

Australia: Aurizon coal train drivers locked out

By Terry Cook
3 March 2014

Australia's largest freight haulage company Aurizon locked out 200 coal train drivers at its New South Wales Hunter Valley operations last Thursday and Friday.

The move was in retaliation for a 48-hour strike staged by the workers earlier in the week, as part of their industrial campaign for reduced work hours and higher wages. The workers responded to the company's provocative lockout by voting to strike for another 24 hours on Saturday, but this was cut short when the government's industrial tribunal, the Fair Work Commission, intervened at Aurizon's request. Fair Work banned the strike action and all other industrial action until this Thursday, ordering further negotiations between the company and the union covering the workers, the Rail Tram and Bus Union (RTBU).

The industrial dispute is being closely followed in the financial press. It is seen as an important test case and line with a wider corporate drive to cut the wages and conditions of workers in the mining and energy sectors.

The *Australian Financial Review* issued an editorial on the Aurizon standoff last Thursday, hailing company executives for emulating the Qantas lockout in 2011. It declared: "Aurizon's threat to lock out its striking drivers indicates a new willingness by management not to sit idly by while labour monopolies extort money from shareholders... If the workers are allowed to collude to damage the company, the company can use the industrial laws that apply to it to reciprocate in kind." The newspaper concluded that workers "should recognise the good times of the resources boom and complacent management are over."

The abrupt end of the China-fuelled mining investment boom has seen major projects cancelled or

indefinitely delayed across the country, tens of thousands of construction workers laid off, and a stepped up drive by the major corporations to wind back the concessions granted on workers' wages and conditions at the peak of the boom.

The RTBU has complained that Aurizon has continuously refused to budge in negotiations for a new enterprise bargaining agreement, and was "deliberately stoking this conflict." The Aurizon drivers are the worst paid freight haulage drivers in the region, yet the company is offering a pay increase of just 12 percent over 3 years. The RTBU has offered a deal involving what it says is an "eminently affordable" wage rise of 6 percent this year and 4 percent in each of the next two years.

The drivers are also seeking a reduction in working hours, from 42 to 38 hours a week. The company, however, has only offered a reduction to 40 hours a week. Other drivers' claims include roster changes to provide more notice and certainty regarding upcoming shifts, and improved long-service entitlements, in line with those of haulage drivers in Queensland.

Aurizon's provocative response to the drivers' limited strike action points to preparations for a broader offensive to slash costs across its entire operations. The company locked out the Hunter Valley train drivers at the same time it began negotiations for new work agreements covering 5,000 of its employees in Queensland, where, the *Australian Financial Review* has explained, "the company is the king pin of what is Australia's biggest and richest coal supply chain." Aurizon's lockout is intended to send a message that it will act ruthlessly against any opposition to its restructuring agenda.

An Aurizon spokesman declared that because the coal industry is "operating in a very challenging global

market”, the company “needs flexible and competitive work practices.” These comment followed an earlier statement by Aurizon chief executive Lance Hockridge, who is paid a \$6 million annual remuneration package, condemning the Hunter Valley drivers’ claims as “outlandish” and warning the “company had reached a line in the sand.”

Aurizon is proceeding with the full support of the Liberal-National government. The lockout comes after statements by the industrial relations minister Eric Abetz demanding that employers take a “tougher stand” in bargaining rounds for new enterprise work agreements.

At the same time, Aurizon’s drive to slash operating costs is supported by the coal companies who, faced with falling coal prices and demand, axed hundreds of jobs last year, and will be seeking a reduction in haulage costs to help maintain profits. The average spot price for coking coal fell to \$130 last month, the lowest since June 2009, and almost 22 percent lower than in January last year.

Aurizon is also proceeding in the knowledge that the RTBU, as in the past, will do everything in its power to limit the dispute to narrow industrial action, isolating the train drivers while the union works behind the scenes to find a way to accommodate the company’s demands.

Union organiser Steve Wright last week told the media that the union was aware of a plan by a BHP Billiton coal mining subsidiary to subvert industrial action by Aurizon workers by using rival freight company Pacific National to haul its coal to shipping terminals. Wright ruled out placing a black ban on the movement of coal from the mine. He admitted that the Pacific National drivers, also RTBU members, would “obviously be unhappy” about moving coal “in lieu of their striking colleagues.” However, the union official immediately declared: “But legally there’s nothing they can do about it because it would be a secondary boycott.”

The trade unions are responsible for the “secondary boycott” laws that criminalise solidarity action taken by one group of workers in support of another. They endorsed the former Labor government’s Fair Work industrial laws that have been retained by Prime Minister Tony Abbott. Under the Fair Work regime, workers are forced to go through an onerous and

protracted process before being legally permitted to strike, then only during negotiations for enterprise bargaining agreements, while employers are given free rein to impose lockouts and other sanctions.

The unions utilise the secondary boycott and other anti-democratic provisions of the Fair Work laws to cow workers and isolate disputes within the framework of the given immediate enterprise. To wage a genuine struggle to defend jobs, wages and conditions requires a rebellion not only against the FWA straitjacket but the unions that enforce it.

Aurizon train drivers should break with the union and form new organisations of struggle—rank-and-file committees—that fight to unite workers across Aurizon’s operations and throughout the coal mining and rail sectors in a common struggle to defend jobs, wages and working conditions. This requires a new political strategy, based on the fight for a workers’ government committed to socialist policies.

To contact the WSWs and the
Socialist Equality Party visit:

<http://www.wsws.org>