

Dear Comrades

On behalf of the UITBB let me express a warm welcome to all of the participants in this the 5<sup>th</sup> Asia/Pacific Building Unions Seminar held here in Manila, Philippines in February 2007.

We have labour movement activists here from all around the Asia/Pacific and strong levels of local participation – this high level of interest and involvement bodes well for our work over the next 3 days.

At the outset let me express our thanks and gratitude to our hosts TUPAS for the tremendous efforts and hard work that has gone into the preparations for this seminar. I believe we have the essential pre-conditions in place for a rewarding event that can further build international solidarity and action for the people we represent.

Let me express a warm welcome to our seminar to our esteemed guest Mr Arturo Brion Secretary of Labour of the Philippines. We are honoured that you have made the time available to come and be with us at this international seminar.

At this point I would also like to welcome to this meeting our guests representing the ILO office here in Manila. We would value your input at any stage of the meeting.

I should also pay tribute to my own Australian union CFMEU and the Japanese union Kenkouro for making valuable financial contributions to help get this event off the ground.

## **Background**

We first began this series of Asia/Pacific Building Union meetings in Sydney in 2002 and followed that gathering with events in Calcutta, Hanoi and Tokyo in the intervening years.

The decision to conduct these Asian Regional Meetings was part of a broader strategy of the UITBB to focus, during its rebuilding phase, on regional activities on all continents across the globe.

At our last Asia/Pacific Building Unions Seminar held in Tokyo in March 2006 we decided to place a special focus on the migrant labour issue for this meeting in Manila.

The issue of the growing use and growing exploitation of migrant labour workers in the construction sector in our region attracted great prominence in the papers presented and the subsequent deliberations at the Tokyo meeting.

Of course we well understand that the use and abuse of migrant workers is neither a new phenomenon nor confined to the Asia/Pacific.

In the era of capitalist globalisation in which we live, with civil societies' norms and regulatory mechanisms and institutions breaking down in the wake of unrestrained, free wheeling capitalism, we well understand that human misery, impoverishment and desperation are not confined to one industry or one part of the globe.

Powerful capitalist structures like multinational corporations and the international and domestic labour hire agencies (including private migration agents) which they use to source labour have a decreased respect for geographic boundaries and the various civil institutions of the nation state.

We know we are discussing a global phenomenon here because you can see mass movements of labour (by both legal and illegal means) in the case of North Africans attempting to get to Southern Europe; Mexicans and Central Americans moving into the US and Canada; Eastern Europeans moving into Western and Northern Europe and Asians from the North, South-Eastern and Sub-continent areas moving to various parts of the globe (including the Middle East, the US, UK and Australia).

The construction industry is particularly affected by this issue because of the ability of low and semi-skilled workers to find employment on large construction projects that need large amounts of temporary labour on a shifting basis.

Apart from our own recent seminar in Tokyo where many quality papers were presented which dealt with this issue in depth, we can also look to:-

- The Special Discussion on Migrant Labour at the ILC in June 2005.
- The World Federation of Trade Unions Seminar on the topic “The Social Phenomenon of Immigration in the 21<sup>st</sup> Century” held in May 2006 in Brussels.
- The International Trade Union Forum in Beijing, December 2006 which was jointly sponsored by the ACFTU and the WFTU

### **Key Issues**

From these deliberations we know certain things. We know that:-

- The issue is prevalent across Asia – both North, South-East and on the Sub-continent.
- There are three types of countries involved in labour migration: labour sending countries (eg., Bangladesh, China, Indonesia, Nepal, Philippines, Sri Lanka, etc) labour receiving countries (eg., Australia, New Zealand, the Middle East, Brunei, Taiwan (China), Japan, Singapore etc) and countries that send and receive labour (eg., India, Malaysia, Pakistan, Thailand etc).
- The migration of workers from labour sending countries is usually a result of high levels of domestic unemployment and underemployment, and a high incidence of poverty. On the other hand labour receiving countries mainly do so because of labour shortages.
- Employers are using migrant labour, especially temporary guest labour, as a means of lowering standards and undermining labour market organisation.
- A basic contradiction lies at the heart of the issue, namely while employers use migrant workers to lower the standards applying to other local workers, those workers used as guest labour are invariably earning more than they would in

their home country or country of origin, and the remittances going back are a valuable source of income for dependent families and poor nations alike.

- Many Asian nations are promoting and fostering the use of their labour force as guest labour because of the national income it generates. For example we know it's the number one foreign income earner in Bangladesh and the number two source of foreign income here in the Philippines.
- Very few countries have ratified the relevant ILO conventions such as the Migration for Employment Convention (revised) (no.97, 1949) and the Migrant Workers (Supplementary Provisions) Convention (no.143,1975).
- In many countries migrant workers are generally employed in the jobs that local workers do not want to take up (i.e. low skilled manual labour jobs).
- The migration of labour puts economic pressure on the families of workers, especially where they have to raise money to pay for travel expenses.
- Migrant workers are often subject to exploitation and have little knowledge of their rights and obligations in the receiving country.
- Many industrially advanced countries do not recognise the trade union rights of migrant workers.
- There is an increasing involvement of transnational subcontracting firms in the movement of labour.
- Legal migration and illegal migration need to be looked at from different perspectives and may require different solutions to the problems that they create.

## **Australia**

Let me now say something of the situation in Australia as regards the migrant labour question.

In dealing with the situation in my home country I will refer to material that we presented at the Brussels and Beijing Seminars.

Since the arrival of European settlers in the early 1800's, the development of Australia has been dependent on the waves of immigrants to our country. The overwhelming majority of these workers and their families were permanent migrants who were entitled to the protections and benefits of our industrial and social legislation, including the right to be members of and to be represented by trade unions.

In recent years however we have seen significant changes to the legislation and immigration policies adopted by our social democratic and conservative governments. They have pursued neo liberal economic and free market philosophies, including the deregulation of the labour market, the promotion of subcontracting and independent contractors, and more recently the introduction of draconian industrial legislation with the intent of reducing real wages and conditions and preventing trade unions from operating effectively. At the same time we have seen changes in the immigration policies with a greater emphasis on skilled migrants, and huge increases in the number of temporary migrant visas issued.

Australia however has experienced a continued period of economic growth over the last 15 years (mainly as a result of high demand for our natural resources such as coal, gas and iron ore), and the increased economic activity has led to many industries experiencing skill shortages. There is also a growing recognition that our ageing population and low birth rate will not assist in reducing these skill shortages.

The main response from our conservative Federal government, supported by the majority of employers, has been the pursuit of short term solutions based on importing labour from overseas. Since the election of the conservative Howard government in 1996 we have seen the number of skilled (permanent) migrants increase from approximately 25,000 in 1995-96 to the current level of 117,500 per year. Some could argue that this number is not all that significant given the fact that Australia has a total workforce of just over 10 million, but the skilled migration program is only part of the capitalists' solution.

The main tool that is being used is the temporary visas being issued for visitors to stay in Australia for periods of up to 4 years. Under the Australian system temporary visa

holders such as overseas students, working holiday makers and temporary business entrants, all have an entitlement to work. The number of temporary visas issued has ballooned over the past 10 years from just over 70,000 in 1994-95 to over 700,000 in 2005-06. With an official unemployment figure of 4.7% or less than 500,000 persons (which we contend is an underestimation as people who work at least 1 hour per week are no longer classified as unemployed), the significance of the temporary visas becomes more apparent.

The trade union movement in Australia has been accused of being xenophobic by the Minister for Immigration for raising concerns over the increase in the number of skilled migrants and migrants on temporary work visas. But this is not the case. The unions are not opposed *per se* to the introduction of skilled migrants or skilled workers on temporary visas, but rather this should only occur in areas where it can be clearly demonstrated by proper labour market testing that there are no local workers available. Where this is demonstrated and subject to a number of other conditions being met then the unions will accept skilled workers on temporary work visas.

However, Australian unions have exposed numerous examples where temporary visa holders have been grossly exploited. The following examples are indicative of some of the abuses:-

- In October 2006 four Indian construction workers were evicted from their accommodation, sacked from their jobs and threatened with deportation, after asking the CFMEU for assistance with employment and wage problems. These workers were charged by labour hire agents \$6,000AUS each to come to Australia plus air fares, and are further obliged to pay an additional \$6,000 to the agent next year under their contract.
- Recently, a Chinese welder Zhihong Fu was forced to return to work despite breaking his right wrist at work. This worker ceased work in accordance with medical orders and was sacked by his employer, he was notified that he would be deported from Australia within 28 days. Fu had been brought to Australia by a labour hire firm known as Worldlink to China Services and was charged more than \$21,000AUS to gain entry to our country.

- A beef processing company in South Australia locked out 20 of its permanent workers over a pay dispute, whilst workers on temporary migrant visas continued working inside.
- Three Filipino workers complaining to the unions in 2006 about their wages and conditions were threatened with deportation. Their employer had not only been underpaying them by 30% under the legal rate but they were also working excessive hours. Further, they were charged \$450 per week for bunk style accommodation. These workers were even being charged for access to a television.
- A prominent example in 2006 is that which involved Chinese nationals working in Australia for a business known as Hunan Industrial Equipment Installation Company. After investigation by Australian trade unions it was discovered that the company in just six months had underpaid 38 of its employees collectively \$650,972AUS for work carried out in Australia. Moreover, their company had such disregard for worker safety that government authorities ordered the project to stop until safety breaches were rectified. The Union movement is campaigning to ensure that these workers are back paid.
- Another recent example involved 4 Chinese labourers working for an Australian printing firm. After the Government's Office of Workplace Services recovered nearly \$93,000 in back payments the employer then constructed new individual contracts which involved each worker paying \$15,000 back to the employer to keep the job. If the workers lose their jobs they are subject to deportation after 28 days.
- The most recent controversy at home over the last 2 weeks has involved Filipino electrical linesmen again working on the notorious s.457 temporary visas. It has been discovered that their employer ABC Global Services had formulated work contracts that allowed for them to be dismissed and deported if they either 'joined a trade union' and/or 'engaged in union activities'. The Australian immigration authorities accepted this arrangement in the first instance until pressure from the Electrical Trades Union forced the Government and the employer to adhere to current Australian law which makes such conditions illegal.

## **The Way Forward**

Comrades I now want to move on to the question of the future of this process we began in 2002 in Sydney.

I expect that after 3 days of deliberations here in Manila we will want to summarise the material we have gathered, and set ourselves some goals for the period ahead.

We know we are not dealing with small or trifling issues, we know that capitalist globalisation and its present day trends and manifestations represent a powerful social and economic current. Therefore we will have to be both practical and realistic about what we can achieve.

The larger question I would like to pose right up front so we can all think about it over the next few days goes to the future of this process of holding Asia/Pacific Building Union seminars. Is it a process we should continue? Are we achieving sufficient to justify the costs and efforts involved in organising these regular events? As the cynics and critics would say – are these meetings only a talkfest where action and achievements are thinly spread? And to attempt to answer this kind of criticism is there some particular action, activities or event that we might organise arising out of this meeting, to highlight our work?

For example the successful world day of protest we organised on September 9 2005 against the Canadian Government's attitude to asbestos represented tangible, visible action. Is it conceivable that we could organise a day of protest throughout Asian capitals around the exploitation and mistreatment of Asian migrant workers or is there some other innovative protest or public demonstration we could mount?

I pose this question because I worry that our formula of annual meetings around Asia is possibly becoming tired. I don't say this to diminish the value of what we have achieved. Every time we meet we:-

- ◆ Forge new linkages between union activists across the region;

- ◆ educate many cadres in the latest trends in construction in the Asian region;
- ◆ learn of local struggles in the host country and enrich local activists with knowledge of broader international issues;
- ◆ deepen the solidarity that exists between the fighting, militant unions of the region;
- ◆ and we enhance the standing of the UITBB and our parent organisation WFTU as organisations prepared to confront modern capitalism and so-called globalisation.

We should also be mindful of some of our successes such as the decision of the ILO to conduct a Special Discussion on Labour Migration in 2005 following our calling (together with others) for such a conference after our Calcutta meeting. The ILO has also reported on our work in its publications.

Comrades, if we choose to continue the process of these regular meetings of construction unions in Asia the question arises about the timing and the location of our next meeting. I will leave this question and the others I have posed as 'open issues' to be discussed along the way over the next few days. I'm sure we'll reach the right conclusions when the time to draw everything together comes on Saturday.

So now let us commit ourselves to working hard over the next 3 days to ensure we have a fruitful and rewarding seminar that can advance the interests of the many millions of workers we represent.

Thanks.

John Sutton  
February 2007  
Manila