

# Workers Struggles: Asia, Australia and the Pacific

12 January 2002

## **Indonesian cement workers strike against sale plan**

Thousands of employees at the state-owned cement firm PT Semen Gresik in East Java struck for 24 hours on Tuesday. The strike was part of a campaign against government plans to sell a controlling 51 percent stake in the company to Mexico's cement giant Cemex SA de CV. Semen Gresik is Indonesia's largest cement maker, with a combined daily output of 20,000 tons from two plants in East Java.

Almost the entire workforce at the two plants took part. The action was also supported by employees from another Semen Gresik factory in Tuban, East Java, who rallied in the lobby of the company's headquarters displaying anti-privatisation banners.

The sell-off was scheduled for last year but protests by workers and local politicians forced the government to delay the sale. The government now expects the divestment to take place by the end of this month. It claims that the funds from the sale are needed to finance the 2001 state budget deficit.

Both domestic and foreign investors are demanding the privatisation program proceed and the government warned this week that further delays on the sale of PT Semen Gresik would "further damage investor confidence". A group of 300 Semen Gresik workers are planning to picket the East Java Ministry of State Enterprises and the House of Representatives building until the plans are abandoned.

## **Philippine sugar mill workers protest against retrenchments**

Over 140 workers at the Victorias Milling Company (VMC) are refusing to sign retrenchment notices issued on January 7. The company, Asia's largest sugar mill, plans to lay off 380 of its 2,446 strong workforce.

The notices, issued mainly to VMC railroad workers employed in the Cane Supply and Transloading Services Division, will take effect from February 7. The retrenched employees will only be paid one and a half months salary

for each year of service. However, the Victorias Industrial Workers Association said the workers were owed meal allowances for 1997 to 2001 amounting to 300,000 pesos (\$US6,000) for each worker.

The retrenchments are part of the company's cost cutting program, which began in 1997 when the company had 3,921 employees. It intends to reduce staff to 1,600. Most jobs will be outsourced to contracting companies. A company spokesman said security guards working at its education institutes would also be laid off when a contract is signed with a private security firm.

The company has rejected requests by some workers who are close to retirement that they be allowed to stay until they are entitled to a pension.

## **South Korean brokerage staff strike**

Two hundred unionised staff at Ileun Securities launched an indefinite strike on January 7, demanding a wage rise and guaranteed job security. The brokerage firm is merging with Regent Securities on January 22 and the workers fear that retrenchments will follow.

## **Indian workers ransack union leader's house**

Nearly 100 workers from the Wellington Jute Mill in Bhadreswar ransacked the house of union leader Debashis Dutta on January 8. Police were called in to protect the union official's house.

The workers were angry that the unions had called off a statewide strike to oppose a reduction in wages. Instead, the union signed an agreement on January 5 with the jute mill owners that links one-third of workers' salaries to achieving productivity targets.

Despite a direction from the unions to end all industrial action, workers in the Hooghly and North 24-Parganas areas still went on strike.

## **Pakistani hotel workers protest illegal detention**

Hundreds of workers in Karachi joined a January 8 National Alliance of Trade Unions demonstration to protest against the illegal detention of 11 members of the Pearl Continental Hotel Workers Union.

The 11 were detained by Pakistan's Central Investigation Agency (CIA) following an electrical fire in the hotel's laundry on January 6. While six of those detained were released after 48 hours, five others, including the union's president and other union office bearers, remain in custody. The government ombudsman ruled on January 11 that they were being held illegally and has instructed the CIA to present the workers before a court.

A union spokesman said that the arrests were aimed at suppressing union activity in the hotel chain. When Pearl Continental workers decided to form a union in 2000, the management attempted to block its registration. In November 2001 the hotel, without warning or consultation, reduced the paid workweek by one day for all permanent staff and sacked 350 casual workers.

#### **Pakistan primary teachers protest**

Primary teachers in Taluka Dadu demonstrated on January 8 to demand the payment of their salaries. They have not been paid for the last two months. Early in the week, the teachers boycotted their classes as part of their campaign.

#### **Porcelain company in Sri Lanka threatens closure**

The management of Dankotuwa Porcelain in northwestern Sri Lanka has warned it will close the factory if an ongoing labor dispute is not resolved immediately. The dispute, over annual bonuses, broke out in mid-December. In the past workers were paid an annual bonus equivalent to eight times their normal monthly salaries. The bonus has now been capped at just 2,500 rupee (\$US25). The company claims the cut was necessary because competition from China and East European countries had cut into its revenue. Some 950 jobs are under threat.

#### **Australian airline maintenance workers walk out**

More than 300 Qantas maintenance workers in Melbourne walked off the job on January 8 after management stood down a shop steward for refusing to carry out work.

Union officials claim the worker refused to do the allotted work on an engine because he was not qualified. Qantas is claiming that the shop steward refused as part of industrial action against the company's attempt to enforce an 18-month pay freeze.

On January 10, the maintenance workforce nationally decided to maintain work bans until at least January 15, when they will meet to decide on the latest deal negotiated between the unions and the company. Under the company offer, the workers will receive a 2 percent

pay increase on July 1 this year followed by six monthly rises of 2 percent until July 2003. The pay increases will be subject to productivity targets being met.

Qantas has heralded the deal, which introduces productivity-based wage increases into the maintenance areas for the first time, as a "landmark agreement".

#### **Queensland security guards strike over staff cuts**

More than 100 security guards employed by Armaguard in Brisbane struck for four hours on January 8 after negotiations on a new workplace agreement broke down.

The security guards, members of the Transport Workers Union (TWU), work in the company's armored vans, collecting cash from banks and refilling automatic teller machines. Management wants the number of staff in each van to be cut from three to two as a precondition for any wage rise.

Workers have warned they will take further industrial action if the company proceeds with staff cuts. Further talks will take place next week between the union and Armaguard.

#### **Radiation therapists to strike in Auckland**

Radiation therapists in Waikato and Palmerston North called off a planned strike this week but staff in Auckland are still planning to walk out on January 15. The therapists have been conducting a protracted campaign for a 25 percent salary rise in order to stem the flow of qualified workers to better-paid jobs overseas.

The 24 Waikato and Palmerston North workers have accepted an increase in the starting salary for therapists from \$NZ32,000 to \$40,000, and a 20 percent pay rise. The Auckland District Health Board, however, has refused to settle. The Auckland therapists intend to strike for five days.



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