

# Workers Struggles: Asia, Australia and the South Pacific

12 December 1998

The *World Socialist Web Site* urges workers and others to contribute to this feature by sending information to [editor@wsws.org](mailto:editor@wsws.org)

## Asia

- Indonesian bank workers face layoffs
- Guest workers protest wage cuts
- Cathay-PAL merger plans collapse
- Korean workers oppose holiday cut
- Illegal gold miners protest shooting in Indonesia

## Australia and Pacific

- PNG health union criticises TUC
- Miners picket against wage and job cuts
- Tug boat jobs threatened
- Miners cheated of full entitlements
- Sacked workers occupy factory

### Indonesian bank workers face layoffs

The rationalisation of four of Indonesia's state banks into Bank Mandiri will destroy more than 15,000 jobs, over 60 percent of the workforce. The move announced last week by Bank Mandiri chief commissioner Mar'lie Muhammed will begin with the merger of Bank Exim and Bapindo into Bank Mandiri over the next six months, followed by the takeover of Bumi Dayan and Dagang Negara banks.

Mar'lie claimed the job destruction was necessary to overcome the bad debts held by the four banks. When asked by reporters how much credit the banks had extended to the Suharto children, executive director Robby Djohan said: 'Everything is still unclear. I might be giving a rash answer if these were disclosed now. Also from a legal aspect, it is not clear if credit figures may be disclosed or not.'

The bank mergers and job cuts are in line with the demands of the International Monetary Fund.

[Top of page](#)

### Guest workers protest wage cuts

Guest workers recently held a rally in Hong Kong to protest against moves to cut the minimum wage by 20 percent, a move that would affect more than 170,000 workers. The minimum wage is already meagre by Hong Kong standards and further cuts will mean financial hardship.

During the rally some 400 workers, mainly Filipino maids, attracted support from onlookers. The protesters placed banners across the road stating: 'No to wage cuts. Protect workers rights.'

Delores Balladares, vice president of the United Filipinos, addressed thousands of workers spending their day off in a downtown park. She said foreign workers were being treated as second class citizens and were becoming more vulnerable as recession and unemployment grows in Hong Kong.

Rosalyn Magbanua, 37, of Iloilo, who has been working in Hong

Kong for seven months, said she and her farmer husband would not be able to afford tuition for her five children, aged between 5 and 16, if her wages were cut. She also has to repay a loan of 47,000 pesos she borrowed to pay agency and government fees to get a job in Hong Kong.

[Top of page](#)

### Cathay-PAL merger plans collapse

Hong Kong's Cathay Pacific withdrew from negotiations with Philippines Airlines (PAL) last week, scotching moves for an alliance that PAL hoped would bring an influx of millions of dollars.

Cathay cited irreconcilable differences over management control and valuation of the debt-ridden airline. PAL, Asia's oldest airline, owes some US\$2 billion to 9,000 creditors. The breakdown of talks is another nail in PAL's coffin and could lead to more downsizing.

Earlier this year the airline closed down operations for several weeks when ground staff rejected management demands that abolished workers' rights to collective bargaining agreements for the next ten years.

The airline resumed services after the ground staff union (PALEA) forced its members to accept the deal, leading to the destruction of thousands of jobs and the end of bargaining rights. The company also sacked all its pilots.

Sources close to the Cathay negotiating team said the present shareholders of PAL presented the biggest stumbling block to any joint arrangement. Filipino-Chinese tycoon Lucio Tan, a close associate of the Philippines President Joseph Estrada, is the largest shareholder.

'The Philippines is a difficult place at the best of times, even if we had a cast iron, rock solid partner,' the source was quoted as saying. 'The airline industry is very political, very high profile and everybody is involved in it. The only way you can possibly do it here is with an absolutely rock solid partner, and I'm afraid these guys just don't qualify.'

[Top of page](#)

### Korean workers oppose holiday cut

The Federation of Korean Trade Unions (FKTU) has called on the South Korean government of Kim Dae Jung to retract its recent decision to cut the New Year public holiday from two days to one.

Union leaders fear that the attack may provoke industrial action and undermine the current tripartite talks on job sharing and cutting working hours.

A union spokesman said: 'The unilateral decision to shorten the New Year's day holiday is unacceptable, particularly at a time when a matter of curtailing working hours is being discussed.' It was unacceptable to cut holidays 'without consultation'.

[Top of page](#)

### **Illegal gold miners protest shooting in Indonesia**

Hundreds of illegal gold miners torched buildings, destroyed a security guard box and smashed property at the state-run Gunung Ponkor gold mine in West Java, Indonesia, last week.

The miners became enraged when they thought that one of their colleagues had been shot when security guards, police and military guarding the mine fired warning shots to disperse the illegal prospectors.

One miner was injured by shots fired by security guards hired by the mine's owner, nickel-and-gold giant PT Aneka Tambang. The guards have been backed up by more than 100 troops and police provided by the Indonesian government to patrol the company's gold mining concessions.

The company has not developed many of the concessions but it still drives off illegal miners, who are seeking ore to sell to support their poverty-stricken families. Earlier this month, 15 illegal miners were killed in a landslide at the same mine.

Top of page

### **PNG health union criticises TUC**

Health unions in Papua New Guinea have sharply criticised the PNG Trades Union Congress (TUC) for ordering an end to the national strike action that emerged last week in opposition to the Skate government's budget.

Medical Doctors Union president Dr Robert Danya said he was disappointed that the strike was called off 'as it was gaining momentum'. He accused the TUC leadership of having 'its own little agenda'.

'They got what they wanted then they called it off,' he said. The strike was closed down after the government agreed to maintain some statutory bodies on which union officials serve and to set up a government committee to consult with the TUC on implementing the cut, which will eliminate 7,000 public sector jobs.

Danya said his union still wanted to see the scrapping of the government's Value Added Tax.

Top of page

### **Miners picket against wage and job cuts**

A strike and picket by miners at Chain Valley colliery, at Lake Macquarie, NSW, has entered its third week. The owner, Coal Operations Australia, has demanded that they accept further job losses and a cut in take home pay.

The workforce has already been cut from 250 to 62 over the last four years. Now the company wants to cut the wage of underground workers from \$680 per week to just \$565. Miners say that under new work conditions there is little chance of earning production or overtime bonuses.

The company is also demanding greater flexibility in work arrangements and that workers sign contracts that will further reduce entitlements.

The management said cuts were needed because of low productivity but the mining union claims that the owners are deliberately running down the operation to lower wages. The company hopes to then impose similar conditions at new mines at Wyong and Mount Arthur North.

Further cuts and downsizing are in the pipeline throughout the coal mining industry as coal companies cut prices to gain bigger market shares. BHP is about to sign a contract with Japanese buyers to supply coking coal at 20 percent below last year's benchmark.

Top of page

### **Tug boat jobs threatened**

The crews of two tug boats operating in the Port of Newcastle, NSW, will be laid off following a decision by BHP to sell its fleet of four vessels to its sole competitor Adsteam.

The sale will cut the number of tugs operating in the port from eight to six. Most of the jobs will be from the Adsteam workforce. When BHP set up its tug operation in 1994, the Maritime Union of Australia signed an agreement that secured seniority rights for workers who left Adsteam and moved over to the new employer.

Many workers at Adsteam were signed up after this arrangement. There is no chance that the union will breach the agreement and challenge the sackings. A union spokesman said he hoped the job cuts would be achieved through voluntary redundancies. BHP tugs handle 60 percent of the port's traffic.

Top of page

### **Miners cheated of full entitlements**

After 11 months the Ashnati mining company will only pay part of the \$10 million in entitlements it owes to 250 miners it sacked when the company closed its mine in Cobar, NSW, last year.

The miners will receive about 80 percent of what is owed to them. Since being dismissed many of the workers have had no money to live on and have been forced to take food parcels from charities. The government denied them social security payments on the grounds that the money owed to them put them over the means test levels.

The Rural Workers Union has claimed the settlement as a victory and will not fight for reinstatement even though the mine has been bought by another company that plans to reopen with only 120 workers.

Top of page

### **Sacked workers occupy factory**

Thirty workers sacked by the road sign manufacturing company, Roadmark, have been occupying its factory building in Melbourne since last week. The workers lost their jobs after the New Zealand-based company sold its Melbourne factory and moved back to Auckland. The company owes thousands of dollars in unpaid severance and holiday pay.

The Australian Workers Union has lodged a court appeal seeking the seizure of Roadmark's assets to pay the workers.



To contact the WSWS and the Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**