

# Australia: Boeing unions seek to impose Sydney plant closure

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It is just over two weeks since Boeing Australia announced that it would end aircraft production at its Milperra plant in south-west Sydney by 2012, axing over 350 jobs and destroying the company's last manufacturing facility in New South Wales.

Milperra produces parts for Boeing's 777, 747-8 and 737 aircraft and other aeronautical components. The closure of the plant, one of the last major employers of highly-skilled metal tradesmen left in Sydney, will lead to the destruction of at least 1,000 jobs in associated industries in the state of NSW.

The shutdown follows a \$US1.6 billion third quarter loss in 2009 by Boeing in the US and is part of massive downsizing by the global aircraft manufacturing giant. Last year Boeing announced that it was axing more than 10,000 jobs from its American operations.

Boeing Australia has stated that 300 jobs will be available for its Milperra employees if they are prepared to uproot their families and transfer to the company's Fishermans Bend plant in Melbourne. These claims are worthless. Fishermans Bend is part of an international production chain for the long-overdue 787 Dreamliner, involving workers in Canada, Italy, China and Japan. Ongoing employment at Fishermans Bend and the very existence of that plant is dictated by competition with Boeing's other international suppliers, currency fluctuations and other volatile factors.

The federal and NSW state Labor governments, which were informed in advance by Boeing, have endorsed the shutdown as a "commercial decision". The Australian Manufacturing Workers Union (AMWU) and the Australian Workers Union (AWU), the two unions covering Boeing's Sydney employees, have issued perfunctory statements of concern. The AWU declared that the company should have treated its workers "with a little bit more respect" while AMWU NSW assistant state secretary Tony Ayres told the media that his union would "fight to defend every job". This claim is bogus.

The AWU and AMWU, two of Australia's largest unions, have proposed no action to fight the closure. Nor have they called mass meetings of Boeing members in other Australian states or of other manufacturing workers about the devastating impact of the

shutdown. Straight after issuing their statements, the AWU and AMWU called on Boeing management to begin redundancy and relocation discussions. The unions are trying to impose an orderly closure, just as they have with every other plant shutdown.

Boeing has been able to mount an escalating assault on jobs precisely because it has been aided and abetted by the unions. The Milperra closure is the company's fourth major job cut in Australia since July 2007, none of which has been opposed by the unions. With their assistance, Boeing has axed more than 1,400 jobs, nearly half its local workforce.

This collaboration has a history, as demonstrated by several key industrial disputes.

\* The first occurred over 20 years ago in 1988, during the Hawke-Keating Labor government, when the Milperra plant was owned and operated by Hawker de Havilland. (Boeing took over Hawker De Havilland operations throughout Australia in 2000.)

The central foundation of the Hawke-Keating Labor governments, from 1983–96, was a prices and incomes "accord" with the unions. Under this and other corporatist agreements, the unions worked with the government to contain wage demands and axe hard-won conditions, in the name of achieving "international competitiveness".

Workers who rejected these policies and attempted to fight back were disciplined or victimised by the unions, which destroyed shop-floor and inter-factory committees or transformed them into mechanisms for corporate control. This took a particularly sharp form at the Milperra plant.

Between May 1987 and July 1988, mass meetings of AMWU and Vehicle Builders Employees Federation (VBEF) members repeatedly rejected demands that they give up award conditions in exchange for a 4 percent wage rise.

When this determined opposition eventually forced the company to agree to a wage increase without any givebacks, the AMWU opposed the deal in the arbitration commission and victimised key members of the shop committee. Four AMWU shop stewards and a VBEF delegate were disciplined by their unions and removed as

shop stewards.

Finally, the AMWU state council rammed through its own agreement. This involved various changes to drive up productivity and a formal pledge from the AMWU that it would “create an environment... to provide the company with the opportunity to be competitive and extend its market penetration within Australia and overseas.”

\* In 2005–06, 47 Boeing maintenance workers at the Williamstown airbase near Newcastle joined the AWU and took industrial action for a work agreement and improved conditions. When the company locked out the workers, the AWU refused to mobilise its 130,000-strong membership to defeat the attack. Instead, it used the dispute to publicise the unions’ campaign against the Howard government’s Work Choices industrial legislation and promote illusions in the Labor Party.

The AWU ensured that the aircraft workers remained isolated and after nine months directed them back to work in February 2006 with no agreement and nothing settled. Together with the Australian Council of Trade Unions (ACTU), the AWU insisted that the election of a Labor government would protect workers’ rights.

These claims had nothing to do with defending workers’ rights but were aimed at convincing the employers and the government to retain the unions as bargaining agencies within the framework of the Rudd government’s Fair Work Australia system, which retained all the essential features of Work Choices.

\* In December 2007, just after the election of the Rudd government, Boeing sacked Allan Bloom, a production supervisor at the Fishermans Bend plant. Ignoring consistent complaints by Boeing employees about faulty timekeeping equipment, the company claimed that Bloom had falsified workers’ timekeeping records. In April 2008, after months of fruitless negotiations between the company and the AMWU, the Fishermans Bend workers walked out and demanded Bloom’s reinstatement.

The strike, which won wide support from industrial workers in Melbourne, was in defiance of AMWU directives, which insisted that they remain on the job. The Australian Industrial Relations Commission and the Federal Court declared the strike illegal, and Boeing threatened massive fines against the union and the striking workers. Predictably, the AMWU refused to mobilise support from Boeing employees across Australia or other union members.

After three weeks the Boeing strikers returned to work after a deal was struck between the AMWU and the company. The AMWU proclaimed the outcome a “powerful victory” for Boeing workers. Its cynical claims were backed by the so-called left groups. *Green Left Weekly*, for example, declared: “Workers defy Boeing and win”.

Contrary to these assertions, the deal was a betrayal. While

Boeing withdrew legal action against the union—the key concern of its officials—Bloom was not reinstated and was left to file for unfair dismissal in the Labor government’s Fair Work Australia industrial court. The agreement also stipulated that all redundancies should be “negotiated” with the union within the framework of the enterprise bargaining agreement.

Having secured this deal, Boeing management announced in August 2008 that it was slashing its Melbourne workforce by half, eliminating 500 jobs. The unions feigned concern, but immediately rushed to impose redundancies. Three months later, Boeing announced the closure of its Williamstown facility, axing over 200 jobs. The following month, Fair Work Australia ruled that Bloom should not be reinstated.

The experiences of workers at these aircraft factories are a microcosm of the role of the trade unions over more than quarter of a century in collaborating with governments, Labor and Liberal, in imposing the demands of big business. Jobs and conditions cannot be defended while workers remain trapped within the political straitjacket of the unions, whose principal concern is to persuade employers that ongoing collaboration will help maintain “international competitiveness” and boost profits.

Boeing workers should organise their own mass meetings and reject the closure of Milperra. The first step would be to occupy the plant and appeal for support from other employees of the giant Boeing corporation in Australia, the US and other countries. This will require a decisive break from the unions, and the formation of genuine rank and file committees as the basis for a turn to other workers facing similar attacks.

Such a struggle raises the necessity for an alternative socialist perspective, including the nationalisation of the aircraft industry under the democratic control of workers and the reorganisation of society and production to meet the needs of all, not the profits of the corporate elite.



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