

Australia: Glencore locks out coal mining workers in New South Wales

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Workers at Glencore's underground coal mine at Ulan, in New South Wales (NSW), have been locked out by the company since October 3. The lockout was initially set to run for 7 days, but was extended for another week by management, hours before workers were due to return.

The company's aggressive action was an attempt to impress upon workers that they have no choice but to accept a rotten deal in enterprise bargaining, which has already been underway for 18 months.

Since the Mining and Energy Union (MEU) leadership finally held a protected action ballot in June, resulting in a near-unanimous strike vote, workers have carried out several stoppages and other industrial action.

This has included rallies in the streets of nearby Mudgee, where workers were accompanied by family members and other local residents, reflecting growing working-class anger in regional areas, where such protests have rarely occurred in recent decades, as well as in the major cities.

According to the MEU, the company has on at least one occasion brought in labour-hire workers to serve as strikebreakers during these stoppages, although Glencore has denied this. What is inarguable, however, is that the company is only able to use third-party labour hire at all because of clauses enshrined in previous enterprise agreements brokered by the union.

Glencore is seeking to slash existing working conditions at the mine, in the name of "productivity improvements," while keeping wages well below those paid at other nearby facilities. The company's offer, which it says contains a nominal 15.7 percent pay rise over three years, is scarcely enough to cover the rising cost of living, let alone recoup losses incurred in previous union-management deals.

The offer would not even begin to bridge the 11 percent pay gap between the Ulan workers and those at Ulan West, who do the same job, for the same company, mining the same coal seam, just a short distance up the road.

In response to the company lockout, the MEU is asking the Fair Work Commission (FWC) to hand down an Intractable Bargaining Determination (IBD). If awarded, this would

mean the end of all industrial action over the dispute. The terms of the new enterprise agreement would be set down by the FWC, after arbitration between the union bureaucracy and the company.

"It's time to let the independent umpire deal with this and get people back to work," MEU South West District President Bob Timbs said in a statement last week.

In words that might just as well have been written by Glencore's CEO, Timbs said the dispute had reached "a damaging impasse" and was "having significant effects on the livelihoods of the workers and operations of the mine in exchange for very little movement."

In other words, the MEU bureaucracy's response to the company scaling up its condition-slashing offensive is to declare that workers cannot win by fighting and move to have the dispute shut down and decided in the courts. As Timbs' comments make clear, the union's aim is to quickly end the "damaging" disruption to Glencore's profits.

The claim that the FWC is an "independent umpire," a common refrain of union bureaucrats and Labor governments, is a fraud. The tribunal is an arm of the capitalist state, tasked with suppressing the struggles of workers and imposing the cost-cutting and profit-boosting demands of big business and government.

The intractable bargaining laws were introduced by the federal Labor government in late 2022—with strong union support—as part of a suite of measures increasing the FWC's power to intervene in disputes and shut down or prevent strikes.

The country's leading union bureaucrats were also instrumental in drafting the 2022 legislation and enthusiastically promoted the moves to strengthen the industrial courts. Australian Council of Trade Unions (ACTU) Secretary Sally McManus complained shortly before the laws passed that the FWC was "mainly a bystander," unable to "oversee difficult disputes."

Since coming into effect, few IBD cases have actually progressed to the FWC. More commonly, the mere existence of the laws have been wielded as a threat by union officials

and management to pressure workers into accepting sellout deals, on the basis that what the court imposes will be even worse.

This technique was most notoriously employed by the maritime unions to sell out a bitter four-year dispute at tugboat operator Svitzer, in which the FWC had already used its pre-existing draconian powers to order a six-month strike ban. In mid-2023, with the suspension about to lapse and the IBD laws weeks away from coming into effect, the unions told workers to vote for a rotten company offer, rather than end up at the mercy of the FWC.

The supposed “independent umpire” added weight to this threat, with Fair Work Commissioner Bernie Riordan telling workers the FWC would likely “deliver what I believe will be an inferior result.”

It is to this pro-business institution that the MEU is insisting Glencore workers must appeal. The union’s move to drag the coalminers before the courts is the culmination of a dispute in which the MEU bureaucracy has stymied the workers’ struggle at every stage.

A significant component of this has been to keep the workers isolated, most notably from their counterparts at Ulan West, whose wages and conditions the MEU falsely promotes as a gold standard for Ulan workers.

Even under Australia’s draconian anti-strike laws, workers throughout the complex could legally have taken industrial action at the same time, which would have had a much larger impact on Glencore’s operations and profits.

But the MEU bureaucracy ensured this did not take place. At Ulan West, workers voted in favour of industrial action in October 2024 and a new union-management agreement was approved by the FWC in January. At Ulan, the previous enterprise agreement covering the Ulan mine expired in September 2024, but the MEU did not hold a strike ballot until June this year.

This was not an accident, but an expression of the fact that the union’s supposed concern over “pay parity” is nothing but a fraud. The MEU bureaucracy deliberately kept the two sections of workers divided to prevent a united fight against the destruction of real wages and conditions throughout the Ulan complex.

Moreover, the MEU has worked to keep the Ulan workers cut off from the rest of the sector, under conditions of major attacks on mining workers across the country:

• In Queensland’s Bowen Basin region, at least 1,000 coal mining jobs are on the chopping block, with both BHP and Anglo American announcing cuts last month. The MEU sought to downplay the impact of the cuts at BHP, claiming they were mostly from “head office,” not “coal production,” and urging the company not to “spread fear through the media.”

At Peabody’s Helensburgh Coal Mine, on the NSW South Coast, some 160 workers were locked out without pay for more than three weeks by their employer, in response to a single strike over an enterprise bargaining dispute, before being herded into FWC arbitration. The MEU has since declared “victory” on the basis of a woefully inadequate 5 percent per annum pay rise and no other improvements to conditions.

More than 400 workers at Tahmoor Colliery, just south of Sydney, 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 everywhere, and the working class more generally, confront an assault on their jobs, pay and conditions. To defeat this, a unified counteroffensive must be built. But this is impossible within the grip of the trade union bureaucracy, which isolates workers and prevents such a fight, including through the subordination of workers’ struggle to the bosses’ courts.

Workers need 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 political struggle by the working class against Labor, the unions, the industrial courts and capitalism itself. This means a fight for a socialist perspective aimed at establishing workers’ governments that would 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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