

# Asia, Australia and the Pacific

5 December 1998

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### Western Australian workers strike BHP plant

Three hundred workers at BHP's Port Hedland Hot Briquetted Iron (HBI) plant in Western Australia (WA) went on strike last week after talks broke down between the union and Cape Modern, a subcontractor on the site.

The company has refused to pay the airfares for the workers to go home from the remote work location to take rest and recreation leave in Australia's eastern states, WA's capital city Perth and New Zealand.

The dispute also involves wage entitlements for tradesman and an unresolved safety issue that arose in September this year when workers walked out because insulation material was being blown over the site by the wind. The company rejected the argument that the strike was over safety and refused to pay wages and incentives for the one and half days that the workers were out.

BHP claims that cost over-runs at the HBI plant, estimated at over \$A700 million, are among the reasons for the company's poor financial performance.

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### Mine layoffs in New Zealand

Solid Energy is planning to retrench 50 workers from its Stockton mine in Westport on the west coast of New Zealand's South Island. A company spokesman claimed the cut to the mine's 120-strong work force was due to a downturn in international coal markets, 'particularly the Asian steel industry which is a major user of Stockton coal'.

Indicating that further cuts were under way, he said: 'The Stockton redundancies are part of a range of changes that will be made company-wide over the coming weeks.'

The Engineers Union will not call industrial action to oppose the sackings. A union official said the union is only 'considering' legal

action. He complained that Solid Energy had 'bypassed' the union in planning the redundancies.

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### Department store cuts staff

Australian department stores Myer and Grace Brothers announced at the end of last month that they would downsize their work forces by 200 nationally. The bulk of the jobs will be cut from the stores' merchandising and ordering sections, particularly in the states of Victoria and New South Wales.

The Australian Services Union assistant secretary Martin Foley said the sackings were announced without notice and came as a shock since Myer had returned an improved profit. The union will not convene membership meetings.

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### Ansett Airline union calls off stoppage

The leadership of the Transport Workers Union headed off a planned stopwork last week against the destruction of jobs at Ansett, Australia's second major airline, after the company offered to continue negotiations.

Ansett announced in October that it was planning to outsource its non-core operations, including its courier and flight catering divisions. The restructuring could cost up to 2,000 jobs. Over 900 jobs have already been slashed since March.

Ansett is also attempting to cut workers' wages by abolishing a performance-linked bonus scheme. A company spokesman said Ansett would now continue discussions with the TWU to 'come to a common position' on the sale of the divisions. The airline employs about 16,000 workers.

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### New South Wales teachers vote for strike

Teachers attending meetings across the state of NSW on Wednesday voted for a campaign of industrial action, including a 24-hour strike on February 9 next year. The teachers also endorsed work bans to gain a 7.5 percent pay rise. About 25,000 teachers walked off the job and over 14,700 attended the two-hour stopwork meetings.

The NSW Teachers Federation is demanding that the state Labor government give written guarantees on a range of school funding issues. Governmental policy changes have cut working conditions, increased workloads and created mechanisms to more easily victimise and dismiss teachers.

State Premier Bob Carr said he would not enter into wage negotiations in an election year. Bans will be placed on the implementation of all new government policies from the first day of school next year.

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### Coal mine blast in China

Twenty-eight workers were recently killed in a gas explosion in a state-owned coal mine at Liushi Village in China's northern Shaanxi province. Rescue workers have only been able to save 10 miners to date. Another 18 are still missing.

Fatalities in China's mines have leapt by 30 percent since last year. More than 2,028 miners lost their lives in 1997. This year 157 miners were killed in October alone. Many deaths occur in illegal mines that operate outside the minimal safety requirements set down by the Beijing government.

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### **Landslide in Indonesian gold mine**

Four people were reported killed and another 12 are still missing in a cave-in at the government-owned Pongkor mine near Bogor, about 50 miles southeast of Jakarta. The tragedy occurred on the night of November 28. A landslide of rock and mud buried the people after they had crawled into the mine to illegally dig for ore.

Illegal mining has increased in Indonesia as poverty-stricken families attempt to obtain raw materials that can be sold to gain food and other basic necessities. Last July a similar accident claimed 16 lives.

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### **Hong Kong Telecom demands pay cuts**

Hong Kong Telecom chief executive Linus Cheung Wing-lam warned 13,800 Telecom workers that if they did not accept planned pay cuts they should 'consider whether they want to work for the company'.

Telecom intends to abolish monthly bonuses and will pay just one-quarter of the bonus rate if the company registers more than a 3 percent profit growth next year. The move will ensure that bonuses are cut by at least 70 percent. In an attempt to get workers to accept the cut, the company has offered to give them shares worth 10 percent of their monthly salary and the opportunity to purchase further shares at a 20 percent discount rate.

The two main unions, the Cable and Wireless (HK) Staff Association and the Telephone Company Association, have done everything possible to hold off industrial action. After months of negotiations with Telecom management the union leaders have flown to London seeking talks with the representatives of Britain's Cable and Wireless, which owns 54 percent of Hong Kong Telecom.

Union spokesman Fan Kwok-fai spoke for the entire union hierarchy when he said, 'Given the current economic conditions, most of the staff can't do anything but accept the arrangements.'

The pay cuts are taking place despite Hong Kong Telecom posting a profit of \$HK6.9 billion in the six months ending September 30.

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### **Hong Kong engineering company sacks workers**

Hong Kong engineering firm Haeco sacked 8 percent of its work force last Monday, claiming the company had incurred more than \$HK100 million in extra costs to cover operations at the new Chek Lap Kok Airport.

The layoffs, including 71 labourers from the Philippines, 255 local mechanics, 20 engineers and six local managers, came without warning after the workers finished their shift. They were immediately bussed off the premises.

The average length of service of those retrenched was approximately 18 years with many of them starting as apprentices. The workers have condemned the redundancy package offered by the company as inadequate.

Confederation of Trade Unions General Secretary Lee Cheuk-yan has raised no opposition to the job losses, saying only that prior notice should have been given in order to allow alternatives to be examined.

Under Hong Kong law prior notice should be given to employees facing redundancy. However, the Beijing-backed government, Labor Department and trade unions fail to enforce the provisions and workers are left to fight for their outstanding payments.

Another 100 workers lost their jobs when the three-storey East Pearl Seafood and Hotpot Restaurant in Chung On Street closed after just four months of operation. The sacked workers have not received their last fortnightly pay.

A spokesman for the Eating Establishment Employees General Union said disputes concerning insolvency and unpaid wages had doubled so far this year to more than 100.

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### **South Korean unions issue no-strike pledges**

A growing number of unions in South Korea are entering into no-strike pacts. According to report issued by the Ministry of Labour at the end of last month, about 60 company-based unions made such agreements in November.

These included unions at Korea Informatics and Tesis Inc (KIT), a subsidiary of Korea Telecom; Tae Kwang; Daewoo Precision; Cheil Jedang and Lotte Ham Milk.

On November 30 the management and union at KIT held rallies at the company's headquarters in Seoul and five other work locations to issue a joint statement pledging 'mutual respect, reliance and trust'.

Earlier a 'labour-management cooperation athletic meeting' was held at Tae Kwang's Pusan factory to issue a joint declaration that said: 'There will be no single strike or even a labour dispute in the year 1999.'

The agreements indicate that the unions will act ruthlessly to discipline their members as companies implement further restructuring and layoffs.

See Also:

Workers Struggles: Europe, Russia and Africa  
[3 December 1998]

Workers Struggles: The Americas  
[1 December 1998]

Workers Struggles: Asia, Australia and the Pacific  
[28 November 1998]



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