

Australian coal loader workers continue industrial action

Richard Phillips
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About 100 Port Kembla Coal Terminal (PKCT) employees are maintaining industrial action following a breakdown in talks on Friday at a Fair Work Australia hearing over a new enterprise agreement.

The terminal employees, who are members of the Construction Forestry Mining and Energy Union (CFMEU), resumed work yesterday, after a seven-day walkout, but are striking today for 48 hours. The union is seeking annual 4.5 percent wage increases, job security and the maintenance of existing conditions for current and future employees during the 3½-year agreement. Another 48-hour strike is planned for February 12 and 13.

PKCT has offered 4.3 percent pay rises but refused to withdraw its demand that various positions, including middle management and contractors, not be covered by any future enterprise bargaining agreement (EBA). CFMEU delegates met on Monday and rejected PKCT claims. Workers told the *World Socialist Web Site* this week that management's "revised" EBA was worse than previous versions.

Located about 70 kilometres south of Sydney, PKCT is jointly leased by several giant mining companies—BHP Billiton, Gujarat NRE Minerals, Peabody Energy, Centennial Coal and Xstrata—and managed by BHP Billiton. The facility exports about 14 million metric tonnes of high-grade coking and steaming coal a year. Coking coal is currently selling at over \$300 a tonne.

PKCT is a key component in Australia's multi-billion dollar mining industry, which is reaping massive profits from the sale of iron ore and coking coal to China, India and the rest of Asia.

In the midst of the global economic crisis, the Australian economy is heavily dependent on the mining, particularly of coal and iron ore, to prevent a slide into recession. Mining

exports were worth \$155 billion in 2011, and comprised 52.8 percent of total exports and were equivalent to 11.4 percent of gross domestic product.

As a result, it is critical for Australian capitalism to expand coal and iron ore exports, lower labour costs and drive up productivity. There is no doubt that the assault on coal loader workers and coal miners is backed by the federal Labor government as part of its drive to restructure other sections of industry to boost "international competitiveness" and profits.

Far from opposing this drive, the unions are essential to its enforcement. As the last PKCT enterprise agreement imposed by the CFMEU states: "The Parties agree that fundamental to the future success of the Port Kembla Coal Terminal is an ongoing focus on, and supporting actions to improve, the cost competitiveness of the operations."

The union deal, like others throughout Australian industry, includes a commitment to "control costs and efficiency of operations"—in other words, a pledge to ongoing labour restructuring to boost profits. The main aim of the CFMEU is to ensure that it retains its role as industrial enforcer by insisting the EBA cover all workers.

Similar issues face workers in central Queensland's Bowen Basin. Strike action at the Port Kembla terminal began as over 3,500 coal miners at seven pits in Queensland voted overwhelmingly last week to walkout over their EBA.

The mines—Goonyella Riverside, Broadmeadow, Peak Downs, Saraji, Norwich Park, Gregory Crinum and Blackwater—produce 53 million tonnes of coal a year and are owned and operated by the BHP-Billiton Mitsubishi Alliance (BMA). The dispute involves members of the Australian Manufacturing Workers Union, Electrical Trades Union and CFMEU. The current EBA expired in May 2010, leading to walkouts and bans during 2011. A joint union

committee will decide over the next fortnight when the new strikes will commence.

BMA has offered annual pay rises of 5 percent over three years and a \$15,000 bonus for each worker but with various trade-offs. The Bowen Basin miners want three breaks for workers on 12-hour shifts rather than the present two, EBA conditions for contractors, and maintenance of existing health and safety conditions.

BMA has rejected these demands, describing them as “productivity-destroying”, and insisted that health and safety should be determined by its own supervisors. It provocatively claimed this week that miners were using safety to “justify” industrial action.

Senior executive Steve Dumble told the media: “Such safety claims have absolutely no basis and are mired in the past ... Make no mistake, this is an industrial agenda and is about union benefits and union job security and not about safety.”

Thirty-five workers have been killed in the Australian mining industry between 2005 and 2010. BHP, moreover, is notorious for its disdain over basic health and safety.

In August 1994, 11 miners were killed by a gas blast at the Moura No 2 underground pit in the Bowen Basin. A government inquiry found that the company had sent the miners underground knowing that conditions were dangerous and unstable. It was the third underground gas explosion involving major loss of life in the region. While the mining union served on the inquiry, no charges were brought against the company.

Dumble also declared that BMA would not compromise on providing contractors with the same EBA conditions as permanent employees. To drive home this message yesterday, BMA threatened to close its Norwich Park colliery with the loss of 300 jobs if Bowen Basin miners walked out on strike.

Miners have told the media that BMA managers are attempting to drive up productivity and lower labour costs by pressuring some employees to do multiple 12-hour night shifts, creating serious fatigue and threatening safety.

These increasing productivity demands are behind management dictates at the Port Kembla Coal Terminal. Last year, PKCT announced plans to dramatically increase coal exports from the facility to about 30 million tonnes per year

by 2015. This is to occur, it claims, through “operational improvements” and “infrastructure expansion”. Management clearly regards terminal employees’ demands for the maintenance of existing conditions for all current and future employees as a barrier to its productivity requirements.

As one PKCT worker told the *World Socialist Web Site* yesterday, “It is not about the money. It’s about job security and what our situation is going to be in the future ...

“There used to be 400 blokes working here about ten years ago but now it’s down to about 100. On top of that the company wants to double productivity over the next three years.

“How’s that going to happen? That’s why PKCT wants people on contract and on downgraded conditions—they want to lower labour costs.”

Another worker said: “A lot of positions and conditions are being eroded away by the new people that are being brought in—contractors and full-time people—to fill jobs that historically have been traditionally done by PKCT workers. The company might be planning to expand but it wants to undermine the conditions of these people. We’re not happy with this agenda and are determined to stick together and beat this.”

Despite the similarity of the Port Kembla and Queensland disputes, the unions ensure that any industrial action remains within the highly restrictive framework of the Gillard government’s Fair Work legislation, which outlaws virtually all strikes. No joint action is proposed, as that would bring workers directly into conflict with the Labor government and its anti-democratic laws.



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