media that they had "absolutely no basis" and were "mired in the past".

CFMEU Mining and Energy Division general secretary Andrew Vickers responded that the strike was about forcing BMA "to deliver better, safer, more secure jobs to Australian workers." He added demagogically: "Are we going to let mining companies drive down workplace conditions as they ramp up production, expand their operations and rake in record profits?"

Vickers' comments are bluster, designed to obscure the real record of the union, which have systematically collaborated with the mining companies and managements over the past three decades. The unions endorsed extended shifts, increasing use of contractors and part-time labour, and other deals that destroyed hard-won working conditions and safety standards.

Along with the long-running BMA dispute, about 30 percent of current Australian mining industry enterprise agreements have or are about to expire or be renegotiated. Union officials are determined to ensure that BMA coal miners remain separated from other workers in the lucrative industry. This is demonstrated by the fact that the unions have isolated the BMA strikers from other miners in the Bowen Basin, as well as from about 100 coal terminal workers in Port Kembla on the New South Wales south coast. CFMEU members are involved in rolling strike action over their enterprise agreement at Port Kembla Coal Terminal, which is managed and part-owned by BHP-Billiton.

While the coal terminal management has refused to guarantee existing conditions for future employees, CFMEU officials in Port Kembla have agreed to move 50,000 tonnes of coking coal for the Peabody mining company. Union officials also told the media they were "not opposed" to the company using the federal Labor government's restrictive Fair Work Australia industrial relations regime to "arbitrate" the long-running dispute.

BHP-Billiton and other major employers are demanding that the Fair Work legislation prohibit virtually all forms of industrial action. BHP-Billiton's submission to the Gillard government's current Fair Work Act review calls for reintroduction of statutory individual agreements for high income earners and removal of the default or automatic status of unions as enterprise bargaining representatives in negotiations. The company also wants even tougher rules before legally protected strikes can occur and new enterprise agreements arbitrated if negotiations are not resolved within a certain period.

Notwithstanding their occasional verbal flourishes against the mining corporations, the unions will police whatever modifications are made by the federal Labor government to Fair Work Australia. The Gillard government is fully backing the restructuring drive by employers throughout the economy to boost productivity and profits and, with the assistance of the unions, will do the same against miners in the Bowen Basin.



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