

# Australia: Gillard government's laws used to shut down strike by desalination workers

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More than 1,200 construction workers walked off the job last Saturday at a \$24 billion water desalination plant being built in Wonthaggi, Victoria, 140 kilometres from Melbourne, only to immediately be faced with massive fines under the Gillard government's anti-strike laws.

The day-long strike was the latest in a series of conflicts between the site's workers and project management following revelations last November that the company had paid a notorious scab labour force organiser \$500,000 to spy on them and prepare a strike-breaking workforce.

Several hundred night shift workers walked off the job on Friday night after hearing that a site manager had abused and physically assaulted a scaffolder in a dispute over car parking. They returned to work, but a mass meeting on Saturday voted to take further strike action over the incident.

Parking at the site, the state of Victoria's largest infrastructure project, has become the latest flashpoint for growing hostility between the workers and the employer, Thiess Degremont. Traffic jams have clogged the road leading from the project and security officers have been placing stickers on cars, claiming they are wrongly parked.

Thiess Degremont immediately obtained a return-to-work order from the Labor government's industrial tribunal, Fair Work Australia (FWA), on the grounds that the strike was unlawful. Under Labor's legislation, like the previous Howard government's "Work Choices" laws, all industrial action is illegal, unless it occurs during a limited "enterprise bargaining" period. Section 418 of Labor's Fair Work Act instructs FWA to order a stop to any "unprotected" industrial action. Breaches of these orders can lead to crippling fines.

The stoppage is also now subject to an investigation by the draconian Australian Building and Construction Commission (ABCC), which means that workers potentially face individual fines of tens of thousands of dollars, or even jail. Originally created by the Howard government, the ABCC has been retained by Labor, with Prime Minister

Julia Gillard stating her determination to keep a "strong cop on the beat" in the building industry. The ABCC can interrogate workers, subpoena internal documents and threaten imprisonment for anyone who refuses to cooperate.

Although the strikers ended their action in the face of the FWA order, tensions are mounting at the site. On Saturday, a worker told the Melbourne *Herald Sun* that there were likely to be calls for the manager to be stood down from his position. "No one can believe what happened, but when it's one of the bosses who's done it, it's a hell of a lot worse," he said. "Some blokes are pretty p—d off that anyone went back to work at all."

In addition, workers have reportedly been docked four hours' wages. Beneath the growing anger lie longstanding issues such as workplace safety, the treatment of trade union shop stewards and the proper payment of wages.

Saturday's stoppage was the second in recent weeks. On February 21, a strike erupted when a middle manager issued a health and safety delegate with a first and final warning over an incident at the plant. Such a warning is the final step before dismissal.

Earlier, there were allegations that a senior Thiess Degremont supervisor had been selling construction jobs at the site for about \$2,000 each, so that many skilled construction workers had been unable to obtain jobs at the project.

Last November's strike was precipitated by revelations of a "Project Pluto" surveillance operation, in which Bruce Townsend was employed to spy on the workforce and prepare a scab labour force. Thiess Degremont absurdly claimed that senior management had known nothing about the strike-breaking operation.

Workers initially refused to end the strike when the main unions on the site, the Construction, Forestry and Mining and Energy Union (CFMEU) and Australian Manufacturing Workers Union (AMWU), declared that they were satisfied with a so-called company investigation, which reported that no serious privacy breaches had occurred. At a mass meeting, angry workers heckled union officials.

At a further mass meeting the following morning, where the workers ultimately voted to return to work, the unions declared that the company had agreed to sack, rather than merely suspend, the project director and human resources manager.

As always, the unions' primary concern had been to ensure that the project resumed as soon as possible. Throughout the project, the unions have sought to demonstrate their reliability as enforcers of the requirements of the management and the Labor government. The CFMEU has signed a FWA agreement to ensure that the project is finished by December.

In line with a continuing media campaign against construction workers, the Murdoch press seized upon last November's strike to denounce the desalination plant workers, making unfounded allegations that they were engaged in "rotts" involving alleged union influence over who was hired to work on the site.

Over recent months, the *Australian* and other Murdoch newspapers have repeatedly demanded action by the Gillard government to curb supposedly excessive wages being paid in the construction industry. The CFMEU and other industry unions have striven, on behalf of the major companies and the government, to prevent industrial unrest. But because of the temporary building boom, mainly related to mining exports to China, sections of building workers have been able to win improvements in their wages and conditions.

Since last November, the ABCC, acting on the government's instructions, has intensified its offensive against building workers, prosecuting workers and unions in the Federal Court for taking "unlawful" industrial action.

Just in the past week, the ABCC chief Leigh Johns, a Gillard-appointee, issued two media statements announcing that the Federal Court had imposed penalties totalling \$280,000 against unions and their officials because of strike action.

First, penalties amounting to \$110,000 were imposed on the CFMEU and the Communications Electrical and Plumbing Union (CEPU) over stoppages at four Melbourne building sites in 2008 that arose from Bovis Lend Lease imposing a swipe card security system.

Second, penalties totalling \$170,000 were issued against the CFMEU and nine of its officials for "coercive behaviour" and "unlawful industrial action" over 13 redundancies at an Abigroup road building project at Geelong, near Melbourne.

In both cases, the unions—despite their claims to demand

the abolition of the ABCC—completely collaborated in the outcomes. They joined the ABCC in putting "agreed facts" and penalty submissions to the court, which endorsed their recommendations.

Through these actions, and the immediate enforcement of the FWA's return-to-work order at the Wonthaggi desalination project, the unions have sent an unmistakable message to the Gillard government and the media owners that they will do everything in their power to prevent or shut down any industrial action by their members.

The giant desalination project, with its simmering tensions, constitutes a critical testing ground for the unions. Victorian Premier Ted Baillieu announced last week that the controversial plant would proceed, despite having opposed it before last November's state election, in which his Liberal-National coalition defeated the Labor government of John Brumby.

Before its ouster, the Brumby government had tried to keep confidential numbers of documents which showed that the plant's operator, the AquaSure consortium, would receive up to \$23.9 billion, or \$860 million per year, during the 27-year water supply contract. Nevertheless, Baillieu has now said the project must go ahead, in case the wrong signals would be sent to international financial markets about "sovereign risk," i.e., the reliability of Victoria as a place to invest.

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