

# Australia: Newcastle steelworkers strike over pay and conditions

Our reporters  
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More than 200 workers struck for two hours last Thursday at Infrabuild's steel fabrication complex in Newcastle, 140 kilometres north of Sydney.

The site is just 3 kilometres from Molycop's steel plant, where 250 jobs will be slashed by January when the factory is partially closed. The same unions covering Infrabuild workers are preventing any fight by Molycop workers to defend their jobs, and are completely hostile to any conception of a common struggle by the two sections of workers.

This was starkly exhibited on Thursday, when Socialist Equality Party campaigners were verbally harassed and physically surrounded by union officials, in an attempt to prevent them from speaking to workers and distributing material opposing the Molycop closure.

The Infrabuild stoppage involved workers in all three sections of the company's operation at Mayfield. They are demanding pay rises in line with inflation, as well as the reversal of recent attacks on working conditions.

The company has offered workers an enterprise agreement containing a nominal 12 percent wage increase over three years, far short of the latest official annual inflation rate of 5.4 percent.

Industrial action was started after workers near-unanimously rejected the real-wage slashing company offer in September. Ninety-one percent of those employed at Austube Mills and 85 percent at Newcastle Rod Mill voted down the deal. Workers walked off the job for 24 hours on September 14 and have since undertaken further limited stoppages.

Workers told SEP members they were not only concerned about wages, but a deepening attack on jobs and conditions. One said: "We already can't have any less staff. As soon as one worker is off, we all struggle. They put us back from 12-hour shifts to 8 hours. Ever

since they did that they are asking us to do double shifts, virtually every day now."

Another said, "We don't have the employees that we had four or five years ago; we have had a number of people who have left and retired and the company doesn't fill the vacant positions. We used to have about 40-50, it is now down to 30. But we are doing the same amount of work that was required before.

"It used to be that you had one person work one machine, now you have one person work two machines. It's a lot more pressure, it's also potentially dangerous, and it makes it a lot harder to not make mistakes. It's a precise job.

"We are all living off less than before. Inflation has gone through the roof."

This has all been overseen and enforced by the Australian Workers Union (AWU), the Australian Manufacturing Workers Union (AMWU) and the Electrical Trades Union (ETU), through one sell-out enterprise agreement after another, including 0 percent wage "increases" at times.

In their most recent agreements, Infrabuild workers have received nominal pay rises of between 2.2 and 2.7 percent per annum, while inflation soared to 7.8 percent. Between 2021 and 2022, Infrabuild's profits almost doubled to more than \$650 million, while wages were slashed by over 5 percent in real terms.

The unions have not publicly stated a wage demand, instead speaking in vague terms of a "fair deal." This is a clear indication that they are again preparing to impose a deal that is favourable to management.

ETU organiser Ash Bamford emphasised the meagre character of the unions' demands, telling the *Newcastle Herald*, "The increases these workers are seeking will only maintain the existing wage disparity between them and their counterparts elsewhere in the local steel

industry.”

Illustrating the suppressive role of the union bureaucracy, the current dispute is the first time workers have taken strike action at the site in more than 30 years. Ben Horan, an AWU organiser, absurdly told the *Newcastle Herald* the current situation had been “brewing” over that whole period: “It’s escalated to a point where our members feel like this is the time to start pushing.”

The reality is that the unions have ensured three decades of industrial peace at the facilities for a series of multinational corporate owners, as virtually the entire steel industry in the region has been dismantled. This includes the destruction of more than 10,000 jobs with the closure of BHP’s Newcastle steel mill, adjacent to where Infrabuild now stands.

Now, the same unions are in the process of imposing another “orderly closure”—that is, one in which workers are prevented from mounting any organised opposition to the elimination of their jobs—minutes away from the Infrabuild site.

Last month, Molycop announced the impending partial closure of its Newcastle factory and the slashing of 250 jobs. The AWU and AMWU insist that nothing can be done to defend workers’ livelihoods, and are instead working with management to ensure there is no disruption ahead of the January shutdown, or to continued operations in the section of the plant that will remain open.

The Molycop shutdown is highly significant and immediately relevant to Infrabuild steel workers. The destruction of hundreds of the few remaining jobs in the industry, in a region formerly known as Australia’s Steel City, will be used to apply even greater downward pressure on wages and conditions.

Asked about Molycop, one Infrabuild worker told SEP campaigners, “If they can do it there, they can do it here, that’s it.”

But the trade unions are actively working to ensure that the Molycop closure is kept separate from the dispute at Infrabuild. It is for this reason, along with the SEP’s exposure of the pro-business role of the union officialdom over decades, that the bureaucracy responded with such hostility to the party’s presence at Thursday’s stoppage.

Such attacks are a warning to Infrabuild workers. When union officials carry them out, it is invariably

because they are preparing to impose a rotten sell-out and want to intimidate opposition from workers themselves.

The SEP is calling for a mobilisation of workers throughout the steel industry and more broadly in the fight to defend jobs at Molycop. This is not merely a question of abstract “solidarity.” The fight for decent wages and conditions at Infrabuild, or anywhere else, is inextricably linked to the struggle at Molycop.

Such a mobilisation is impossible within the straitjacket of the trade union leaderships. This is made clear in both their hysterical response to the SEP on Thursday and the role they have played over the past four decades, blocking workers’ opposition to the destruction of jobs, wages and conditions and the destruction of entire industries.

Instead, workers need to take matters into their own hands and form rank-and-file committees, democratically controlled by workers themselves and independent of the union leadership. These are the venue in which workers can openly discuss the issues they confront and prepare a plan of action to fight for demands based on their actual needs.

Through rank-and-file committees, workers can reach out to their counterparts across companies, industry sectors and national borders, and begin to build a counteroffensive against the deepening onslaught, being carried out, not just at Infrabuild and Molycop, but against the entire working class.



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