

Australia: Union's refusal to defend jobs leaves Tristar workers in limbo

John Ward
3 April 2007

Twenty-six workers at the Tristar automotive components company in the Sydney suburb of Marrickville continue to report for work each day at an empty factory. They are the remainder of the once 300-plus-strong workforce that has been systematically slashed through dismissals and so-called "voluntary" redundancies since the company began to lose contracts with major car manufactures in 2005. The contracts and work dried up completely in June last year.

Tristar's retention of the 26 long-term workers, despite there being no work, is a cynical operation to avoid making the substantial redundancy payments specified under the current certified agreement—4 weeks pay for every year of service. On average, each of the workers would be entitled to 120 weeks pay.

In January this year, the Australian Industrial Relations Commission (AIRC) ruled that provisions in the Howard government's WorkChoices industrial laws allowed the company to cancel the current certified agreement. Amendments passed in December 2006 only preserve redundancy entitlements for 12 months after an agreement is cancelled. After that, the workers are only entitled to a total of 12 weeks pay.

While the company is responsible for depriving the workers of their jobs and entitlements, the Australian Manufacturing Workers Union (AMWU) and the Australian Workers Union, along with other unions at the plant, have played a key role in creating the terrible conditions they face.

The automotive industry unions have continually refused to mount any campaign to combat the job losses that have swept through the car component and vehicle manufacturing industry over the last two years. Instead, they have worked alongside the employers to ensure "orderly" plant closures and downsizing, by encouraging their members to take redundancy packages.

This was the policy implemented at Tristar. As work dried up, the unions advised workers to take redundancy packages and then allowed the company to remove all machinery from the plant. This was bound to put pressure on the remaining

long-term workers to leave on a lesser payout.

The unions also sowed illusions that the remaining workers could appeal to the official political establishment for assistance. In November last year, they took a delegation of workers to Canberra in a bid to meet with Prime Minister John Howard. Even as the AMWU web site denounced Howard's IR laws for removing protection for workers' entitlements, an AMWU spokesman declared "we're all hoping that the prime minister will act to help them". Not unexpectedly, Howard refused to meet the workers. The AMWU web site contains two other items on Tristar—a link calling for readers to email the Federal Workplace Relations Minister Joe Hockey and a link to a protest note to be emailed to the management of Tristar.

This week, AWU New South Wales secretary Russ Collison pleaded for Howard to intervene and negotiate with the company. Collison declared he was "seeking to call on our Prime Minister John Howard to intervene." "Intervene ... you can do that ... you're the only person that can," Collison said, in comments addressed to Howard.

Collison's grovelling to the government is all the more disgusting as it comes after Tristar sacked long-term worker and AWU member Marty Peek last week for speaking to the media about the situation confronting the remaining 26 Tristar workers. The Howard government's new WorkChoices industrial relations legislation, which abolished unfair dismissal laws for companies employing 100 or less workers, means that Peak will not be able to appeal his sackings on such grounds.

During past disputes in the car component sector, the unions claimed to have won protection for workers' entitlements in the case of sackings or company failures. Following a two-week long dispute at Tristar in August 2001, for example, the union declared it had gained ironclad assurances that workers' entitlements would be covered. In exchange for the company agreeing to take out a two-year insurance bond, the union agreed to cut back its wage demand.

The current situation at Tristar would have gone largely

unnoticed had it not been for media reports last January exposing the plight of one of the remaining workers, John Beavan. The company had refused Beavan a redundancy payout even though it was aware he suffered from cancer and had only weeks to live.

Beavan had 43 years service with the company and was entitled to a redundancy payout of \$210,000. Tristar eventually agreed to pay him just \$50,000. Relieved to get the issue off the agenda, a union spokesman declared the settlement “a victory” even while admitting the payout “was only a quarter of what Mr. Beavan would have been entitled to”.

The revelation, however, created a public outrage. It also threw light on the harsh measures available to employers under the Howard government’s new IR regime. With a federal election looming later this year, Howard has become desperate to claim the new IR laws benefit working people. With this in mind, the government went into damage mode seeking to present the shoddy operation carried out by Tristar’s management as an exception rather than the rule.

In January, Howard branded the company’s actions “heartless” and “appalling” and then dispatched newly-appointed Workplace Relations Minister Joe Hockey to the plant to meet with management. Hockey declared he had told the company “to pay the workers their full entitlements if there was not any work for them”.

Just last week, however, Tristar’s managing director, Chen Hong, claimed that Hockey had advised him to make the workers redundant and then re-hire them on individual contracts so as to circumvent obligations under the certified work agreement. While the claim is entirely feasible, Hockey continues to deny it.

Howard has now ordered the government’s workplace relations so-called “watchdog”, the Office of Workplace Services (OWS), to begin action against Tristar in the Federal Court.

The move, however, has nothing to do with defending the rights of Tristar workers. It is designed to drag the contentious issue out of the spotlight and drive it into the dead-end of legal proceedings. At the same time, the government hopes to create the illusion that WorkChoices contains “effective safeguards” against employer abuse. Despite the obvious fraud, AMWU state secretary Paul Bastion heralded the OWS action as a “step in the right direction”.

Similarly, the NSW state Labor government commissioned the NSW Industrial Relations Commission to conduct an inquiry into the situation at Tristar. The inquiry began in the midst of the NSW state election, with Labor desperate to offset widespread hostility to its 12-year record of public funding cuts and the gutting of social and public

infrastructure.

State Labor leader Morris Iemma called for working people to vote to return his government to ensure the state retained control over certain limited areas of industrial relations, claiming that this afforded them some protection against Howard’s IR laws.

The NSW Industrial Relations Commission inquiry, however, is little more than window dressing. It cannot make a decision or give any direction in the Tristar case because it comes under federal jurisdiction. This fact was seized upon by Joe Hockey, who declared last week that the “real action is in the Federal Court,” falsely claiming the OWS was “in there battling for the workers to get their entitlement”.

The saga at Tristar continues as job losses again loom large in the car industry, threatening further cuts at component plants. At the beginning of last month, major vehicle manufacture General Motors Holden announced it will axe 600 jobs at its Elizabeth assembly operation in Adelaide’s north, in South Australia.

The job cuts at Elizabeth follow the axing of 1,400 jobs at the plant in August 2005 and the shedding of 600 at the company’s Port Melbourne plant in November last year. Holden’s cull at Port Melbourne followed within days of Ford Australia announcing the shedding of 600 jobs at its Broadmeadow plant in Melbourne.

In both cases, the company relied on the AMWU to push workers to accept “voluntary” redundancy. At the time, AMWU national organiser Joe Cummaudo openly bragged to the media about the union’s role in facilitating the destruction of tens of thousands of jobs in the car industry in recent years, proudly declaring: “We’ve never had an occasion [in the vehicle industry] where the target figure for voluntary redundancies has not been met.”



To contact the WSWs and the Socialist Equality Party visit:

wsws.org/contact