

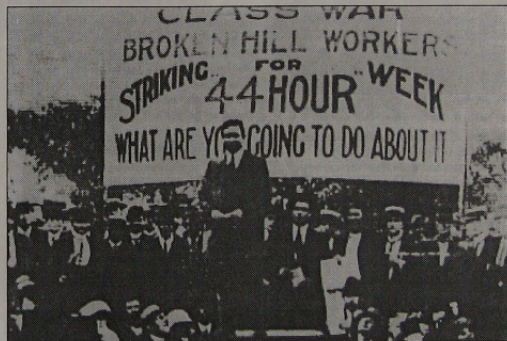
# North Limited:

Behind the corporate  
facade of the

# Jabiluka miners

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**SOCIALIST ALTERNATIVE**



The origins of North Limited, like so many of Australia's giant companies, lie in the NSW mining city of Broken Hill. The company now known as North was founded in 1912 as **North Broken Hill Ltd.** The directors of the huge Broken Hill companies played for keeps and, as the photo above illustrates, their workforce often responded in kind.

Broken Hill miners' demand for the 44 hour week (that is, for the Saturday afternoon off) was finally granted in 1916, after a bitter eight-week strike. This photo is most likely from a support meeting for the strikers in Sydney's Domain Park.

One of the men lined up on the other side in this strike was Melbourne business identity **WL Baillieu**, one of the founding bosses of North Broken Hill.

Our rulers often tell us they owe their success to hard work. But there is little evidence that WL Baillieu worked any harder than the next real estate speculator during the great Melbourne Land Boom of the 1880s.

And when the boom went bust, it wasn't hard work so much as good connections and nifty legal footwork that meant that WL Baillieu survived.

The Jabiluka uranium mine is being built by a company called Energy Resources Australia, ERA is owned by the mining and resource giant North Limited.

The Mirrar Aboriginal people, who have owned the Jabiluka site since time immemorial, are opposed to the mine. The Jabiluka mine will leave at least 20 million tonnes of low-level radioactive waste in Kakadu National Park. The mine is opposed by 67% of people in Australia, according to a recent Newsworld.

And yet, the Jabiluka mine is still being built.

How can this happen? How does a company like North Limited get to be in a position of such great power and influence? How come they can keep building the mine despite the widespread and well-founded opposition to it?

In this short pamphlet, Jerome Small and Fleur Taylor look at some of the history of North Limited and the various companies connected with it. We try to unravel the web of corporate and political power that enables North to do what it does.

In order to fight effectively, it helps to know what we're up against. We hope that this case study of part of Australia's ruling class contributes to this task.



While other aspiring capitalists went under, WL Baillieu went on to found the corporate empire that today is called North Limited — and got Melbourne Uni's library named after him to boot. Baillieu's recovery from the crash was boosted by the cash flows he had access to — again not from his own labours, but from the "hard work" of marrying into Melbourne's brewery wealth.

The power of the people who run companies like North Limited has never relied on hard work, still less on reason or common humanity. At its base, their power relies simply on their ownership of industry.



## Ownership has its privileges: Union-busting at Robe River, 1986.

Way back last century, Karl Marx argued that the bedrock of capitalist power is in the ownership and control of what he called the "means of production" — the factories, mines, and offices where workers produce wealth.

Ownership and control of the means of production delivers enormous economic power — in particular, the power to hire and fire. Competition forces capitalist to use this power over their workers. In the interests of maximising profit. This often has devastating effects on these workers and their families.

For example in 1986 **Peko Wallsend** — which today is part of the North corporate octopus — wanted to raise its profits by cutting conditions and staffing. In order to do this, they didn't have to do anything very subtle. All the company directors had to do, was to use the power that ownership and control of the means of production gave them.

At the Robe River iron ore mines in the Pilbara region of WA, the problem for Peko-Wallsend was summed by its Managing Director, New Right Identity **Charles Copeman**: "The previous management had spent months and months reasoning with people — I decided on a course that was likely to be more effective." This unfolded as follows:

On August 11, 1986, sixty workers at Robe River were assigned to other duties. This included some elderly women who worked in the canteen. These workers were ordered to do outside jobs, such as cleaning the yards under the hot Pilbara sun. When they refused, they were all sacked.

When the West Australian Industrial Commission ordered Peko to reverse its action, management sacked its entire Robe River workforce of 1160 from eight unions, and locked the gates. Many workers learned their jobs had gone when they woke the next morning and tuned in to the 6am radio news.

After an eleven day lockout, workers endured four months of petty harassment on the job. People were given written threats of the sack for "answering back", or for walking too slowly. Militants were disciplined by being demoted, often to duties that they could not perform safely.

Apart from this on-the-job bullying, legal writs were served on ten unions, 24 rank and file unions and a Metal Workers Union official. The company eventually won the dispute after a six week strike by the workforce. Peko gained significant concessions across the board in terms of productivity, staffing levels and working conditions. In return for agreeing to drop the legal action, Shades of Patrick Stevedores and the MUA in 1988.

One of the characters at

the centre of this showdown was **Alexander Carmichael**. Today, Alex sits on the board of North Limited, rubbing his hands at the prospect of \$3.8 billion from the Jabulka mine. Back in 1986, he was the young gun on the union-busting board of Peko-Wallsend. One of Peko's senior managers from that time, **Ken Lonie**, is now the manager of Energy Resources Australia's Ranger uranium mine.

## Ripping off workers

Robe River shows that the same companies that trample over Aboriginal rights and over the environment in the interests of profit are also compelled to attack the wages and



On the picket line at Robe River, 1986

conditions of their own workers in order to keep profits at high levels. This story is repeated again and again if we look at who sits on North's board, and how they treat their workers.

North director **Ian Salmon** sits on the board of New Zealand's largest and most profitable multinational, **Fletcher Challenge**. After a nine month strike by its 2400 Canadian paper pulp workers ended in April 1998, Fletcher Challenge successfully imposed a massive 20-30% cut in staffing levels on its workforce there.

North director **Michael Beckett** is also a director of international mining giant **Ashanti Goldfields**. Ashanti hit the headlines in January 1998 after it withdrew financing from its CSA Copper Mine near Cobarr, NSW. The company reneged on \$10.5 million worth of wages, leave, and redundancy entitlements owed to 247 now-unemployed workers and staff.

After months of demonstrations organised by the Shearers' and Rural Workers' Union, the Australian Securities Commission finally pressured Ashanti to pay back the debts at the rate of 70¢ in the dollar.

When Beckett's company took its money and left Cobarr, it handed the remaining assets to the receivers, accounting firm **Price**

**Waterhouse**. Funny enough, his friend and ours, **Alexander Carmichael**, is also a director of **Price Waterhouse**. These tightly woven personal and corporate relationships help the ruling class to exercise its power.

## Corporate vs human sense

Actions like this don't make human sense. But they certainly make corporate sense. North boasts that productivity is up 400% in the last decade at Robe River. They are now looking at similar attacks on the staffing levels and conditions enjoyed by workers at the Iron Ore Company of Canada, recently purchased by North. Other mining companies in the Pilbara have followed Peko's lead in search of similarly profitable outcomes.

If these goings on remind you of the corporate thuggery exercised against the **Maritime Union of Australia** this year, then you won't be surprised to find North was one of the usual suspects in this dispute. The Australian newspaper reported on 3 April 1998 that **North Forest Products** had hired two non-union job boats to form part of a scab labour force. In the event of a national waterfront strike. Once again, workers and environmentalists face a common enemy.

## CRA / Rio Tinto

Also among North's directors is **Thomas Barlow**, who spent the ten years up to 1991 as a senior executive with mining giant **CRA** (now known as **Rio Tinto**). Like North Limited, CRA's need for profit has to override any other considerations when dealing with indigenous people. Just a couple of many, many examples:

In the early 1960s, CRA subsidiary **Comalco** wanted a new bauxite mine in Cape York. The Queensland Government was eager to oblige. As one Queensland MP explained: "The company is prepared to risk its capital and it is our duty to see that it gets a commensurate return on its capital." For CRA to make a profit, the Aboriginal people on their mining lease had to be moved on — just as, thirty-five years later, the Mirrar have been turned into trespassers in their own land to make way for North's uranium mine.

In November 1963, armed Queensland police forcibly removed most of the Aboriginal residents from the Cape York township of **Mappoon**. The entire settlement was then torches by the Queensland Department of Native Affairs. **Simon Peter**, who was left at Mappoon, recalled: "I was here with my wife and six children when the whole place went up in flames. We have seen it with our bare eyes. From my Mother-in-Law's place down they burnt everything... The Church, cookhouse, school, work-shop, butcher shop, store all burnt down."

Eleven years later, as the Land Rights movement blossomed across Australia, the Mappoon community reoccupied part of their land — despite intense police harassment. The Mappoon community are still on part of their

land today testament to the fact that mining companies, and the governments that serve them) are not all-powerful.

In 1974 **Jerry Hudson** recalled CRA's dealings with Aboriginal people on Cape York: "No compensation. Nothing at all. That's what I said in the first place, we have to crawl on our hands and knees to get a piece of land — maybe just big enough to put a bed or tub on. Why do we have to do these things when we own this land in the first place through our great grand-parents — taking it right back before any European came here. This doesn't come in nowhere these days and we want to know why. We have to get some good friends to help us along to fight this battle. We want our land demanded back to us."

CRA's way of dealing with indigenous people didn't seem to have changed much during Barlow's stint on the board. In 1988, the islanders of **Bougainville** were so little impressed by their treatment by CRA that many took up arms, shutting down the company's huge **Panguna** copper mine.

This disaster for CRA's profits led to something of a change in tone for the company, which now splashes pictures of smiling indigenous people all over its annual reports. Behind the corporate facade, however, the profit motive keeps grinding away. Commercial realities dictate that, when push comes to shove, Aboriginal rights must not be allowed to challenge profits.

So CRA's recent development of the **Century Zinc** project (near the Gulf of Carpentaria) has seen the company launch a series of "divide and conquer" strategies. According to Aboriginal activist **Murandoo Yanner**, the despair and dislocation brought by this process has fuelled a fourfold increase in the suicide rate in the local Aboriginal community. Aboriginal communities are still fighting the mine (which has now been sold to **Pasminco**).

## The state "jumps to attention"

This way of treating indigenous people occurs with the full blessing of the state: companies such as CRA simply use their massive financial clout to force states to provide a "commensurate return" on their capital. In 1993, the **WIK** peoples lodged a land claim which included (amongst other areas), some land stolen for CRA's bauxite mine thirty years earlier. CRA retaliated by threatening to pull out of a \$1.75 billion investment program, allegedly endangering some 2000 jobs.

Queensland Labor Premier **Wayne Goss** rushed through legislation making the land claim invalid. "I have been accused of springing to the attention of mining companies when they snap their fingers", he told the papers: "To that I plead guilty, and I will jump to attention when any company offers to invest

\$1.75 billion and employ 2000 people." So long as you own or control the means of production, you can train any government to jump to attention.

Between them, CRA/Rio Tinto and North Limited have decades of experience in trampling over indigenous people's rights. They will (presumably) need to pool all this expertise for the new joint venture they are developing in **Aceh**. Like West Papua (where CRA has a large stake in the **Freeport** mine) and East Timor, the people of Aceh have fought for years for independence from Indonesia. Indonesia's response in all three of these cases has been a brutal military occupation. North and CRA now hope to profit from the "stability" that this brutality seeks to ensure. So long as the profits are good, the human toll can be disregarded.

## Political power

If the people who run North are going to keep their positions, they need to keep their companies running at a profit. Not just any old profit, either: they need the highest possible rate of profit for the longest possible time. This means that they need to look beyond the immediate bottom line of annual profit or loss.

Thus the ruling class figures who run companies like North take a very strong interest in the political process, aiming to keep the political environment as

(continued on p. 6.)

# North Limited's Greenwashing



And in July of this year, Dr **Deeley** — the head of the company which is digging the heart out of Australia's most famous national park, was appointed to the board of **Parks Victoria**. Dracula is well and truly in charge of the blood bank.

This sort of "greenwashing" is extremely common among Australia's corporate elite: just ask North's Managing Director **Campbell Anderson**, who is a member of the **Business Council of Australia**.

The profits of many of the BCA's member companies (including North)

depend on putting profits before environmental considerations. So when the BCA claims (in one of their slickest ever publications — *Principles of Environmental Management*) that "environmental management" is "an integral and important corporate priority", we should take it with a large dose of salt.

In the leadup to the 1997 Kyoto climate change conference, for instance, the BCA's contribution to "environmental management" was to lobby hard against setting uniform targets for the reduction of greenhouse gas emissions. "Environmental management" for big business means "managing" the environment in order to make a buck, while simultaneously "managing" your image by mouthing green phrases. Nothing to it, really!



# North Directors 1998:

(and just a few of their other interests)

## Christopher Michael Deeley (Chairman)

- President of the Board of the Victorian Environment Protection Authority
- Member of the Board of Parks Victoria
- Nat. President of Greening Australia
- Director National Australia Bank

## Alex Carmichael

- Former Peko Wallsend director (Robe River dispute 1986; other Peko directors included HR Nicholls society gurus John Stone and Charles Copeman)
- Director of Price Waterhouse

## Richard Knight (Former Chief Exec, ERA)

## Tim Knott

- Director, Iron Ore Co. of Canada, Zinkgruvan Mining (Sweden)

## Ian Salmon

- Immediate past President, Business Council of Australia 1996-7
- Director, Fletcher Challenge
- Director, Australian Graduate School of Management

# North Limited

Parent company of:

- **Energy Resources Australia** (Ranger, Jabiluka)
- **North Forest Products** (Australia's largest exporter of hardwood chips)
- Other subsidiaries range from **North Finance (Bermuda) Ltd** to **Zinkgruvan** (Sweden)

## Nora Scheinkestel

- Director, Medical Benefits Fund of Australia
- Director, City West Water
- Director, Snowy Hydro Trading

## Campbell Anderson (Managing Director)

- Member, Business Council of Australia, Mineral Council of Australia

## Thomas Barlow

- Former director of CRA (Bougainville, Century Zinc...)

## Michael Ernest Beckett

- Director of Ashanti Goldfields CSA Copper Mine at Cobar

## Malcolm Broomhead (Managing Director from 1999)

- Director, National Association of Forest Industries
- Chairman, Iron Ore Co. of Canada

## Peter Wilcox

- Director of Schroders Australia, FH Faulding, James Hardie Industries, Lend Lease

### Some former directors:

- **Ian Renard** (1983-97): Melb Uni Council, Melb Uni Private, former adviser to PM Malcolm Fraser, Dir State Bank of Vic 1981-90
- **Hugh Morgan** (1964-76): WMC (Roxby Downs uranium mine), Institute for Public Affairs (IPA)
- **Peter Barnett** (1980-90): IPA
- **Colin Harper** (1984-97): IPA



favourable as possible for making high long-term profits. North Limited provides a textbook case of how the ruling class rules — how the enormous economic power of companies like North gets translated into political power.

North founder WL Baillieu lived in a rather different era of capitalism to our own. Up until the 1870s, members of parliament in Victoria weren't paid. So both liberal and conservative politics were dominated by capitalist-politicians, who had enough money from their enterprises to finance their parliamentary adventures.

The fact that a major capitalist such as WL Baillieu was a member of Victoria's upper house for over two decades (championing conscription during World War One and advocating the racist "White Australia" policy), shows that this sort of direct capitalist intervention into politics was alive and well up to the 1920s at least.

The tendency nowadays — for fairly obvious political reasons — is away from such a "hands-on" approach to politics by our ruling class. Of course, capitalists still throw their weight around politically — the fact that Australia's richest man, Channel Nine owner Kerry Packer, openly backed John Howard in the recent election is proof of that.

But the business elite generally like to keep some semblance of an arm's length between themselves and their politicians. Companies like North Limited instead pay political parties, especially the Liberal Party, to run the political system on their behalf. So for instance North donated \$40,000 to the Liberal Party (and none to the ALP) in 1995 alone.

### Doing the ruling classes' thinking

Just a quick look at the many right-wing "think tanks" in Australia shows a fascinating crossover of ideas and identities among Australia's biggest corporations, right-wing ideologues and

members of Parliament.

The HR Nicholls Society is a good example. This was basically a high-profile ginger group, part of the "New Right" resurgence of the 1980s. In 1986, the HR Nicholls Society was chaired by Peko Wallsend boss Charles Copeman. Here a bunch of old warriors like Sir John Kerr (the ex-Governor-General famous for sacking Gough Whitlam in 1975) and uranium miner Hugh Morgan, met up with relative newcomers such as the then barrister Peter Costello, Rod Kemp of the Institute for Public Affairs (now a Liberal Party senator) was also a member of the HR Nicholls society, as were Ian McLachlan (a former Howard Government minister), Paul Houlihan, who played a crucial role in the attack on the MUA in 1998; and Gerard Henderson, who at that time was senior adviser to John Howard.

It was in this exclusive right-wing club that the attack carried out on the unions at Robe River (by current North director Alexander Carmichael and Ranger manager Ken Lonie among



Jabuluka protesters blockade North Limited's Melbourne headquarters (476 St Kilda Rd) in September 1998

others), was planned out and argued for. The HR Nicholls society was one important place where the hard right crew who now run the Liberal Party cut their industrial teeth.

Then there's the Institute for Public Affairs, a quasi-official Liberal Party think tank set up in the 1940s. Two former North directors are on the board of the IPA: Peter Barnett and Hugh Morgan (of uranium miner Western Mining /WMC). Former North director Ian Harper has also been closely associated with the IPA in the recent past.

North certainly gets value for money from its relationship with "think tanks" such as the IPA, which play a crucial role in developing strategies for Australian capitalism's profitability. In 1991 the IPA drew up a report called *Victoria, an Agenda for Change*. This document has been the blueprint for Jeff Kennett's attacks on education, health and public utilities since his election in 1992. John Howard's views on race also seem to be very sympathetic to the right wing line pushed in the IPA's publications.

### And there's more...

To further bolster corporate influence on the political process, North and companies like them support pro-industry lobby groups such as the National Association of Forest Industries and the Mineral Council of Australia. Perhaps the most exclusive of these lobby groups is the Business Council of Australia.

The BCA is made up of the chief executives of the biggest eighty or so companies in Australia. North's current Managing Director

Campbell Anderson is a member, and North director Ian Salmon is the immediate past president of the BCA.

In July 1996, Salmon called on the Howard Government to cut funding to welfare, health and education — government spending that benefits many working class people. Salmon warned, however, that the diesel fuel rebate (which is basically an \$800 million a year government handout to mining and pastoral companies), should be retained. Unsurprisingly, this is exactly what the Howard Government proceeded to do.

The BCA also serves its members interests in other ways. It was vocal in its support for John Howard's Ten Point Plan, which stripped away the limited rights to land that Aboriginal and Torres Strait Islander people had won through the Mabo and Wik decisions.

The BCA also represents corporate

Australia on any number of the panels, inquiries, and so forth. In 1997 the Government's Bureau of Agricultural and Resource Economics set up a committee to look at the costs of reducing greenhouse emissions in Australia. They demanded that each member pay \$50,000 to sit on the committee. This effectively excluded environment groups such as the Australian Conservation Foundation, and left the committee safely in the hands of the hands companies such as Exxon, Mobil, Texaco, BHP and — you guessed it — the Business Council of Australia, which is resolutely opposed to Australia reducing its greenhouse emissions in the first place. When you've got ownership and control of the means of production, the rest just fall into place.

Between their financing of political parties, their sponsorship of think tanks and their powerful lobby groups, Australia's ruling class consciously attempt to shape the political agenda of the nation. So although North's bosses might seem to have a more "hands off" approach to politics than their predecessors like WL Baillieu, their intentions — and the results — are much the same: the ruling class still rules.

### Police in their pocket

It's a similar picture when it comes to the role of the state. Back when North founder Old man Baillieu was cutting his first land deals, the connections between the police and the capitalist class were pretty blatant. From the 1850s until his death in the early 1880s, Victoria's Chief Commissioner of Police (Captain FC Standish), literally lived in the exclusive, big-money Melbourne Club on Collins Street.

Today, both the police and our bosses try to be little less blatant about their mutually supportive relationship. The story, however, is basically the same.

Early in 1998, a massive police operation cleared the way for logging old growth forest at Mother Cummings Peak in Tasmania's Western Tiers. Police arrested 126 protesters, in an operation which cost the Tasmanian Government more than double the royalties it was going to receive from the logging of the forest. The big winners? North Forest Products, whose \$43 million contribution to North's annual profits depends on the export of non-plantation hard wood chips.

From the Western Tiers to the Indonesian state making Aceh safe for North, through to the Queensland state repeatedly "springing to attention" of CRA's Queensland operations, the pattern should be clear: In a capitalist world, the state — for the sake of its own revenues, its own stability, and its own economic prosperity — is permanently tasked to serve the interests of capital.

### Messing with our heads

Now of course, if a class wields this sort of power in the sphere of politics, you'd be surprised not to find its tentacles wrapped around society's ideological sphere as well. Karl Marx recognised that "the ruling ideas of any epoch are the ideas of the ruling class", and the ruling class is rarely content to leave this to chance. That's why you find a character like the recently retired North director Ian Renard as a long-term member of the University of Melbourne's governing Council.

Renard is a lawyer who, for fourteen years, has helped to run a major woodchipping and uranium mining company. Now he is one of the five people appointed to help Alan Gilbert start up Melbourne University Private — the cutting edge of privatised education in Australia. The logic flows right through.



Stamping and bopping at North Limited, September 1998

Uranium, the Howard Government tells us, is just another commodity. So is the land of indigenous people. And so too, nowadays, is education.

So it's no great surprise to find that Renard is one of Melbourne Uni's Law Faculty's nominees on Melbourne Uni's Law Council, which recently voted to shift the law school to the new Melbourne Uni Private precinct, south of the main campus.

Of course, its hard for one man to do all this good work privatising our education: perhaps that's why we find Barry Lewin, North's General Manager (Legal and Secretariat) on the Advisory Board to Melbourne Uni law school's Centre for Energy and Resources Law and Resources Development — an area to which North's men could no doubt contribute their substantial expertise from overriding the wishes of the Mirrar people at Jabuluka. The Centre's advisory board also include representatives from BHP Petroleum and Shell Australia (both involved in oil exploration in the Timor Gap, without the consent of the East Timorese); and from our good friends at Rio Tinto.

North's other main venture into education (apart from their constant attempts to

promote the forest industry to primary school kids), was in 1995. That year they chipped in \$500,000 to establish a chair in Aboriginal Studies at the Northern Territory University. Perhaps other corporations would profit from this approach — the idea of a Coca-Cola school of dental hygiene, or a McDonalds chair of health and nutrition certainly fits with the current corporate trend in education.

### The Labor Party

Although Australia's bosses prefer to rule through the Liberal Party, their power doesn't go away under a Labor government. No matter who is in power in parliament, our ruling class maintains ownership and control of the means of production.

Labor accept that they are in parliament to run the system. Necessarily, this means that the working class (who, left face it, are the source of the wealth produced for these companies) doesn't control what is produced, how its produced, or how its distributed. The ALP (and for that matter other parliamentary parties such as the Democrats and the Greens) thus concern themselves only with how to deal with this corporate power, rather than how to organise to smash it.

The ALP has agreed since its formation that ruling class power is — at best — to be tinkered with by Labor in office, and certainly not to be challenged fundamentally. Labor Premier Goss' "jump to attention" (see p. 3) is one clear example of where accepting this set-up leads. Another more current example is the ALP's half-hearted stance against the Jabuluka uranium mine. Labor leader Beazley has constantly reiterated that, though Labor is opposed to the mine, the Labor party is not — and never will be — in the business of dis Honouring contracts. Commercial contracts for Jabuluka uranium are way more sacred to Labor than the land of the Mirrar people, or Kakadu National Park.

Socialist argue that, far from the elected government telling the state and the companies what to do, it's much more the other way round. Whatever party ends up winning in elections, the ruling class's ownership and control of the mines, offices, and other means of production (including universities) is untouched. Hence, the ruling class' power to rule is also untouched.

### Chinks in the corporate armour

The ruling class, however, is far from invincible. As we have seen, in order to keep their control and their profits secure, capitalists prefer a certain political stability, a certain "business as usual". So creating a political crisis — most obviously by mass acts of civil disobedience — is one vital way that companies and governments have been forced to back down in the past.

### A note on sources

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On CRA/Rio Tinto: The Tinned Tint, stakeholder reports on Rio Tinto prepared by the International Chemical, Energy and General Workers Union for the 1998 Rio Tinto AGM (available through the CFMEU website). At this AGM a statement by Murando Yaver on CRA and Century Zinc was also distributed. The struggles of Cape York Aboriginal people against CRA's land grab in the 1950s and 60s are documented in the *Mopson Books*, compiled by Janine Roberts, Mike Parsons and Barbara Russell in 1975.

Other sources include a large collection of current newspapers, reference works and indexes, and the Boycott Woodchipping Campaign's website (which has a very detailed corporate profile of North Limited). A full list of references is available on request.



North Limited's directors and other capitalists have another major Achilles heel. Their profits — the profits that are the lifeblood of their companies and their system — are dependent on workers turning up to work and doing what they are told. Strike action by workers can stop the flow of profits, and for this reason is the most powerful weapon that our side has.

But if the workers are so powerful, why have almost all the stories mentioned in this broadsheet been ones of more or less complete defeat for our side? There are a variety of important reasons for this. But one central one is the role of trade union officials.

Trade union officials are in a contradictory position under capitalism. They mediate between two opposed interests — those of their members (for jobs, for decent conditions), and those of the capitalists (for greater profit, which — as we have seen — often means attacking those jobs and conditions). The result is an outlook on the world which, while it might protest at the excesses of capitalist power, fundamentally accepts the legitimacy of that power and so adapts to it.

In the case of **Robe River**, the union leaders involved were so beholden to the desire of the Federal Labor Government for industrial "peace", and so bound to the letter of capitalist law, that they threw away their only chance of victory.

When workers at Robe River finally struck against Peko's attacks, Peko issued legal writs against unions and individual militants. In response to this, union officials recommended ending the strike without having forced Peko to back down. This recommendation was rejected overwhelmingly by the striking workers. The strike continued, Peko was paralysed, and union shop committees right



across the Pilbara pledged to take solidarity industrial action to bring even more pressure to bear.

A week after the initial rejection of the deal, however, the workers voted to go back — without any real concessions from

Peko. Rather than escalating the strike to win, union officials flew a lawyer in to browbeat their members into accepting defeat with the threat of massive fines. A great chance to stop the New Right in their tracks was wasted, Costello and the rest of the HR Nicholls Society went on from success to success: in many ways we are still paying the price for this defeat.

### It's not the way it's got to be

The story has been different at other times. Take for example the struggle in **Broken Hill** in 1916, illustrated in the photo on the front of this broadsheet. These miners were fighting for the 44 hour week, and the Broken Hill mining bosses — including Baillieu and his fellow North directors — were determined to oppose them.

The miners' tactic was to simply stop working on Saturday afternoons. Their union officials in the Amalgamated Miners Association ordered them to go back to work while an agreement was negotiated.

Under the influence of revolutionaries from the **Industrial Workers of the World**, however, the miners voted instead to "tell the AMA to go to Hell, thanked the executive for their advice to go scabbing," and elected a committee to carry on the fight. After a bitter eight week strike, the miners emerged victorious — despite the opposition from the Labor Party and many established unions.

Workers can push back North Limited and other bosses by militant industrial action. And the best chance for this action to succeed is if it is led by those who — like the IWW — have no respect for capitalist laws, have no respect for capitalist power, and reject the conservatism that adapting to capitalist power inevitably leads to.

### "Management's right to manage"

Most of the working class struggles mentioned in this broadsheet have been over wages and conditions. But as the bosses of Peko Wallsend realised back in 1986, these battles connect to something much more fundamental — involving perhaps the most sacred "right" in capitalist society, "management's right to manage". "Management's right to manage" was the catchcry of Costello and the rest of the HR Nicholls society back in 1986, as they paved the way for the full New Right agenda now unleashed by the Howard Government.

Every time workers organise to get a 44 hour week, every time they organise to defend hard-won conditions and union organisation against the likes of North, they find that it is possible to challenge "management's right to manage". Every time that happens, workers can gain confidence and can build organisation. So the stronger and more confident the working class is, the more possible it will be for workers to refuse to dig, ship or handle uranium or anything connected with the Jabiluka mine.

Ultimately socialists argue that, through the experience gained in these struggles, and through the political organisations built out of those struggles, workers can not just curb "management's right to manage", but can eliminate it entirely. Why should the tiny, unselected group of people who sit on North's corporate board, be able to shape the daily lives of people from Jabiluka to Robe River to Melbourne Uni and beyond? Why should the

land of the Mirrar people, our education, and thousands of people's livelihoods be mere pawns in North Limited's search for higher profits?

Socialist Alternative wants to build a revolutionary political organisation that can pose these sorts of questions. We want to see people in

every factory, school and mine arguing that Aboriginal people and environmentalists share a common enemy with workers; that we can take the struggle outside the bounds of the capitalist legal system; and that, ultimately, the working class which creates the wealth could run the show much lot better than the profit-driven ruling class that controls things now.

We're a long way from achieving that goal. But whether we're in a revolutionary situation or fighting one battle against one company, these political dynamics are there. That question on the banner raised by the Broken Hill workers in 1916 is still being posed to us: **Class War — What are You Going to Do About It?**



## This broadsheet was produced by Socialist Alternative

SA has open meetings every  
**Thursday night at 7:30**

At the  
New International Bookshop  
Trades Hall, cnr Lygon  
& Victoria Sts, Carlton.  
For more info ph 9427 7274

Socialist Alternative presents  
the latest in our "secret history" walking  
tours of inner Melbourne:

## Racism and Resistance

Join us for a stroll around Melbourne. A tour  
of the sites of famous (and not-so-famous)  
struggles over racism, that you don't get told  
about in the straight history books.

**Thursday 5 Nov 7:00pm**

Start at the Melbourne Club,  
36 Collins St City

cost: \$7 / \$3, call 9427 7274 for details

For info about the campaign against the  
Jabiluka mine, contact your local  
**Jabiluka Action Group**  
Melbourne JAG meets every Tuesday, 6pm at  
the Activities Room at Victoria College of the  
Arts, St Kilda Rd.  
Call JAG on (03) 9417 6660