

# Former Australian prime minister hired to close down Maintrain strike

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Faced with the prospect of serious disruption to train services in New South Wales, state Transport Minister Carl Scully has hired former Labor prime minister Bob Hawke to mediate in a seven-week strike by more than 200 workers at Maintrain, a privately-owned train maintenance centre in Sydney.

The workers went on strike in July, demanding that thousands of dollars in accrued entitlements, including long service leave, annual holiday pay and severance pay, be placed in Manusafe, a union-backed trust fund, and that the company establish a 1.5 percent payroll levy to cover future entitlements.

Hawke's appointment came after Maintrain refused to continue negotiations with the Australian Manufacturing Workers Union (AMWU) on August 18 when the strikers rejected a company proposal. Management offered to take out a bank guarantee to cover annual leave and long service leave payments but not severance pay—effectively leaving millions of dollars uncovered in the event of the company's collapse.

The invitation to Hawke, enthusiastically supported by the AMWU leadership, is significant. As president of the Australian Council of Trade Unions (ACTU), Hawke was so notorious for shutting down strikes on terms favourable to big business that he earned the nickname “fireman Bob”—for his ability to hose down disputes. As prime minister from 1983, he put in place the Prices and Incomes Accord which paved the way for wholesale restructuring of industry—multi-skilling, the end of the eight-hour day, contracting out, privatisation—that led to the devastation of jobs and conditions in the NSW railways and elsewhere.

Scully is hoping to use Hawke's “skills” to end the Maintrain strike. Under conditions where a federal election is just months away and a state election is due

early next year, the Labor Party is anxious to get the issue of workers' entitlements off the agenda. The Labor and union chiefs are worried that the dispute could become a focus for broader industrial unrest, especially as hundreds of enterprise agreements are due for renegotiation.

The Labor government has no intention of doing anything that will alienate big business. At the same time, however, it recognises that there is widespread concern among workers over entitlements, especially amid current economic uncertainty. According to a union bulletin, workers in Australia lost more than \$400 million in entitlements over the past 12 months as a result of company collapses.

Aware that it is on potentially dangerous political ground, the NSW government has avoided attacking the strike at Maintrain. Scully even issued a media release on August 13 saying the workers were “justly concerned” about entitlements and called on Maintrain to reach an agreement and “bring the dispute to an end”.

A state Liberal government awarded the contract for train maintenance to Maintrain in 1993 and then closed down the state-run Electric Car rail workshops in the Sydney suburb of Chullora, destroying over 1,000 jobs. While the Liberals were directly responsible for the job losses, previous Labor governments had already set the framework for the restructuring of rail maintenance with the closure of the Eveleigh workshops.

Under the terms of the 1993 agreement, Maintrain's parent company United Group Limited was compelled to take out a bank guarantee to ensure performance and to protect the state-owned workshops and machinery. But the government did not oblige the company to protect workers' entitlements as part of the contract. In his August 13 media release, Scully was forced to

admit that the company's claims that "employees are protected by a performance guarantee involving the parent company" were false.

The Labor Party is keen to keep the issue of workers' entitlements out of the public glare because its own record and policies are no better than the conservative parties. Throughout recent disputes, first at the Tristar car parts factory and now at Maintrain, federal Labor leader Kim Beazley has kept a low profile. His only promise is that Labor would consider a scheme under which companies pay an extra 0.1 percent in superannuation contributions toward meeting the workers' entitlements of failed firms.

While the AMWU has claimed that the strike at Maintrain is the "spearhead" of a national campaign for Manusafe, the union has not publicised the dispute widely or mobilised any significant support behind the workers. Passenger trains, both in the Sydney metropolitan area and intra-state, have continued to run without any signs of disruption throughout the seven-week strike.

Picketing workers pointed out that the lack of publicity allowed Maintrain to send some work to other companies for repair. They knew of at least one engineering shop, Comeng in Newcastle, where AMWU members worked on components because management had told them that Maintrain had folded. They only became aware of the strike when a delegation from Maintrain visited the factory to ask for support. Obviously the union had not bothered to inform the Comeng workers about the so-called spearhead dispute.

Nor did the union attempt to call out its members working in State Rail's running sheds, which carry out vital day-to-day repairs on the passenger fleet. Such an action would have impacted on train operations in a matter of days. The depot workers were only asked to ban doing work normally done at Maintrain—a minimal commitment in such a dispute.

The AMWU is as anxious as the Labor leaders to end the Maintrain strike. The union has no genuine concern about protecting entitlements. After all, the question is hardly new. For years, under Liberal and Labor governments, the unions turned a blind eye as plants closed down and workers were stripped of entitlements.

Now the union is desperate to regain some kudos among workers and to stop the haemorrhage of dues-

paying members. At the same time, however, the union bureaucracy is concerned to convince big business that the unions remain the best tool for imposing layoffs and the destruction of working conditions involved in the ongoing restructuring of workplaces. Thus for all the rhetoric on workers' entitlements, the AWMU's "national campaign" is deliberately limited in scope.



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