

## Australia Dossier by Michael J. Sharp

### SAS trains mercenaries to smash unions

*Crown assets, such as the Mont Pelerin Society, Rio Tinto, P&O Ports, and the government, target the Maritime Union.*

In the first week of December, the Australian Council of Trade Unions (ACTU) and the Maritime Union of Australia (MUA) broke the news that a former SAS commando was training Australian Defense Force (ADF) officers in Dubai, United Arab Emirates, as a mercenary "strike-breaking" force for use on the Australian waterfront. According to the MUA, the ADF officers were being trained in stevedoring in preparation for a series of strikes which the government intended to provoke in April 1998.

Documents obtained by *EIR* indicate that the government has been deeply involved, as the union has charged, in creating a pretext to break the union, in particular in its discussions over the last year with P&O Ports, a subsidiary of the infamous drug-running firm of the 19th century, the Peninsular and Orient Steam Navigation Co., known as P&O. Also involved in the discussions was Rio Tinto, the world's largest mining company, in which the Queen herself has massively invested.

The waterfront is 100% unionized, and the MUA, with its 20,000-strong membership, is seen by the Liberal-National coalition government of Prime Minister John Howard (which boasts three founding members of the Mont Pelerin front, the rabidly anti-union H.R. Nicholls Society), as the major stumbling block to achieving its goal of annihilating the union movement, once and for all.

The "strike-breaking" operation was set up by Maj. Michael Wells (ret.), a former commando and mili-

tary adviser to the government during the Vietnam War, a weapons expert, and, a fully paid-up member of the Liberal Party of Australia. His partner, Peter Kilfoyle, is a former SAS commando who specializes in high-risk security transportation (especially bullion shipments), and in weapons training. The SAS is run worldwide from its headquarters in Hereford, England, including the SAS's "colonial divisions," of which Australia's is one of the most important.

Wells and Kilfoyle registered two companies: the Melbourne-based Fynwest Pty. Ltd., to handle recruitment, and International Port Services Training Group Pty. Ltd., to negotiate with Dubai. A third, shadowy company was registered in Hong Kong, the Container Terminal Management Services Pty. Ltd. (CTMS). At least \$1.7 million in funds for advertising and recruitment flowed through CTMS. The positions for the mercenaries were advertised in the official *Australian Defense Journal*.

*EIR* obtained the incorporation documents of CTMS, and found that the directors' names and statutory details required for registering a company, had been left blank.

During parliamentary question time shortly after the scandal broke, Prime Minister Howard denied all knowledge of the scheme, even as Defense Minister Ian McLachlan (a founding member of the H.R. Nicholls Society), whose ministry had to approve the leaves-of-absence for the trainees, boldly declared, "I'm all for it." Minister for Workplace Relations

Peter Reith, a speaker at H.R. Nicholls Society events, unconvincingly denied prior knowledge of the plan, but added, "It's about time we had some reform."

*EIR* also obtained an internal memorandum to Peter Reith, dated March 10, 1997, from the assistant secretary of his Industry Strategy Team, who briefed him on a forthcoming discussion with the two major stevedore companies in Australia, P&O Ports and Patrick. The clear intent of the memo was for the government to push the companies to confront the union. It also noted, with anticipation, that "P&O may also propose that the government seek to *legislatively de-register the MUA in advance of any other action on the waterfront*" (emphasis added).

The memo virtually proposed that a dispute be provoked on the waterfront, to break the MUA: "What would be needed for the MUA's influence on the waterfront to be significantly weakened would be for a range of affected service users and providers to take decisive action to protect or advance their interests." Such decisive action would mean that "stevedores would need to activate well-prepared strategies to dismiss their workforce, and replace them with another, quickly, in a way that limited the prospect of, for example, the [Industrial Relations] Commission ordering reinstatement of the current workforce."

Under threat of international union boycotts, the UAE cancelled the mercenaries' training contract in Dubai. Though this particular plot to smash the MUA has failed, in its wake the government has announced that it intends to use the 1996 *Workplace Relations Act*, drafted by a three-man team, including a top executive of Rio Tinto, a Rio Tinto-associated lawyer, and a member of the H.R. Nicholls Society, to provoke further confrontations on the waterfront in the near future.