

Australia: State Labor government moves to ban Esso strike

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With the backing of the trade unions, the Victorian state Labor government intervened late last week to block a threatened indefinite strike by 600 workers at Esso Australia's onshore and offshore Bass Strait gas operations in southeastern Victoria.

Workers were due to walk off the sites on Friday to fight a sweeping offensive launched by the company, the Australian arm of Exxon-Mobil, against their jobs, wages and conditions. However, the unions involved immediately welcomed the government's application to the federal Fair Work Commission to terminate the industrial action.

Australian Workers Union (AWU) state secretary Ben Davis said workers took action to bring two and half years of bargaining "to a head" and welcomed potential arbitration by the commission as the "only way to resolve the outstanding issues." In reality, arbitration will pave the way for a sell-out designed to deliver the oil giant its cost-cutting requirements.

Davis's statement underscores the anxiety of the union bureaucrats to work with the government and the federal industrial tribunal to prevent any stoppage by their members. What they fear is that an indefinite strike by the Esso workers could become a trigger for action by other workers across the country facing similar attacks by the corporate elite.

The company is demanding a 14-day-on, 14-day-off roster, scrapping the longstanding week-on, week-off roster. This would have a serious impact on the lives of the workers and their families. Esso is also seeking to slash jobs and wages. In September, it sacked 110 cooking staff after contracting out catering operations. The company wants to tear up mandated pay levels, a move that could see wages slashed by 40 to 50 percent.

Premier Daniel Andrews's government filed the termination application last Thursday. A spokesperson

for Industrial Relations Minister Natalie Hutchins told the media: "Any stop work action at the Longford plant could have a huge and damaging impact on Victoria and its gas supply."

The case will be heard in the tribunal tomorrow and Wednesday. According to the *Australian Financial Review*, the government will argue that the strike would "cause significant damage to the Australian economy or an important part of it." This is one of the many provisions in the federal Fair Work legislation, drafted by the previous federal Labor government, with the total support of all the trade unions, to allow industrial action to be banned.

Along with the unions, the current federal Liberal-National government also quickly indicated its support for the Andrews government's move. Minister for Environment and Energy Josh Frydenberg said the strike would pose an unacceptable disruption.

The state government's intervention came amid feverish reports in the financial press warning that any stoppage would jeopardise gas stocks in Victoria, as well as New South Wales, South Australia and Tasmania, all of which are supplied in part by Esso.

In order to justify calling off the strike, the unions that cover Esso—the AWU, the Australian Manufacturing Workers Union (AMWU) and the Electrical Trades Union (ETU)—fraudulently claimed that compulsory arbitration could produce a favourable result for workers.

The industrial tribunal is not a neutral body, however. It is part of the state apparatus for suppressing the struggles of workers. In a recent case, on November 23, the Fair Work Commission ruled that Essential Energy could use forced redundancies to cut 600 jobs from regional New South Wales after the unions put that dispute into arbitration.

At Anglo-American's German Creek mine in Queensland, the Construction Forestry Mining and Energy Union (CFMEU) has isolated a three-month strike, also claiming that a Fair Work intervention would resolve that enterprise bargaining agreement dispute. Last week, a Fair Work Commission ruling cleared the way for sacking 83 permanent workers.

Like the state government, with which they are closely aligned, the unions are seeking to use the Fair Work Commission to prevent any industrial or political struggle by workers opposing the destruction of their jobs, wages and working conditions.

Throughout the bitter two-a-half-year dispute, Esso has sought to terminate existing enterprise bargaining agreements (EBAs). ExxonMobil, the world's largest oil and gas company, is demanding the destruction of working conditions that have been in place for 40 years.

Esso has repeatedly sought to intimidate the workforce into accepting its cuts. In July last year, the company locked out 200 maintenance workers from its Longford and Long Island Point oil and gas plants and offshore platforms, citing sporadic strikes and work bans against the proposed changes to working conditions.

Five hundred workers were also subjected to a court injunction, threatening massive fines and other punitive measures, if they took any industrial action. In August, Esso filed an application with the Fair Work Commission to have existing EBAs terminated.

Esso's move is part of an assault on the conditions of workers across the gas and energy sector. In July, AGL applied for the termination of an EBA at its Loy Yang power station in Victoria's Latrobe Valley. The company is demanding an overhaul of work and pay arrangements and the destruction of 40 jobs. Last week, workers at the plant overwhelmingly voted in favour of strike action over the coming weeks.

However, the CFMEU has already made clear its willingness to make significant "concessions" to the company, and said strike action will merely be aimed at placing "pressure" on AGL.

Last month, ENGIE, a French energy multinational, announced the closure of its Hazelwood coal power plant, also in the Latrobe Valley. The shutdown, slated for next March, will destroy 450 permanent jobs and 300 contracting positions. The CFMEU responded by calling for a "phased-out" closure of the plant, and

touted the company's worthless claims that it will retrain workers.

Following the collapse of the mining boom and the sharp fall in commodity prices, the major energy and gas companies are seeking to restructure their operations at the direct expense of their workforce. ExxonMobil registered a global profit fall of 60 percent in the quarter to July on the back of lower oil prices, following two previous quarterly drops.

The company flagged in July that it would begin selling off assets, including its Bass Strait oil fields. Like other oil and gas companies, it is increasingly turning to the liquefied natural gas (LNG) market, which yields higher profit margins.

The central role in enforcing the industry-wide restructure is being played by the trade unions. Their promotion of the tribunal—an instrument of the banks and big business—is part of their integration into the state mechanisms used to destroy the jobs, wages and conditions of the workers they falsely claim to represent.

Any struggle to defend jobs, wages and conditions requires a complete break with the unions and the formation of independent, democratically-elected rank-and-file committees to prosecute a genuine industrial and political fight at Esso and other workplaces. It must also be based on a new political perspective—the struggle for a workers' government to implement socialist policies, including the placing of energy giants like Esso under public ownership and the utilisation of their resources to meet pressing social needs not enormous private profits.



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