# Workers Struggles: Asia, Australia and the Pacific

# 9 August 2003

#### Hyundai Motor union calls off South Korean dispute

After overnight negotiations on August 5, the union covering 40,000 workers at Hyundai Motor in South Korea accepted an agreement to end an ongoing dispute over wages and working conditions. Seven weeks of rolling daily strikes have caused an estimated \$US750 million in lost output.

The union accepted an 8.6 percent pay increase, well below the original 11 percent sought by the car workers. It also dropped its demand to be involved in board meeting decisions on investment. The union will be consulted only on matters that the company considers affect job security. Hyundai Motor agreed to reduce the working week to five days by September, in line with other sections of industry.

Despite reduction of the union wage claim, key investment houses and leading employer groups condemned the agreement. Shinyoung Securities analyst Chae Kyoung-Sup declared, "The management caved in to the labour union with a white flag", while the Federation of Korean Industries (FKI) said the outcome "will damage the competitiveness of Hyundai and other companies" and "have a negative affect on foreign investment". The deal will be put to union members for ratification by the end of the week.

#### Korean truck drivers strike

The union covering independent trailer truck drivers in South Korea announced this week that it would begin a strike on August 20 to force cargo companies to the negotiating table. The companies are refusing to discuss a freight rate increase and improved benefits. The drivers are also demanding that the government cover union members under industrial disaster insurance. They struck in May over the same issues.

A Ministry of Construction and Transportation spokesman said the ministry supported the call for negotiations between the union and cargo companies but would act against what he termed an "illegal strike". The threat is in line with recent government announcements assuring international investors it would crack down on strikes and other forms of industrial action.

## Workers in China protest for improved compensation

Some 100 employees from a property development company under the Anshan Iron and Steel Group Corporation in Liaoning Province have been holding daily protests this week outside the offices of the State Asset Management Commission in Beijing.

The group represents about 3,000 workers who were laid-off by the company three years ago and offered only \$US48 for each year of service as compensation.

One of the protestors said they had attempted over many weeks to negotiate with the company before leaving for the capital but this had failed. The company sent minor officials to the discussions which had no power to make decisions. The trade union at Anshan is a branch of the official, state-sponsored All China Federation of Trade Unions and opposes the workers' demand for improved compensation.

## Thai hotel workers sacked for union activities

The Diamond Cliff Phuket Labour Union in Thailand has called on workers internationally to protest the sacking of 22 union members on June 18. Those fired included all nine newly elected members of the worker welfare committee.

The sackings breached Thailand's minimal labour laws, which require management to seek court permission before any dismissals. It follows the mass lay-off at the hotel in February that included all the previous members of the union committee. The hotel's owner, Phattanaphong Aekwaanich, is president of the Phuket Tourism Association and well known for his anti-union attitude.

Diamond Cliff Resort and Spa management has refused to reemploy the sacked workers and blacklisted them so they cannot find employment at other hotels in Phuket. Even though the dismissed employees have no income and are homeless they have refused compensation and are demanding reinstatement.

#### Police attacks Sri Lankan teachers demonstration

Over 20 teachers were injured on July 31 when police attempted to breakup a demonstration on the outskirts of Colombo. Three of the injured teachers were admitted to hospital. The assault occurred as the teachers marched towards the Education Ministry from nearby Palawatte Junction.

As the demonstration approached the ministry entrance, police attacked the teachers with tear gas and water cannons and assaulted many of the demonstrators. The teachers continued a picketing campaign, held a meeting and attempted to deliver a letter to the minister containing their demands. When a delegation was stopped from entering the protestors symbolically burnt the letter.

The teachers are campaigning for improved working conditions, including a salary increase, timely promotions, a reduction in workloads, the filling of all vacancies, and provision of a systematic loan system.

#### Sri Lankan workers protest factory closures

Hundreds of laid-off workers picketed the Board of Investments (BOI) office in Central Colombo on July 30. The protestors were from factories that have closed down since January 2002 and others slated for closure. They were demanding measures to protect jobs. Inter Workers Union leaders presented a petition containing the demands to BOI officials.

During last 18 months 50 factories have closed and 22,534 workers have been laid-off, according to a union spokesman. Kabool Lanka Textile, which employs 4,000 workers, is listed for closure as are Tagith Lanka, Citra, Young An Lanka, and Fashionware plants.

# Health-sector workers in Sri Lanka fighting for salary increments

Health-sector clerical workers in Sabaragamuwa province, Sri Lanka, picketed the Provincial Council office in Ratnapura (80 kilometres from Colombo) on July 30. They are demanding salary increments on par with other health-sector workers. About 200 clerical workers are being deprived of the increase by the government.

About 700 nurses at Galle Karapitiya Hospital (100 kilometres south of Colombo) staged a three-hour sit-in protest on the morning of August 4, demanding the payment of salary arrears owed since 1997. Galle Karapitiya Hospital is the main hospital in southern Sri Lanka.

# Estate workers fight for salary advances

More than 2,000 Sri Lankan estate workers from Rangala, Kottanganga

and Komarat estates in Kandy demonstrated on August 4, demanding the company pay salary advances without delay. Businesses in Dakkuwary and Rangala were closed in support of the protest. The estates are owned and administered by the State Plantation Corporation. During the demonstration workers carried slogans such as "If you can't administrate the estate hand it over to us".

In a separate dispute, some 400 workers in Matale (about 160 kilometres from Colombo) picketed in front of Medawatta estate office on August 4, demanding payment of their salaries for July. Families of the workers also participated in the campaign. The workers threatened ongoing action if salaries are not paid promptly.

#### Sri Lankan railway workers strike over salary anomalies

Railway shunters, pointsmen, signalmen and yardmasters began an indefinite strike at midnight on August 5, demanding the immediate settlement of salary anomalies. A number of trains were delayed by the strike. Railway Workers United Front officials ended the strike on August 6, after the Railway Authority gave assurances that the workers' demands would be met within two weeks.

On August 6, rail workers protested outside the main station in Fort, central Colombo, over the issue and in opposition to government plans to privatise the railways.

## Police attack Indian chemical workers

Workers at Fertilisers and Chemicals Travancore (FACT) in Korchi walked out on strike on August 5, immediately after a brutal police attack. Over a dozen workers were injured.

Police attacked employees when they attempted to enter the plant's petrochemicals division and protest outside talks between Indo Gulf Fertilisers officials and FACT management. Indo Gulf and Deepak Fertilisers want to acquire a 51 percent stake in FACT. Employees fear the takeover will lead to job losses and reduced benefits.

#### Australian airport workers stop work over drug testing

Over 900 Qantas workers at Sydney Airport stopped work on August 5 to discuss a company proposal to introduce random drug and alcohol testing. The meeting rejected the proposal and voted to support any worker who refuses to be tested or is subjected to disciplinary action.

About 150 Qantas workers at Melbourne's domestic terminal, including baggage handlers, airport staff and some flight attendants, walked out on August 6 over the same issue. Some 600 maintenance staff are due to meet and are expected to oppose the testing.

## Printing workers oppose unsafe work practices

On August 6, 170 workers at Note Printing Australia in Craigieburn, near Melbourne, struck for two days. It is the first industrial action at the company in 17 years. The workers are protesting against ongoing attempts by management to change work practices and push up productivity. Note Printing Australia is a wholly owned subsidiary of the Reserve Bank of Australia and prints polymer banknotes.

An Australian Manufacturing Workers Union (AMWU) spokesman said that employees were "fed up with continually coming to work in an environment which is not safe". Note Printing Australia and the union are continuing negotiations.

#### Tyre workers locked out in Adelaide

On August 8, tyre manufacturer Bridgestone Australia announced it would lock out 580 workers from its plant in Adelaide, South Australia for two weeks. The lockout will continue until August 27. The decision came after negotiations for a new enterprise work agreement stalled.

Bridgestone Australia wants substantial changes in work practises to boost productivity and claims it cannot maintain operations if it has to meet union demands. The company is refusing to guarantee payment of minimum wages for the term of the new agreement, retain existing work conditions or introduce measures to protect workers' entitlements in the case of closure.

Ninety-two percent of employees rejected company demands in a secret

ballot on August 1. The Liquor Hospitality and Miscellaneous Workers' Union has been negotiating a new agreement since March and is considering taking the issue back to the Federal Industrial Relations Commission.

#### Protracted strike at steel maker continues

A strike and picket by contract electrical workers at Smorgon Steel in Melbourne passed its 163rd day this week. The dispute is over a new enterprise work agreement and demands for a 36-hour week. The shorter week is now standard at most electrical contractors in the state of Victoria.

The strike began when TAD Industrial and IES Australia, the contracting companies that employ the electricians, rejected the workers' demands. Electricians believe that Smorgon intervened to prevent an agreement favorable to them being signed.

## Overtime bans imposed at car component plant

On August 5, production workers at Henderson's Automotive in Adelaide imposed overtime bans. It follows similar action last month after employees returned to the job following a 24-hour strike. The action is part of the Australian Manufacturing Workers Union (AMWU) Campaign 2003 for new work agreements at a range of car component companies. The union wants a four percent pay increase and a trust fund to protect workers' entitlements.

According to the union, the company has employed large numbers of casual workers from Skilled Engineering during the enterprise bargaining period without consulting workplace representatives. Henderson plans to apply to the Industrial Relations Commission to end the bargaining period, effectively making the work bans and any other industrial action illegal.

#### Union clears way for lockouts

Workers at ACL Gaskets in Eagle Farm, Brisbane, protested outside the plant on August 6, after being locked out for 24 hours. The lockout followed a breakdown of negotiations for a new work agreement. The 80 workers, employed across three shifts, are seeking a six percent pay increase and a scheme to protect employee entitlements.

The Australian Manufacturing Workers Union has condemned management plans for further lockouts, saying it will disrupt production and threaten the supply of gaskets to Ford, General Motors-Holden, Toyota and Mitsubishi. Up until now the union has restricted industrial action to spasmodic four-hour stoppages.

Last year the AMWU signed an agreement with the major car manufacturers to ensure that industrial disputes in component manufacturers would not adversely affect production in car plants. In line with the agreement, the union has worked to limit action by workers in component companies.

The ACL lockout is one of a series in the car component industry in the last months after the AMWU began work agreement negotiations under its "Campaign 2003".

### Miners walk out over safety issue

Miners across Queensland walked off the job for 24 hours this week over a safety issue. The Construction, Forestry, Mining and Energy Union (CFMEU) claimed that the Queensland Mines Rescue Service has failed to adequately staff the rescue station at Blackwater mine in central Queensland.

A CFMEU spokesman said the rescue service had promised to have four trained staff working in the safety network at any one time, including at Blackwater. He claimed the Blackwater station had failed to answer 10 phone calls made by the union the day before. Rescue service management said that the Blackwater safety officer was attending a medical appointment but had remained on call. Mines Minister Stephen Robertson, however, admitted the safety network had been undermanned.

## Fiji police called in against striking cannery workers

On August 5, management of Pacific Fishing Company (Fiji) called the Levuka police to break up a picket by 300 of its employees who were blocking the entrance to company premises. The striking workers,

members of the Pacific Fishing Company Employees Union, claim the company has failed to honour award agreements or pay workers' Fiji National Provident Fund contributions.

Other complaints include, company refusals to provide transport, pay overtime and penalty rates for working on public holidays; inadequate meal breaks; and pay discrepancies between male and female workers. Employees are still waiting for pay rises granted in January this year when unskilled cannery workers were awarded \$F2.57 an hour and skilled workers at least \$F3.50. The company has also ignored a January 2001 court order that it pay \$F3 million (\$US1.6 million) redundancy to a number of laid-off workers.

Company manager, Jone Lako, is threatening to sack the striking workers. He is said to be waiting for Labor Minister Kenneth Zinck and a team of ministry officials to arrive in Levuka and decide on the legality of the strike.



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