

Australia: Police attack picketing building workers

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In what business leaders have declared a “major test” of industrial relations, more than 200 police in riot gear were dispatched on Tuesday in a bid to break a construction workers’ picket line outside a large building project in Melbourne. Police horses were used against picketing workers and capsicum spray was fired at them, before workers pushed the police contingent back.

Several hundred workers from other construction sites had downed tools and rushed to the Grocon company’s Myer-Colonial First site after being alerted that police were mustering to escort management personnel and other workers through the picket line.

The police violence sparked solidarity meetings on Grocon and other major construction sites in Sydney and Brisbane, where hundreds of workers from the Abigroup Children’s Hospital project marched through the city yesterday. In the face of this anger, building industry trade union leaders have threatened to call a state-wide strike in Victoria if police try to break the Melbourne picket line again.

Grocon escalated the dispute last week by obtaining an order in the Victorian Supreme Court banning picketing at four of its projects. The Construction Forestry Mining and Energy Union (CFMEU) has accused the company of provoking the conflict by reneging on a deal, as part of a four-year enterprise agreement signed in June, for the union to nominate health and safety delegates on the site.

Health and safety delegates play a critical role, because they can authorise legal stoppages in the dangerous building industry in the event of a safety violation or imminent risk. Such stoppages are the only form of industrial action permitted under the Labor government’s Fair Work legislation, except for during limited enterprise bargaining periods.

“We thought we had solved the problem in April when [Grocon chief executive] Daniel Grollo shook hands with CFMEU leaders on a deal,” the union stated on its web site yesterday.

CFMEU official John Setka told the *Melbourne Age* yesterday that when the deal was signed, there was an understanding that the company and the union would sit down about the issue of delegates and find “mutually acceptable people, good for the business.” He told the *Herald Sun*, “Everyone has realised the unions and builders have to work together...why would we try to bite the hands that feeds us?”

Setka’s comments underscore the basic anxiety of the union: that Grocon has disrupted mutually-beneficial arrangements between the union and the company, whereby the union would help ensure profitable projects.

Grollo, the Grocon boss, has worked closely with the building unions for a decade, since 2002 when he tried to impose a non-union agreement that was overwhelmingly rejected by workers. It appears that Grocon now may be seeking to spearhead a fresh offensive against building workers, backed by the Labor government and big business groups, under conditions of a slump in the construction industry, and growing signs of an end to the mining boom that has been central to economic growth.

Workplace Relations Minister Bill Shorten lined up behind the company, saying the government did not condone illegal industrial action, and warned that “unlawful action will be met by a strong response from the government.” He also accused workers of threatening violence, saying: “Violence is completely unacceptable in the modern day and age.”

Shorten appealed for a resumption of mediation talks in the government’s Fair Work Australia tribunal. But

he also made it clear that the government had also ensured that its new building industry watchdog, Fair Work Building and Construction (FWBC), would pursue punitive legal action, possibly involving millions of dollars in damages, against union officials and members.

Shorten told the *Australian Financial Review* on Sunday that the FWBC was looking into the case. FWBC chief Leigh Johns said his agency had been investigating the Grocon site and “that investigation may lead to civil penalty proceedings against the CFMEU” that would include “the recovery of economic loss suffered by Grocon or any affected subcontractors.”

The FWBC retains all the punitive powers of the former Howard government’s Australian Building and Construction Commission (ABCC), allowing it to impose heavy fines and jail terms on unions and workers.

Grocon’s intransigence points to its escalation of the dispute being part of a broader agenda being pursued by major employers who are demanding an even tougher industrial regime, far lower labour costs, and absolute company control over all aspects of the workplace, including safety.

On its front page today, the *Australian Financial Review* declared that the dispute was “shaping up as the first major test of the government’s new Fair Work Building and Construction industry regulator and the willingness of police to enforce court orders against picket lines.” Its editorial declared it was “heartening to see the Victorian police yesterday start to do their duty as thuggish tactics once employed by the old Builders Labourers Federation reappeared on the streets of Melbourne.”

The *Australian’s* editorial demanded that both Prime Minister Julia Gillard’s government and the Liberal National opposition led by Tony Abbott commit to much more decisive measures to “improve flexibility, curb union power, reduce business costs and boost productivity.” It insisted: “As police clashed with militant unionists at a construction site in Melbourne yesterday, having to use horses and capsicum spray to restore order, the need for debate on industrial relations reform could not be more urgent.”

For months, business leaders have been demanding a new wave of “workplace reform” in order to bring

wages and conditions into line with those being imposed on workers in Europe, America and internationally under conditions of a deepening economic breakdown. These calls have intensified with much of the Australian economy already in virtual recession—construction activity has declined for 25 months in a row—and major mining projects now being cancelled or deferred because of plunging commodity prices.

Master Builders Australia chief executive Wilhelm Harnisch said the Grocon dispute was clear evidence that industrial relations laws were failing. Australian Mines and Metals Association executive director Minna Knight said “unlawful union conduct” was putting at risk \$260 billion worth of approved resource projects.

While the CFMEU has been forced by Grocon’s actions to organise limited industrial action, the unions have opened the road for this offensive. The CFMEU, along with every other union, endorsed the Labor government’s anti-strike laws, and accepted the retention of the punitive powers of the ABCC. The Building Workers Industrial Union (now part of the CFMEU) worked hand in glove with the last Labor government, that of Hawke and Keating, to deregister the Builders Labourers Federation in 1986, as a means of intimidating construction workers and paving the way for a sweeping assault on workplace rights and conditions

Together with the current Labor government, the building unions are appealing for negotiations with Grocon to shut down the dispute, fearing it may get out of their control. If the government uses its Fair Work laws to impose an arbitrated outcome, as it did during last year when Qantas grounded its fleet to break workers’ opposition to its job-cutting restructuring program, there is no doubt the CFMEU will comply. Like the Qantas dispute, the Grocon struggle signals a far-reaching offensive against the working class.



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