

Australia: Glencore coal mining workers strike over low wages

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Last Wednesday afternoon, workers from the Glencore underground coal mine at Ulan, in New South Wales (NSW), walked off the job before marching the following morning. The 24-hour strike was part of negotiations for a new enterprise agreement, in which the company is seeking to slash existing working conditions and keep workers earning less than other miners in the region.

The demonstration by around 100 workers through the streets of the nearby town of Mudgee underscored the determination of workers to fight for their rights. The workers were accompanied by family members, including partners and children, and other members of the community, pointing to the development of a broader movement among working people.

Such protests, in regional working-class centres, have been extremely rare in recent years and even decades. There is clearly a growing mood of resistance and militancy reflected in the march.

The circumstances of the Glencore dispute pose key issues as to how those sentiments can be taken forward.

The Mining and Energy Union (MEU) raised in particular the 11 percent pay disparity between these workers and their counterparts at Glencore's Ulan West, part of the same complex, who mine the same coal seam and perform the same tasks.

After an almost unanimous vote early last month in favour of industrial action, Ulan underground workers began regular work stoppages in mid-June. Since June 27, they have been joined by Ulan Surface Operations workers, who have been bargaining with Glencore for three years, seeking annual wage increases and to block the company's attempt to further erode their working conditions.

The previous enterprise agreement covering the Ulan mine expired in September, and negotiations have been underway since March 2024, but the MEU did not hold a strike authorisation ballot until last month. At Ulan West,

workers voted in favour of industrial action in October and a new union-management agreement was approved by the Fair Work Commission in January.

That means the MEU bureaucracy created a situation where Ulan and Ulan West workers were legally prevented from taking simultaneous industrial action, even though bargaining was underway at both mines for most of 2024.

The union's isolation strategy exposes the fraud of its professed concern over the lack of pay parity between the two nearby mines. In fact, the bureaucracy's aim is to divide workers and prevent a fight for real improvements to wages and conditions throughout the Ulan complex.

By emphasising the pay disparity, the MEU is setting a limit on what Ulan workers can demand and covering up its own role in enforcing poor wages and conditions across both mines.

Ulan workers currently receive a base rate of just \$35.51 per hour. Under the new enterprise agreement at Ulan West—falsely presented by the union as a gold standard for Ulan workers to aspire to—miners currently earn a base rate of just \$39.55 per hour, or \$71,981 per year, less than the national median wage of \$72,592. When the comparison is restricted to full-time adult workers, who on average earn the equivalent of \$52 per hour, the dire pay is even more stark.

Glencore, meanwhile, reported US\$59 billion in revenue from industrial activities in 2024, including US\$7.26 billion from its Australian thermal coal operations.

The median price of a house in Mudgee is \$710,000, almost 10 times the annual base salary of Ulan West workers, while units cost \$542,500 on average, according to realestate.com.au. Median weekly rent is \$585 for a house and \$455 for a unit.

Over the past five years, the cost of buying a home in the region has increased by around 60 percent and rents

have risen around 40 percent. But Glencore and the MEU have ensured that wages at the mines have risen by a fraction of that amount: 10 percent at Ulan and 11.4 percent at Ulan West. Over the same period, the consumer price index, itself a major underestimate of the rising cost of living, has increased by almost 20 percent.

The nominal pay increases contained in the Ulan West agreement, 4 percent in 2026, and 3 percent in each of 2027 and 2028, fall far short of making up for the losses incurred over the past five years, let alone keeping up with the still-rising cost of living.

Having collaborated with management to push through this inadequate deal at Ulan West, the MEU bureaucracy is now telling Ulan workers that they can only win the same inadequate wages and conditions of their counterparts a few kilometres down the road.

Last week's demonstration pointed to concerns among workers, both for their own future and those of generations to come. Mining is central to employment in Mudgee, a town of 12,000 people, and to the broader region.

One of the slogans featured on union-printed placards was "Glencore: Respect our town" and in a Facebook post following the demonstration, the MEU declared, "It's time for Glencore to wise up and start showing Mudgee, and its miners, the respect we deserve."

The union leadership is seeking to use the legitimate concerns of workers over the future of Mudgee to limit the dispute to one town and to cut miners off from their colleagues elsewhere, who face the same assault on pay and conditions.

Matthew Purtle, president of the MEU's Ulan No. 2 Underground Lodge, told the Mudgee *Guardian*, "Today's rally is more about families and community as well. We're all locals, we live in Mudgee and the surrounds."

The bankrupt character of this promotion of a local perspective was underscored by Purtle's complaint that, "Glencore is outsourcing jobs to labour hire companies that do not live in our local area." The real issue with labour hire is that it is used to slash full-time jobs and engage workers under precarious conditions. The issue of where these workers live is a diversion from a struggle against the introduction of labour hire as a whole.

Just two months ago, the MEU bureaucracy hailed the NSW Labor government's decision to approve the extension of the Ulan mine's life by two years to 2035 as a "win for local employment."

Bob Timbs, the MEU south-west district president, said

the extension "reassured hundreds of workers and their families that they, and their communities, will be supported over the next decade." The reality is, what the union was cheering on was Glencore's ongoing right to extract billions of dollars from the labour of its poorly paid workforce.

Having already driven a wedge between workers at Ulan West and Ulan, the MEU is seeking to cut the 100 striking workers off from the rest of the mining sector and the working class more broadly.

This includes workers at Peabody's Helensburgh Coal Mine, on the NSW South Coast, who were locked out without pay for more than three weeks by their employer in response to a single strike over an enterprise bargaining dispute. The company has asked the pro-business Fair Work Commission to decide the dispute through arbitration, stripping workers of the right to take any further industrial action.

It also includes the more than 400 workers at Tahmoor Colliery, just south of Sydney, who have been stood down on reduced pay since February, with the mine shuttered due to the financial crisis of its owner, Sanjeev Gupta.

Mining workers throughout the country and around the world, along with workers in every industry, confront similar attacks on their jobs, pay and conditions. To defeat this, a unified counteroffensive must be built. But this is impossible under the trade union bureaucracy, which isolates workers and prevents such a struggle, using the sort of divisive tactics exemplified by the MEU's fraudulent claim that the issues in the Ulan dispute are unique to Glencore and to Mudgee.

This underscores the necessity for workers to build new organisations, rank-and-file committees, independent of the union bureaucracy, to link up across the mining sector and more broadly in a joint fight for secure jobs and real improvements to wages and conditions.

This should be connected to a struggle by the working class against capitalism, which subordinates everything to profit. This means a fight for a socialist perspective, and to establish workers' governments to place all essential industries, including mining, under public ownership and the democratic control of the working class to meet social need, not private profit.



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