

# Boeing Australia to close Sydney plant and axe 350 jobs

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Boeing Australia announced on Thursday that it would shut its Milperra plant in Sydney, axing 350 jobs. The closure is in line with massive job destruction and downsizing internationally by the giant US corporation following sharp declines in airline industry profits over the past two years.

Boeing's Milperra plant, previously operated by Hawker de Havilland, manufactures parts for Boeing's 777, 747-8 and 737 aircraft, as well as missile fins and other aeronautical components. Boeing currently employs 3,300 workers at 28 sites throughout Australia.

The company claims that 300 of its 350 Milperra employees will be offered jobs at its Fishermans Bend plant in Victoria and the Sydney plant closed over the next two years. Only those prepared to uproot their families and move to Victoria will be given employment. Those who refuse will be forced to take a redundancy payment.

Boeing's Milperra plant in Bankstown is one of the largest employers of highly-skilled metal tradesmen in the Sydney metropolitan area. The possibility of these workers finding jobs in their field is remote. Most will be forced into lower-paid work, become unemployed or will retire. The closure is expected to result in the axing of at least 1,000 air industry manufacture and maintenance jobs throughout New South Wales.

The state and federal Labor governments, which were informed by the company about the closure on Wednesday, endorsed the shutdown. NSW state premier Kristina Keneally told the media that it was a "commercial decision" by Boeing and that her government could do nothing to reverse it.

The response of the unions was equally cynical.

Australian Manufacturing Workers Union acting state secretary Tim Ayres declared that the unions were shocked by the decision and knew nothing in advance. This claim beggars belief. The closure was widely predicted throughout the airline industry, which is undergoing a massive restructuring internationally in response to the global financial crisis and a drastic decline in profits.

Last year Boeing announced that it would eliminate at least 10,000 jobs from its US operations, with more than 4,500 of these axed from its commercial jet production facilities in Seattle.

Last year commercial airlines lost \$US11 billion internationally, with passenger and freight traffic declining 3.5 percent and 10 percent, respectively. This has sharply impacted on all airline manufacturers. Boeing, for example, reported a \$1.6 billion loss in the third quarter of 2009 with declining orders and manufacturing delays.

The closure of Boeing's Milperra plant follows a systematic rundown in jobs and conditions at Boeing's Australian operations—in Victoria, New South Wales and Queensland—over the past five years. Rather than fight this job destruction, the unions have collaborated with management to boost productivity, cut costs and increase contract employment.

In July 2007, Boeing slashed its Amberley workforce in Queensland from 800 to 470 and in 2008 the company cut its 1,000-strong workforce in Melbourne by half, eliminating 550 jobs and transferring work to its Milperra plant. Boeing claimed at that time that the Melbourne job losses were necessary because the company had to "boost efficiency" by shifting some production to Milperra.

The unions took no action to defend any of these jobs. In fact, the AMWU isolated voices of opposition and then

collaborated with the company to draw up relocation and redundancy deals. This in turn has prepared the way for the closure of the Milperra plant. The company is relying on the unions both to oversee the shutdown in Sydney closure and to impose its requirements in Melbourne.

Boeing is well aware that most workers at the Milperra factory cannot uproot their families and move to Melbourne. On Thursday, Boeing Aerostructures Australia's managing director Mark Ross raised the possibility that vacancies could be filled, "depending on prevailing levels of stability in the aerospace industry at the time, on contracts".

The Milperra closure is a blow not only for the immediate employees but for workers and youth in Sydney's western suburbs. The Milperra-Bankstown area was once a major centre for manufacturing and maintenance at facilities like the Milperra factory and Chullora railway workshops, which provided thousands of jobs and trained apprentices. The devastation of manufacturing, with the complicity of the unions, over the past three decades has led to high levels of poverty and unemployment.

A struggle should be launched to fight the closure and defend every job. The first step is to occupy the plant and appeal for support from Boeing workers and other sections of workers in Australia and internationally who face similar attacks. This will be bitterly opposed by the unions and the federal and state Labor governments who will do everything possible to assist Boeing organise an "orderly closure" of the Milperra plant.

Such a campaign necessarily involves a political struggle against the unions and Labor governments as well as the global aircraft giant. This requires a socialist perspective to reorganise society to meet social needs, not private profit and to nationalise corporations such as Boeing under the democratic control of working people.

The WSWs spoke with several Boeing employers yesterday. Many said that Boeing's job relocation offer to Melbourne was bogus and that the company could not be trusted. Others were suspicious of the unions and said they would not defend Boeing jobs.

"The company treats us like gypsies," one worker said. "They think they can move us back and forth, without any concern for our families. The job relocation offer is just a ploy to try and make the company look good.

"The only way I'll get work will be if I take a pay cut and

get into some other line of work. Taking a redundancy isn't going to help either. I'm just over 50 and the redundancy money is not going to keep me out of financial trouble."

Another worker condemned the union for failing to defend jobs and conditions.

"I've been here for 28 years," he said, "and there have been some funny things go on between the AMWU officials and the bosses. The thing I don't understand is when the union says it is for the workers. I can't see it myself. All I think they're primarily interested in is getting our union dues. Governments also have to take a lot of responsibility for all this happening.

"We've had plenty of retrenchments here over the years and the unions let those jobs go. We had a great apprentice training school here too, which we were all proud of. It was destroyed. Work has also been outsourced to private contractors. I remember Boeing retrenching in Melbourne, saying there were jobs up here in Sydney. Now they say there are plenty of jobs in Melbourne but I'm dubious. I think it's just a smokescreen to try and make the company look good.

A sheet metal worker said: "Nobody knows what's going on here. I could be here for six months or for two years, no one knows. They say there'll be relocation money, retraining and all that sort of thing but I've got my doubts.

"It's a big gamble going to Melbourne because no matter what the company says, you could transfer and have the jobs wiped out there. Boeing has lost hundreds of jobs in Melbourne over the last couple of years. Jobs have also gone in Queensland and at Williamstown. There's no guarantee that Boeing will even stay in Australia. Who knows what they're up to? They could pack up and leave any time.

"I'm towards the end of my working career but what are young families going to be. We have people here who are husband and wife—two incomes coming from the one place. What are they going to do? It's a very hard slap in the face for them."



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