

Australian union joins building companies to win contracts in East Timor

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Australian companies are already positioning themselves to reap lucrative contracts for reconstruction work in East Timor. For the last two months, Multiplex, one of Australia's leading construction companies, has been busy cultivating relations with the leadership of the National Council for Timor Resistance (CNRT) who will be central in determining where the millions of dollars promised for reconstruction will be spent.

Multiplex has already tendered to rebuild a number of public buildings in East Timor and is looking towards even bigger future contracts associated with tourist resorts.

Recently the company dispatched its Darwin-based area manager John Brears to Timor to hold business discussions with the CNRT and its military arm Falintil in their headquarters in Aileu. Prior to the visit Multiplex donated thousands of dollars worth of computers and vehicles directly to the organisations.

To ward off any criticism that the company's generosity was commercially driven, Brears told the media this week: "We are not carpetbaggers, we are not here to make a quick buck." However, Brears admitted that the company was looking to establish a "long-term business relationship" with the CNRT that would be mutually beneficial.

The Construction Forestry Mining and Energy Union (CFMEU), the major union covering Australian construction workers, is also interested in seeing Multiplex and other Australian building companies succeed in East Timor.

The CFMEU already has more than \$2 billion invested through its superannuation fund C+BUS in construction projects in Australia, including Multiplex's Victoria Gardens building in Melbourne. Last year the union announced that it was looking for investment

opportunities outside of Victoria and possibly outside the country.

The CFMEU's substantial investment means that it has a direct business interest in disciplining the workforce and ensuring that industrial disputes do not disrupt building schedules, a selling point that the Multiplex executives would have certainly brought to the attention of the CNRT leaders.

It is understandable therefore that the construction companies and the CMFEU are anxious to extend the same arrangements to East Timor. Last week the CFMEU's Victorian State secretary Martin Kingham announced that the union would assist in setting-up a union structure in East Timor prior to the commencement of any major reconstruction work.

The union has also been central to the public relations exercise being conducted by the Australian construction companies in East Timor. Recently it offered to provide free union labour to erect a large pre-fabricated building in Dili which has been jointly donated by the union and the building employers.

The gift was not given out of purely humanitarian concerns. As Kingham pointed out, the union had "put together construction crews and facilitated the donation of materials" to construct "*prototypes* for refugee shelters, medical clinics and dispensaries", facilities into which a considerable amount of relief dollars will be directed.

The project was arranged through the Australian aid agency CARE. However, after CNRT leaders Xanana Gusmao and David Jimenez launched a bitter attack on international aid agencies last week accusing them of "neo colonial attitudes," the CFMEU quickly distanced itself from CARE. The CNRT leaders were angry that international aid was not being directly channeled through their organisation and were obviously worried

that the same may apply to the multi-million dollar reconstruction package.

Kingham now claims that the CFMEU and Australian building industry had not known that CARE had intended to use the pre-fabricated building as its Dili headquarters and aid distribution centre. In a media statement he declared: “Our main problem with CARE is that when we arrived here we found there would not be one IDP (internally displaced person) who would access the building. We will be reviewing the program.”

Kingham's allegations have been refuted by CARE director Steve Gwynne-Vaughan, who told the media that Kingham was directly involved in the meeting that had determined the nature and use of the building. “It was their plan, they're the ones who laid it out to me. I didn't give them any ideas.” The revelations by Gwynne-Vaughan and the timing of Kingham's criticism suggests that it has more to do with the union's courting of the CNRT than anything he found after setting foot in the East Timorese capital.



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