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Union Fund Moves to Oust MUA in Pluto LNG Project Dispute

August 3, 2025

– Categories: *Finance*



A \$400 million redundancy fund threatens to expel the Maritime Union of Australia amid a fierce inter-union conflict disrupting Woodside's Pluto LNG expansion in Western Australia.

A \$400 million redundancy fund, managed by the Construction, Forestry, Maritime, Mining and Energy Union (CFMEU), has initiated moves to expel the Maritime Union of Australia (MUA) from its ranks, escalating tensions over Woodside Energy's \$12.5 billion Pluto Liquefied Natural Gas (LNG) Train 2 project, part of the Scarborough Energy Project, as reported by The Australian Financial Review on June 6, 2025. The conflict, involving the Offshore Alliance, a partnership between the MUA and the Australian Workers' Union (AWU), centers on organizing 2,000 workers at the Karratha site ahead of critical pay

negotiations set for 2026. The fund's board, dominated by CFMEU interests, voted to exclude the MUA, citing breaches of fund protocols, though specifics remain undisclosed, per The Australian on August 3, 2025.

The dispute threatens to destabilize Woodside's project, which aims to process 5 million tonnes per annum of Scarborough gas by late 2026, according to Woodside's website. CFMEU national secretary Zach Smith told The Australian that the MUA's aggressive tactics undermine worker unity, risking delays to a project vital for Western Australia's economy. The MUA, however, claims the CFMEU is attempting to monopolize control over lucrative redundancy payouts, a charge echoed by posts on X, such as @UnionWatchWA on August 2, 2025, which accused the CFMEU of "bullying" smaller unions. The Australian Labor Government has remained silent, but critics, including shadow industrial relations minister Michaelia Cash, speaking to Sky News on August 3, 2025, argue that Labor's inaction fuels workplace chaos.

The expulsion move could disrupt \$5.4 billion in local contracts and thousands of jobs tied to Pluto Train 2, per Bechtel's project update on November 21, 2024. Business groups, like the Australian Resources and Energy Employer Association, warned in a July 2025 statement that inter-union rivalries could inflate costs and delay timelines. With the MUA vowing to fight its ousting, the conflict risks broader industrial unrest, threatening Australia's position as a leading LNG exporter, as noted in a 2017 Global Energy Monitor report. The standoff underscores deeper issues of union power and project stability in a critical industry.