

New Zealand mine disaster inquiry whitewashes government

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The National Party government released the findings of its Royal Commission of Inquiry into the Pike River mine disaster on November 5.

Twenty-nine men died when a methane gas explosion ripped through the mine in November 2010. Their bodies have never been recovered. The Pike River disaster was a crime in which the entire New Zealand ruling elite—business leaders, wealthy shareholders, political parties, media and the unions—was culpable. It was the outcome of the decades-long assault on the conditions, jobs and basic rights of the working class, carried out in the name of the “free market” to achieve “international competitiveness.”

Any serious examination of the real causes of the mine explosion would have exposed that the safety of miners is incompatible with the current socio-economic system, where everything, including human life, is subordinated to the drive to accumulate profit. The Royal Commission, however, was designed to produce the narrowest of conclusions, covering up the political and economic circumstances underpinning the tragedy.

The Commission’s 400-page report, based on testimony from mining experts and workers, concluded that the tragedy “was preventable.” It found that Pike River Coal’s board of directors “did not... protect the workforce from harm” and was “distracted” by “financial and production pressures.” Executive management created a “culture of production before safety... and as a result signs of the risk of an explosion were either not noticed or not responded to.”

Pike River Coal (PRC) sacrificed workers’ safety, and ultimately their lives, by speeding up production and failing to install adequate safety equipment. The company, which was heavily in debt to its investors, proceeded to mine with no suitable emergency exit, inadequate methane drainage and ventilation, and faulty gas sensors. Employees were offered a \$NZ13,000 bonus

to work in dangerous conditions and meet production targets.

The report stated: “There were numerous warnings of a potential catastrophe at Pike River... For months [workers] had reported incidents of excess methane (and many other health and safety problems). In the last 48 days before the explosion there were 21 reports of methane levels reaching explosive volumes, and 27 reports of lesser, but potentially dangerous, volumes. The reports of excess methane continued up to the very morning of the tragedy. The warnings were not heeded.”

Summing up the Commission’s report, Bernie Monk, whose son Michael died in the disaster, told the media: “It was all there and no one picked it up. To me it was all greed.” Nicholas Davidson QC, a lawyer for the families of the dead miners, said the findings made New Zealand’s mining industry “look like a seriously Third World operation.”

The report noted that the Department of Labour (DOL) received repeated warnings about breaches of safety regulations at the mine but did not shut it down. The state regulator had just two mining inspectors at the time of the tragedy. It was woefully under-resourced and unable to properly assess compliance with safety legislation. Since 1992, the DOL has been gutted by successive National and Labour Party governments. Its specialist mines’ inspectorate was dismantled. The requirement for mines to have worker-elected check inspectors was abolished, meaning that workers on mine sites had no independent representative with whom they could raise safety concerns. The mining industry has effectively been allowed to self-regulate safety.

The government is using the Commission’s report to cover up its own culpability and return to business as usual. Prime Minister John Key was forced to admit that PRC “put its profits and its production ahead of the safety and lives of those 29 workers”, but there will be no

criminal prosecution of any of the company's directors or senior managers.

So far, PRC and its CEO Peter Whittall have only been charged with health and safety violations. Whittall has pleaded not guilty to 12 charges and will reappear in court next year. Last month, the contractor VLI Drilling, which operated at the mine, was fined the negligible sum of \$NZ46,800 after pleading guilty to three similar charges. PRC's former CEO Gordon Ward and its board members, including Chairman John Dow, have not been charged with any offence.

The Royal Commission's terms of reference specifically excluded the possibility of criminal prosecutions. The report's preface stated that "its views and conclusions should not be interpreted as determining, or suggesting the determination of, criminal or civil liability of any person."

No one in the National government or the Labour Party will be held accountable for decades of removing "red tape" at the behest of big business, which created the deregulated environment that led to the disaster. In an empty gesture, Kate Wilkinson has resigned her position as Minister of Labour, while keeping her seat in cabinet. Key insisted in parliament that Wilkinson had not contributed to the disaster "through any action or inaction", but that she merely "happened to be the minister responsible at the time." He added that the Commission found that "primary" responsibility for the disaster rested with the company, while the government only had "some" responsibility.

Labour and the Greens have criticised the National Party for refusing to strengthen mining regulations since winning the 2008 election. Their posturing is completely hypocritical. During nine years in office from 1999 to 2008, Labour did not restore the mines inspectorate or worker-elected check inspectors. It allowed Pike River mine to open in 2008, despite clear safety breaches, including the lack of a second egress.

The Commission has recommended several changes to regulations, including a new government agency to focus solely on health and safety, a requirement for underground mines "to have modern equipment and facilities", legislative changes to strengthen safety guidelines and qualifications so they are comparable to those in Australia, better coordination of emergency responses, and the return of check inspectors—although significantly the Commission refers to inspectors "appointed" by the union, rather than elected by workers.

The government has promised to implement the

recommendations, but no timetable has been specified and there is no reason to believe that genuine improvements to safety will take place.

Even as the Royal Commission was sitting, the government continued to downsize the Department of Labour, with 58 staff made redundant. To further cut costs, the DOL has been merged into a new Ministry of Business, Innovation and Employment.

Workers can also have no confidence that inspectors appointed by the Engineering, Printing and Manufacturing Union (EPMU) will put safety ahead of profit. The EPMU, which is New Zealand's largest private sector union, functions as an adjunct of the corporations. The union had about 70 members at Pike River, but never once took industrial action or criticised the company's safety violations—even after a group of miners spontaneously walked off the job to protest the lack of emergency equipment. After the explosion, the EPMU's then national secretary Andrew Little, who was also the Labour Party's president, defended the company and said he was not aware of any safety problems at the mine.

The recommendations have been greeted with jubilation by the media, including supposedly "left" commentators, and the unions. *New Zealand Herald* columnist Bryce Edwards wrote that the "neoliberal framework for regulation may have finally had its day."

The erosion of safety standards, however, is not the outcome of mistaken "ideology." In every part of the world, mining companies, backed by governments and trade unions, are seeking to maintain their competitive edge by pushing up productivity and cutting costs at the expense of their workforce. The global race to the bottom in safety standards has intensified since the 2008 financial crash.

The wave of mine disasters in recent years—including in China, Chile, South Africa, Mexico, the US and New Zealand—demonstrates above all the urgent need for a rebellion against the unions and the establishment of new organisations of workers, based on a unified international struggle against the profit system for socialism.



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