

## Conflict in Papua New Guinea Mining: The 1993-95 Porgera Dispute

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### Introduction

This article examines and assesses the significance of a recent major dispute in the Papua New Guinea (PNG) mining industry. The Porgera dispute lasted a year and a half and arguably crystallised a new departure in industrial relations in an industry which is the largest single source of private sector employment and export earnings. Although the official eulogies of PNG as a "mountain of gold floating in a sea of oil" are somewhat exaggerated, the role of mining is paramount in what is basically, for 85 percent of the population, a subsistence agriculture economy. In 1993, mining provided 88 percent of the country's export earnings. At the same time about one-third of PNG's formal sector workforce were employed in mining.<sup>1</sup> Without going into elaborate definitional issues, we argue that, despite imperfections in its institutions, the recent Porgera dispute is evidence of a strengthening of "pluralism" (understood in terms of collaborative bargaining and compromise in dispute management), in PNG industrial relations.<sup>2</sup>

The mining industries have a long and often ephemeral history in PNG dating back to early colonial times. The first gold rush occurred in 1878 when white prospectors arrived to pan the relatively unproductive Laloki field in the Central district. Native "boys" were taken on to work the alluvial deposits. In 1926 richer fields were discovered at Bulolo and Wau in Morobe. To meet the demand for labour, the colonial authorities permitted the miners to recruit and indenture native labourers. The system was characterised by one pre-war colonial governor as "really rather like slavery".<sup>3</sup>

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<sup>1</sup> Government Printing Service, *"Papua New Guinea"*, Port Moresby, 1992, 7; B. Imbun "Who said mining companies take and do not give: the mining companies' role of social responsibility in PNG," *Journal of Contemporary Melanesian Studies*, 2(1) (1999): 27-42.

<sup>2</sup> See, for the classic discussion of industrial relations pluralism: A. Fox, *Beyond Contract: Work, Power and Trust Relations*, (London: Faber and Faber, 1974).

<sup>3</sup> For an overview of labour history in PNG, see Newbury, "Colour Bar and Labour Conflict on the New Guinea Goldfields 1935-41", *Australian Journal of Politics and History*, 21(3) (1975): 25-38; H. Gibbney, "The New Guinea Gold Rush of 1878", *Journal of the Royal Australian Historical Society*, 58, (1972): 284-196; and P. Fitzpatrick, "Really Rather Like Slavery: Law and Labour in the Colonial Economy in Papua New Guinea" in (eds.) E. Wheelwright and K. Buckley, *Essays in the Political Economy of Australian Capitalism*, Vol. 3 (Sydney, ANZ Press, 1978): 102-118.

The next phase of the PNG mining industry was characterised by the disappearance of the old alluvial gold miners with their native "boys" and the replacement of these independents by capital intensive mining companies. Both New Guinea Goldfields (NGG) and the Bulolo Gold Dredging (BGD) companies assembled large resources of capital, machinery and labour to develop their leases. In the eight years preceding the Japanese invasion in 1942 averages of between 8,000 and 10,000 native labourers and 500-1,000 whites were reportedly employed in the Wau and Bulolo goldfields.<sup>4</sup>

With the intensification of production, the division of labour became more elaborate. Natives were gradually employed in semi-skilled work involving steam engines and gold processing equipment. As in South Africa, a whites only craft union emerged to defend expatriate rights and to resist the upward mobility of indentured labourers in the occupational hierarchy. Although indenture was abolished in the early 1950s, native labourers in mining were by and large excluded from what passed as labour relations in the colonial era. The thrust of colonial administration was to isolate New Guinea from the "disruptive" effects of social and economic change involved in labour mobility and wage bargaining.

As colonial status drew to a close, BGD ceased operations in the mid-1960s although NGG continued mining at Wau. Solicited by the now independent government, a new generation of mine operators came to the islands. Among the newcomers were Conzinc Rio Tinto of Australia (CRA) which developed the copper deposits on Bougainville from the late 1960s onward.

Since independence, not all developments have been favourable for the miners. At first Bougainville attracted ample capital and labour. But neither political nor industrial relations institutions were developed enough to contain conflict.

The premature closure of the giant Bougainville copper mine in 1989 was a result of the armed separatist rebellion on the island. Elsewhere on the mainland there was controversy among politicians and traditional landowners about mine developments and their environmental implications for subsistence farming. But generally there has been an upsurge in prospecting and planning. Three new gold mines are scheduled for development, including the Lihir site which is anticipated to be the largest undeveloped gold deposit in the Southern Hemisphere. Currently, there are three sites in operation. Of these, the Porgera gold mine and the OK Tedi Copper mine are significant in the global mineral economy with the former ranking sixth in the world in terms of known reserves<sup>5</sup>.

Although disputes and labour organisation involving both indentured native labourers and imported European miners had occurred in the colonial mining industry, it was only after political independence from Australia in 1975 that the country developed an industrial relations machinery. The example and support of the colonial power was the key factor in

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<sup>4</sup> C. Filer, "Towards an Ethnographic Understanding of the Mining Industry in PNG," *Proceedings of the American Anthropological Association*, University of California Press, 1993.

<sup>5</sup> For a statistical overview, see Government Printing Service, *op. cit.*

determining the shape of PNG's industrial relations system. PNG followed the Australian model of state sponsored compulsory conciliation and arbitration by means of appearances by legally recognised trade unions and employer organisations before wages boards and industrial tribunals. In order to get the new system up and running, the newly independent government encouraged unions to recruit among the largely non union workforce. It was during this period that mining unionism took on its current form.

However, the activist role of the state as the developer of new industrial relations institutions has been constrained by the rather unreceptive and apathetic nature of civil society. Commentators on the phenomenon have noted the largely "paper" organisation and activities of the official labour movement, with little real impact and recognition in the workplaces or in the consciousness of workers.<sup>6</sup>

### The mining trade unions

PNG's first mining union, the Bougainville Mining Workers Union (BMWU) was formed in 1975 with the assistance of Bougainville Copper Ltd (BCL), the major mining employer on the island and the PNG Department of Labour and Employment (DLE). From the outset BMWU faced a range of problems. The mining workforce was transitory and divided by occupational and ethnic differences. Mineworkers were unfamiliar with trade unionism and unsure of its role. For its part, the new union lacked full-time officials and adequate financial resources with which to mount a strong trade union education and recruitment campaign.

The problems facing union organisers among a "green" industrial workforce, which had by and large only recently, and often only temporarily, quit subsistence farming, are difficult to over estimate. Mining unionism shared the problem with other labour organisations in the country. These were characteristically viewed by wage labour as "exotic institutions" with an unknown role. There was little initial enthusiasm for the BMWU although workers who had been employed for one or two years in the formal sector were the most willing recruits. But the industrially "green" were reluctant to join.<sup>7</sup>

The pattern on Bougainville was repeated later in the 1980s and early 1990s when the OK Tedi and Porgera mines were opened and expanded on the mainland. Illiterate and semi-literate manual workers rationalised their reluctance to become members on the grounds that "unions were for the book people". At the same time, and more in common with the "deferential" world of British experience, workers were reluctant to take out membership because of the perception that "unions are against the boss most of the time"<sup>8</sup>.

<sup>6</sup> M. Hess, *Unions under Economic Development: Private Sector Unions in Papua New Guinea*, Melbourne: (Oxford University Press, 1992): 188-207; and P. McGavin, *Wages, Incomes and Productivity in Papua New Guinea* (Port Moresby: Institute of National Affairs, 1991)

<sup>7</sup> For general discussion of the role of ethnicity, see A. Manak and A. Ali, *Race, Class and Rebellion in the South Pacific*, (Sydney: Allen & Unwin, 1979): 21-43.

<sup>8</sup> Author fieldnotes and interviews, OK Tedi and Porgera, 1992-4.

As noted, one of the major barriers faced by unions to winning the allegiance of workers was and continues to be the pervasiveness of ethnic and clan loyalties. Indeed the mine labour forces were to some extent recruited and organised on the basis of ethnicity. In order to win the good will of local landowning communities, the mining companies characteristically give undertakings to the dominant neighbouring clan to employ its kinsfolk. Unlike the South African situation where barracks for inter-provincial and foreign mine workers are the norm, many PNG mine workers remain resident in their traditional villages and commute daily or on a regular basis in duty periods to the mine sites.<sup>9</sup> This holds for not only the basic unskilled jobs but also skilled work which is offered to locals before formal advertisement in the media.

For PNG mineworkers, ethnicity serves as a basic form of social cohesion and a network for securing jobs. In addition, these clansmen are typically motivated to seek employment not as a lifetime choice but as a temporary expedient to raise cash for western style goods and services.

There is little doubt that ethnicity is a problem for the mining unions. Tribal loyalties constrain trade unionism in a number of ways. Not only do the clan networks tend to resist new institutions such as unions, but they also promote competition over union leadership positions, making solidarity and a united labour movement above sectional ethnic interests difficult to achieve.

The absence of a cadre of full-time and experienced officials is another barrier to effective unionism in the mines. Both the Misima Mine Workers Union (MMWU) and the Porgera Allied and Mine Workers Union (PAMWU), formed in 1990, have a full time general secretary as the only paid staff. On both sites the union office is located in a run-down building away from the mine itself. The OK Tedi Mine Workers Union (OTMWU) has neither a full-time official nor an office; the entire executive is made up of mine workers.

Union finances in these three organisations are also rudimentary and generally insufficient to meet the demands of activism and organisational initiatives. The 1988 OK Tedi mineworkers' strike lasted five months and was conducted with only a marginal input from the OTMWU. Generally speaking, the weak financial position of the mining unions has led to an inferior footing in dealings with mine management. In a culture where ritual exchange of hospitality is highly significant, industrial agreements have characteristically been negotiated away from the mine sites in Port Moresby's luxury hotels where modestly remunerated union officials have been entertained at company expense. The outcome of the hotel meetings has more often than not reflected a positive outcome for management.

Management's ability to determine the timing, location and agenda for negotiations is in part a product of the limited powers of the Papua New Guinea Trade Union Congress (PNGTUC). Generally speaking, PNGTUC has been unable to support member unions in any extensive way. The peak body has supplied negotiators in some disputes and has conducted recruitment campaigns around the urban areas. But internal rivalries, resultant

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<sup>9</sup> R. Martin, *Trade Unionism: Purposes and Forms* (Oxford: Clarendon, 1989): 136-143 and M. Du Toit, *South African Trade Unions*, (Johannesburg: McGraw-Hill, 1976.)

leadership problems, politicisation and a lack of policies and vision have combined to constrain PNGTUC's mobilisation potential. For their part, the mining unions have made financial contributions to PNGTUC with very little in the way of return. In a sense, management has stepped into the breach as a helpful mentor, willing to assist the unions out of financial strife in return for a degree or more of co-operation.<sup>10</sup>

### The employers

In view of their assessment of the rather marginal nature of the PNG mining unions, the various mostly expatriate and "macho" mine managements have been inclined to give western-style industrial relations a low priority and to develop a series of paternalistic initiatives to handle the labour force. Mine managers regard the workforce as first and foremost tribesmen rather than members of an industrial working class. Not only do the mining companies provide training for the workforce, but they also supply much of the major physical and social infrastructure for the landowning communities and squatter camps near the mine. Trade unionism is not viewed as a central concern, but nonetheless mine managements have exhibited a range of strategies in handling embryo forms of organisation among the workforce.

On Bougainville in the early 1970s the Australian CRA management welcomed the DLE's first trade union membership recruitment campaign. At OK Tedi, the Australian Broken Hill Propriety Ltd. made no opposition to the formation of both blue and white collar unions. But at Misima and Porgera, mines developed in the late 1980s and early 1990s by the Canadian mineowner Placer Pacific, trade unions have not been welcomed. Management has discouraged union officials from visiting the mines. For example, at Porgera in 1994, the PAMWU general secretary was escorted around the site by a dog handler and his alsatian.<sup>11</sup>

### Disputes

By the 1990s, lack of effective channels for grievances and dispute handling, combined with the weakness of trade union leadership and the absence of informed human resources and industrial relations policies from management, had created a volatile situation. The looting and burning of company properties and equipment became a characteristic of strikes in PNG mines.

The 1975 Bougainville strike was typical of the pattern which was to unfold. The dispute was triggered by a wage claim which rapidly escalated to dangerous confrontations between the workers, company security guards and eventually government riot police. The strikers used company bulldozers to demolish office buildings and the recreational facilities used

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<sup>10</sup> Author fieldnotes and interviews; Hess, *op. cit.*: 188-207.

<sup>11</sup> Author interview, 1994.

primarily by expatriates.<sup>12</sup> Again, the 1989 OK Tedi strike involved the intervention of armed police and the army in a 16 day strike over the shift system, housing conditions, and job opportunities. But as the general secretary of the PNGTUC reportedly remarked at the time "without that action the issues would never have been addressed".

Most recently, the 1993-5 Porgera dispute clearly illustrates PNG's industrial relations problems, but also a new maturity in bargaining and conciliation. At the time the mine had a workforce of about 2,000. About 400 employees were skilled expatriates and indigenous white collars who were employed on an individual contract basis. These managerial employees were not unionised. The remaining 1,600 mainly blue collar workers were employed under an industrial "award" negotiated by the PAMWU and lodged with the Industrial Registrar according to the procedures required by the Australian model. The union operated with one full time official, a five man working member executive and a number of active shop stewards. The union secretary was barred from visiting the site, and worked out of a union office which consisted of an abandoned cargo container some four kilometres from the mine in a tiny local town. The union leadership was predominantly drawn from the Enga tribe who were traditionally noted in the islands for their strident defence of perceived rights in inter-tribal disputes.<sup>13</sup>

Unsurprisingly, in the period before the major strike, industrial relations were poorly co-ordinated. Certainly, the PAMWU's energetic general secretary was an able professional with media skills and the ability to tutor his lay colleagues. But largely denied site access, meetings with the rank and file were sporadic. The leadership was unable to control independent action by underground workers which resulted in several wildcat strikes.

In the early 1990s, the decision-making levels of management consisted largely of "fly-in fly-out" expatriate commuters. Their approach to industrial relations problems generally was "unitarist" in word and deed. Meetings between line management, the personnel department and the unions were usually only convened over suspensions and dismissals.

The mine management at Porgera were nearly all expatriates in the administrative and technical areas on the eve of the strike. Only a couple of PNG nationals had reached superintendent rank in the company organisational hierarchy. A resident mine manager was responsible for site operations, but a general manager with offices in the capital Port Moresby was responsible for policy and crisis management. Personnel and industrial relations were handled by an expatriate personnel superintendent with the help of a PNG national senior industrial relations officer. In addition, there were two industrial relations officers. One was responsible for dealings with staff and departmental heads from the underground mine, the mill, engineering supply and community affairs departments; while the other looked after surface workers including administrative personnel. Union-management contacts were usually between the line department heads and the personnel superintendent with the three industrial relations officers getting involved at some stage.

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<sup>12</sup> For an account of the Bougainville crisis, see P. Fitzpatrick, and K. Good, "The Formation of the Working Class" in A. Amarshi et al. *Development and Dependency: The Political Economy of Papua New Guinea* (Melbourne: Oxford University Press, 1979): 123-151.

<sup>13</sup> Company and union internal documents and author interviews 1992-4.

Matters came to a head in December 1993 when the PAMWU served a new "log" of claims, in the Australian style, on management at the expiry of the existing "award". Demands included a 50 percent wage hike and company provision of accommodation. Besides the local tribes, about 600 of the manual workers came from other provinces, well beyond commuting range. At the same time, prices for goods and services in the vicinity of the mine had begun to escalate. Moreover, indigenous workers were receiving, on average, only a fifth of the expatriate's pay.<sup>14</sup> There were also other issues such as leave provisions, paid maternity leave, overtime, risk allowances and safety measures.

The initial negotiations between the company and the union were confused and inconclusive. Management spent several weeks examining the claims before producing a counter proposal which denied the union's key demands. Actual negotiations began in the last week of December 1993 after several delays requested by the unions to permit more time for the study of management's response. The plain fact was that the union's officials were uncertain about how they should proceed given that nobody had much in the way of experience in industrial or crisis negotiations.

No dispute procedure existed and the parties were unable to come to terms on how to proceed in the initial meetings. When the parties finally got round to discussing the substantive issues, the company claimed that one of the key union demands, the provision of accommodation, lay outside the range of "industrial issues". Accordingly, in the company's arguments, no specific undertakings had been asked for or given to provide accommodation in the agreements prior to the initiation of the project made between Placer Pacific, local landowners and government representatives. Moreover, the provision of housing was a responsibility of the local provincial government, which was funded by generous mine royalties.<sup>15</sup>

The next round of meetings early in the new year were conducted in the presence of a government labour office representative and the general secretary of the PNGTUC, whose good offices had assisted the parties to "now clearly understand each other's position and their differences".<sup>16</sup> The wage claim was dropped to 20 percent. However, in the absence of further participation by PNGTUC, the meetings deteriorated into trivial clashes over punctuality and manners.

The next development was the intervention of local bureaucrats and politicians to support the PAMWU's demands for company accommodation. The local elite wanted "real development" out of the Porgera project which would encompass a mining town with infrastructure as a new focus of economic activity in what was a backward province. Although marginal in most industrial disputes in the developed world, outside popular support, particularly if backed by important figures, can have a vital role in industrial relations activities in PNG.

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<sup>14</sup> *The National*, 16 February 1994.

<sup>15</sup> PAMWU general secretary's letter to members 22 December 1993.

<sup>16</sup> Placer Joint Venture, "Employee Relations News Update", 4 (January 1994).

After the failure of conciliation by DLE, events led inexorably toward confrontation. The general secretary of the PAMWU was arrested as the result of a fracas with company officials and a substantial contingent of armed police were dispatched to the mine. Nonetheless the PAMWU complied with the PNG Industrial Relations Act by organising a secret ballot of Porgera workers despite some attempts at obstruction by the mine management.

Of the 685 PAMWU members who got to the polls, 675 voted to strike, eight voted against and two votes were "informal". The imminent strike was perfectly legal. However, on the same day, the company unaccountably obtained an injunction in the National Court, which barred the PAMWU from further industrial action.<sup>17</sup>

The court order brought only partial compliance. Workers in the open cut and underground sections, and the refining mill, abandoned their stations at change of shifts on the 11 April. The entire mine was shut down for two days until management organised expatriates and local non strikers to keep some production going. The strikers, along with supporters drawn from among the local landowners and squatters, formed threatening crowds outside the mine gates. The possibility of a repeat of the 1988 OK Tedi strike where workers went on a burning and looting spree with resulting massive property losses became a concern not only to the mine's top management, but also to the national and provincial political leadership.<sup>18</sup>

The actual strike lasted a week. The union was not prepared to escalate the conflict into a civil disorder involving politicians and tribal leaders. The strike was left largely in the hands of shop stewards and their work groups who were subjected to continuous pressures by security guards and police. No attempt was made to provide liaison between the strikers and workers on leave who were returning to take up their positions. Further, the union had no financial resources with which to meet the costs of a long strike. The options facing the union encouraged compromise.

By the same token, on reflection, management had much to gain from an accommodation with the PAMWU. Although a victory over the strikers was fairly easy, there were risks in alienating the workforce and its political support if too unbending an attitude was taken. The renewal of mining leases and the company's continued future in the country required a modicum of respect for indigenous interests and pressure groups. The ground was set for industrial compromise after the initial demonstration of collective work withdrawal.

In the event, strikers soon began to drift back to work. Management assisted the process by arranging transport to their own districts and provinces for recalcitrants. Court proceedings also indirectly helped to weaken the strike by removing union officials from the mine environs. During the crucial early stages of the work withdrawal the miners' executive was absent, making compulsory appearances at the Mount Hagen Courthouse, some 200 kilometers distant. The proceedings covered both the restraining order on the

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<sup>17</sup> *The National* 11,12 and 21 April, 1994.

<sup>18</sup> *PNG Post Courier* 21 April 1994.



strikers and the assault charge against the PAMWU's general secretary, which resulted in a token fine.<sup>19</sup>

Management continued to claim that the strike had not interfered with production and also that the departing strikers whose exodus had been paid for by management, had voluntarily quit to return home. By April 25, the majority of workers had returned. Some 30 employees who were late for duty were sacked for "abandoning their employment". But it was not until November that the return to work was ratified in a "Memorandum of Understanding" (MOU), signed by the parties at the behest of the Secretary of the DLE.<sup>20</sup>

In the aftermath of the strike, there were questions about the ineptness of the parties involved. In particular, in its first major test, the Industrial Relations Act appeared confused and contradictory. The order which the company obtained from the National Court restraining the strike was of dubious legality in the light of the secret ballot held with the Industrial Registrar's approval which had found a majority of employees in favour of the strike. The legal requirement had been met by the union and the strikers and the argument therefore had force that the National Court's action was illegal.

In the legal bickering subsequent to the return to work, the PAMWU was more successful. The dismissal of the 30 workers was challenged in court and a reversal obtained. In addition, the company was fined a nominal amount under the Industrial Organisation Act for deliberately failing to acknowledge the legality of the PAMWU's strike.<sup>21</sup>

Yet, although there were some unsuccessful dialogues between Pacific Placer and the PAMWU, the signing of the MOU in the presence of the local DLE officer set the seal on a compromise. The union reduced its wage demands to an 18 percent increase and limited its accommodation demands to the provision of barracks for single men. However, in the PNG industrial relations system, the MOU was not quite the last stage. The MOU package contained union demands and employer counter offers. The agreement to end the dispute, as in the Australian model, had to be cemented into a new "industrial award", which would come into effect on 19 December when the old award expired.

In November, negotiations shifted to Port Moresby. Pacific Placer paid airfares and hotel bookings at a rather modest venue for both the company and union bargaining teams. Sessions were chaired by the most senior labour officer in the DLE. The wages issue was readily compromised, with agreement on a 17 percent across the board increase. But the sticking point was the accommodation question, with management claiming that the matter lay out of its hands as the responsibility of government. Discussions became quite heated with the DLE conciliator blaming the PAMWU for "impossible" demands.<sup>22</sup>

<sup>19</sup> *The National* 25 April 1994.

<sup>20</sup> Memorandum of Understanding between Placer Joint Venture (PNG) Proprietary Ltd., and the Porgera Mining and Allied Workers Union, 17 November 1994.

<sup>21</sup> *The National*, 22 October 1994.

<sup>22</sup> Author interview 11 January 1995.

The upshot was that management withdrew suddenly from the meetings in January 1995. However, despite affirming the "non-negotiability" of the accommodation claim in full page press advertisements on the next day, the battle weary parties surreptitiously signed a new "award" in February, bringing to an end some seventeen months of volatile negotiations.<sup>23</sup>

It was hard for the PMAWU to claim victory. Management had "won" on the accommodation issue, and the union was tacitly forced to accept the company perspective of the matter as non-industrial. The members were discontented, and this led to the immediate sacking of the PMAWU president as the new award was handed down. An uneasy peace came to the Porgera. In May a power failure shut down the mine, and a Pacific Placer spokesperson claimed that "vandalism" may have been the cause.<sup>24</sup> However, discounting isolated incidents, the peaceful resolution of a major dispute is evidence that recent industrial relations in the mining sector is relatively immune from the law and order problems which, at least in popular perception, appear to pervade PNG politics, society and economy.

## Conclusion

The Porgera dispute was the longest in PNG's 20 year post-colonial industrial history. At one level the conflict reflected the impact of transnational capitalism on a still largely tribal society. At another level, the 1993-5 dispute was a classically Australasian industrial matter, with frequent court moves and the exchange of judicial and quasi-judicial documents. In this sense, PNG's industrial relations machinery reflected its Australian heritage. The parties negotiated an "award" in a long-winded process which lead through conciliation to final lodgement of the new award as a legally sanctioned contract with the Industrial Registrar. On the Australasian model, the machinery also included formal dispute resolution mechanisms in the shape of compulsory arbitration, but the Porgera dispute did not run the full gamut of institutional handling, perhaps reflecting in part the decline of "classical" compulsory arbitration in both Australia and New Zealand.

Contrary to widely held expectations, the dispute did not erupt in a wave of desultory violence. PNG's industrial relations institutions stood the test and functioned as a pluralist mode of dispute settlement. The essential parts of the machinery remained intact and in working order. The result was a compromise which occurred within a framework of explicit and broadly agreed procedures. The union, the Industrial Registrar and the public conciliator played according to the rules of the game. Management and the courts may have bent and misapplied the rules, but nonetheless, in the main the collective code was followed. True enough, on occasions the parties fumbled their lines and gave a less than flawless performance, but the Porgera dispute signalled a new effectiveness in industrial relations institutions.

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<sup>23</sup> *The National*, 16 January 1995.

<sup>24</sup> *PNG Post Courier*, 20 February 1995; *Sydney Morning Herald* 30 May 1995, *The Bulletin* (Australia) 19 September 1995.

How effective was this industrial relations transfer from the colonial power in the Porgera case? Despite the often amateurish and bumbling behaviour of the machinery's operators, it must be credited with some successes. There was no destruction of company properties. Although tribal loyalties and policies impacted on the dispute, particularly with the accommodation issue, the affair retained its industrial relations core, and did not boil over into a rebellion as on Bougainville. The miners union and the company reached a *modus vivendi* of sorts which enabled production to continue and the indigenous workers to receive some improved returns from one of the world's richest gold mines.

Sure enough only minimum credit can be given to management for its handling of the dispute. The Porgera mine operators had not developed "employee friendly" techniques of modern human resource management, at least for the unskilled indigenous workers. Management made few participatory "human resource" inputs into the workforce. Expatriate mine officials showed little respect for the country's embryo industrial relations institutions. Instead, the mine management tended to display an old fashioned colonial mentality towards "handling natives", with a ready reliance on the threat of armed force and banishment back to tribal lands.

Nonetheless, the Porgera dispute illustrated that pluralism in industrial relations is surviving in the PNG environment. With all its imperfections, a functioning representative machinery within a framework of law was tested during the dispute. In a sense, Porgera represented a new maturity in PNG mining industrial relations, which was relatively free of violence and avoided rapid escalation into a political crisis involving parliamentarians and other interests not directly involved in the industrial relations system.

The Porgera dispute illustrated that contrary to the widely reported developing countries trend, pluralism in industrial relations has taken root in PNG. An independent trade union took up workers' grievances and fought them through to a pluralist compromise. The PAMWU conducted itself as a loyal, if unpolished, opposition. The dispute remained within industrial parameters and did not spill over into generalised political discontents. Unlike the situation in many of PNG's neighbours to the north, where pluralism has not travelled well at all, neither government or expatriate employers were able or willing to move the management of labour down a more determined unitarist road.