

# Australia: Latrobe Valley power workers, residents denounce wage and job cuts

Our reporters  
16 January 2017

A *World Socialist Web Site* reporting team spoke with local residents and workers at the Loy Yang A power plant and the Maryvale paper mill in the Latrobe Valley in south-eastern Victoria on Saturday about the stepped-up corporate-government assault on wages and conditions.

Last Thursday, the Fair Work Commission (FWC), the federal government's industrial relations tribunal, approved the request of AGL, the private operator of Loy Yang A, to tear up the current site workplace agreement.

The FWC ruling is a green light for the company to impose major wage cuts on its 570 employees of between 30 and 65 percent and slash restrictions on minimum staffing levels and other entitlements won by workers in struggle over decades.

Workers coming off the afternoon shift at Loy Yang denounced the FWC as an arm of the corporations. "They're all in on this: the company and the government," said one. "The FWC ruled for the company because they're in bed together."

FWC deputy president Richard Clancy declared that the ruling was intended to "support good faith bargaining for a new agreement that delivers productivity benefits." The state Labor government of Daniel Andrews has threatened to intervene against the workers if they strike.

The Construction, Forestry, Mining and Energy workers Union (CFMEU) and the Electrical Trades Union (ETU) are working to isolate the workers and prepare another sell-out deal with the company.

On Saturday, CFMEU Victorian energy sector secretary Geoff van Dyke made clear that the union would not carry out any struggle against the Loy Yang cuts. He presented the company's attacks as a *fait accompli* and declared that older workers at the plant

would have no choice but to resign in order to protect their retirement benefits. "To me, it's a no-brainer," he said. "If I worked there, I'd probably resign."

The unions are keeping Loy Yang workers isolated from their counterparts at other plants in the Latrobe Valley who are facing similar assaults on wages and conditions. At the nearby Maryvale paper plant, which is owned by Nippon Paper Industries and also covered by the CFMEU, the union is pressuring workers to accept a 5 percent pay cut. ENGIE, the French multinational which owns the nearby Hazelwood coal mine, has announced that it intends to close the plant in March this year.

WSWS teams at both Maryvale and Loy Yang called on workers to oppose the union's efforts to isolate power industry and paper mill employees and to carry forward a united political and industrial fight back against the corporate-government offensive.

AGL is attempting to intimidate the workforce from speaking out about the attacks. Many workers reported that they had been threatened with the sack if they contacted the media.

A worker, who wanted to remain anonymous, said: "That's part of AGL's attempt to do this. They, of course, have free access to the press, but we can't say what's going on." He noted the media's efforts to slander power plant workers as over-paid and greedy, "They report that we rejected a 20 percent pay rise over four years, but it is effectively over six years, because we have not had a wage increase this year or last."

The worker said the company was preparing to replace long-standing employees with younger people who would be forced to accept far reduced conditions. "They bring these people with young wives and families. They want to get rid of the older people. The younger workers will be given an option: you accept it,

or you're out the door.”

The latest attack is part of a decades-long assault on energy workers in the Latrobe Valley and nationally, with the collaboration of the trade unions and successive federal and state governments.

Loy Yang was previously controlled by the government-owned State Electricity Commission of Victoria (SECV). The former state Labor government of Joan Kirner privatised and sold off the plant in the early 1990s, enforcing mass layoffs. The worker noted that in 1989, he was one of 2,000 employees at the plant, including 250 unit operators. By 1997, he said, there were 500 workers and only 125 unit operators.

Across the state, the trade unions worked with the companies to impose mass layoffs. The number of power workers in Victoria fell from 21,500 in 1990 to 8,000 in 2005. These cuts have devastated towns such as Moe, Morwell and Traralgon in the Latrobe Valley. Moe's streets are littered with closed-down shops. Official unemployment in Morwell is 19.7 percent.

Residents of Traralgon spoke about the catastrophic impact of the cuts at Loy Yang and Maryvale, and the threatened closure of Hazelwood, and denounced the role of the trade unions in overseeing the attacks over decades.

A female cleaner at the Loy Yang plant said: “The cleaners' wages have not gone up for years and years. We get \$21 an hour. We do the hard yards. The power guys, they work in tough, hot conditions near boilers. They work hard too. I'm a permanent part-time worker. I've got two children and I feel terrible for the young generation. What hope do they have for the future? It's why you see kids running around making trouble here. Mum and dad are being laid off. It's going to be horrible what happens here.”

She added: “I used to love the union. I loved what they stood for: the average, working-class man. The union guys were hard, they fought for workers. Now they just take the workers' dues and don't give a hoot. Probably some are in the government's pockets.”

Jason, 24, is a self-employed builder. His father has worked at the Maryvale paper plant for 20 years. He said: “There's a lot of concern that it's going to get closed down.” He responded to the Socialist Equality Party's call for a united struggle by workers at Loy Yang, Hazelwood and Maryvale. “A united fight against this is what we need. We need everyone to

stand up and say, 'it's not going to happen.’”

“I'm not a big fan of the CFMEU,” he continued. “I've been a part of it. They talk a lot but I don't think they do much.” He said he opposed both major parties, Labor and Liberal/National.

Michaela, 18, said her uncle had worked at the Hazelwood plant for 30 years. “He's got no other job qualifications. He's been on Centrelink since he left. They're putting everyone out of a job.” Michaela described the job prospects for the young generation in the region: “I've been looking for work since I left Hungry Jacks two years ago,” she said. “I was getting \$11.60 an hour. Now I'm going to the dairy industry. My mum and dad used to just walk from job to job. Now the only place I walk to is Centrelink.”

A 50-year-old nursery worker told WSWS reporters: “My brother worked at Hazelwood for his whole life. He is trained to do it. Where is this going to help if they shut the mine down? He's 52. It's alright to say they'll retrain people, or that people can move, but where is he going to work?”

She added: “The employers seem to be working with the unions and paying their way. I think the unions get more from the company than they do from the workers. Now at Loy Yang, that is a massive wage cut. As soon as they announced Hazelwood closing it was only a matter of time before this would happen at Loy Yang.

“I don't trust the unions. My son is for the union, but he's for what they ought to be, not what they are today. No matter what happens to this region, the union officials are always going to be getting work. To me, they don't care what happens to us. I've lived here all my life. My grandson today is 11. To tell him: 'go and get a career'—where is he going to get one?”



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