

# QUEENSLAND BRANCH NEWS

NEWSLETTER of the QLD Branch of the MARITIME UNION of AUSTRALIA

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*To be truly radical is to make hope possible, rather than despair convincing - Raymond Williams*

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## Special Edition: The Road to Solidarity, Indonesia June 2017 Union Members Rally in Gladstone – Super Update - Book Review–Voyage of the Beagle

### The Road to Solidarity, Indonesia June 2017

Trade union and social activist as well as Labour Historian Jeff Rickertt and I last week undertook an intensive 7 day fact finding mission to Indonesia concentrating on Jakarta and Bandung. The mission was both inspirational and confronting.

I hope Jeff's report gets those reading it thinking about the enormous struggle of the Indonesian trade union movement and working class.

I would like to thank the Queensland Branch Rank and File and members for the huge honour of representing them for this trip. *Bob Carnegie*

OUR DRIVER COULDN'T find the place. He had exited the highway, driven down major roads, crossed railway lines and taken us through poor residential neighbourhoods. He had eventually found the street. But our destination still eluded him. He stopped three times to ask locals for directions. We crawled along, conscious of the curious glances of local kids and adults. Then we spotted a small building – a modest low-set house like all the others – with a large May Day banner hanging from the front wall. We knew immediately we had arrived.



Independent unionism in Indonesia is like that; not always easy to find. It is there in factories, transport depots, classrooms and medical centres, in mines, cement works and palm oil plantations. In fact, it exists in most industry sectors. It is legally permitted, now the dictator Suharto has gone. But it is often weak and can't always show its face openly.

It typically operates out of small offices located in areas where the informal economy is strong and the locals not

always welcoming. It requires resilience and courage to be a genuine unionist in Indonesia.

Bob Carnegie and I were in Indonesia to learn more about the local union scene. Our taxi ride had brought us to the office of KASBI, or Congress of Indonesian Unions Alliance. KASBI has been around for 12 years, making it one of the stayers of the independent union movement. Formed by 18 sectoral unions in 2005, it has grown to about 150,000 members, with particular strengths in manufacturing. It has regional branches and sectoral unions in cement production, gas and oil production, and midwifery. Midwives work at village level, where they are often the only healthcare personnel around. As well as delivering babies they provide first response care in medical emergencies.



*Meeting at KASBI Office*

At KASBI's office we were met by worker activists from across Java. They came from healthcare, transportation and manufacturing, including footwear, textiles, timber products, automotive parts, musical instruments, cement and concrete production. KASBI has members on the docks too but none could attend our meeting that day.

Three issues dominate the working lives of these activists: low minimum wages, outsourcing and other non-permanent forms of employment, and union busting.

**Authorised by Bob Carnegie, Maritime Union of Australia (MUA) Queensland Branch Secretary**

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Though the minimum rate is set at province level, it is determined using an inflation and economic growth formula supplied by the central government. The formula itself is flawed because it relies on inadequate data and an inflation index which understates the true cost of living.

Compounding the problem, the formula is applied nationally without regard to existing differentials between provinces. This simply widens wage inequality across the country. To add insult to injury, state authorities turn a blind eye to employers who flout the minimum standard.

The minimum wage for industrial workers in the Jakarta area is about Rp3.3 million per month, roughly A\$330.00. This is high by national standards because industrial workers in Jakarta have been better organised and more militant. In some areas the minimum is as low as A\$150.00 per month.

Job insecurity is another major problem. While some workers enjoy permanent status, many are on short-term contracts or even subjected to the humiliation of day hire. Positions are often outsourced to companies who supply labour strictly on a needs basis and invariably under inferior terms of employment. Almost all dockworkers working in Hutchison terminals in Indonesia, for example, are supplied by a labour hire outfit. These Hutchison workers are not unionised and not covered by any collective agreements.

Primitive union busting remains a common bosses' response to workers' collectivism. Site activists have been demoted and sacked. Managers spread misinformation and fear to dissuade workers from siding with the union. Yellow unions are encouraged when a real union threatens to upset the applecart. If all else fails, police and local thugs are on hand to harass and intimidate workers and their families and break up union activity. The dictatorship might have been toppled but the army is still occasionally used against unionists during strikes. With the very survival of unionism at stake, KASBI and other union confederations must devote considerable effort to combatting these kinds of attacks. They told us about recent union-busting activities inside a factory producing Steel Blue Boots, one of the most popular brands of work boots in Australia.

We heard similar stories in meetings with other unions. The same themes again and again: job insecurity, low wages, union busting. Health and safety is also an area of growing concern. I visited the Nanbu Plastics factory in Bekasi, a manufacturing city on the eastern border of

Jakarta. It is one of the few factories which allows access to outside unionists. This is due to the strength of the site union, Serikat Buruh Bumi Manusia, or SEBUMI. The name translates as Human Earth Workers' Union, a reference to the famous novel *This Earth of Mankind* by

radical Indonesian author Pramoedya Ananta Toer. SEBUMI's members at Nanbu make plastic automotive components which are exported to Japan for car production.

As it was Saturday afternoon and production had ceased for the week, SEBUMI leaders could show me around. I asked about health and safety. They told me the main problem is heat. The sheds are modern but poorly ventilated and lacking cooling equipment. The union has demanded the installation of fans. Management's response? Fans cost too much. The union is also agitating for more comfortable workstations for pregnant workers. They have already won a form of maternity leave.

In other workplaces, health and safety standards are far worse. One day we

drove out to Karawang to meet with members of SERBUK, a local union covering workers in a factory producing construction materials from asbestos. SERBUK collaborates with LION (Local Initiative for OSH Network), a health and safety NGO running an anti-asbestos campaign supported by Union Aid Abroad – APHEDA. Production at the factory started in 1999. But it was not until 2013 that the workers were made aware (by LION) of the lethal risks they faced every day. Management had provided no health and safety training, no information about asbestos, no PPE except for basic masks. Workers ate lunch with asbestos dust on their clothes and arms, and wore the same clothes home to their families at night.

Once LION revealed the scandal and began educating the workers and conducting health examinations, the company claimed that the white (chrysolite) asbestos they were importing was safe. They then installed basic warning signs around the walls and some vacuum equipment. But the exposure continues. The company does not provide access to doctors or other medical staff with occupational disease expertise. LION has independently arranged medical examinations for 14 of the factory's workers. Seven have been diagnosed with asbestos-related lung disease. One of these victims resigned from the company and is now chairman of SERBUK. SERBUK and LION want asbestos banned, strict regulations for handling asbestos already in use, independent and competent health checks for exposed workers and compensation and proper health care for victims and their families.



Whatever the issue, no improvement is possible in Indonesia unless workers are prepared to stick together and fight hard. There are no shortcuts here, no political fixes. But every campaign, every action, carries major risks. Any defeat is potentially disastrous; it can destroy years of organising and wipe out a generation of gains. So unions plan their actions carefully. They analyse the companies, assess the broader industrial and political environment and prepare their members and the community thoroughly.

The union offices we visited had whiteboards covered with calculations, sophisticated flowcharts for the class battles ahead. At the office of SEDAR (Popular Democratic Workers' Union), the whiteboard had overflowed. After listening to the strategist behind the calculations, I surmised that no union activist in the world could possibly know more about the political economy of her or his own patch than this man did. Based on his research SEDAR had concluded that the rates of profit of the transnational companies operating nearby would allow them to absorb 'excess' labour by reducing the length of the working week without a reduction in total wages. That was SEDAR's policy on unemployment – share the work and make the bosses pay!

Planning, of course, is nothing without action. During our visit we had a chance to see both. A few days after we arrived, fuel tanker drivers working for Pertamina, the giant state-owned oil and gas company, went on strike for a week. They planned their stoppage to coincide with the lead up to Idul Fitri, the end of Ramadan when many Muslim Indonesians fuel up to return home to their villages.

We met some of the tanker drivers and their leaders on the third day of the dispute. The strike was called after 414 drivers lost their jobs when the labour hire company that employed them was replaced by another contractor. The union is demanding their re-instatement and an end to outsourcing. They also want drivers to be paid overtime for the four hours they regularly work beyond their normal eight-hour shifts. And they want full health insurance for all drivers. The latter demand is in response to frequent serious injuries.

The unionists know they are up against it. With total revenues in excess of A\$105 billion, Pertamina is the only Indonesian company on *Fortune Global's* list of the world's 500 richest companies. It got there through its privileged access to Indonesia's energy resources and by ruthlessly exploiting its workforce and smashing unionism. It is a powerful opponent with access to state resources for strike breaking. There was already talk of the army supplying scabs.

But the day we met the workers morale was high. They had struck eight months ago and though they did not win their demands on that occasion, no strikers had been victimised. This had given them confidence. Whereas the

previous strike had managed only one picket line, this time they had set up picket lines at ten depots. Sixty drivers had struck on day one, 65 on day two. When we visited on day three 85 drivers were out. Before the strike, activists had visited communities around the depots to explain the workers' case and persuade the locals not to be recruited as company thugs (as often happens). They had also spoken to the wives of the strikers to blunt the company's scare campaign. Students from the Movement of Independent Students were lending a hand.

Not wanting to jeopardise our stay in Indonesia, the strike leaders would not allow us on the picket line. (Maybe they'd already heard about Bob.) We drove past slowly, offering silent clenched-fisted solidarity. At first the picketers stared in surprise. Then they recognised their own comrades in the car and they smiled back at us. As solidarity goes our gesture was pretty lame. But they got it. There was a connection.

Between workers here and workers there we need a whole lot more connections like that. After all, what are our problems here in Australia? Are they not casualisation, labour hire, sham contracting, depreciating wages, shortcuts on health and safety, union busting and its close relation, yellow unionism? Capitalist Indonesia might be greyer and grimier than capitalist Australia. Absolute poverty is certainly closer to average wage earners there than it is here. Union density in Indonesia is lower. But it is easy to see their fight in ours, and ours in theirs. It makes sense to join forces and lift ourselves up together.

*Jeff Rickertt*

## **Super Rule Changes from July 1 2017**

BIG changes to superannuation start from July 1st, and Maritime workers should consider strategies now to prevent losses and avoid missing out on gains. While the headlines have been dominated by the new cap on people's tax-free super retirement pensions of \$1.6 million — a number most workers won't reach — there are plenty of other changes on July 1 that have a much broader impact.

Here are five things to think about now.

### **1. CHECK YOUR CAPS**

The concessional contribution cap for pre-tax super contributions, such as employer payments and salary sacrifice, is dropping to \$25,000 a year for everyone — down from up to \$35,000 today.

Workers who were beefing up their nest egg with big pre-tax payments would need to speak to their payroll office to make the adjustment by June 30

### **2. SALARY SACRIFICE EXTRA**

Salary sacrifice is added to employer contributions when measuring the cap, so someone earning \$100,000 a year can only sacrifice up to \$15,500 next financial year, down from \$25,500 currently.

### 3. START SAVING EARLIER

Lower super caps make it harder to save a large nest egg, this meant workers should consider adding a little extra earlier in life.

Even if it's a small amount, everyone needs to be thinking about it. You can't catch up the way you used to.

### 4. AFTER-TAX ACTION

Pre-tax contribution caps don't get all the limelight. After-tax contributions limits will also be reduced, from \$180,000 a year to \$100,000.

These large amounts are quite common for workers selling assets such as investment properties or shares or receiving an inheritance to get more cash into super. Workers can still use the "bring forward rule" and contribute three years of after-tax contributions, meaning a maximum contribution of \$300,000 after July 1.

### 5. LOST IN TRANSITION

From July 1, popular transition to retirement super strategies will be taxed like normal super rather than their current tax-free status.

If you're 55 or over and have retired with a transition to retirement income stream, you should ensure this pension has now been converted to an account based pension or you might be taxed as though you're in accumulation phase.

If you are between 55 and 65, still working, and not wanting to receive income from super, consider rolling your WISP back into your accumulation account. We have a Financial Planner, Jim Atley from Maritime Super, stationed permanently at our Cannon Hill office if you require personalised financial advice.

### MUA Members Rally in Gladstone

Comrades

Last week 21 June 2017 over 200 union strong workers protested outside of NRG Gladstone Power Station over their attempt to rip apart the EA and dissect the Power Station Award.

With ACTU leader Sally McManus in attendance there was a sense in the air that the union movement has gained traction and NRG will have a

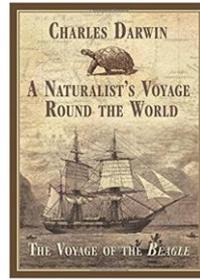
fight on their hands if they think hard working Gladstone power station workers are just going to roll over.

#theycannotbeatthecollective #muayouth

In Unity - Phil Hansen - Gladstone Tugs



### Book Corner – Voyage of the Beagle by Charles Darwin (published in 1839 as *Journal and Remarks*) Reviewed by Allan Gardiner



I'LL BE FRANK: The writing style for 19<sup>th</sup> century travel journals was not lively and vivid. Darwin manages to describe amazing events, like finding gigantic fossil bones, as if they were just mildly diverting.

The excitement comes from knowing how the HMS Beagle's five-year scientific voyage led to a revolution in ideas about humanity. The journey was, in effect, a biology field trip for the young Charles Darwin that turned him from a dabbler into a true natural scientist. The observations and specimens he collected on this voyage fed his own and others' research for years to come.

There is a special interest for Australian readers in his negative accounts of colonial society and settlement in Australia and New Zealand. No doubt he was, by this late stage in the journey, unbearably home-sick and culture-shocked. He seems desperate to find examples that fit the myth of the "civilising mission" of Europe but mostly he finds squalid hovels and brutal people.

Darwin's job on the Beagle was to be a gentleman; a companion to whom Captain Fitzroy could speak to as a social equal. But the men were ill-matched. Fitzroy moved towards Biblical literalism on matters of natural science at the same time that Darwin was moving in the other direction, contemplating the geology and biology of a world that was much older than the Bible suggests.

Darwin's super-rich family funded his travels. He became much wealthier after inheriting the Wedgewood family fortune. How inspiring it is to know that Alfred Russel Wallace, with vastly fewer material advantages, was able to keep pace with Darwin in the race to understand how species change over time.

I read the Penguin books edition but there is a good ebook available at <https://ebooks.adelaide.edu.au/d/darwin/charles/beagle/>. There are many online images of the paintings and lithographs associated with the Beagle voyage. The ship's painter, Conrad Martens, went on to document colonial Australia in fine paintings.

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