Alcoa workers strike in Western Australia

Terry Cook 18 August 2018

Around 1,500 workers employed by US-based aluminium company Alcoa in Western Australia (WA) are continuing indefinite strike action in a protracted dispute over a new enterprise agreement (EBA). The current deal covers employees at the company's refineries in Kwinana, Pinjarra and Wagerup and its Huntly and Willowdale bauxite mines south of Perth.

The walkout on August 8 was sparked when EBA negotiations that have been ongoing for around 20 months stalled. Alcoa applied to the federal government's pro-business tribunal, the Fair Work Commission, to allow it to terminate the current work agreement.

If Alcoa's application is granted, the workers could be forced back onto the base industrial award, leading to massive pay reductions and sweeping cuts to working conditions. The company is demanding that the workers vote on its EA proposal before the end of this month.

The same tactic, of seeking to force workers onto the base award, has been used by companies in numerous disputes over the last three years, including at Glencore's Oaky North mine in Queensland and Griffin Coal in WA. In each case, it has been used by the companies, assisted by the unions, to pressure workers into accepting regressive agreements that slash wages and conditions.

Companies can apply for the termination of agreements under Fair Work industrial laws introduced by the former Labor government, with the support of the unions. The legislation also contains draconian antistrike provisions which have been used to suppress workers' opposition in dispute after dispute.

The strike at Alcoa erupted despite the efforts of the Australian Workers Union (AWU) to contain all opposition to sporadic limited stoppages while it attempted to broker a sell-out deal with the company.

In the wake of last week's walkout, AWU Western

Australian state secretary Mike Zoetbrood told the media that while the union's members were "sensible, and only want what is fair and reasonable," they "won't accept the company using threats of termination as a means of pressuring the workforce into accepting sub-par working conditions.

Zoetbrood admitted that the union had offered "concessions" during negotiations.

The union has not made public the details of the concessions or what "sub-par working conditions" Alcoa is seeking to impose. But it is clear that the company wants to increase workplace flexibility and management prerogatives so that it can restructure to take advantage of market opportunities.

A statement by Alcoa's corporate affairs director Jodie Read last week pointed to the agenda to be enshrined in the new EBA. Read declared that Alcoa wants "to establish a modern EBA" to allow it "to manage our operations efficiently and productively, and gives us the ability to respond to changing market and operating conditions." She further stated that the company is determined to remain "internationally competitive throughout the business cycle through the implementation of the EBA."

The demand for "international competitiveness" has been the banner under which companies, aided at every point by the unions, have destroyed thousands of jobs and eliminated working conditions to slash costs and get an edge over their rivals in the struggle for market share.

Remaining "internationally competitive" will mean escalating the drive to increase productivity while forcing down labour costs.

Last year, Alcoa gained regulatory approval from the WA state government to ship 2.5-million tonnes of bauxite from its WA mines to third-party customers, mainly to China. This tonnage is on top of the bauxite that is mined to feed Alcoa's own WA alumina

refineries that have a capacity of around 9.3 million tonnes or some 8 percent of the world's alumina supply.

Alongside expanding operations, the company has carried out a cost-cutting operation in Australia, as part of a worldwide restructure announced in 2009 that included a 13 percent cut to its global workforce to offset falling aluminium prices.

This has seen sweeping attacks on the rights of Alcoa workers around the world. Around 1,000 Canadian workers at an ABI smelter in Quebec, Canada, majority-owned by Alcoa, have been locked out since January, as the company demands cuts to jobs and conditions.

Similar measures have already been carried out in Australia.

In 2014, the AWU worked with Alcoa to carry out an "orderly closure" of its Point Henry smelter in Geelong, Victoria and preventing any struggle against the shutdown. The closure cost 1,000 jobs. The company also shuttered its Yennora aluminium rolling plant in Western Sydney destroying another 250. The next year Alcoa closed its mine and power station at Anglesea, which used to supply the Port Henry smelter, axing nearly 90 jobs.

In 2017, Alcoa, with the connivance of the AWU, used the threat to close its smelter at Portland, in southwestern Victoria, to secure a \$230 million government subsidy. The reprieve for the 600 workers at the plant could be withdrawn at any time and the facility shutdown. Significantly, the closure threat came just one year after the AWU agreed to a one-year wage freeze for the Portland workforce, saving the company \$1.5 million. It followed successive rounds of job cuts since 2009.

The strike is part of a growing wave of opposition, in the working class, and among Alcoa employees around the world, to the offensive against jobs, wages and conditions spearheaded by the major corporations since the 2008 global financial crisis.

The historical record demonstrates that these struggles can only go forward through a complete break with the corporatised unions. New organisations of struggle, including independent rank-and-file-committees, must be established to resist the AWU's attempts to suppress the strike and turn to other sections of workers in Australia, Canada and internationally to spearhead a counter-offensive involving the entire

working class.

Such organisation require a new political perspective, aimed at establishing a workers' government that would place essential industries, including mining and resources, along with the banks and corporations, under public ownership and democratic workers' control.



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