

Australia: More than 300 workers locked out at Opal paper mill in Victoria

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On January 16, Opal Australian Paper locked out its entire manufacturing workforce of more than 300 workers at its Maryvale Mill in Victoria's Latrobe Valley. The company also stood down around 100 workers employed by contractors at the paper mill, with more third-party workers likely to be impacted as the lockout, now in its third week, continues.

Opal is a subsidiary of the Nippon Paper Group, one of the world's largest paper manufacturers, with annual revenue of more than \$10 billion.

Workers were notified of the lockout just one hour before the start of their 6 p.m. shift, according to a media release from the manufacturing division of the Construction, Forestry, Maritime and Energy Union (CFMEU).

Opal initiated the lockout after seven workers began a six-hour strike as part of planned rolling stoppages. The workers voted overwhelmingly in favour of protected industrial action in December after bargaining over a new enterprise agreement began in October.

The company is seeking to impose woefully inadequate 3 percent per annum nominal wage rises and sweeping cuts to working conditions. These include a move to increase ordinary weekly hours from 35 to 38 in order to avoid paying double-time overtime rates. According to the CFMEU, Opal employees now work an average of 37.1 hours a week, so this change would mean a substantial hit to workers' take home pay.

Through its proposed agreement, Opal is also aiming to "reclassify [workers'] roles again; treat them like casual employees and remove checks and balances around rostering, crewing numbers and career progression."

The CFMEU estimates the company's proposed changes to existing conditions would effectively slash workers' wages by 10 percent.

The union has put forward a demand for annual pay increases of 5 percent in the first year, 4.5 percent in the second and 4 percent in the third. But this meagre claim is not even referred to in the union's press releases, creating the conditions for it to be dropped altogether.

While higher than the current official inflation rate, these figures would not even begin to recoup real wage losses imposed in previous union-management deals. The 2021–2024 Opal-CFMEU agreement contained annual pay increases of just 2 percent, while inflation soared to 7.8 percent.

In response to the lockout, the union has established a "community presence" outside the plant and set up a crowdfunding campaign for the striking workers online. Several other unions, as well as the Australian Council of Trade Unions (ACTU), have issued token messages of "solidarity."

This is nothing more than a smokescreen to cover the fact that the Maryvale workers are being isolated by the union bureaucracy. No attempt has been made to mobilise workers at other Opal facilities, allowing the company to maintain the lockout with minimal disruption to its operations and profits, while workers come under increasing financial pressure.

A CFMEU media release reported that the vote by Opal's manufacturing workers to strike was their first in 20 years. This is not a reflection of a lack of determination on the part of workers to fight the company's attacks on their wages and conditions. Instead, it expresses the perfidious role of the CFMEU leadership in heading off any such struggle and imposing the demands of management.

In 2016–2017, the union bureaucracy pushed through a regressive deal containing an immediate 5 percent pay cut and a wage "reset," reducing pay for new hires by a further 6.5 percent. The rotten deal was endorsed by just 51 percent of workers.

The cost cutting was necessary, the CFMEU insisted, to protect jobs and prevent the plant from closing. This was a fraud. The wage cuts did nothing to prevent the destruction of hundreds of jobs at the plant over recent years. At least 400 jobs have been slashed since 2022 as the facility has wound up its production of white copy paper.

Most egregiously, the CFMEU bureaucracy is apparently proud of its role in this filthy operation. Its January 17 media

release boasts that the 2016–17 “outcome was achieved with no industrial action.”

Other workers at the Maryvale paper mill, covered by different enterprise agreements, have been involved in numerous industrial struggles over the past decade, including strikes and company lockouts.

In every case, the CFMEU, Australian Metal Workers Union (AMWU), Electrical Trades Union and United Workers Union (UWU) have taken responsibility for policing the workforce and ensuring striking workers were isolated from others at the mill and throughout the working class. This has allowed the company to impose major attacks on workers’ jobs, wage and conditions.

For example, in 2020, 102 Maryvale maintenance workers covered by the AMWU were locked out by Opal. The company brought in scabs to replace the locked-out maintenance workers. The AMWU pushed through a deal establishing a two-tier wage system, with 15 percent lower pay for new employees and a freeze on existing employees’ wages until new starters catch up through annual increases.

These experiences illustrate that the locked-out Opal workers cannot advance a fight for real improvements to wages, or even for the defence of their existing conditions, within the framework of the CFMEU or any other union. Year after year, these organisations have sold workers out, telling workers they must accept the company’s attacks to preserve their jobs.

To prevent another betrayal, Opal workers need to take matters into their own hands. A rank-and-file committee must be built so that workers themselves, not highly paid union bureaucrats, can call the shots. This will provide the venue for workers to democratically discuss and prepare a set of demands based on their needs, not what the company or the union says is possible, and develop a plan of action through which to fight.

A rank-and-file committee at Opal should not be limited to the currently locked-out workers, or only those covered by the CFMEU, but should bring together workers from every section of the plant. Through a network of such committees, across the country and around the world, workers at Maryvale can link up with others in the paper industry and more broadly who confront similar attacks on their livelihoods.

The company’s use of a lockout is a stark reminder of the utterly pro-business character of Australia’s so-called Fair Work Act. While every form of industrial action by workers is subject to intense scrutiny by the Fair Work Commission (FWC), corporations are allowed to immediately shut down entire workplaces in response to even the most limited work bans. Moreover, companies can subsequently use their own actions as a pretext to have the FWC impose total strike bans

on the basis that the lockout would cause significant economic harm.

The same draconian laws also deem it illegal for other sections of the Opal workforce to strike in support of the locked-out Maryvale workers. While ACTU Secretary Sally McManus has denounced the lockout provisions and called for their repeal, the reality is that the union bureaucracy, together with successive Labor governments, are the ones responsible for the existence and continued enforcement of the repressive Fair Work Act.

This is starkly expressed in the federal Labor government’s attack on building workers in the CFMEU, placing the union’s construction division under quasi-dictatorial administration last year.

The leadership of the manufacturing division, which is in the process of splitting from the construction division, was prominently involved in the media propaganda campaign that provided a pretext for Labor’s attack. Along with the ACTU and most of the country’s union bureaucracies, they have provided full-throated support for the federal government’s neutering of a historically militant section of workers in service of a broader assault on wages and conditions.

The locked-out Opal workers are not only in a fight against a multinational company, but the industrial courts, Labor, the union bureaucracy and the capitalist system itself.

This poses the need for a new political perspective and the fight to establish workers’ governments to implement socialist policies. The major corporations and banks, as well as vital public infrastructure, must be brought under public ownership and democratic workers’ control, to be operated in the interests of the entire working class, not the corporate and financial elite.



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