

Israel: Government threatens Histadrut as general strike continues

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16 May 2003

Israeli Prime Minister Ariel Sharon and Israeli Finance Minister Binyamin Netanyahu are determined to pass the austerity plan in the second and third reading in Israel's parliament. After negotiations with the Histadrut trade union federation ended in complete failure, Netanyahu threatened, "It will be the last general strike of the Histadrut."

Histadrut's public sector unions decided to strike from May 14 after eight hours of talks between Histadrut chairman Amir Peretz, Netanyahu and Minister in the Treasury Meir Sheetrit failed to reach an agreement. Histadrut also decided to intensify the strike to include banks and the Tel Aviv Stock Exchange.

One of the main obstacles to reaching an agreement is the treasury's proposed reforms of pensions. While the Histadrut has accepted a gradual hike in retirement age for men from 65 to 67, it rejects the treasury's demand that women also retire at that age, and instead is proposing that women retire at 62 instead of 60. The main area of dispute is focused around the government's demand to take the management of public sector pension funds out of the Histadrut's hands. The Histadrut at first rejected that demand completely, but now it is willing to compromise by saying that only a professional team will determine if the management of the funds will be transferred to government's hands.

The Histadrut decided that unless the government accepts this compromise, the strike will intensify upon a daily basis.

The strike includes national governmental hospitals that are operating on a Saturday schedule, and clinics of the Histadrut's healthcare services maintenance organisation are being staffed only by doctors.

Ben-Gurion International Airport continues some work stoppages, while seaports, border crossings and

trains are not operating. Companies like Bezeq (the telephone company), Mekorot Water Company and the Electric Company are not repairing technical faults. Government and municipality offices are closed and garbage is not being collected.

Netanyahu's threat that this will be "the last strike of the Histadrut" was his way of welcoming the decision taken by the Knesset Finance Committee to privatise El Al and sell the state's holdings in the national airline. "It's an historic decision," he said, "constituting the first signal that the government, via the social-economic cabinet I head, plans to quickly promote privatisations and structural changes in the economy. The privatisations will boost competition and diminish the power of monopolistic organisations and committees that sometimes prevent the provision of better service to the citizens."

The decision means that El Al will no longer be connected to Histadrut's labour committees and the company will not be able to take active part in national general strikes.

But the government intends to go further. Strikes by civil service workers would be limited by a bill the ruling Likud party intends to advance in the Knesset, requiring a secret ballot before a strike takes place. Striking would also be banned a month before national or local elections.



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