

May 2022

Common Cause.



**OUR CHANCE TO
VOTE FOR
PERMANENT JOBS,
BETTER WAGES**



Authorised T. Maher, Mining and Energy Union Sydney

SAME JOB SAME PAY LET'S VOTE FOR IT



We need to change the government to stop mining companies using labour hire to cut wages and job security. This election is our opportunity.

Our union has run a strong campaign to highlight and fix the crisis of casualisation and labour hire wage-cutting in the mining industry.

It was great to see members and their families out and about on May Day, sharing our message.

(photos)

'Same Job Same Pay' laws would make it unlawful for employers - including big mining companies - to pay labour hire workers less than direct employees doing the same work. For mineworkers, that would mean you can't be paid less than the person next to you just for being labour hire.

Removing the ability for employers to undercut existing site Enterprise Agreements would take away the economic incentive to outsource jobs that should be permanently and directly employed by the mine operator.

Federal Labor has committed to introducing 'Same Job Same Pay' under their Secure Australian Jobs Plan.

Labor has also committed to an objective test based on work arrangements to determine if a worker can be classified as casual - not just the words in the contract.

These are major changes which would turn the tide on years of attacks on the wages and job security of mineworkers.

To vote for Same Job Same Pay, we need to vote out the Morrison Government. With the support of One Nation, they overturned our court wins for casuals and they have rejected Same Job Same Pay laws.

Voting for Same Job Same Pay means voting Labor - or, if you prefer to vote independent or minor party, putting your Liberal or National candidate last.

If we don't take this opportunity to change the government, we will be in a much worse position to fight mining companies' efforts to cut pay and permanent jobs. It's up to all of us.



LABOUR HIRE'S HIDDEN COST TO COMMUNITIES

A new report into the staggering cost of labour hire wage-cutting has found that about a billion dollars a year in economic activity is stripped from mining regions.

Analysis of five key coal mining electorates has found that about \$989 million has been lost from local economic activity due to aggressive wage cutting-strategies by mining companies. The updated McKell Institute report commissioned by our union analysed the impact on local economic activity of mining companies' widespread replacement of permanent mining jobs with lower-paid labour hire workers. It found that regions with the highest proportion of coal mineworkers were missing out on hundreds of millions a year:

- The electorates of Hunter and Peterson in NSW lost up to \$235.85 million
- The electorate of Flynn in Queensland lost up to \$357.6 million
- The electorates of Capricornia and Dawson in Queensland lost up to \$395.9 million

With Labor's promised 'Same Job Same Pay' laws on the agenda for the upcoming federal election, these findings attracted widespread media coverage and political debate.

The report contains a detailed analysis of how the labour hire employment model has systemically been used to reduce wages that would otherwise have circulated through local mining regions.

"Outsourcing jobs to labour hire companies is a way for mining companies to get around Enterprise Agreements that have been negotiated by workers over decades," said General President Tony Maher.

"By using this wage-cutting strategy, some of our wealthiest corporations have been able to strip up to 40 per cent from the wages of Australian coal miners and remove conditions like redundancy entitlements.



"Right now the industry is booming and mine operators are struggling to find enough workers to dig coal fast enough to capitalise on the phenomenal prices. It simply cannot be argued that coal companies can't afford to provide well-paid secure, permanent jobs." Labour hire coal miner and Rockhampton resident Brodie Allen has worked in the coal mining industry for five years and has been employed through labour for the whole period.

"At my current site, the permanent workers earn about \$40,000 to \$50,000 a year more and they also have a range of conditions like not having to work on Easter or Christmas," said Mr Allen.

"The permanent workers get protections around hours of work, work location and rosters, which we don't. From my current position, there's no pathway to a permanent job.

"Coal prices are booming at the moment but I don't see any benefit flowing to me through better wages or conditions, it's really frustrating. My employer always just says that they can't improve conditions as they will lose their ability to compete for contracts."



"THE THREE GREAT SAFETY NETS –
MEDICARE, SUPERANNUATION AND
MINIMUM WAGE RATES – ARE ALL
IMPRINTED WITH TOM'S CONTRIBUTION."

FAREWELL TO UNION LEGEND TOM McDONALD

Beloved union activist and elder Tom McDonald passed away in April, with a celebration of his life held in Sydney Town Hall on 9 May. Current and former ACTU leaders Sally McManus and Bill Kelty paid tribute to his incredible life and legacy.

Tom McDonald died on the morning of Saturday, April 16, aged 95.

He was a loving husband, father, grandfather and had friendships with unionists from their 20s to their 90s right across the country.

He was key to some of the union movement's biggest achievements and was the union movement's greatest mentor and a much-loved elder.

Tom was a carpenter, a union official for the Building Workers Industrial Union, the assistant secretary and then secretary of that union, an ACTU executive member and then the vice president of the ACTU.

He was an agitator, an educator, a member of the Communist Party and leader of the left in Australia, an internationalist, a peace activist, a philosopher, an author, and a mentor to thousands of young union leaders.

Together with his soulmate Audrey, they were in a partnership sharing a revolutionary life.

Tom was one of the last great industrial warriors who helped reshape Australia. Like most of his kind, he left school very early, and his tertiary study was in the workplace, in the party and in the accumulations of ideas from the great left-wing writers.

The great loves of his life were Audrey and his family, the union movement, and a modest punt on race day.

He lived by his principles and was a socialist, he said, because he wanted a "cohesive society, built on democracy, social justice and equal opportunity for all."

For nearly all his early life, it was the period of the Great Depression and then the Second World War. His father was a cleaner for the City of Sydney. He drove the garbage cart behind an old horse called Bob. In his spare time, he was also an SP bookmaker at Ma Smiths Hotel in Bay Street, Glebe. Tom's early aspiration was to be an electrician, but he finally secured an apprenticeship at the Cockatoo Docks as a ship painter and joiner.

In 1950, Tom McDonald became an organiser with the BWIU. Tom said his union career was not just about wages and conditions, but also about civilising the building industry.

Tom did this with many others – from the Snowy Mountains to central Sydney, to industrial tribunals and the streets.

Threatened by "judges police", the standover men hired by employers, it was no easy task.

But history records the achievements: Payment for periods of inclement weather, improved workers' compensation, better conditions on building sites, safety hats and safety committees.

The BWIU was not just involved in industrial issues. This union was part of the great political forces that were gathering to oppose the war in Vietnam, to oppose apartheid in South Africa, and that gave support to the early claims of Indigenous leaders for land rights.

The BWIU and Tom McDonald also gave ballast to the ACTU and negotiations for the Accord under Bob Hawke.

The three great safety nets of the Accord period – Medicare, superannuation and minimum wage rates – are all imprinted with Tom's contribution.

When Tom retired as the national secretary of the BWIU he did not retire from the union movement.

Tom became a mentor and elder in the ACTU's Organising Works program. This involved his participation in the training of thousands of young union organisers from 1994 to 2019, travelling on the train from his home on the central coast to Trades Hall in Sydney or elsewhere.

This enormous contribution has no equivalence in the union movement and has an ongoing and incalculable legacy.

After spending his working life contributing to the union movement, Tom spent the next quarter of a century lovingly watching over it and pouring all that he had been taught from his life as a unionist into the generations who were just starting out, like he had as an apprentice on Cockatoo Docks. Tom believed in the greater "we" and in building collective strength.

One of his most famous sayings was one passed on to him as a young trade unionist – "the trade union movement is a "we" and not an "I" movement".

While Tom's legacy of achievement for building workers' conditions, Medicare, superannuation and minimum wage was prodigious by any standard, his most lasting impact may be as a philosopher of activism with a heavy focus on strategic thinking.

Tom drew a distinction between short-term tactical and longer-term strategic decision making. He taught that gains do not come on a silver platter. The lessons he taught were about trusting working people, distilling issues, formulating a strategy to win, and the power of storytelling.

Tom believed in working people and was their champion.

For that reason, he was and will always remain a union and political democrat.

Together with Audrey, history will have him on the side of the people who hated war, fought for peace, railed against discrimination and claimed equality for women, and who supported Indigenous Australians, not as a concession to be given but as a right warranted by living in a decent society. Tom McDonald was one of the great union leaders in our nation's history.

CONGRATULATIONS TO MINEWORKERS' TRUST SCHOLARSHIP WINNERS

Whitney Akhurst is in the final year of a medical radiation degree at Newcastle Uni. As one of 20 recipients of this year's Mineworkers Trust scholarships, she's no longer worried about how she'll manage financially through 18 weeks of work placements she needs to complete her studies.

"I can now focus on doing my best with my university work and making sure I am putting everything into my placements without being worried about keeping up my finances during placement blocks," says Whitney, whose dad Darren Akhurst works at Mandalong underground mine in NSW.

Whitney is training to become a diagnostic radiographer who will carry out medical imaging including the regular chest x-rays required by mineworkers to detect dust diseases.



Whitney Akhurst



Adrian Reis

Adrian Reis, who is studying microbiology and genetics at Queensland Uni, has used his scholarship to upgrade his computer and software to help with his research. "Studying this year has been really exciting, being able to get stuck into lab work and make actual progress has been very rewarding," he says.

Adrian is close to finishing his undergraduate degree and is moving into post-graduate study focusing on developing treatments for tuberculosis, which remains a major cause of death in developing countries. Adrian's dad Philip is an iron ore train driver with Rio Tinto in the Pilbara.



Northern Mining & NSW Energy	South West NSW	Queensland	Western Australia	Victoria
Whitney Akhurst	Zianna Chesterfield	Jacob Firth	Melanie Burns	Hayley Smyth
Josie Cain	Jayden Lallinson	Chelsea Hodder	Justin Doogan	Nathan Somerville
Sophie Farmer	Kory Pringle	Kearna Lane	Adrian Reis	Rachel VanderKoogh
Bella Gallagher		Cipri Roughan		
Georgia Goodhew				
Luke Mehrton				
Kaitlin Muddle				



Adrian and Whitney are two of 20 scholarship recipients who have received \$7000 each, based on an independent assessment of their academic achievements and goals.

The annual Mineworkers Trust scholarships are open to Mining and Energy Union members, their families and dependents. Applications for 2023 will open at the end of this year.

How supply constraint could lead to coal prices staying higher, longer

National Research Director
Peter Colley

Stratospheric coal prices this financial year and next (and corresponding super-profits for coal companies) could be seen as the start of a new coal boom. But even if the boom doesn't last long, the new constraints on supply could see mineworkers at existing mines improve their position.

It is common knowledge in the coal industry that we are seeing uncommon prices. In mid-May the spot price for thermal coal out of Newcastle was pushing US\$400 per tonne, while coking coal contracts were being done at US\$550 per tonne.

I never thought I would ever see such prices, and nobody else foresaw it either. A combination of recovery from the pandemic, the China ban on Australian coal (forcing a reconfiguration of the market away from lowest cost arrangements) and then the Russia-Ukraine war have caused a perfect storm for energy prices and pushed coal up very very high.

But even the official govt forecaster doesn't think the high prices will be around long. The Office of the Chief Economist (OCE) within the federal Department of Industry forecasts that export revenues will plummet from an extraordinary A\$110 billion this financial year to A\$41 billion in 2022-23. That's still relatively high but no longer in the super-profits for mining companies category. A couple of years beyond that and the OCE has export revenues back to the tough times of the 2012-2016 post-Resources boom shakeout.

But is the OCE being overly pessimistic, not so much about demand for coal (which it thinks will plateau and decline) but about how supply-side constraints, here and overseas, may cause prices to be somewhat stronger?

The OCE and many other analysts and forecasters think that global coal production will plateau and decline in the next five years. The impact of the Russia-Ukraine war, where Europe is suddenly looking for alternatives to Russian gas and coal, is assumed not to last.



Not just because the war will conclude (it might drag on) but because the very high fossil fuel prices are accelerating the shift to renewables for energy production and even to hydrogen for steelmaking! But will demand fall as fast as supply is being constrained? It is also well-known that, not only is there no investment rush into new coal mines, and even necessary insurances harder to get, but that mine approval processes have become much harder. If one looks at production over the last decade in Australia, it has actually been quite flat, and is forecast to be flat out to 2026-27. The prices and revenues have gone up and down a lot but not the volumes.

Other major supplying countries also have problem. South African exports are actually falling due to rail infrastructure decline. The USA also has rail and port problems, and there is no likelihood of a major fix as coal production is assumed to decline there in coming years.

Even coal exporter Colombia is showing decline! If (and it is a speculative if) there are supply-side constraints that are matching or stronger than the demand-side decline, coal prices will stay firmer and the profit margins of existing Australian producers may be resilient.

It has been conventional to assume that there would be over-supply in the coal market as demand declines, and therefore low coal prices, and very tough times for coal companies and workers. But if there are substantial constraints on new supply, those already in the industry (and particularly more efficient producers like Australia) may have an easier time of it.

GROSVENOR MINERS REMEMBER MAY 6

Our Members at Grosvenor Lodge held a special event on Friday 6 May to commemorate the second anniversary of the horror underground explosion that seriously injured five of their workmates. Grosvenor members were joined by representatives from all Moranbah Lodges, members of the community as well as Queensland Mines Minister Scott Stewart. Grosvenor Lodge made a donation of \$3000 to Moranbah Hospital in recognition of their life-saving work, which was gratefully received by nurses.



**COAL COMMUNITIES
NEED
PERMANENT JOBS**



SAMEJOBSAMEPAY.COM.AU

**SAME JOB
SAME PAY**

Follow us



@MEUAustralia



From the General President

Russell and Dan can give coal miners a voice in Canberra

We have been proud to support two of our members running for Parliament this federal election campaign – Russell Robertson in Capricornia and Dan Repacholi in Hunter. Having Dan and Russell in Parliament would give coal miners and coal mining communities the strong voice they need in Canberra.

If you have followed their campaigns, you would know that both Russell and Dan have had a gruelling few months, with long hours on the road and time away from their families.

Russell has campaigned the length and breadth of his enormous 90,000 square kilometre electorate, which stretches from Rockhampton all the way up to Collinsville in the North and out past Clermont to the west. That adds up to a lot of hours in the car to attend events and meet voters!

Russell is a working Bowen Basin coal miner who has taken leave to run this campaign. As Russell explains in our latest podcast, he decided to run for Parliament because he saw first-hand during his time as a union delegate that the system was stacked against workers. Russell has seen how mining companies have used strategies like casualisation to aggressively cut wages and weaken workers' bargaining power. He knows that we need better laws for workers to get a fair go.

Olympic shooter Dan Repacholi is a fitter by trade and moved to the Hunter Valley to enter the coal industry. Dan worked at Mt Thorley Warkworth Lodge where he became an active member of the Lodge. Dan received plenty of support from his workmates and the union during his Olympic and Commonwealth campaigns and we all delighted in his medal success.

We're also proud to back him during this election campaign because we know that he'll be a strong voice for coal workers and communities. Dan has attended as many union Lodge meetings as possible during this campaign to answer questions and address member concerns. He understands how important good, secure coal mining jobs for the industry and he'll stand up for them.

The Australian Labor Party was formed when Australian workers realised that they couldn't win against employers on industrial strength alone. They also needed a political voice.

One of the important events that led to the ALP's formation was the Great Shearers Strike of 1891 in outback Queensland. Shearers were striking against landowners' push to make them sign a 'contract of free labour' – that is, a contract meaning they could ignore union pay and conditions. The striking shearers were ultimately unable to hold out against the landowners who were backed by police.

One hundred and thirty years later, employers have found another way to get around union pay and conditions - by outsourcing jobs to casual labour hire on pay and conditions well below those contained in union-negotiated Enterprise Agreements.

Just like the shearers, we can't tackle this unfair wage-cutting strategy on industrial strength alone. We have had some success through the courts, but our wins have been overturned by hostile Liberal National and One Nation politicians.

We simply won't achieve justice and a fair go for mineworkers unless we change the Government.

We need strong advocates in Canberra for secure jobs with entitlements and for workers' voices to be heard as we navigate the global economic changes ahead.

I can't think of anyone better to represent mining and energy workers than Dan Repacholi and Russell Robertson. I look forward to seeing them in Parliament and I thank them on behalf of the union for the incredible effort they've put in over the last weeks and months.

