

Australian manufacturing union presides over massive job losses

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During the 1980s and early 1990s, the leadership of the Amalgamated Metal Workers Union (now the Australian Manufacturing Workers Union) played the key role in enforcing the prices and incomes Accord struck between the Australian Council of Trade Unions and the then Labor governments of Bob Hawke and Paul Keating.

The AMWU used its "left" credentials and extensive industrial organisation to persuade, and coerce, workers to forgo wages increases and sacrifice working conditions. Its leaders argued that this would boost profits, which in turn would stimulate investment and create jobs.

A recent report by the Australian Bureau of Statistics on job losses in the manufacturing sector reveals the outcome of this perspective and throws some light on the underlying reasons for the sharp divisions emerging in the union's leadership.

Rather than the job bonanza promised by the AMWU, the report shows that the trend towards massive job shedding in manufacturing—that began in the mid-1980s—continues unabated.

In fact, the figures show that the number of manufacturing jobs slumped to its lowest level on record since the Bureau started monitoring job numbers in the industry two decades ago. Only 1,073,000 workers were employed in manufacturing as of February this year. In 1971, there were 1,364,000 and in 1985, soon after the Labor government came to office, there were 1,109,000.

This job destruction is accelerating. An estimated 64,000 jobs, or more than one in every 20, were wiped out over the past 18 months. Since August 1997 the number of workers employed in Australian factories has fallen by about 10,000 every three months.

Sections of manufacturing industry engaged in

production for export have, in particular, downsized as the crisis in Asia has hit their markets. The machinery and equipment manufacturing sector has axed 40,000 jobs, or 15 percent of its total workforce.

In recent months major companies have either laid-off workers or announced their intention to shed hundreds of jobs.

Two weeks ago Pacific Dunlop, a major Melbourne-based manufacturing company, made the shock announcement that it would close most of its manufacturing centres in Australia over the next three years and eliminated more than 1,000 jobs.

A spokesman for the 100-year old company said it would cease manufacturing Malvern Star bicycles, Holeproof underwear and Bonds T-shirts—all household brand names in Australia—and outsource them to contractors, mainly in Asia. The company also projected the possible closure of its South Pacific tyre plant in Melbourne at the cost of hundreds of jobs.

Smorgon Steel said it would destroy an undisclosed number of jobs in its recently acquired ANI Engineering as part of a global restructure that would destroy over 3,000 jobs.

In the first three months of this year, Amatek Australia closed down its Aurora Glass Fibre factory at Dandenong in Victoria, destroying 330 jobs. Dorf taps announced it would close its Melbourne plant and relocate production to Queensland, shedding 200 jobs in the process.

Email, a sizeable whitegoods manufacturer, will close the Hoover refrigerator plant in Sydney and lay off 200 workers after buying out the plant's parent company, Southcorp. The takeover also puts a question mark over the future of another 1,700 Southcorp workers in South Australia.

Figures presented to the AMWU's biennial national

conference last year show that since 1985 more than 100,000 manufacturing jobs had been destroyed in New South Wales, Victoria, South Australia and Tasmania. This was the period in which the AMWU, in league with the Labor government under the banner of international competitiveness, launched its drive for "industrial restructuring". It introduced multi-skilling, ended most demarcation and abolished a raft of so-called restrictive work practices.

The union's national secretary Doug Cameron told the conference: "Membership numbers have declined to about the equivalent of the old Amalgamated Metal Workers Union, which had a peak membership of just 175,000 in 1988.

"This means we have lost, over that period of time, the total equivalent of the membership of ADSTE, Vehicle Builders Union, the Confectionery Workers and Food Preservers Union and the Printing and Kindred Industries Union." (These unions amalgamated with the Amalgamated Metal Workers Union to form the Australian Manufacturing Workers Union.)

The astounding loss of membership acknowledged by Cameron was not only caused by job losses. Thousands of members, disgusted by the continual betrayals of the union, have simply left the organisation.

The outflow has provoked sharp differences within the ranks of the union's hierarchy, fuelling moves towards breaking up the amalgamated union and re-establishing the old organisations.

Hinting at the deepening divisions, Cameron warned: "I am aware of the view in some sections of the union that disamalgamations are an option to resolve some of the conflicts within the union. This would be, for some, an easy way out and is not in the interests of the union or the working class."

It is not concern for the working class that motivates Cameron. The amalgamations to produce "super unions" were carried out to expand the dues-paying base needed to maintain the privileged union apparatus and also to strengthen the leadership's control over the membership.

Now various sections of union bureaucrats are looking to secure their futures by striking closer relations with the employers in particular industries. The differences now erupting concern which groups of bureaucrats are going to survive and who is going to control the remaining union assets.



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