

# Australia: Latrobe Valley residents denounce corporate onslaught

Our correspondents  
21 January 2017

Workers in the Latrobe Valley, about 150 kilometres east of Melbourne, the Victorian state capital, are a confronting major assault on their jobs and working conditions in the power, mining and paper industries. WSWS reporters spoke to local residents last week about these attacks and their impact on the already high levels of unemployment and poverty in the region.

Just over a week ago, the Fair Work Commission (FWC), the federal government's industrial tribunal, accepted an application by the AGL energy corporation to terminate the existing workplace agreement at its Loy Yang A power plant.

The ruling opens the way for the company to impose massive pay cuts—between 30 and 65 percent—on its 570 employees and eliminate hard-won working conditions and entitlements. On Wednesday, the FWC declared that workers at the plant could not take any form of industrial action, including imposing overtime bans or taking what it claimed were unwarranted amounts of leave.

These attacks are being aided and abetted by the Construction, Forestry, Mining and Energy Union (CFMEU) and the Electrical Trades Union (ETU), which are appealing to the company to negotiate a new cost-cutting agreement.

Last month, the two unions called off a one-day strike scheduled for December 28, without consultation with their members. The Victorian state Labor government, which is supported by the major unions, also threatened to intervene through the FWC to prevent industrial action.

The Labor Party and unions oppose unified action by AGL power workers to fight these cuts and the impending closure of the nearby Hazelwood power plant. They have also tried to isolate the power workers from the Australian Paper employees at the close-by

Maryvale mill. There the CFMEU is collaborating with management to impose a 5 percent wage cut on the mill's 900-strong workforce.

**Paul**, an injured mechanical fitter, told WSWS reporters in Morwell that the AGL cuts would set a national precedent and be used at Esso's natural gas plant in nearby Longford, where workers were refusing to sign a company enterprise agreement offer.

"The FWC will tear up the current agreement and put everyone on contracts. And workers will be told, 'If you don't like it you don't have to stay.' It's akin to blackmail.

"At Loy Yang the hundreds of dollars cut from workers' pay will flow on through the industry. That's why the company had the agreement torn up. They will now get the workers to accept anything. The FWC sucks. It represents big business."

**Rachel** said her husband was a casual worker. "We moved to the valley seven years ago. My husband works for BMC [a mechanical and electrical engineering company], which provides for the power stations. He is now in Western Australia and Northern Territory and spends most of his time away—four weeks away, one week back. It's difficult, especially for the kids," she said.

"He's a casual worker and can be put off any time and you never know how long it's going to be between jobs. It can be up to six or seven months and so things are quite tight and it's difficult to plan for things.

"The impact of the Hazelwood power plant closure will be huge and everything will be affected. Families will have to move away ... Lots of people don't know what they're going to do now. Many left high school and have been working in Hazelwood since then. They don't know what they'll do. We know people that bought houses, did them up and have had to sell it

because they couldn't find any work here."

**Tony**, a Hazelwood power station worker, spoke about the impending closure of the plant and the role of the unions.

"The SEC [State Electricity Commission], like Telstra and the Gas and Fuel, should never have been privatised. It shouldn't be about profit. Now we're seeing the results of it.

"The unions have been useless and haven't done anything for years. I worked at Hazelwood for 32 years, I'm a purchasing officer. I began as a trades' assistant. The impact of the closure will be huge in the area. Hazelwood was built to last 30 years but they've known for 20 years that it would close.

"In America, you have [work] contracts that go for an hour. We can't go to that here. It's a global market but they're not bringing workers in poor countries up to our standard. They want everyone in this race to the bottom."

Another Loy Yang A worker who wanted to remain anonymous said he was suspicious of the role being played by the unions. "I think there is a pre-determined agenda going on there. They don't look after us."

**Jared**, a former dairy factory worker, said: "I oppose the [AGL] wage cuts. The average cost of living is going through the roof and rents are going up, so you can't get a house. If the unions are spearheading the wage cuts, I don't think that's right.

"We are disposable and the unions do nothing about safety ... [W]hen I went to the supervisor about dangerous conditions they did nothing ... I worked at a milk factory in Drouin driving a forklift and worked 123 hours per fortnight on \$23.15 per hour. We had to fight the company to get penalty rates."

**Maria** commented on the government cutbacks to pensioners, via new assets tests, and how millions of people are seeking political alternatives to the established parties.

"I'm scared for my grandkids. What options will they have? They want to go to university but what's going to be out here for them? The political parties need to start listening to the people because we're sick and tired of the old rhetoric and we're getting nothing.

"The Liberals are picking on the pensioners at the moment. They pick on the weakest ... We need a change. People are voting for smaller parties because they're looking for an alternative.

"Trump is an idiot. He comes out with these statements but he's attacking all the wrong people. Imagine having him with the finger over the button. We're trying to build a relationship with China and he's going to damage it. He's going to damage a lot of relationships. He's a very dangerous man."

**Jane** said: "It's just not fair on the workers, the families with what's going on in Hazelwood. My husband is only casual and so, if something happens out there and there's no work, there's no work for him and that means we're stuffed.

"What the government is doing to the pensioners is disgusting. My in-laws are now losing \$100 this week. They live on \$400 each a fortnight. They've worked all their lives and now they've got to reassess again. My mother has had her pension cut by \$20. She gets less than \$400, which doesn't even cover a week in the nursing home. The nursing home is \$1,200 a fortnight, so we've got to cover it. It's not easy."



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**