

# Unions push protectionism while pledging to impose steel job cuts at Wollongong rally

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About 700 people—mainly workers, contractors and family members—rallied in Wollongong on Saturday to oppose the threatened closure of the Port Kembla BlueScope steelworks, which would mean the direct destruction of 5,000 jobs.

However, the trade unions, which called the “Save Our Steel” community rally, sought to channel the anger and concern over the loss of jobs into nationalist calls for federal and state governments to subsidise local steel producers via procurement and tariffs. This was combined with blunt declarations by the union leaders that workers had no choice but to accept 500 retrenchments, plus cuts to wages and conditions, in order to keep the plant open.

BlueScope CEO Paul O’Malley last month issued an ultimatum, demanding that savings of \$200 million be achieved by November or the company would shut down the steelworks for good.

The unions organised the “Save Our Steel” rally above all to prevent workers from mounting a struggle to defend jobs and conditions. Every effort was made by the union and Labor Party speakers to demonstrate to the company and the Liberal-National government in Canberra that they would work with BlueScope to carry out whatever cuts it required.

South Coast Labor Council secretary Arthur Rorris began the rally by appealing for “our nation” to continue to make steel “for generations to come.” Rorris individually named and thanked federal, state and local Labor politicians for attending the rally, stating, “this is what unity looks like!”

Rorris and all the other speakers covered up the role of the Labor Party and trade unions in collaborating in the devastation of jobs and conditions throughout the steel industry for decades, especially after the Hawke Labor government took office in 1983. Since then, about 25,000 steelworkers’ jobs have been destroyed in Port Kembla, most of which were lost under Labor governments, including 1,100 four years ago under the Gillard government.

Australian Workers Union (AWU) Port Kembla branch secretary Wayne Phillips spoke next, insisting that there was no alternative other than to accept BlueScope’s cuts. “We

have to do whatever it takes to keep the place going,” Phillips stated.

Restating the AWU’s stance at a recent mass meeting of workers, Phillips said: “If there has to be 500 jobs go we have to share it round.” This, he claimed, would constitute a victory. “I know we can win,” he said. “We are well on the way to achieving the \$200 million cuts that we have to make.”

Phillips insisted that the job cuts were “OK,” as long as they were “voluntary,” but “we really have got to be concerned about those that are forced out.” For years, the unions have assisted BlueScope, and BHP, the previous owner of the steelworks, to impose retrenchments by pressuring workers into taking “voluntary” redundancy packages.

With jobs being destroyed across all basic industries, including the mines and car plants, workers pushed out of BlueScope will have little chance of finding alternative work, and there will be no such jobs for future generations. A recent Wollongong University study found that 40 percent of ex-BlueScope workers are unemployed.

In a direct appeal to the financial elite that controls BlueScope, Phillips declared: “We don’t promote class warfare.” His remarks underscored the fact that the unions function as direct agents of the corporations and the profit system, which is the source of the assault underway against the working class internationally.

On the basis of this pitch for a closer partnership with BlueScope, Phillips issued nationalist appeals for protectionism, urging Australian governments to “use our steel” in infrastructure projects, “not steel from China or Brazil or America or anywhere else.”

Rorris then opened the platform to four Labor members of parliament, including state member Anna Watson, who promoted Labor’s “10-Point Plan to Support Illawarra Jobs,” which contains various taxation and government procurement measures to bolster BlueScope’s profits.

Federal member Sharon Bird falsely claimed that the previous Labor government had intervened to defend workers’ interests in 2011, when BlueScope axed 1,100

jobs. “The last time you were here you had the federal prime minister, Julia Gillard, here twice to make sure we took the action we needed to save the steel industry,” Bird said.

In reality, the Labor government worked hand-in-glove with BlueScope and the AWU in 2011, to impose the job losses in exchange for \$110 million in handouts to BlueScope and increased redundancy payments. Those Port Kembla job cuts were also followed by the axing of over 1,500 positions at the company’s Western Port steel mill at Hastings, Victoria.

John Kaye, a state Greens politician, lined up with the nationalist pitch of Labor and the unions. He said it would be “radical” for the steel industry to be handed over to “foreign manufacturers who are dumping steel at subsidised prices here in Australia,” describing the industry as a “strategic asset.” Kaye did not even mention the job cuts being demanded.

Rorris concluded the rally by urging those present to email Prime Minister Malcolm Turnbull and tell him ‘First job, save our steel!’

Workers in Wollongong are being led into a blind alley. The claim by union officials that the only way they can defend jobs is to accept cuts is a lie. It will only pave the way for the next round of job cuts as BlueScope engages in a never-ending drive to maintain and maximise profits as the economic situation in Australia and globally worsens.

For decades, the unions, and successive Labor governments, told auto workers in Australia that if they accepted cuts to their jobs, wages and conditions that would secure the future of the car industry. This process only helped pave the way for the major car companies to announce that they would shut down their operations anyway, with the final closures due in 2017.

Appeals for protectionism, while assisting the bottom line of companies like BlueScope, pit workers against their fellow workers internationally, including in China, where at least 100,000 workers have lost or are facing the loss of their jobs in one steelmaking city, Tangshan, alone.

The defence of the jobs and basic rights of the working class can be taken forward only on the basis of a socialist and international strategy aimed at unifying workers internationally against the bankrupt capitalist profit system.

Labor and the trade unions are intensely hostile to any such struggle. That is why the first step in opposing the management’s demands involves a conscious political break from the Labor and union apparatus and the formation of independent rank-and-file committees to turn out to other workers across the country and internationally in the fight to defend jobs and conditions.

The *World Socialist Web Site* spoke to workers at Saturday’s rally:

**Grant**, 52, a steelworks fitter, said: “I’ve done this my whole life, ever since I was an apprentice at 16. If the steelworks isn’t saved, it’s going to destroy the Illawarra. This place could turn into a ghost town. Property prices will plummet. People will leave to find work elsewhere. It’ll be another depression.

“Two years ago, I had no trouble finding a job. Not now. I’m 52, and still going strong but I’m finding nothing. I’ve applied for 30 jobs but it goes into thin air.”

Speaking on the role of the unions in implementing BlueScope’s cuts, Grant said: “There is a lot of stuff that is underhanded. They’ve got to work in with companies. But at the same time they’ve got to support the workers.”

**Tim**, a contract boiler maker, commented: “Corruption’s been rife, right through the union industry for years. And I think people are starting to become awake to that and that’s why they don’t have members anymore. People are getting a bit smarter these days and they see what goes on behind closed doors. You can’t hide that from people anymore.”

“As far as [the union] trying to get the CEO of BlueScope here, I really can’t see what that’s trying to achieve. And you’re not going to get him here unless something goes under the table. He won’t come here otherwise.”

Tim spoke on the attacks to steelworkers’ conditions. “I know blokes that have lost nearly 20 grand a year [from their salary]—that’s overtime bonuses and stuff,” he said. “A lot of people like myself have got mortgages and whatever else you’ve got to pay.”

When it was pointed out that workers across the board are facing attacks on conditions and pay, Tim said: “That’s how I see our current government would love to have it. But I know I myself am not going to let it happen. I’ll stand up and fight for that. But in saying that, as an individual in standing up and fighting you can’t do anything. Unite and have some solidarity like there used to be 30 years ago.”

*The author also recommends :*

An internationalist strategy to oppose the China-Australia Free Trade Agreement

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