

Australia: Union bankruptcy on display at Pacific Brands rallies

Our correspondents**7 March 2009**

Rallies held in Melbourne and Sydney underscore the necessity of Pacific Brands workers organising independently of the trade unions if a struggle is going to be waged to against the decision of the clothing manufacturer and its bank financiers to close 10 factories and shed 2,800 jobs in Australia, New Zealand and China.

The rallies on Thursday and Friday coincided with the negotiations being conducted between the company, the Rudd government and the unions over how to carry out the "orderly" shutdown of seven factories in Australia. The rallies were staged not to defend the jobs but to ensure that Pacific Brands workers launch no independent struggle of their own.

The Melbourne rally on Thursday was held in the city centre, in front of the Myer department store, which stocks many Pacific Brands' products. Up to 300 workers were bussed in from the company's Melbourne factories that are slated to close, in Coolaroo and Nunawading.

National secretary of the Textile, Clothing and Footwear Union (TCFU), Michele O'Neil, set the tone by declaring: "We've got one message here today, which is save our jobs, reverse the decision, and keep the jobs here in Australia." The same economic nationalism was whipped up at the rally by union officials, who led chants of "Save Aussie Jobs".

Little mention was made of the fact that the multinational Pacific Brands is closing factories in New Zealand and China. The chant of "Save Aussie Jobs" is designed to block any unified struggle and pit Australian workers against their counterparts globally in a never-ending race for "competitiveness" that has already cost tens of thousands of jobs.

In reality, the unions have no intention of defending jobs at Pacific Brands. O'Neil and her counterparts have told

workers that all that the unions can do is try to secure a guarantee from the company to pay out workers' redundancy entitlements when they are finally laid off.

At the Sydney rally on Friday, outside the company's Bonds factory in Wentworthville, TCFU representative John Owen made no reference to saving jobs. He told workers that the union was negotiating with the company to establish a trust fund for workers' entitlements. Under the current agreement between the company and the TCFU, workers are entitled to just three weeks redundancy pay for each year worked.

Owen announced that the unions were appealing to the Rudd Labor government for a scheme to exempt laid-off workers from the assets test that is applied by the government's Centrelink agency before people receive unemployment benefits. The unemployed have to spend most of their savings before they are eligible for the poverty-level unemployment allowance. Less than 60 workers—about half the day shift—participated in the Sydney rally.

In Melbourne and Sydney, union officials made virtually no mention of the global economic crisis or rapidly rising unemployment. To do so would highlight the fact that accepting the job losses will condemn many to permanent unemployment and hardship.

WSWS supporters spoke to workers at both rallies and distributed the March 4 statement published by the Socialist Equality Party (Australia), "Reject backroom deals! Launch an independent struggle to defend Pacific Brands jobs!"

Workers gave a glimpse of the terrible impact of the closures. Many have mortgages and children, and are deeply concerned about long-term joblessness. A female worker from the Holeproof plant in Nunawading declared: "I know

we're not going to get our jobs back. The banks have already decided it. The company will make 1,850 workers redundant and in two years' time it will pay back the banks."

Debbie, also from Holeproof, said: "Everyone feels bad because we are losing our jobs. We don't want to stop working. Everyone was shocked at the news. In the last few years they got machines and they got \$18 million from the government. We saw the machines. Now all the work goes offshore. Why do they get funds from the government and then they sack us? The government has to do something."

"We're willing to do work for four days or even three days to keep our jobs. Maybe in two years the economy will get better. All the women are migrants—this was their first job. We have no other experience. We're all between 40 and 50; where are we going to get another job?"

Jim from the Kayser factory in Coolaroo said: "I've been working there 40 years but what about the young people? Some people have their homes, their cars, but they owe money to the banks. What will happen to them?"

In Sydney, Alicia, who has worked at the Bonds plant for 20 years, said: "It is a difficult situation for all of us because we are losing our jobs. We have mortgages to pay, children to feed, and there are no other jobs available for us, especially not older workers."

"What the union has proposed is that our money be there when we all become redundant and we get access to Centrelink. We will need that because we aren't going to have jobs. Much of the money that we are going to get will go on our mortgages and other debts we have, like credit cards, as well as everyday living. I think there should be a campaign against the closure of companies."

Sharon, who has worked at the plant for five years, said: "I'm really upset. When I came here I had been unemployed for three years. Now it is probably going to take me another three years to find a new one. I'm just stunned about the closure. It hasn't really sunk in. People aren't really talking about it."

Daniel, who has worked at the Bonds Wentworthville factory for 25 years, said: "As much as I would like to be out here and trying to save my job, it is inevitable that we are

going to close down. All we can do now is fight for our entitlements. We don't want the company to close down and take off to overseas without having to pay us. That's what we are worried about.

"Ever since I started in the textile industry, which is about 30 years ago, the textile industry has been coming down. They've all gone overseas because there is cheaper labour. It was inevitable for us. I just didn't think it would be this soon.

"We are not walking out into an environment where it is going to be easy to get another job. That's why we are worried about our entitlements. More than half the people at Bonds have been here for a very long time, so it adds up to a large amount. It will need to be enough to last for as long as it takes to find another job. Otherwise, we will leave this place to look for another job without any money. We've all got loans to pay off, mortgages.

"I find it hard, day in and day out, to swallow; to get up in the morning and come to work, knowing that the place is going to close down and I've got no future. It is always profit over jobs. We are the ones who have kept the company afloat. Through our backs, our sweat, we created the company, we kept it profitable. But now we are not making as much profit, they cut it down and go overseas and the leave the people. That is bitter."



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