

THE PILBARA

*FROM THE DESERTS PROFITS
COME*

BRADON ELLEM



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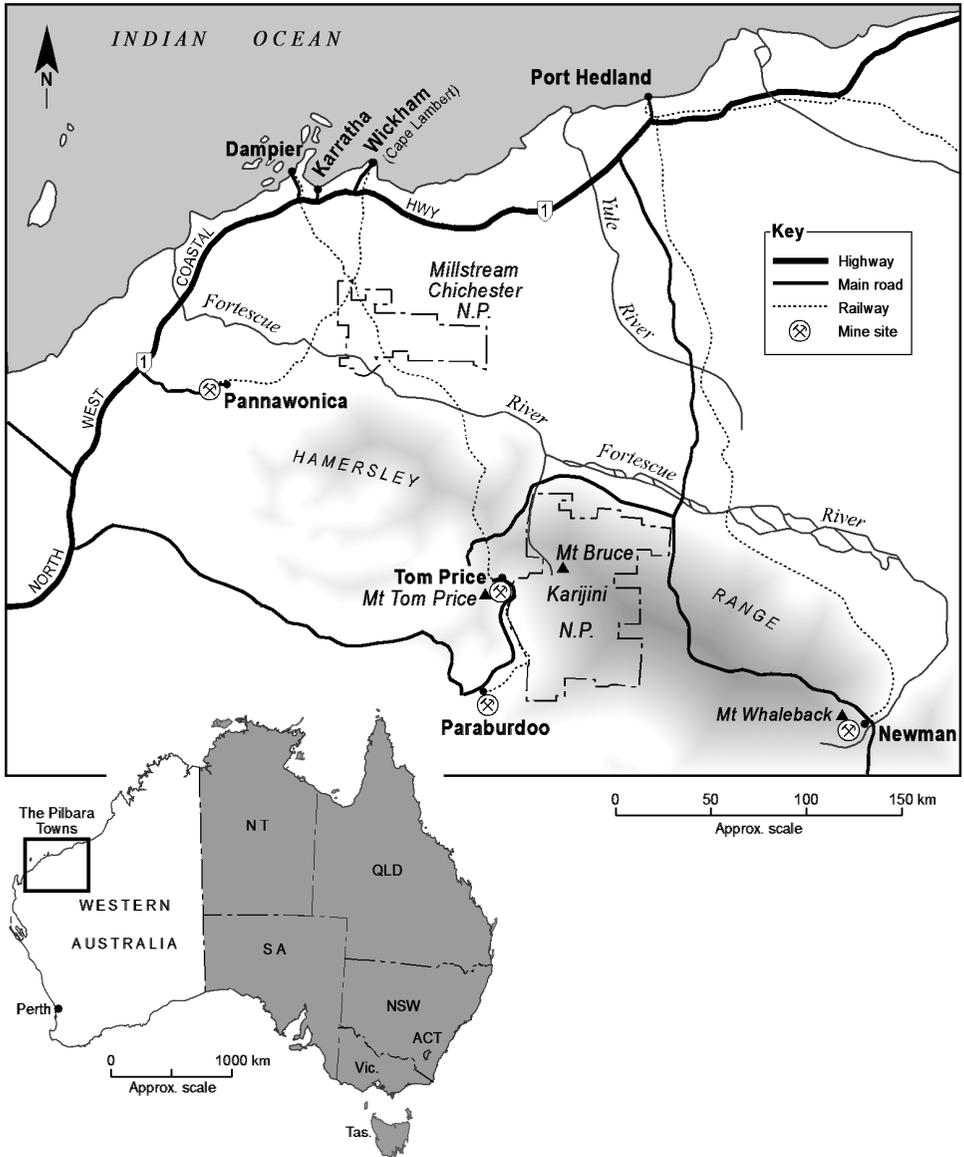
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The Pilbara's mines and town in the 1980s. Map by Peter Johnson

'Welcome to the Pilbara'

Early on the morning of 26 June 2001, I got off a plane at the airport serving the mining town of Newman, setting foot in the Pilbara for the first time. My plan was to write an academic paper about how changes in employment relations were playing out in different places in Australia. With its massive iron ore sector, the Pilbara seemed an important place to examine. My paper would have just one small section on the Pilbara, then it (and I) would be back to urban areas. I never wrote that paper. Instead, the Pilbara itself became the story. Like the many people who say they are going to a mining region for a few weeks and stay for years, I was hooked. There was much more to say than a few paragraphs could hold.

At my first meeting with local workers over breakfast at a roadhouse on the fringe of the town that first morning, I was pretty nervous, carrying the dual burden of being an academic and from 'the east', knowing that plenty of so-called experts had winged in and out of the Pilbara over the years. 'Welcome to the Pilbara' was, though, the encouraging first-up response I got when introduced that morning. Over the next fifteen years, I kept returning to the Pilbara, doing more listening than talking, more learning than teaching.

Before working in a business school, I had been trained as a historian, so my instincts told me that to understand the Pilbara in the twenty-first century, I needed to go back at least as far as 1966 when the first exports of iron ore were shipped from Port Hedland to Japan. And from very early on, I knew I wanted to write this book to explain the Pilbara's history and importance.

A few weeks later, on a second trip, I had plenty of time to think about what made the Pilbara what it was. The collapse of Ansett Airlines forced me to drive the 1,600 kilometres from Port Hedland to Perth in one day to catch the only flight I could back to Sydney.

‘You’ll do it easy’, I was assured. Well, maybe not that easy, but it was worth the long solo drive to feel the weight of the Pilbara’s geography, its place in the west and something of its history. In 2004, I published a short book mainly for the workers themselves about the companies’ de-unionisation plans. I promised that I would then write a fuller account. It has taken me longer than it should have, but here it is.

**Part One:
From the Deserts
the Prophets Come**

Chapter One

Mining the Pilbara

Hoping, if still from the deserts the prophets come

(A. D. Hope, *Australia*)

THE PILBARA REGION, in the north-west of the Australian continent, has long occupied a special place in the Australian imagination. Today that imagining is more marked than ever before because the Pilbara also occupies a central place in the economy. Despite the mining boom tailing off from 2012, there are still staggering tonnages of iron ore being railed across the Pilbara and then shipped to steel mills in Asia. The industry's influence seems to be all around us: it produces up to a quarter of the country's total export income; generates fabulous revenues for shareholders in otherwise uncertain economic times; wields political influence via its companies over taxation and labour law; and gives the media a staple story on the fly-in-fly-out (FIFO) worker.

For all this, the Pilbara is not visited by most Australians and, partly for that reason, not well understood. The nature of the place is complex and surprising. Even amid the country's biggest-ever mining boom in the early twenty-first century, the Pilbara iron ore industry employed only about 60,000 people in a national workforce of 10 million. Most of the mining workforce lived outside the region; the total population of the Pilbara was only about 50,000. If most of us are uncertain about what the place is

like, we also know little about how it became so important, about life and work in the Pilbara, and about how the iron ore industry affects the rest of the country. The companies, global giants such as Rio Tinto and BHP Billiton, are familiar enough in broad terms, as are the names of some of the entrepreneurs – the charismatic leader ‘Twiggy’ Forrest and the controversial owner Gina Rinehart, who was, at the height of the mining boom, the richest person in Australia. Apart from media talk about FIFO and salaries, what do we know about the work itself, the workers, or the place?

The Pilbara, which, for all its economic importance, employs relatively few people and seems so remote, has had remarkable effects across the Australian landscape. Understanding work and its regulation – ‘employment relations’ in short – in Australia’s major export industry is important in itself, but there’s more to it than this. Employment relations in the Pilbara have totally changed over fifty years of mining, and have deeply influenced other parts of Australian working life and politics. The Pilbara has also exemplified other social transformations: in few places can the dispossession of the Indigenous peoples and the legacy of that be as stark; in few places has the workforce been so solidly masculine and yet now so open to change, with new technologies likely to transform how mining work is done; in few places have unions risen so high and fallen so low. If the commercial history of the Pilbara has been a wild ride in the last decade, then so too, for at least a generation, has its politics.

In examining the local development and national impact of the Pilbara’s iron ore industry, many different approaches could be taken and many questions asked. Most of the (very few) books written about the Pilbara have focussed on the companies, the founding figures and the leading entrepreneurs. This is not the case in this book. Rather, the work itself, the workers and employment relations are put at the centre.

To make sense of all this, the account in this book is historical, looking at the changes over time in the Pilbara up to the present

day; and it is geographical, looking at what makes the Pilbara both distinctive and influential.

That this book is a historical account is obvious enough. It traces changes in the fifty years since iron ore was first exported in 1966. However, something should be said about how this kind of history is written. It is based on the idea that the past does not stay the same. This simply recognises that different people remember the same event in different ways, or that people remember events in ways that match what they think and want now, rather than what they thought at the time. So, the past changes. And these changes are not innocent either. People use and abuse history for their own purposes. In the last few years, we have seen furious debates about Australian history, most of which have been driven by people not very sympathetic to the way in which historians go about their careful work. These same problems crop up here, in trying to assess the decisive events, especially the major industrial disputes, which reshaped the Pilbara – and Australia – in the 1980s and 1990s. More broadly, the chapters in this book reflect on the common view that the once-powerful iron ore unions got what they deserved. What exactly did workers and unions do wrong and right back then? Either way, how history is read and remembered is not just ‘academic’. It matters today. Companies and lobbyists routinely cast the 1970s as the ‘bad old days’ in their arguments for keeping unions at bay. Stories still abound of workers on strike to get a greater variety of ice-cream flavours in the canteens.

My premise that this book also takes a geographical approach needs some explanation too. One starting point is to say that places do not stay the same. What did, and what does, the Pilbara really mean to those who work there? Is the Pilbara just a mining region – simply holes in the desert connected with long-distance railways? Is it ‘Rio Tinto territory’ or is it a series of communities? Is it a macho place or a family place? To answer these questions, and tie them to working life, we need to think about how complicated geography is in the Pilbara.

The Pilbara is almost universally referred to as an isolated place, an extension of the isolation said to characterise the state of Western Australia (which is, in turn, an extension of the whole country's isolation). If the Pilbara is *physically* isolated, then in *economic* terms it is anything but that. It lies at the heart of global production networks, linked to the Asian steel mills buying its ores and to mining companies listed on stock exchanges in Britain and funded from all over the world. Its wealth puts it at the heart of political networks criss-crossing Australia. Thinking about the Pilbara in this geographical way begins to explain why it is so important to the rest of the country. We also get a sense that globalisation is not 'out there'. It is a local process as well as an international one. In fact, the Pilbara exists as a mining site *because of* what we now call globalisation. Without global demand, finance, labour, and shipping, it would not exist as it does, no matter how many billions of tonnes of ore lie in and below its hills.

Mining regions such as the Pilbara are at the heart of what makes the Australian economy (and society) unusual compared with other 'advanced' or 'post-industrial' societies. Australia has similarities to those countries in Western Europe, North America, and to nearby New Zealand. It has a feminised service sector employing more people than any other kind of work and, despite a cultural attachment to the 'outback', Australia has long had a highly urbanised population. However, the nation is still marked by its eighteenth- and nineteenth-century origins as a settler society: it remains massively dependent on countries elsewhere, mainly through resources – iron ore chief among them. Mining in general, and iron ore in particular, has extraordinary political significance, arising from, and also perpetuating, a geographical unevenness in our society.

What does all this mean for the Pilbara itself? If we accept that the Pilbara is a physically isolated (and often very harsh) region, but that it is bound to the global economy, then we can begin to see that this tension between local isolation and global integration

creates different ideas of the Pilbara for different people. At its simplest, this is about the differences between sites for mining and places for living.

For mining companies themselves, the geography of the industry is problematic. For all their size, wealth and power, global mining companies face a basic dilemma: they cannot shift the minerals to another place if local conditions, the workers, unions or governments cause them problems. They are not as 'footloose' as other kinds of companies. So, for these multinational giants, what happens locally and nationally is vital to the success of their operations. In addition to that, mining often takes place in areas remote from major population centres, with, initially, few local workers or infrastructure.

Since the mid-1960s, the companies mining the Pilbara have had to solve these geographical problems. This book is, among other things, the story of the different solutions they have come up with. Those solutions – what geographers call 'spatial fixes' – were challenged by others, notably mining unions, and none was ever all-encompassing. What those fixes meant for work, workers and politics – not only in the Pilbara but across the country – is central to this story.

This book is organised around the three different spatial fixes which define the history of the Pilbara's iron ore industry as it transformed from a union place, to the site of a company fightback, and then to a globally oriented company space. At each step, employment relations were absolutely central to making the Pilbara what it was and is. For the first twenty years of mining, employers accepted unions and built mining towns. It is not too much to say that workers and their unions and communities 'fixed' the Pilbara as their kind of place. Over the next twenty years or so, all this unravelled as the world of work changed in and beyond the Pilbara; this was a period of intense conflict. Since then, the employers have redefined the Pilbara in their own terms through FIFO, changes to labour law, and changes to the geography of work itself. Each of the three core parts of the

book explains this argument, with the Pilbara's working people at centre-stage.

This argument for why geography is significant takes us back to the question of what we do and do not know about the Pilbara. If we are concentrating on how the work of mining is done – on how the men and women of the workforce are organised to keep the ore being mined and shipped – then what happens in employment relations is at least as important as understanding the financing, leadership and marketing of the industry. Controlling work processes and dealing with the unions have been central to the ways in which the mining companies have solved their geographical and organisational problems.

In examining how the companies did all this – how they tried to control work and workers in mining – we will discover what happened to unions in the Pilbara, how a union heartland become an all-but-union-free zone, and how these developments affected other parts of Australia. What happened to work and workers in the Pilbara sums up many of the fundamental changes in working life in Australia over the last generation. It also shaped changes in the politics of work across the Australian landscape. Having said this, it may still seem odd that unions are central to this book. After all, barely 5 per cent of the Pilbara's mining workforce now belongs to a union, even less than the national average. As we will see, though, the major companies have spent a lot of energy to keep unions out, to make it seem a simple fact of life that the Pilbara is a non-union place. In truth, the battle over unionism has been a defining feature of the Pilbara iron ore story. The first thing we must do, then, is explore the times and terrain in which the Pilbara iron ore industry was something quite different from what it is today, to see how it once became a union stronghold.

Part Two: A Union Place

In the 1960s and early 1970s, transnational mining companies, working with government backing and global finance, came to the Pilbara to service growing Asian markets. They faced a physical geography which remains central to contemporary imagination: a harsh, arid and physically isolated place; a desert outpost in an otherwise highly urbanised society. There were, at that time, no inland towns and very little labour with any mining experience. In this forbidding setting, the companies had to organise a production process to locate, extract, blend, load, rail, unload and ship iron ore in massive quantities. And this was not all. They had to build towns to house and sustain the growing workforce. These new towns quickly became vibrant centres of a distinctive social and political life. Along with the workplaces themselves, the towns became the sites of a powerful local union movement – a movement which the companies more-or-less tolerated for a generation. How did this first ‘spatial fix’ come about? The answer lay in part in what had gone before: for all the novelty of exporting iron ore, the Pilbara itself was no new place. Companies and workers had come to a place with long and complex histories. Those histories shaped the emergence of the Pilbara as a mining site.

Chapter Two

‘Tethered to the World’

THE PILBARA COVERS over 500,000 square kilometres, across the north-west of the state of Western Australia, from the Indian Ocean to the Northern Territory border. Its physical geography has helped to make it a tourist centre; it has a stunning terrain of gorges, natural pools and plateaux inland, and seemingly endless plains nearer the coast. Its physical remoteness is striking: the only city of any size in the state, the capital Perth, lies 1,600 kilometres to the south. As many have observed with a mixture of pride and dread, that city, in turn, is one of the most isolated one can imagine: the nearest city of comparable size on the continent, Adelaide, is more than 2,600 kilometres away. Perth is closer to the Indonesian capital city of Jakarta than it is to the Australian capital, Canberra.

In the 1960s, the Pilbara was almost as economically and socially isolated as it was physically remote. Mining and its transport infrastructure would change all that. As Henry Lawson had written of nineteenth-century mining, ‘the mighty bush with iron rails is tethered to the world’¹. The Pilbara would become central to global production networks in mining and steel, thoroughly integrated with international finance and logistics. In describing this transition, many see the origins of the

Pilbara's mining industry as a simple frontier story, as if nothing predated the exploration of the leases and construction of the first mine sites. Yet the Pilbara has a truly ancient and enduring history. The oldest part of that history, the geological era in which the ore bodies were laid down, is the very reason for its contemporary shape as an export mining centre of unparalleled wealth. The Pilbara's human history is at least 40,000 years old because the place has been home to Indigenous Australians for that time. The Pilbara clans, and those in the Western Desert proper, were among the last to feel the impact of the continent's colonisation. During the first period of white intrusion, from the 1860s, the Pilbara was recast as a site of sheep and cattle-raising, part of an already internationalised pastoral industry within the British Empire. Each of these three histories – geological, Indigenous and pastoral – shaped the Pilbara before the iron ore industry developed.

The Pilbara's rocks

The Pilbara owes its very being as a set of globally connected mine sites to something even older than its human habitation: the millions of years of geological development which produced some of the largest and highest-quality iron ore bodies on the planet. It also owes its current formation to the growth of steel-hungry economies in Asia, something that in historical terms is only a moment old.

Geologists were describing the Pilbara as 'iron country' with 'enough to supply the whole world' by the early 1890s, but also arguing that the ores were not economic – 'of no value' – partly because there were no coal supplies for steelmaking nearby, and partly because of seemingly insuperably long distances from any existing railway lines or deep water ports.² Limotite and, for steelmakers, the more valuable hematite would be revealed as the ore bodies were more closely explored and assessed. In some cases, these bands of ore ran for hundreds of kilometres, varying

in thickness and quality, but at their best of rare (potential) commercial value.³

These formations are among the oldest on the planet, laid down from more than 2,500 million years ago from the Archean and Proterozoic eras on. The hematite in the Pilbara ore body was naturally enriched as less valuable constituents were leached out of the rocks, leaving unusually high proportions of iron content – up to 70 per cent.⁴ Across these immense geological periods, the iron ore deposits were made visible (and relatively accessible) because they were less likely to be eroded than the rocks around them.

White men later named many of these more exposed deposits as mountains, such as Mounts Tom Price, Goldsworthy and Whaleback. Later still they would be better known not by those names, far less by their Indigenous ones, but by company names. Scattered across the Pilbara, these mining blocks ranged from older and smaller ones near the coast in the north at Shay Gap, to huge deposits in the south, some a mere 20 million years old. Tom Price and Whaleback, now mined by Rio Tinto and BHP Billiton respectively, were two of the most obvious and richest examples. They presented as prime sites for open-cut mining. Still immensely profitable, these ore bodies, which had been millions of years in the making, will likely be mined out in just one century of capitalist intervention.⁵ Viewed in this light, the often-asked question of what we gain from mining booms assumes a wholly new dimension. Posed as a question not simply about material gains, profits and taxes, it becomes a question of ecological significance: what will this rapid stripping of millions of years of natural development mean for us in generations to come?

Indigenous history in the Pilbara

Between the aeons of geological development of this potent but transitory resource and today lay thousands of years of human habitation. The place which became the British colony and then

the state named Western Australia was inhabited and marked by human beings for at least 40,000 years, with perhaps 12,000 people living in and around the Western Desert on the eve of colonisation, in as many as thirty-one different language groups.⁶

Towards the end of those years, in the seventeenth century, the Indigenous Australians living in and near what we now call the Pilbara became aware of white men and their ships. These first whites to see the west coast came in search not of minerals but of spices. In the seventeenth century, these men came and went. The Indonesian islands were of much more interest to them than anything in or near the Pilbara.

The first steps in the process which transformed the Pilbara were the steps taken onto the shores of Sydney harbour, 3,500 kilometres away, in January 1788. In establishing the site for a penal colony, from which, within a generation, a sprawling pastoral economy serving an international wool trade would emerge, the British began to lock the Australian continent into what we would now call the global economy. In doing this, they were caught in a dilemma: these potential pasture lands were inhabited by people unwilling to relinquish them. The contradictory solution was to declare the land *terra nullius* ('nobody's land'), but also to offer Indigenous people the protections afforded to all British subjects of the Crown. The former allowed massive dispossession and, in fact, near genocide; the latter could see, at least in New South Wales, white men hanged for the murder of black men and women. However, beyond the reach of the law, beyond the growing colonial towns, a little-recorded war took place, especially where the pastoral industry expanded. The squatters, as the men taking up the huge leases on offer were known, had an all-but-insatiable demand for land and, more importantly, exclusive use of it. This could mean nothing other than conflict with the Indigenous people, for whom land was not merely material but also spiritual.⁷

The British did not establish a colony in the west until 1826, and for many years that colony was mostly confined to the

south-western corner of the continent. Only from the 1860s did the whites begin their push into the north of the colony. From the beginning, this invasion, too, was all about pastoralism. Over the next sixty to seventy years, it was as brutal a process as it had been in the east. One set of reasons for this was that as the nineteenth century wore on the whites' ideas were shaped more by 'social Darwinism' than by any acceptance of Indigenous life. Whites were superior; there was no such thing as the 'noble savage'; the benighted first inhabitants of Australia were a dying race. 'Terra nullius' now trumped rights for black-skinned men and women. The other reasons concerned the economic geography of the west. Pastoralism was less encumbered in the west than it was in the eastern colonies by state intervention, or by small farmers seeking to challenge the squatters. Paradoxically, unlike in the east, the pastoralists were forced to rely upon Indigenous labour because the colony's rulers forbade the use of convict labour in the north.⁸

Until the colonisers changed their lives forever, the people of the Pilbara had enjoyed lives under conditions at least as prosperous and healthy as those of white workers in Europe. The Pilbara's economy was a sustainable one, based on sharing food and materials; only a short time was spent in hunting and gathering to secure daily foods. No one family or group, far less a class, controlled any surplus that might be produced. Whites struggled to comprehend the social structures and practices and spirituality by which these people lived, and which sustained their daily existence.⁹ Many physical expressions of that ancient culture remain, most famously in the form of the petroglyphs on the Burrup peninsular, which are among the oldest remaining examples to be found anywhere.

The rise of the pastoralists

From the 1860s until well into the twentieth century, the Pilbara was the site of effective rule by the squatter; the white landholders (often in the form of British companies) more or less

did as they pleased. For them, the only question was whether the 'natives' should be impressed into labour, attacked or left to die out. Despite its formidable resistance, Indigenous society did not survive the struggle with the pastoralists and the colonial state intact. Nonetheless, Indigenous inhabitants such as the Martu were among the last to abandon nomadic life, and came into missions or cattle stations as late as the 1960s.¹⁰

Killings on the Burrup Peninsular in the first half of 1868, recalled now as the Flying Foam massacre, set the tone for frontier violence with the arrival of the pastoral industry. Thereafter, the loss of lands, and then the forced removal of children, dislocated Indigenous life well before the mining booms of the twentieth century.¹¹ The pastoral economy also drew, however, on local skills, much more so than mining, in employing (if that is the correct word) many Indigenous workers. The colony's legislation, in particular the inaccurately named *Aboriginal Protection Act, 1886*, lay behind the conditions of workers on the pastoral stations. The pastoralists had to provide food, some minimal clothes and health care, but the law said nothing about wages. Noel Olive argues that this was, in effect, slavery.¹² There were few countervailing forces because the police, often brutally, aided in the physical control and movement of the local population, while even the church missions were kept out of the Pilbara. Other forms of labour were no less demanding, not least the dangerous and brutal life of pearling into which many were forced and which, in at least one account, sustained the pastoralists' incomes through tough times on the land.¹³

Despite this mixture of repression and hyper-exploitation, there were ways in which the Indigenous peoples managed to survive and adapt. The most important of these – often to the alarm of the whites – was that people walked back to the fringes, if not the heart, of the Western Desert. This form of sanctuary lasted longer here than most other places on the Australian continent. The other adaption over time was that the skills picked up in pastoral work could be turned to other purposes, including non-wage labour, and that many families made their own use

of the small mining sites which had opened before the iron ore industry developed. They worked as prospectors and small-scale independent miners themselves.

The pastoral industry became the scene of one of the most extraordinary industrial disputes in Australia's history when Indigenous workers walked off the job on May Day 1946. Two Indigenous men, Clancy McKenna and Dooley Bin Bin, along with a white so-called trouble-maker, Don McLeod, organised a strike. McKenna and McLeod were gaoled several times over three years, as were workers themselves. The government denounced McLeod as a communist stirrer who had upset the otherwise contented 'natives'; the media paid the strike almost no attention, according to one account because of 'rich and powerful friends' in the Pilbara, that is, the pastoralists.¹⁴ There was not much support for these men and their families, though seafaring unions did back them in actions as well as with words. 'Arcing up' over working conditions, therefore, predated the Pilbara's iron ore industry and the white workforce.

The strike leaders and the stockmen not only stayed true to their cause as workers and strikers, but went on to make their own distinctive history. Most never went back to work for the pastoralists. The dispute was never formally resolved. Many of the workers and their families simply walked away from the global capitalism which had been defining their working lives. They established cooperative forms of production, set up successful properties and schools, and engaged in extensive mineral prospecting. In the early 1950s, they purchased properties with the profits of some of these ventures.¹⁵

None of this small-scale mining and hardly any of these families became part of the iron ore export industry. It is an intriguing thought, though, that the early development of mining in the Pilbara was marked by work outside of capitalist arrangements, arising directly from a labour dispute in another industry, and was carried out by the descendants of the oldest inhabitants of the place.

The making of the iron ore industry

If the history of the Pilbara is older and more complex than it is commonly imagined to be, then the story of the origins of iron ore mining also has its surprises. The key players were located far from the Pilbara. The impetus came, as Osmar White put it many years ago, ‘not from visionaries’ entranced by the Pilbara as a place, but from ‘industrial realists who knew nothing and cared less about the country and the people who lived in it’.¹⁶ And then the role of Australian governments became vital.

The state government granted the first iron ore mining leases for operations on just two islands, Cockatoo and Koolan in Yampi Sound, a little to the north of the Pilbara, off the Kimberley coast. The leases were for the mills of Australian Iron and Steel (AIS) on the east coast of Australia at Port Kembla and Newcastle. Mine construction began in 1935, the same year in which AIS became a wholly owned subsidiary of one of the companies later to reshape the Pilbara, the Broken Hill Propriety Company (BHP). In Geoffrey Blainey’s pioneering study of Australian mining, he describes this government intervention taking place after a Japanese company had shown an interest in the deposits – an early indication of the global networks that redefined the Pilbara thirty years later.¹⁷

When construction work began, union membership for workers was the norm, as was wage-fixing through arbitration tribunals. Notwithstanding the impact of the Great Depression, union membership in 1935 stood at 44 per cent of the workforce across Australia, and was slightly higher in the west.¹⁸ That wages and conditions would be set through a union and by ‘awards’ in the arbitration system was more or less taken as given. The Australian Workers’ Union (AWU) was the union entitled to cover these employees. Its representatives met with the Yampi Mining Company and the government’s Industrial Registrar aboard a vessel called *Yampi Lass*. The negotiators settled the first Iron Ore Award in 1937. The award built on precedents set in the state’s goldfields and in iron ore mining in South Australia. How telling,

and how (once) characteristically Australian, that the business of industrial relations was encoded in local geography: the waters where the deal was struck were renamed Arbitration Cove.¹⁹

This first iron ore venture came to nothing. Not until after World War II would these small sites with their high-quality ores be mined. When that happened, there were further discussions between a range of unions (now others in addition to the AWU) and the company with detailed rules about job classifications and pay rates. When mining started on the islands in 1951, wages and conditions were already set out, as were the demarcations between unions and, with that, some aspects of how work itself would be organised.²⁰

There had been no exports of iron ore from Yampi Sound in the 1930s, in part because of a dispute on the waterfront at the very site where the main BHP steelworks were located, at Port Kembla in Wollongong. Waterside workers refused to load a vessel bound for Japan, arguing against supplying the Japanese war machine which was so brutally taking control of China. Ironically, those two countries, Japan and China, became the major markets for the Pilbara's ores after World War II.²¹

Governments accepted the conventional wisdom that the country's iron ore stocks were of limited scope. Indeed, although privately alarmed by the strategic threat of steel firms in Japan, governments chose in public to emphasise the paucity of ore stocks and the need to preserve them for local steel making. Even when some people did let themselves dream of the Pilbara's potential, the geographical problems of the place's isolation and the inland location of the ore bodies appeared insurmountable.²² One of the few to call for a rethink, with what might be called typical West Australian optimism, was a Minister for Mines who told the state's parliament in 1938 that changes to transport 'might make very inaccessible ore bodies very accessible'.²³ True enough, but for the time being the state government was as obdurate as was the federal government: it ruled that prospectors who 'pegged' out potential sites were not guaranteed any return. It offered such

certainty only to companies which mined the sites and promised to develop manufacturing – a policy quietly abandoned as mining boomed in later years.²⁴

For its part, the mining and steel conglomerate BHP, at that stage a purely Australian company, was also reluctant to see the Pilbara's ores mined. It leapt in to secure the leases at Koolan Island which the Japanese had wanted, largely to stop anyone else getting a foothold in the potential industry. Koolan Island and the long-used mines in the Middleback Ranges near Adelaide met the demands of the company's steelworks in South Australia and New South Wales. As late as the 1960s, the first moves to develop the Hamersley Iron company under the forerunner of Rio Tinto were opposed by BHP. No doubt by that stage the company's leadership was also looking at what use it might make of the Pilbara ahead of its London-based rival.²⁵ For thirty years from the early 1930s, though, two of the key players which were later to profit from remaking the Pilbara as an export site – BHP and the state itself – were determined to keep it locked up for local use only.

With no private-sector interest, the public sector stepped in. The Western Australian government took over the small existing mining leases here, as it did elsewhere in the state. The first major site of iron ore mining production was neither in the Pilbara nor off the Kimberley coast, but in the south of the state at Koolyanobbing, 400 kilometres east of Perth, towards the Kalgoorlie goldfields. From the 1950s, these mines provided iron ore to a government-owned smelter outside Perth and, thereafter, to a new AIS plant at Kwinana, south of the capital city.²⁶

Unlocking the ore bodies of the Pilbara for overseas suppliers was, then, a story of politics and government-company networks, not, as the foundation or pioneer myths would have it, a story of heroic, individual men taking on nature and the world. That Pilbara iron ore industry myth is Lang Hancock's self-promoting story of his ore discovery while off-course in his small plane in bad weather over the Turner River – a discovery he kept quiet while lobbying for the export embargo to be lifted. This romantic

story has been debunked in other accounts, beginning with Neil Phillipson's over forty years ago and more recently by Malcolm Knox. Phillipson's assessment of weather records, local geography and flight routes makes the story, says Knox with some restraint, 'highly dubious'.²⁷ In 1957, five years after Hancock's apparent adventure, another even-lower-profile discovery was made to the north, when a prospector, Stan Hilditch, who was looking for manganese, came across the prodigious ore body that would become the Whaleback mine at Mt Newman.²⁸

The more prosaic story about the making of the Pilbara, as we have started to see, is about the governments and transnational corporations – which Hancock was fond of vilifying. He cleverly positioned himself to take advantage of the sites he had pegged after he won over previously sceptical Conzinc Rio Tinto Australia (CRA) executives. These were the businesses which went on to provide untold wealth to him and his family after he made extraordinary royalty deals with CRA, the company that would become Rio Tinto.²⁹ Hancock secured a 2.5 per cent royalty rate for as long as CRA/Rio mined the sites, and went on to make an unimaginable fortune without actually working in the industry. Complex legal manoeuvres kept these rates quarantined from change and kept the windfall in the family.³⁰ By contrast, others would later be resistant to paying anything over 0.5 per cent to Indigenous owners, if they paid at all.

To be clear: for anything to change, for the Pilbara to be 'opened up', state intervention was an essential condition, most obviously through the federal government lifting the ban on iron ore exports and the state government overturning its long-held policy about pegging, and to recognise those claims, as happened in 1961.³¹ Once these policy changes had been made, the Western Australian government entered into agreements with mining companies about the conditions for the development of the Pilbara.³² With more certainty about their future, the companies undertook further prospecting, and CRA in particular uncovered truly astounding prospects.³³

The prospector Stan Hilditch and his partner, a mining engineer, Charles Warman, became involved in negotiations similar to Hancock's over their stake in the Mt Newman site. There were very protracted discussions involving state and federal governments (who themselves did not see eye to eye on the best way to invest), American companies and BHP, before the establishment of the Mt Newman Mining Company.³⁴

Blainey suggests that there may also have been a short-term political expedient for the federal government in ending the embargo, because economic growth and international funds were needed to counter a recession in the early 1960s.³⁵ This was a time when, as happened in 1961 (strange as it now seems), an unemployment rate of 2.3 per cent nearly cost a government an election. In what became a familiar story, change in the Pilbara and, with it, the rest of the country, was driven by a mix of backroom pressure, public lobbying and immediate political needs.

With government policy changed, and with ongoing support from the bureaucracy in Western Australia, international investors and global corporations moved in. Given that, as a site of export mining, the Pilbara was new ground, and that start-up costs were massive, it is hardly surprising that state support and global finance shaped the Pilbara mining industry from the beginning. The Australian state opened the way for global giants to profit from the Pilbara's resources; but, with that done, it walked away from the attempts to use resource exploitation to drive downstream manufacturing development, as even conservative policy makers had wanted to do before World War II.

It is vital, therefore, in understanding how the Pilbara was remade as a mining site to appreciate how important governments and all their agents were in working with mining transnationals to develop the industry. A later premier said that the state was committed 'at all stages to assist developers in the marketing of their product, in their search for capital, and in their search for suitable partners'.³⁶ As Herb Thompson's path-breaking work on the Pilbara made clear many years ago, this was not

empty rhetoric. Governments provided the mining companies with long-term leases, tax concessions and specific measures to cut through normal planning processes. The conservative state government was more than willing to fight its supposed political allies in the federal government whenever the latter threatened to complicate the development of the Pilbara. The state government's expenditure in the Pilbara doubled in the five years after 1958.³⁷ As construction work began, the *West Australian* newspaper reported that \$1,631 million was to be spent on infrastructure, \$730 million of which was to be public funds.³⁸

Little wonder that critics and researchers came to use terms like 'institutional capture' to argue that, because of the narrowness of the state's economy and low levels of population set against the wealth and power of the global mining lobby, state and society in the west were hostage to the mining transnationals.³⁹

The Pilbara's mining past was shaped not by one or two heroic individuals or by companies alone, but by Australia's colonial history, Indigenous dispossession, the rise and fall of pastoralism, and by governments and politics. In the end, it was not just an Australian story but an Asian one, as countries relatively nearby – and brought closer by the size and reliability of new ore-carrying ships – sought high-quality ores for their rapidly growing steel industries. From the beginning, the Pilbara iron ore industry was 'tethered to the world'. It was into this web of history and geography, of politics and power, that workers came and tried to make sense of the Pilbara in their own ways.

Work and employment relations – laying the foundations

When construction work on the mines and ports began in the early 1960s, the Pilbara's main communities were still composed of family groups in the Indigenous population, with minimal links to the capitalist economy beyond pastoralism. The other major groups were still the pastoral families and British owners who controlled the vast stations. This is not to say the old and

new white economies did not overlap. Lang Hancock was the most notable crossover from pastoralism to mining, from one form of wealth generation to another. For him, mining's claims to land were at least as powerful as those of the pastoralists or anyone else's: 'Nothing should be sacred from mining, whether it's your ground, my ground, the blackfellow's'.⁴⁰ More generally, however, as had been the case in industrialising Europe many years before (and still is the case in parts of Australia), the relationship between farmers and mining companies could be fraught. As mining began, the destruction wrought in rebuilding towns and developing railways often distressed Pilbara farmers and townspeople alike.⁴¹

The logistical challenges facing the new mining conglomerates and their backers were formidable, as many have recorded. There were no towns near the mines. The only harbour, at Port Hedland, was too small to allow ore carriers to manoeuvre, let alone load. Inland transport links were sparse. There was no railway between the ore deposits and the ports, hundreds of kilometres away. There were hardly any roads worthy of the name. This mining development phase drove the first population boom in the Pilbara, with the number of residents more than doubling in the 1960s; the male population of Port Hedland tripled. In the same decade, the number of people employed in building and construction rose from 210 to 4,603.⁴²

Because the mining companies had to lock in customers and delivery dates, there was intense time pressure.⁴³ The first project was the Goldsworthy operation, owned by US and Australian interests. It was the nearest to the coast, only about 110 kilometres from the shipping facilities at Port Hedland. Mine, rail, port and housing facilities were completed by international and Australian contractors within just fifteen months. The first stage of the more complex CRA Hamersley Iron project was also completed with great speed. Its open-cut mine at Tom Price, 300 kilometres of rail and its port facilities in Dampier were all built in only twenty months. Ore from that project was shipped a little after

Goldsworthy's first exports in June 1966. About eighteen months later, the company's second major mine, at Paraburdoo, was producing ore. Some downstream processing was also beginning with the establishment of a pellet plant at Dampier. In the meantime, Mt Newman Mining Company – in which BHP had a 30 per cent stake through a subsidiary – had developed its pit along with the Pilbara's longest rail link, and expanded shipping facilities at Port Hedland. Finally, nearer the coast, Cliffs Robe River, under US, Japanese and Australian control, began development work in 1970, exporting ore from 1972. A rail line connected the mining site at the new town of Pannawonica with the port near Wickham about 280 kilometres away.⁴⁴

The workers who built this infrastructure came from all over the country, and well beyond it. Some had worked in other parts of the north; others had come with experience from the biggest publicly funded project in Australia, the Snowy Mountains Hydro scheme, which had drawn workers from many European countries. As well as Anglo workers from the eastern states, New Zealand and Britain, there were large numbers of Yugoslavs and Italians and some Thursday Islanders – even some Japanese.⁴⁵ In some respects, then, the Pilbara was forerunner to the changing ethnicity of other parts of Australia. What did not take place was any attempt to draw on Indigenous labour. Indigenous workers remained on the margins or confined to the pastoral sector.

Most of the workers were, by definition, itinerants. Their mobility and the type of work they performed made them typical of the membership of the biggest union in the country, the AWU. Through a federal 'award' (as opposed to the state jurisdiction of most other unions) and through its wide-ranging coverage clauses (as existed in its power base in another pastoral and resource state, Queensland), the AWU had the potential to organise and represent almost all the non-trades workers in mining construction. As early as 1965, the union had a full-time official in the Pilbara. His successor, Gil Barr, lived in Port Hedland from 1968 to 1972 before becoming the AWU's Western Australian

secretary, the first in a long line of male union officials who would emerge from the iron ore industry to take leadership roles in Perth.⁴⁶ That the Pilbara produced labour leaders alongside its iron ore became a common theme of Western Australian industrial folklore.

Union and state-based regulation of work was the accepted norm, but it did not sit well with some people more used to a looser way of doing things in the Pilbara. One American construction manager recalled that the 'New Australians' did not mind hard work and laboured away 'without the thought of a strike entering their minds'.⁴⁷ While, then and since, managers have often assured themselves that all their workers are content with their lot, the Pilbara was being transformed whether managers liked it or not. This was due to the changes being wrought by global employers as they opened up the Pilbara for mining – industrialising a previously pastoral site and necessarily introducing new types of work and workers.

It was, in part, the geographical peculiarities of the Pilbara which began to drive this change and, in particular, allowed the newly unionised workforce to win improved wages and conditions. For trades workers in the Pilbara as elsewhere, an award for the metal trades was the foundation for wages and conditions. Precedents had been set for construction work on the North West Cape in 1964. The 'Cape Award' mandated messes and accommodation as well as wages higher than those in similar awards and in so doing played, on one account, 'a significant role in the introduction of over-award wages and conditions in the iron ore industry'.⁴⁸ The benefits came at some cost to workers. Overtime was built into the 'normal' working week, which was, in effect, fifty-four hours. The rationale for, and implications of, these new norms were complex. The immediate interests of employers seeking to meet contractual deadlines coincided with those of workers keen to make money as quickly as they could in the harshness of the Pilbara.⁴⁹ Soon enough, the interests of employers and workers diverged, and the wage militancy of

workers would cause concern not only to mining employers but also to some union officials. In the mid-1960s, however, there was little thought of such things.

Intriguingly, the desire to have some order and regulation in the emerging resource sector disrupted standard practice. Ray Fells explains how the state Employers' Federation had undertaken all the bargaining for employers (even the usually independent BHP), which had led to 'a strongly disciplined local scene' built around awards for three key (male) industries, metals, building and transport.⁵⁰ This uniformity, arguably unique to Western Australia, did not survive employment growth in the Pilbara; the shift to the agreed longer working week at the Cape was the start of this change. The Pilbara iron ore industry was disruptive from the beginning.

The state Industrial Relations Commission agreed that if workers wanted the money for working in such harsh places and if employers wanted timelines to be met, then that was fair enough. This view, coupled with the growing presence of the AWU and other unions in a place with high labour demand, set the scene for wage competition between employers. In this rapidly changing setting, iron ore construction and mining was launched.⁵¹

Although unionism was the norm in blue-collar industries, and arbitration and awards were broadly accepted as the methods by which standards were set, this does not mean that work and conditions were not tough or that getting workers unionised was straightforward. Many obstacles confronted the unions: the very newness of the sites and the workers, high labour turnover, ethnic divisions, the isolation of the worksites within the Pilbara and of the Pilbara itself and, at times, rivalry and outright hostility between unions. The pressure on the small number of union organisers (and their families) based in the Pilbara was intense because workers, themselves often isolated and lonely, demanded prompt action on their grievances.⁵²

Just as has been the case more recently in construction of gas industry facilities in the Pilbara, accommodation was a source of

much conflict. Cramped and hastily partitioned quarters made for one set of complaints when four men shared a space of about nine square metres. Then, as now, shift changes disrupted rest and privacy. Food was generally considered above average quality, but when Poon's catering was being commonly referred to as 'pooman's power packs', the workforce was obviously unhappy with how the heat turned the food from being just fine into warm and soggy sandwiches.⁵³ In few places in Australia was industrial action taken to have the Esky replace the plastic bag for storing lunches. The Pilbara was one.

The emergence of iron ore mining in the Pilbara

From the beginning, nothing was as it seemed in the Pilbara. This supposedly new and fresh place was in truth built on geological formations which were aeons old. This apparently isolated site and archetypal Australian space assumed its modern form because of global interconnections. The Pilbara's much vaunted and even mythologised white frontier and individualist culture was built on the importance of the state – from its roles in ignoring the violence towards, and dispossession of, the first peoples in the nineteenth century, to its detailed intervention in underwriting the activities of transnational corporations and investors in the twentieth.

The new mining sites being created out of the Pilbara's vast and ancient spaces were as different from older mining sites as could be imagined. The coalmines of Europe and the Australian east, and for that matter in Collie in the state's south-west, were typically close to ports or industrial areas, and often had pits in close proximity to each other. In folklore, if not always in practice, these kinds of towns were sites of a political militancy which mirrored the politics of the mining worksites and provided the strategic base for more generalised radicalism across a national working class.⁵⁴ In contrast, the mines of each company in the Pilbara were hundreds of kilometres apart. With that, so were

the towns – isolated not just from Perth but from each other. The distances covered by any one company could be just as striking, most obviously in Mt Newman's case where the mine and town were 400 kilometres from the end of the rail line in Port Hedland.

This geography provided problems for the mining companies in developing and sustaining production, and it also constituted a spatial threat to workers' solidarity that was quite distinctive compared with other mining regions. The well-established transnationals and unions both brought their own locally specific answers to these problems as mining began to flourish, with the unions at first making the Pilbara seemingly their own, as the next chapter will show.