



# Vanguard

For an Independent Australia and Socialism

Volume 51 Number 8

September 2014

Print Post Approved 100019206

Recommended Price \$2 inc GST

Vanguard expresses the viewpoint of the Communist Party of Australia (Marxist - Leninist)

## Join the fight-back!

by Alice M.

**The Abbott government's 2014 budget exposes who really runs the country and whose interests the government serves.**

This cruel anti-people budget is only the start of wider austerity attacks on the people.

The Business Council of Australia, the Minerals Council and the Murdoch media monopoly, mouthpieces for the local and foreign corporations and big banks which run Australia, drafted the Commission of Audit that set the economic and political agenda for Australia's present government.

The Commission of Audit and big business demand extension and increase of the GST. At the same time they're calling for workers' hard won wages and conditions to be crushed, and to remove the minimum wage and penalty rates.

They demand all restrictions and regulations on imported labour be removed to enable maximum exploitation of these workers, and to push down wages and conditions for all of us.

Corporate globalisation is sending Australia's manufacturing, value-added and technological industries and jobs overseas.

The onslaught by big mining conglomerates and big developers is destroying Australia's environment and adding to the damage wrought by climate warming.

### Cracking down

Expecting resistance and fight back from workers and communities, the Abbott puppet government is preparing to go even further in its suppression of unions and communities.

The new anti-democratic laws in Victoria and Tasmania virtually ban industrial, political and social protests and pickets by workers, unions and communities. The Queensland so-called 'anti-bikie' laws target all working people.



Under the cover of protecting the public, the Abbott government is adding another layer of so-called anti-terrorism laws. It targets the entire Muslim community and can be used against anyone whom it labels a terrorist.

### Crisis in capitalism

Underlining the austerity budget is the fact that the enormous wealth created in this country from the labour power of workers is taken by local and foreign corporations and banks and used for their profit making. At the same they pay very little, or even no tax at all.

The real problem is the system of monopoly capitalism that's in an inevitable and worsening economic crisis.

In spite of the mining corporations and the big banks' unprecedented mega profits, the drive for ever bigger profits is relentless. This is the very nature of monopoly capitalism and it cannot behave any other way.

When the pace of profit accumulation slows down, the ordinary people are made to pay, through cuts to public spending on services, health, education, welfare, and slashing workers' wages

and conditions.

### The people are fighting back

Maritime workers, mining and construction workers, manufacturing workers, public servants, finance sector workers, local government workers, child care workers, cleaners, education and health workers, communication workers, are all strenuously pushing back the assault on jobs and job security, wages and conditions.

The prolonged fight by Victoria's firefighters and paramedics for decent pay and conditions has only strengthened their resolve to see it through and has galvanised wide community support.

Communities are mobilising against this cruel budget, the destruction of their local amenities and environment, the TPP, US bases and troops on our soil and dragging Australia into its wars of aggression.

Farmers and environmentalists are uniting against coal and gas mining wrecking their livelihoods and poisoning the environment.

Working people's independent demands are evolving from these struggles. They are not tied to the interests of monopoly capital and its parliamentary servants.

They are forming the basis on which the Australian people will move towards an independent and socialist Australia.

Gas rip-off is a chilling lesson	p2
University re-design shows the grip of finance capital	p3
TPP trade deal; AUSMIN meeting	p4
Child care workers' united struggle	p6
Marikana massacre commemoration	p7
Country people defend grain farming	p8

# Gas rip-off is a chilling lesson

by *Bill F.*

**Multinational domination of Australia's energy industry is about to deliver a chilling lesson for the people, as the domestic price of gas goes through the roof.**

A new liquefied natural gas (LNG) plant is nearing completion on Cutis Island near Gladstone in Queensland.

Its purpose is to convert coal seam gas to LNG for export to Asian markets, attracting prices more than double Australian domestic levels.

The new facility will be operated by a consortium consisting of Santos (30%), Petronas (27%), Total (27%), and Kogas (15%) using, initially, coal seam gas from fields in Queensland.

The higher export price will impact heavily on the domestic market as gas production and supply contracts come up for periodical renewal by the Australian Energy Regulator.

For example, gas distributor Jemena (owned by Chinese and Singapore government interests) has applied for retail price increases based on the expectation that wholesale prices in the eastern states will rise from \$4 a gigajoule to \$9 and beyond to match the lucrative export contracts.

This will have a devastating impact on the Australian people, especially households which are already struggling to meet their bills for gas, water and electricity from utilities once under public ownership but now privatised and handed to foreign monopolies.

Victoria will be heavily hit, as it consumes some 75% of Australian household gas, originally a cheap by-product of the Bass Strait oilfields.

In 1998 Victoria's gas pipelines were linked to NSW and South Australia and the national grid was established, but prices also went up.

Turning down the gas heater and paying higher gas bills are only part of the suffering to come.

Reports already suggest that some gas producers are cutting back gas supply contracts for local consumption and hoarding supplies for export, creating an artificial shortage in the market.

In the longer term, another cruel impact will be the expected loss of manufacturing jobs to Asian countries as companies struggle with dwindling gas supplies and higher prices.

Sue Morphet, Chairperson of Manufacturing Australia says, "It could cost our GDP about \$28 billion and 100,000 direct jobs, plus all the



indirect jobs for people that service the manufacturing sector."

## Abbott crawls to US monopolies

In January, Prime Minister Abbott spoke at a function organised by Big Oil – Chevron, BHP Billiton and ConocoPhillips.

He boasted how Australia's resources were up for grabs and how profits came before the national or public interest.

"Australia will soon be the world's number one exporter of liquefied natural gas... Australia is the world's largest exporter of black coal and we are the world's third largest uranium producer... Gas is the last commodity to receive an international price..."

"The reality is that just as we have had an international price for oil for over four decades, gas is now being sold in Australia at a world price."

Other countries are not so free in handing over their national wealth. The United States, Canada and Egypt all have specific policies that reserve a proportion of gas and other resources for domestic use.

Even Western Australia has a policy that confines at least 15% of all gas

produced to that state, and Premier Colin Barnett has suggested this should be a national goal. But Australia needs a bigger vision than that.

## National Independence

The production and distribution of gas, like other vital natural resources and sources of energy, should be nationalised and controlled for the benefit of the people and the protection of the environment.

Australia has abundant reserves which can supply low cost household heating and cooking for millions of people, rather than billions of dollars for foreign monopolies.

It can immediately replace the coal-fired generation of electricity, and bridge the gap while alternative clean energy technologies take over.

The filthy process of 'fracking' for coal seam gas should be outlawed.

The issue for the people is not just prices, not just jobs, not just regulating the profiteers, but asserting our national independence and taking back ownership and control of our resources and our country.

## Divide and Rule tactics

- Contributed -

**US giant Bechtel has used classic divide and rule tactics to narrowly defeat proposals to change the fly-in fly-out (FIFO) roster on Queensland's Curtis Island LNG sites.**

The three sites, near Gladstone, employ some thousands of workers on a four-weeks-on, one-week-off (4-1) roster.

It is the only place in Queensland with such an arrangement. Most FIFO sites around the country are on 3-1 rosters, and some even shorter.

When the company's Enterprise Agreement expired, unions on site sought to bring the project back to a 3-1 roster, and picket lines were put on ferry terminals by CFMEU members.

It soon became apparent though that the workforce was far from united and that the Gladstone community was similarly divided.

The community has long accused the company of refusing to

employ local tradies and labourers in preference to interstate and overseas workers. The company's personnel practices were attacked, with locals saying that employment depended on who you knew at Bechtel and that active unionists were discriminated against in favour of FIFO workers with no ties to the CFMEU, AWU, CEPU and AMWU.

After an initial rise in real estate prices and retail trade in Gladstone, the employment of a mainly FIFO workforce had brought about the opposite effect.

The demand for a 3-1 roster had come from workers who wanted a more family-friendly arrangement.

Opposing them were workers who were more interested in the big money that can be earned on the island and who had less of an issue with lifestyle issues.

Their attitude towards those seeking to change the roster was "You guys

**Continued page 8**

## Vanguard

*Vanguard* is a national monthly newspaper which expresses the viewpoint of the Communist Party of Australia (Marxist - Leninist), the CPA (M-L). Readers are encouraged to comment on, criticise or contribute material to *Vanguard*. Articles, digital graphics, cartoons, clippings, comments or a few lines are all very welcome. All material should be sent to:

**Vanguard Editorial Staff  
PO Box 196, Fitzroy, Vic. 3065**

*Vanguard* strives to provide a Marxist analysis of Australian society, economy and politics. An important aspect of developing this analysis is an intimate knowledge of and close involvement in all aspects of Australian struggle.

**Readers and subscribers should be aware that *Vanguard* is unlikely to be published in 2015, but will continue online at [www.cpaml.org](http://www.cpaml.org). As with a newspaper, there are costs involved and supporters are encouraged to contribute whatever they can by sending donations to the above address.**

The CPA (M-L) may be contacted through *Vanguard* at PO Box 196, Fitzroy, Vic, 3065.

Email: [cpaml@vanguard.net.au](mailto:cpaml@vanguard.net.au)

# University redesign shows the grip of finance capital

by Nick G.

**The federal government's planned deregulation of tertiary education represents imperialist finance capital's redesigning of the ideological apparatus that serves society's economic foundations.**

In the post-feudal era of early capitalism, the specialised training that had been required since ancient times for "men of learning" (women were excluded) in areas like medicine, mathematics and religion was expanded to incorporate the "humanities".

These were subjects that justified the transition from feudalism to capitalism by the advocacy and refinement of "universal human values" in literature and art, and in history and philosophy.

Accordingly, universities developed as "ivory towers" where "academic freedom" and "pure research" prevailed – all in the interests of coating the naked greed of the capitalist in a many-coloured coat of bourgeois intellectual endeavour.

## Kevlar, not corduroy

But in the era of the end-game of imperialist control of the world, such "ivory towers" are no longer required.

Imperialist finance capital is everywhere accompanied by the agents of violence and reaction. It struts the world stage in Kevlar, not corduroy.

Hence, for some decades, universities have been pushed towards a much narrower function of directly serving the interests of big corporations.

This has been seen in the enrolment patterns of students looking for corporate careers, in the subsequent redesign or closure of courses, and in the starving of research funds for projects that have no immediate use for big business.

Past Liberal and Labor governments have been complicit in this, but it has taken Abbott and Pyne to make clear the redesign of the sector.

## Pushed in same direction as TAFE

Basically they seek to impose on the universities the same disastrous policies that have seen the destruction of the TAFE sector.

University fees are to be deregulated and private providers will be encouraged to compete with universities for what little public funding is made available.

Most university courses will suffer cuts in government funding, with the average around 20%.

Various sources within the sector predict that the cost of some degrees

will rise to as much as \$100,000 or \$200,000.

Changes to the HELP loan scheme will increase the costs faced by students in paying university fees.

Entrance to a public university, already denied to many working class and lower middle class students, will be further restricted as ability to pay fees makes its impact felt.

Pyne's weasel words justification is that there will be a massive increase in scholarships for disadvantaged students. But the more honest spokespersons for the ruling class aren't having any of this.

## Business Council sets agenda

They want even less spent on university education and believe that it is wasted on large numbers of Australian kids.

Catherine Livingstone, the new Business Council of Australia president, says that Australian universities are enrolling too many domestic students, and that they should be doing VET courses instead.

Livingstone speaks directly for finance capital. She began her career with Price Waterhouse and became Chief Executive, Finance for Nucleus Ltd which placed her in as Chief Executive of its subsidiary, Cochlear Pty Ltd. She went on from there to top positions in the Macquarie Bank and Telstra.

The corporations she speaks for in her new role at the BCA believe that universities should only train students in skills needed to help in capital accumulation, that there should therefore be fewer university places, and that making ability to pay fees a determinant in who enrolls will allow governments to even further reduce funding and thus reduce corporate taxes.

This is how the Age of Entitlement ends – not with a Degree but with a Training Certificate.

And to guard the corporate wealth hoarded at the expense of social programs for our people Livingstone wants changes to education for toddlers as well.

In an interview she said urgent intervention was needed in the education and training system as early as kindergarten, to "protect future prosperity".

## As with universities, so with kindergartens!

Naturally, there is resistance to this redesign demanded by finance capital.

## Editorial

# Capitalism takes it out on working class kids

**When the capitalist system slides from boom to bust, jobs dry up and the ruling class implements harsh austerity measures to cut social programs and crush working class discontent.**

This is happening right now in Australia, with the Abbott-Hockey austerity budget and the introduction of new state and federal laws restricting democratic rights and public protests. The ruling class knows many people are angry, and is beefing up its tools of repression.

While thousands of workers are losing jobs due to recession cut-backs, outsourcing, takeovers and mergers, even greater numbers of young workers are unable to find jobs at all when they leave school, TAFE or university.

Official unemployment went from 6.1% in June to 6.4% in July, the highest since 2002 and more than the United States level of 6.2%. Of course, these figures are based on the woolly notion that one hour a week's work means a person is no longer counted as 'unemployed'.

A more realistic measure of unemployment is the Bureau of Statistics quarterly figure which adds in the under-employed who are looking for more work – the casual and part-time workers, including the many young people working in cafes and take-away joints.

These figures show an under-employment rate of 7.5%, in addition to the 6.4%, giving a current overall rate of 13.9% or thereabouts.

Young people have been hit the hardest. For young people not in full-time study, this year alone has seen unemployment of people aged 15-19 reach 19.3%, nearly one in five.

Globalisation policies (imperialism) and de-industrialisation have wiped out thousands of jobs. Many workers have skills and experience, but can't find work to support young families and meet their commitments.

To add to the misery of unemployment the government has made it incredibly hard to qualify for benefits – it's Work for the Dole, apply for 40 jobs each month, and nothing at all for six months if you're under 25.

Behind these facts and statistics is the frustration and anger of hopes and dreams denied, future plans destroyed, lives up-rooted, human tragedies.

But young people also have great reservoirs of optimism and determination. They are finding ways to organise and demand a better deal - there have been impressive student rallies against fee hikes and cuts to courses.

More unions have encouraged young activists, but parliamentarism and factional manipulation prevails all too often. Young people totally reject this.

**There is a need to draw in more working class youth to build a powerful movement for change. We should encourage young workers to join the March Australia rallies on Saturday 30th and Sunday 31st in the capital cities.**



*Melbourne students protest against cuts and changes to fees*

On August 20, university students came out in force against the government and corporate dismantling of tertiary education.

And the SA Branch of the National Tertiary Education Union will bring

university staff to Pyne's electoral office on September 10.

These actions will mark the beginning of a protracted campaign to save tertiary education from the vandals of imperialist finance capital.

# TPP trade deal will turn Australia into a US colony

by Alice M.

**As more information on the highly secretive TPP leaks out, there's wider understanding that it is simply a tool of global monopoly corporations and banks to remove all restrictions and obstacles that stand in their way of intensifying the exploitation of people and the environment.**

In Australia, the many standards and achievements the people have won in our health, education, health and safety, wages and working conditions, clean agriculture and safe food production, jobs in manufacturing and services industries, environment, democracy and sovereignty will be watered down or swept away altogether.

It is now more widely recognised that the US government and its multinational corporations are the architects and the driving force behind the TPP.

No wonder the draft agreement and negotiations are kept secret from the people, whilst a handful of biggest US based multinational corporations and government negotiators are dictating the full text. Countries that sign up to the TPP will be required to abide by it for at least 20 years, irrespective of the wishes of the people and future governments that would want to pull the plug on it.

## Foreign investments

The most determined and aggressive push for abolition of all regulations and restrictions on foreign investments is from the financial sector. International monopoly banks and financial institutions demand removal of all restrictions on capital investments inside and across all signatory countries. They want to invest capital in areas of maximum profitability for themselves, not into the needs of people and the environment.

## ISDS

One of the most outrageous elements of the TPP is the Investor State Dispute Settlement (ISDS) which gives power to foreign multinational corporations to sue sovereign governments (in Australia federal, state and local) where domestic laws, regulations and actions restrict or "harm" present or future profits of corporations.

The judges sitting on the international tribunals are also often same lawyers acting for the multinational corporations suing sovereign governments.

It costs sovereign governments tens of millions in legal fees irrespective of the outcomes.

## US Congress dictates

The latest exposures in the secretive agreement include a so-called "Certification" requirement.

This openly imperialist act empowers the US Congress to directly approve, amend and draft new domestic laws and regulations for other countries in the TPP.

The US has the power to exert immense pressure (blackmail, threats and intimidation) on other countries until it is satisfied that their domestic laws and regulations comply with its own demands and interests.

These US imposed laws ensure that the interests of US and its corporations and banks override the interests of local working people, communities and the environment.

The TPP is part of a global push by the biggest US and other monopoly corporations, banks and financial institutions to seize control of the

world's resources, markets and labour for their profit making.

Monopoly corporations and finance capital collude in grabbing the spoils of the world, but mostly they fiercely compete with each other.

They create and inflict ruthless wars, suffering and hardship on millions of people from around the world.

The reality is that monopoly capitalism is reaching its use by date. Its own economic laws ensure that it cannot escape the scourge of surplus accumulation (overproduction), major economic crises, declining rate of profit, greater monopolisation and more savage competition spilling into brutal imperialist wars.

Monopoly capitalism cannot be reformed, softened or reinvented within the intensifying antagonism of capitalist class relations. It has little room to manoeuvre except to inflict more austerity, suffering, hardship and wars on the people of the world. To pretend

otherwise is to mislead the people.

The TPPA, NAFTA and all other so-called "free trade agreements" are nothing more than imperialist globalisation with the US presently leading the charge.

## Resistance to US imperialism

The people in all corners of the world are building resistance to this imperialist onslaught.

People's demands for sovereignty, taking their country's wealth for the people, genuine people's democracy and taking control of their countries, are pushing their way to the forefront of many struggles.

From the heart of the US imperialist beast, in Europe, Asia, Middle East and Latin America ordinary people are organising and demanding a new world free of corporate exploitation.

Australian working people are a part of this world-wide movement.

# AUSMIN = Political and Military domination

by Bill F.

**The recent annual Australia United States Ministerial Consultation (AUSMIN) merely confirmed the political and military domination of Australia by US imperialism.**

Principal conspirators this time were Australian Foreign Affairs Minister Julie Bishop, Defence Minister David Johnston, US Secretary of State John Kerry and US Defence Secretary Chuck Hagel.

They formally ticked off a legally-binding Force Posture Agreement which enshrined the permanent presence of US marines in Australia, along with associated warplanes and stockpiles of weapons and military equipment.

The agreement also covered plans to use Australian airfields, military bases and ports to accommodate US forces, with fighters and bombers using Tindal Air Force Base and Delamere target range in the Northern Territory.

Hagel boasted, "We have, in this Asia Pacific region, about 200 ships in our navy in the Pacific... we have over 360,000 military uniformed personnel and civilians stationed in this part of the world; this is a part of the world that represents five of America's seven treaty-obligation countries, which we are committed to and which we've made it very clear we're committed to."

There were other bits, such as setting up the C-Band space surveillance radar and the Space Surveillance Telescope in Australia, and cooperation "on cyber, electronic warfare, hypersonics, as well as integrated intelligence, surveillance,



*US Aegis system missile cruiser*

and reconnaissance technologies."

All very obscure, but designed to expand existing US spy bases such as Pine Gap, which has now become the main control centre for launching drone attacks across the world.

## 'Inter-operability' means we take their orders

The key word in these discussions was 'inter-operability' – meaning the deep integration of Australian military forces into the US war machine, with particular mention of Australia's highly trained Special Forces.

Training for this 'interoperability' would continue through the biennial Talisman Sabre exercises and the purchase of expensive weaponry from American armament manufacturers – the F-35 Joint Strike Fighter, EA-18G Growler, P-8A Poseidon maritime surveillance aircraft and E-7A Wedgetail early warning aircraft.

During the talks, the US sought to enlist Australia into equipping its

warships with the US ballistic-missile defence system – the 'Aegis' radar and missile system which it has installed on its navy vessels and is mainly intended to shoot down possible Chinese or Korean missiles. The ever-keen-to-please Australian ministers agreed to a proposal to set up a working party to scope the detail of work required and the mega-billion dollar price tag.

The joint statement issued afterwards welcomed the decision by Japanese prime Minister Abe to over-ride his country's pacifist constitution and adopt a more militarist and aggressive posture. This neatly dovetails into US efforts to establish a "tripartite" military pact involving the US, Australia and Japan.

Having signed Australia's political collaborators up for its aggressive military plans for Asia and the Pacific, the US pushed for the signing of the scandalous Trans Pacific Partnership (TPP) agreement "as soon as possible". This would formally complete the trifecta – political, military and economic domination!

# Renewable energy projects under threat

by *Bill F.*

**Pandering to the climate warming deniers and the fossil fuel industries, the Abbott government has set up a review into the Renewable Energy Target (RET), scaring the wits out of companies investing in renewable energy.**

The RET was designed to “encourage investment in new large-scale renewable power stations and the installation of new small-scale systems, such as solar photovoltaic (PV) and hot water systems in households.

The Renewable Energy Target also aims to ensure that at least 20% of Australia’s electricity supply will come from renewable sources by 2020.” This means that 41,000 gigawatt hours of electricity must come from renewable

energy sources by 2020.

The review is headed by former Reserve Bank board member and climate warming denier Dick Warburton, whom Abbott has asked to look at scrapping the target altogether.

Several companies committed to investment in renewable energy have shed workers and cut back on their plans due to the uncertainty.

Silex Systems was prepared to invest \$420 million in a 2,000-dish solar farm near Mildura in Victoria, capable of producing enough electricity to power 30,000 homes. This will not go ahead and the company will instead look at a smaller project.

In South Australia, Pacific Hydro has axed a projected 42 turbine windfarm at Keyneton, north-east of Adelaide, while Senvion Australia’s proposed \$1.5

billion wind farm near Ardrossan on the Yorke Peninsula may not go ahead, despite State Government approval in February this year.

Senvion manager Chris Judd sad, “We’re having significant impact on emissions, we’re driving down wholesale prices, we’re creating significant jobs in the order of tens of thousands of people, and investment to the tune of tens of billions of dollars in this sector... Tens of thousands of people, their jobs, their livelihoods would be in a dire position as a consequence.”

Acting chief executive of the Clean Energy Council Kane Thornton said the Warburton review had affected confidence.

“The industry is basically on hold because of the uncertainty of the review

... It’s also affecting mature businesses like Pacific Hydro and Hydro Tasmania and there’s no question it makes it harder for the newer companies as well... You’d have to be pretty reckless to make a decision that ultimately doesn’t save anyone any money on their power bills, is at distinct odds with what 99% of people have asked for and will seriously damage investments and put people out of jobs.”

Mr Thornton said 21,000 people were employed in the renewable energy sector. If the target was slashed many businesses would close and thousands of people would lose their jobs, he said.

Warburton’s review will report in a few weeks. It will be another kick in the teeth for people who need decent jobs and care about the health of the planet.

## Austerity – just nasty right-wing stuff or the only way capitalism can continue?

- Contributed -

**Austerity measures as a response to the GFC seem to be the abhorrent reality many of the world’s population are faced with today. Australia is now following the example of the European catastrophe. Why?**

Is it simply nasty right-wingers doing nasty things like they always do? Is it because there is no alternative?

No. Put simply, it is the only way the current mode of accumulation can continue.

The mechanics of this process are simple; the self-expansion of capital necessitates the creation of private debt in conjunction with the over-production of commodities.

Capital must mop-up its excess through expanding private debt, lest the next round of production, the reproduction of the system, not take place. The struggles involved in maintaining/destroying this mode of production are infinitely more complex.

### Qualitative change

According to some, imperialism today is more than monopolising capitals. There has been a qualitative change in the dynamics of global capital accumulation since the 1970s. The process did not just speed up, it has fundamentally altered.

Monopolising capitals have become generalised and globalised monopolies that manipulate an imperialist rent

across commercial jurisdictions.

These generalised and globalised monopolies set the general rate of profit and discipline the rest of the so-called market with their investment and, just as, if not more, importantly, divestment decisions.

Governments prop-up firms to ensure they meet the general rate of profit set by these monopolies and this creates an illusion of competitive markets.

In reality, the workers are taxed and this is then redistributed among the warring fractions of capital to ensure the maintenance of capitalism through the illusion of competition.

Competitive markets do not exist except in the imaginations of the apologists for capital. Compulsion not choice is the driving force of ‘market’ participation. As if I could refuse to earn my daily bread in sweat?

### Tightly integrated monopolies

Fractions of capital are constantly at war but competition is still illusory.

How? Fractions of capital are no longer relatively autonomous companies that jostle for market share. They are tightly integrated monopolies that control key systems of production.

Consider the global mining industry. BHP Billiton and Rio Tinto have tried to merge on three occasions with the ready acquiescence of Australia’s Foreign Investment Review Board. Had Chinalco not blocked the venture, mineral production worldwide would be under monopsony control, that is, control by a single buyer.

This is not to say that there aren’t other firms competing with these colossal miners for tenders and leases.

To be sure, competition is fierce in this regard. But how does one extract the ores? 60% of the technology used in all global mining ventures is the intellectual property of BHP Billiton.

The rents on this technology transfer alone put to bed any notion of free and open competition between mining firms.

Even if the Australian government nationalised the mines they would need to cough-up their profits to BHP in the form of monopoly rent.

But what about funding independent research into developing alternative technologies? Not a problem, now we just need to approach oligopoly-finance capital in order to secure a line of credit.

The point is that ownership is subordinate to control in the age of generalised-monopoly capital.

There can be as many firms as you like competing for a slice of the market but if they all have to purchase their raw materials and instruments of labour from the same supplier, what kind of competition is this?

Of course, the dialectical kicker in this equation is that the supply of variable capital can only come from one supplier; the working class.

So, can we say that competition is truly non-existent and capitalism today is merely collusion? No, of course not.

The logic of capital accumulation is still driven by the need of capital to self-expand.

Before characterising imperialism, Lenin warned of ‘the conditional and relative value of all definitions, which can never include all the concatenations of a phenomenon’. Perhaps it is time we sought to redefine ‘competition’?

Does all this mean that struggle is futile? That the operations and consequences of capital accumulation are somehow inevitable?

No. The self-expansion of capital is always mediated by political struggles and the agency of economic actors.

Class struggle not only still matters; it matters more than ever before. But struggle informed by what?

The bourgeoisie have been pouring money and resources at the problem of accumulation since it was interrupted in 2008. They know what the new dynamics are and this is what drives their vicious attacks on working people all over the globe.

Austerity measures were never proven to be the right policies for achieving the stated ends of our politicians.

Thomas Herndon, a 28 year old PhD student, proved that the mathematical basis of pro-austerity economic arguments were a farce. Did the world renounce austerity? Rather, it has been embraced.

If there is any chance of mounting a meaningful resistance to this resurgent bourgeoisie, the contours of the class struggle, that is, the dynamics of capital accumulation, must be understood correctly. No solution can be sought until the problem itself is properly understood.

# Child care workers show the way forward is through united struggle

by Ned K.

**Early childhood education workers, commonly known as child care workers, are waging a protracted struggle for respect, recognition and better pay.**

Their struggle began in the late 1980's when there was recognition of this sector as warranting their own industrial award to regulate wages and conditions.

Through the early 1990s they won an industrial award recognising their existence as a community of workers in their own right.

This first step was won by a combination of community based action by workers and supportive parents and an industrial and legal strategy by their union, Miscellaneous Workers Union (now United Voice).

In the first decade of the 21<sup>st</sup> Century they took another step forward by campaigning for better child to worker ratios to enable quality standards of care and education for children.

With the election of the Rudd Labor Government in 2007, they hoped for a government more receptive to the need to attract and keep more formally trained workers in the sector.

They launched a campaign for professional rates in the industry and for greater government funding of the sector in order to pay for the professional rates.

In the last term of the Gillard- Rudd Government, an extra \$300 million dollars was allocated to the sector, specifically for wages of workers who won collective union agreements with their centre owners.

The \$300 million was nowhere near the \$1.4 billion or so a year that workers were campaigning for to enable all child care workers to be paid decent rates for delivering high quality care.

The \$300 million was nevertheless a significant step forward and it only came about because of the mass mobilisation of child care workers and community supporters who took to the streets in their thousands to make the politicians listen.

Why did the government hear them, but only allocate \$300 million as a one off amount?

If the government had held its nerve on the mining and resource tax and built on this as a way of returning some of the profits of the mining magnates to the Australian people, the story may have been different.

When the Abbott Government won the spoils of office in Canberra it cancelled any funding for workers' wage increases and under the smokescreen of

the Productivity Commission set sail on a course to smash long day child care centres and the child care workers' campaign.

The Abbott government champions itself the government of 'flexibility' in the delivery of children's services at affordable prices for parents.

However its real aim is to develop a two tier system of care at a cheap price for the rich through dismantling many of the long day child care centres and replacing them with poorly trained poorly paid home based care (nannies).

Despite the current situation and the protracted nature of their struggle, the child care sector is one of the few sectors where union membership has increased dramatically.

In some states from the end of the Howard years, through the Labor years to the present all-out attack on these workers under the present government, child care workers have increased their ranks measured by union membership

## Boom profits for childcare operator

by Duncan B.

**G8 Education is Australia's largest for-profit childcare company.**

In an industry where 84% of child care operators own only one centre, G8 currently owns 361 centres in Australia and 55 in Singapore. G8 has 78 more centres awaiting settlement in Australia, which will give it 439 Australian childcare centres.

G8 announced a purchase of 25 centres in early August, following on from the 115 it bought in the first half of 2014, and the 76 purchased in 2013. G8 is still on the look-out for more acquisitions.

Not surprisingly, G8 announced a 48% rise in interim net profit after tax to \$16.3 million, with a 59% rise in revenue to \$187.2 million.

It is obvious that the child care industry is a very profitable industry despite the collapse of ABC Learning in 2008. Many parents need to place their children in child care so that they can work.

Another factor underpinning the profitability of childcare centres is that the Federal Government subsidises some of the costs of childcare. Among the Government benefits is the Child Care Rebate which pays up to \$7500 per child towards eligible child care. Parents still face high childcare costs, even after the Government subsidies.

Australian parents need access to low cost child care in not-for-profit centres, run to benefit the parents, not companies like G8.



by over 100%, and in some cases by about 200%.

Central to this achievement and show of determination has been the role of women workers in centres prepared to stand up by becoming their union delegate and campaign leader.

In some states these women leaders have continued to meet and plan their next steps on a monthly basis over a period of 25 years, a remarkable example to other workers.

Child care workers have also learned

to unite all workers in their centres - the teacher trained, the Certificate 3 trained, the untrained, the kitchen staff and importantly the centre directors who often wear two hats, one as another centre worker and the other as co-ordinator/supervisor.

The gains made by these workers and their determination to see the struggle through to the end to win professional rates is an inspiration to all workers in the services sector of the economy of capitalism.

## The road to riches



by Bill F.

**Yet another big monopoly has been exposed for tax minimisation at a time when the Abbott government is crying poor and slashing social spending.**

Toll road operator Transurban has income from 11 tollways, including CityLink in Melbourne and the Westlink M7 in Sydney.

The company paid a miserly \$3 million (\$3,000,000) in taxes last year, while raking in \$1 billion (\$1,000,000,000) in tolls from road users. That's a tax rate of 0.003%.

Most working Australians pay tax rates between 32% and 37% of their income, and don't have access to an army of taxation lawyers to avoid or minimise their tax debt.

Transurban boss Scott Charlton must be laughing; he took home \$4.9 million. (\$4,900,000)

This mob is not alone. The operators of Sydney Airport also make billions, but haven't paid tax since it was privatised

and sold to the Macquarie Bank.

Stories like these pop up from time to time in the monopoly media.

They are not exceptional at all, certainly not news for most people. Everybody knows that the rich and powerful, the corporate and corpulent, get away with murder when it comes to paying their taxes.

Nothing much ever happens as a result these 'exposures'. No-one gets slugged for millions, no-one gets carted off to gaol. So, what's the purpose? Who does it serve?

The likely answer is that it serves the interests of the ruling class. Firstly, by giving the impression that the monopoly media is objective and unbiased; and secondly, by sending messages to the working class "that's the way things are, so just cop it".

In spite of this, the tactic doesn't work for long. Rather than demoralising people, it only makes them angry and more determined to challenge the rorters and greedy parasites that run the system.

# Marikana massacre commemoration, two years on

- Contributed -

**A crowd of 15,000, on the 16 August gathered at the Nkaneng informal settlement in Wonderkop, near Marikana in North West province, to commemorate the 38 mining workers who died at the hands of the South African police, Lomin Mine Corporation and the now exposed, corrupt ANC government.**

The dead mine workers' suffering families were centre stage at the commemoration, making the event a moving tribute to the African people's struggle for justice and a living wage.

By a living wage the mine workers and their union, Association of Mineworkers and Construction Union (AMCU), want their members to be paid 12,500 Rand per month and have been campaigning for this over the last two years. It is a figure which is three times their present wage.

However, this increase is not significant or outrageous, for 12,500 Rand is equivalent to \$1250 AUS, a wage of \$312.50 AUS per week, whereas at the moment mine workers and their families have to survive on \$104.16 AUS per week.

The mining companies in South Africa have a history of organising Africans to leave their homes and migrate to their mines and work as cheap labour so as to increase their rate of exorbitant profits.

On and off the stage performers and the crowd celebrated their hardships and struggle for worker rights through song, dance, theatre and African protest dance – Toy-Toy.

Local school children performed choir singing and their own poetry presentations to express their outrage and hope for a better and dignified future life.

A variety of worker groups did their famous militant Toy-Toy around crowds of people as they assembled for the commemorative rally.

The sell-out officials from the National Union of Mineworkers (NUM), the ANC and local government were deliberately snubbed and not invited to the commemoration.

Not surprising considering that two officials from NUM shot 2 Lomin mine workers 2 years ago, in an attempt to break the wildcat strikes that had started at Marikana and get the workers back to the mines.

Wives and relatives took the stage as AMCU officials explained how the commemoration would be conducted on the day.

Among the speakers, ranging from religious and parliamentary leaders – Julius Malema, Economic Freedom Fighters (EFF) and Moosiwoa Lekota, Congress of the People (COPE) – were

two inspiring family representatives who resonated most with the crowd.

While Malema and Lekota roared their support for the mine workers, their message was essentially parliamentary, of trust me with your vote.

However the family speakers, a father whose son died from police gunfire and a mine worker who was shot eight times and survived after being unconscious for several months, spoke of the loss of loved ones because of the shootings; hardships of working in the mines; trying to live on appalling wages paid to them by the mining corporations; and their efforts at carrying out industrial strikes to win a living wage. The crowd roared back in approval and support of their own kind.

South Africa's leading political figures, the country's President Jacob Zuma and ANC vice president and Lomin director Cyril Ramaphosa came in for a lashing from the family rep speakers.

Utter contempt and hatred was expressed towards these two because of the treacherous role they played in supporting the mining

corporations and ordering the police shootings, so as to deny the workers and their families a living wage.

The Marikana massacre has become a significant historical turning point, like Sharpeville and Soweto before it, in defining South African politics.

It is the beginning of breaking the power and hold that the ANC and Council of South African Trade Unions (COSATU) have over the African population and workers. Their arrogance and monopoly over popular power is now on the wane.

Alternative organisations, such as AMCU and the peak union body National Council of Trade Unions (NACTU), have attracted workers away from the tame cat and corrupt ANC lead unions. Unfortunately, reports indicate some leaders of AMCU are practising the same opportunism as NUM officials.

The old short sighted habits continue: too much focus on signing up members to increase their paid membership; limiting industrial campaigns to just wages; overlooking health and safety issues such as on the job safety and

dust blasted from the mining areas that blows over local communities' shacks; the correct resolution of land disputes between indigenous land owners and the migrant labor force; the creation of desperately needed community services – sanitation, electricity, running water, free medical care and clinics and other facilities like community libraries.

While there is militancy amongst the migrant mine workers, political consciousness has still to be developed to overcome and resolve the myriad of social and political issues that confront the African people in Marikana.

Therefore it is vitally important that political work be done amongst the people to overcome potential conflicts such as the mine workers and local land owners squabbling and fighting with each other over rights to land.

Once broadening the base and narrowing the target is achieved, the real enemy can be identified – the mining corporations and the South African state!

The ANC in the long term will go into decline because of its open collaboration with corporate capital.

## Labor premier endorses attacks on the poor

by Nick G.

**The country's only State Labor premier, South Australia's Jay Weatherill, has shocked welfare advocates by endorsing billionaire Twiggy Forrest's proposed expansion of compulsory income management.**

The endorsement reflects the intellectual bankruptcy of Labor's left-wing to which Weatherill belongs.

Social democracy refuses to confront the real holders of power in capitalist society because it is only concerned with holding office on their behalf in their parliamentary institution.

Our own agenda calls for an independent and socialist Australia as the only answer to the problems of inequality and exploitation.

Our endorsement is for the call by SIMPLA (see below) for compulsory income management to be scrapped and for Centrelink payments to be significantly raised.

**MEDIA RELEASE: Premier Jay Weatherill Fails To Listen To Evidence On Income Management**

"Reports in *The Australian* on Friday August 15<sup>th</sup> that South Australian Premier Jay Weatherill supports Andrew Forrest's welfare proposals, including significantly expanding Income Management, are deeply concerning.

"Mr. Forrest's recommendation that selected Centrelink clients have 100

percent of their funds 'managed' is an unprecedented attack on the rights of those on income support to control their finances", SIMPLA (Stop Income Management in Playford) Spokesperson Pas Forgione said.

It would, as the Australian Council of Social Service has noted, "take our nation back to the 1930s when unemployed people did not get cash benefits and had to work on the roads or beg for charity to survive."

"Income Management is a blunt, heavy-handed policy that does not improve the financial or personal skills of vulnerable clients nor improve their health and well-being. There is evidence that the humiliation and stress it inflicts on clients could be harmful over the long-term", Forgione said.

The Commonwealth Parliamentary Library's 2012 paper, *Is Income Management Working*, said there was "an absence of evidence relating to the effectiveness or otherwise" of the program.

A Department of Families, Housing, Community Services, and Indigenous Affairs study from the same year, *Evaluating New Income Management In The Northern Territory: First Evaluation Report*, was less guarded:

"[Income Management] has been applied to many who do not believe they need Income Management and for whom there is no evidence that they have a need for, or benefit from Income

Management. Income Management has led to widespread feelings of unfairness and disempowerment... for many people the program largely operates more as a means of control rather than a process for building behaviours or changing attitudes or norms."

In the City of Playford, where Income Management has operated since July 2012, there were 588 residents affected by this punitive scheme as of May 16, according to the Department of Social Services. Over 80% of Income Management clients were forced onto the scheme.

The majority of clients are young people on the Unreasonable To Live At Home rate of Youth Allowance who have automatically been placed on Income Management simply because of their payment, without regard to their financial and personal history and skills.

"SIMPLA are all calling for Income Management to be terminated, with savings put into services that build the strengths of vulnerable individuals and communities, and have a track-record of success, and for Centrelink payments to be lifted to more adequate levels, as called for by unions, business, and welfare groups", Forgione said.

Further Information: Pas Forgione, SIMPLA (Stop Income Management in Playford) Spokesperson, on 0411 587 663 or at [simpla.playford@gmail.com](mailto:simpla.playford@gmail.com).

# Country people take action to defend grain farming

by Ned K.

**On Saturday 2 August over 1,000 people from the Yorke Peninsula agricultural area led a rally and march in the city of Adelaide, South Australia.**

They were drawing attention to the announcement of the SA Labor Government to approve an open cut copper mine near Ardrossan on the eastern side of Yorke Peninsula, which is bordered by the Gulf of St Vincent on the eastern side and Spencer Gulf on the western side. The mine is only 10 kilometres from the coastline.

The rally and march featured many colourful placards about saving farming, saving food and condemning the intrusion of mining into prime agricultural land.

The farmers and their families from Yorke Peninsula were joined by farmers from the South East of South Australia who are fighting the 'invasion' of coal seam gas exploration and drilling in farming and viticulture properties. One person at the rally held a large sign saying "You can't eat gas".

The farmers from the Yorke Peninsula came to the city well organised. They had an effective sound system and two large grain trucks in the march with huge banners on the side of the trucks saying "Save Yorke Peninsula Food Bowl".

They also produced and distributed to people in the city a well-produced pamphlet headed "Yorke Peninsula At Risk" and a "Say NO To Mining On YP" on the back.

Speakers at the rally were mainly farmers and their families, telling their stories of how the intrusion of mining into their farming communities would change their own lives, next generations and the environment.

The SA Government is out to show it is 'pro-development' in the face of the closure of the multinational owned car industry in SA and the big question mark about the future of the naval defence manufacturing and assembly industry at the Australian Submarine Corporation near Port Adelaide.

The proposal by Rex Minerals to open the largest open cut copper mine in Australia on Yorke Peninsula has been praised by the government as an alternative employment area for redundant manufacturing workers in Adelaide's northern suburbs, and a boost to state government revenue through state mining royalties.

So what is wrong with such a mining venture?

Copper mining in the last half of the 19<sup>th</sup> Century was the main economic growth industry in SA and the mines were on the Yorke Peninsula at Moonta,



Kadina and Wallaroo.

However, none of these mines back then were located on prime agricultural land. They actually complemented the farming on the Peninsula by giving rise to manufacturing industry which supported both mining and agricultural industry.

The open cut mine proposed by Rex Minerals and supported by the 'development at any cost' approach of Industry Minister Tom Koutsantonis is in the very heartland of grain farming which produces for both local and overseas markets.

The copper mine deposit will require an open cut of 2.4 kilometres long by

1 kilometre wide to a depth of 450 metres. The mine will only last for 15 years, but has all the trappings of open cut mines – huge use of water, contamination of underground waterways and pollution of surrounding air and land from the tailings from the mine.

It is unclear yet whether the majority of people in the city of Adelaide will side with the farmers or support the government's argument about the need for 'development' in the State and jobs.

However, Yorke Peninsula coastal area near the proposed mine is also a popular holiday and fishing destination for many Adelaide city people and generations of people in Adelaide have

## Bechtel's Divide and Rule tactics

... Continued from page 2

need to understand what you signed on for and just accept it", without acknowledging that the expiry of an EB makes its renegotiation a perfectly legitimate exercise.

Bechtel Chief Executive, billionaire Riley Bechtel, flew into Galdstone last October in his private jet to set the parameters for the forthcoming EB negotiations.

It is clear that from the point of view of generating surplus value from the labour power of Bechtel employees that the intensity of the labour process had to be maintained.

That meant maintaining twelve-hour shifts over four weeks rather than bringing the one week release forward by a week.

The first vote of a new agreement was held in May, with 32% of workers voting yes. The second vote, in early June, had 46% support.

The trend was running in favour of Bechtel, although it could not secure majority agreement at this stage.

The unions had to take a stronger stand, so industrial action was taken and a picket put on the ferries that link the island with the mainland.

Although this was maintained for a week, threats of individual fines of

\$10,000, sequestration of property and imprisonment for contempt of court accompanied a "Fair" Work Commission ruling that made industrial action unprotected. Workers subsequently stopped their action.

Having lost the first two votes, Bechtel offered a range of inducements to encourage workers to support the third agreement, including back pay, a \$35 ferry allowance, a 15% pay rise, daily productivity pay, daily travel allowance of \$45 increasing to \$50 in November, and a \$10 a day attendance allowance rising to \$30 in November.

They also threw in a concession that they would introduce a 3-1 roster at the end of the new agreement, which will be several years away.

The result was that the final vote, of over 7000 workers, was 54.3% in favour of the company's offer.

Bechtel had won on the immediate issue of deferring change to its unfair roster by promoting division within the workforce and using material incentives to defeat aspirations for a more family-friendly rostering arrangement.

Although defeated on this issue, those who stood tall in the struggle for the change can be proud that they displayed the finest qualities of our

grown up proud of South Australia as a grain producing State, central to which is Yorke Peninsula.

If the people of Yorke Peninsula have their way, the grain producing area and this central part of the food bowl in SA will be preserved and their contention that there is plenty of room for mining outside of the food bowl areas will prevail.

One second generation Yorke Peninsula farmer said to me at the rally, "If you'd said to me when I started working on my farm 25 years ago that I'd be marching up King William Street in Adelaide protesting about a copper mine in my backyard I would have said you were crazy. But we have to do it. We have to take a stand. This is serious shit. The whole of farming on Yorke Peninsula is at stake."

The government and Rex Minerals are banking on high copper price forecasts to maximise profits and royalties. However the instability of capitalist financial and commodity markets is such that even if copper prices are high one minute, they can crash the next, leaving mining sites abandoned with devastating impact on the environment and communities, and leaving tax payers to clean up the mess.

For further information about the farmers' struggle, go to the web site, [www.yplandowners.com.au](http://www.yplandowners.com.au)

Australian working class.

They are the solid core who understand the history of their class and see issues from a class standpoint.

As a community supporter who joined the picket said on a Facebook site:

"...what you're fighting for resonates with all of us. My jeans and shoes are full of the dust from union corner, my face is burnt, my laptop is grubby and my iphone looks like it's been run over..."

"But I'm so glad to have had the honour of standing by your sides this week."

She was right. There was no shame in this loss, only honour that they had dared to struggle.

### Vanguard Blog

Readers and supporters of *Vanguard* can find more articles at [vanguard-cpaml.blogspot.com.au](http://vanguard-cpaml.blogspot.com.au). Articles can be printed, emailed, or shared on social media.

Comments are welcome