

Australia Dossier by Allen Douglas

Showdown on the docks

The Canberra government is determined to smash the maritime union, but the orders are coming from London.

At 11 p.m. on April 7, Patrick Stevedores, one of the two major stevedoring companies in Australia, suddenly sacked its entire workforce of 1,400 workers—all members of the Maritime Union of Australia (MUA)—at 17 port facilities. Within hours, Patrick hired non-union workers to replace them, ignoring a Federal court injunction forbidding it.

Notwithstanding the illegal actions, Prime Minister John Howard announced that his government is backing Patrick “to the hilt,” while his Minister for Workplace Relations, Peter Reith, crowed that, “for the first time in 80 years,” non-union labor is unloading ships in Australia. As all sides are aware, unless this assault is turned back, it means the near-term elimination of organized labor. But, this is hardly an Australian affair: Howard’s Liberal/National party government is a subsidiary of the Mont Pelerin Society of London, the chief economic warfare body of the British Crown, and its union-busting has been shaped at every turn by Rio Tinto, the world’s largest mining company, partially owned by the Queen herself.

Lord Harris of High Cross, a former president of the Mont Pelerin Society, told the *New Citizen* in March 1996, shortly after Howard was elected, that the new government was installed for a single purpose: to smash the unions.

Harris would know: Three members of the new government were founding members of Mont Pelerin’s fiercely anti-labor Australian front-group, the H.R. Nicholls Society, and others, including Howard himself, were H.R. Nicholls associates.

The first shot in Mont Pelerin’s war against Australian unions was the “Workplace Relations Act” (WRA), passed in December 1996. This allowed employers to set up “individual workplace contracts” to replace unions, outlawed any “secondary boycotts” (sympathy strikes by other unions), and mandated crushing fines for any violations. Months later, it emerged that the bill was drafted by a three-man committee led by Mike Angwin, an executive of Rio Tinto who became the senior manager of Rio’s Hunter Valley No. 1 coal mine, and, throughout 1997, led a vicious assault against the Construction, Mining, and Forestry Employees Union (CFMEU) there, using the act he had just written. As for the assault on the MUA, Patrick’s Chris Corrigan crowed on TV on April 12, “We could never have done it without the WRA.”

Once the WRA was passed, the government called on the National Farmers Federation (NFF) to set up a non-union stevedoring company, to break the MUA. The NFF was set up by Australia’s rural oligarchy, and is also dominated by H.R. Nicholls personnel, including Defense Minister McLachlan, an early NFF president.

In a secret memorandum to Reith on March 10, 1997, his staff specified that “stevedores would need to activate well-prepared strategies to dismiss their workforce, and replace them with another, quickly.” Later in 1997, the “new workforce”—some of whom were serving Army officers granted leave by McLachlan—was secretly trained by former members of the British Special Air Services on the docks in Dubai, which caused a huge scandal

when it became public in December. Patrick has now hired those SAS trainees to replace MUA members.

Though the NFF is in the headlines, sources in Melbourne report that there is no doubt that the *éminence grise* of the whole affair, like that of the WRA, is Rio Tinto, and point to the following:

- Rio Tinto paved the way for Howard, who was notoriously anti-union, to become Prime Minister, by giving his chief rival, Andrew Peacock, a “golden handshake” to leave politics as a Rio “consultant.”

- Rio Tinto funds Mont Pelerin’s Australian front groups, and, in addition to its long-running campaign to smash the CFMEU, sponsored the first attempt to crack the MUA, at the port of Cairns last year, through a shipping company it controlled. The CFMEU and the MUA are Australia’s two strongest unions.

- The NFF’s \$100 million “Fighting Fund” for the docks war is controlled by two Rio Tinto associates: Nobby Clark, former chairman of the Coles Myer retail giant, and of Ashton Mining, which is a 40-60 partner with Rio Tinto in the world’s largest diamond mine, Argyle, in Western Australia; and Charles Copeman, who, as head of a Rio Tinto subsidiary at Robe River in Western Australia in 1986, sacked his unionized workforce—the precedent for Patrick’s actions.

- Rio Tinto has just announced huge expansion plans for its own shipping company, established two years ago in Melbourne, the port where the NFF first set up shop.

- The lawyers and chief strategists for Patrick Stevedores are Rio Tinto’s own lawyers, Freehill, Hollingdale, and Page.

- Patrick’s public relations consultant, White Group Communications, also handled Rio Tinto’s push to eliminate the CFMEU in the Hunter Valley last year.