

SEP candidate for Calwell addresses the social crisis facing workers and youth

Peter Byrne
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The following is the text of the speech delivered by Socialist Equality Party candidate Peter Byrne to a public meeting held last Sunday in his electorate of Calwell in Melbourne's working class northern suburbs. Byrne, who works as an architect and is the son of a car worker, focussed his remarks on the social crisis confronting working people after decades of de-industrialisation and economic restructuring.

The well attended meeting in Calwell involved students, several workers from a local car components factory, and other working people and retirees who have become aware of the SEP in the course of the election campaign. The reports delivered by Byrne and the SEP's candidate for the senate in Victoria, Patrick O'Connor, were followed by a lively discussion, with questions including the economic policies of a workers' government, the function of money in a socialist society, and whether Labor is a "lesser evil" than Liberal. The meeting was part of a series being organised by the SEP prior to the August 21 election. Details, as well as extensive election coverage, can be found [here](#).

As an architect and member of the SEP for 27 years I am standing as a candidate for the SEP in Calwell because I want to develop this party to advance the long term historical interests of the working class in the struggle for world socialism. The SEP is the only party standing on a socialist program to defend the working class in opposition to the entire official political establishment—Labor, Liberal and Greens.

In this election campaign the government and the media are telling us just how lucky Australia is to have sailed through the economic crisis unscathed—but this is certainly not the case for most residents of Calwell. In our election statement we refer to a few statistics, which indicate that many people are living in a state of permanent economic recession. Officially unemployment stands at just over 5 percent, but one third of the workforce is employed in part-time or casual jobs that are often low-paid and temporary.

As the SEP's election statement explains: "Even according to the official figures, there are 610,000 unemployed—about 200,000 more than when the financial crisis erupted in 2008—and another 1.2 million people are "under-employed", taking the total to nearly 16 percent of the workforce. This does not include the estimated half a million workers who have had their hours cut, those who have given up looking for work, or the 770,000 people placed on disability support pension.

"Real wages for low-paid workers have fallen by 15 percent since 1999, fuelling the explosion in personal debt over the last two decades, which is even higher, per capita, than in the US. Between 1996 and 2007, credit card debt rose by 460 percent and household debt overall by 340 percent. At the other end of the scale, bank and corporate profits have soared at the direct expense of the working class, sending social inequality to new levels."

Here in Broadmeadows the official unemployment rate is 15.7 percent. That is the highest in the state of Victoria, and means that nearly 1 in 6

workers do not have a job. Craigieburn has an unemployment rate of 7.7 per cent; the median household weekly income in Broadmeadows is only \$619, compared with \$1,027 Australia-wide, i.e., it is less than two thirds the national average. And this is the case in working class suburbs across the country.

I would like to discuss how this area was transformed from a booming centre of manufacturing industry following World War II to one of the most disadvantaged suburbs in Australia. This process was a direct result of the offensive waged by the ruling elite over the past three decades against the social position of the working class.

In the aftermath of the betrayal and defeat of the revolutionary upheavals that shook the very foundations of capitalism in the period from 1968 to 1975, the ruling class internationally unleashed a major assault. Millions of jobs, particularly in manufacturing industries, were destroyed, working conditions ripped up, and wages and living standards undermined. The measures carried out in Britain by Tory Prime Minister Margaret Thatcher and in the United States by Republican President Ronald Reagan were undertaken in Australia by the Hawke-Keating Labor governments, with the active collaboration of the trade unions under the Accords, between 1983 and 1996.

Before this period, from 1949, the government-owned Housing Commission began to develop cheap mass housing in Broadmeadows to provide a workforce for the development of manufacturing industry. Many new factories were built.

But today most of those industries are gone. Kodak in North Coburg, South Pacific Tyres, Yakka, Kraft, Nestle, Ericsson, and Kayser Hosier, among others, have all closed at the cost of thousands of jobs. The Ford factory is a shadow of its former self. Car seat belt manufacturer Autoliv, which employed 1,000 workers a decade ago, now has just over 100 workers. In December management will cut that number down to 35.

The industry at the centre of this electorate is the Ford Motor Company. It bought a large tract of land in Broadmeadows in 1956, and the first Ford Falcon rolled off the production line in September 1960. The rise of the Australian car industry was bound up with the development of the national manufacturing sector during the post-World War II stabilisation of the global capitalist system. By 1959 there were a total of 24 car assembly plants in Australia, mainly Ford and General Motors. In the 1960s and '70s other firms, including Nissan, Volvo, Mercedes-Benz, and Mitsubishi, also established operations.

The early 1980s marked a turning point for the Australian car industry. By then the conditions that had led to the industry's development after World War II—a relative stabilisation of the world capitalist system and the development of a highly regulated and protected Australian national economy—no longer existed. Today just five car factories remain in Australia—Ford's assembly plant here in Broadmeadows and the component and engine plant in Geelong, Holden's assembly factory in Adelaide and engine plant in Melbourne's Fisherman's Bend, and Toyota's plant in Altona. About 200 component part manufacturing

companies also remain.

Over the past three decades the Labor Party and the trade unions have overseen and organised the “orderly” closure of factories and the destruction of jobs—in other words, they have actively suppressed any independent struggle by workers to defend their jobs.

The destruction of these jobs is tied up with the fundamental changes in the world economy as a result of the globalisation of production. The only alternative is the unification of the struggles of workers around the world to end the profit system itself—against the program of “international competitiveness” under which workers in Australia are set against their class brothers and sisters in other countries, in a never-ending downwards spiral to provide the cheapest labour and highest profits.

The SEP is the only party standing on an international program in this election. The program of the Labor Party and the unions is the opposite—their nationalist program aims at tying workers to the interests of the corporate elite.

I want to explain in a couple of cases what the unions and the Labor Party have done and how they are responsible for the situation that workers now confront.

In February 2009, Pacific Brands announced it was closing ten factories and sacking 2,800 workers in Australia, New Zealand and China. The company was shifting production to low-wage Asian contract manufacturers. Here in Coolaroo, Kayser Hosiery workers faced the sack. Initially workers were shocked when the company made the announcement, as Pacific Brands had already cut many jobs and they had accepted the company’s insistence that they agree to speed ups and other cuts, on the basis that this would help the company “compete”. Pacific Brands had also benefited from millions of dollars of government assistance not long before.

The Textile Clothing and Footwear Union did everything possible to prevent a fight by workers against the plants’ closure. The union’s first tack was to plead that the company retain a few of the jobs rather than impose a total closure. In order to hoodwink the workers, the government raised fears that redundancy payments would not be paid, and then told workers that it would force the company to pay. They threw sand in the eyes of the Pacific Brands workers in order to defuse any opposition to the company’s plans and allow the job destruction to proceed unchallenged.

Take another example—the new enterprise bargaining agreement (EBA) rammed through at the Ford plants in Broadmeadows and Geelong last June, which cuts real wages and undermines conditions.

What was the role of the unions? Ford workers received their last pay rise in 2008. A new EBA was presented last year in which newly hired workers were to receive 15 percent less in wages than existing workers as well as an effective wage cut over the life of the agreement. A slightly modified EBA was hailed by the unions as a “remarkable” deal and pressed on workers, who nevertheless initially rejected it. To ram the rotten deal through, the unions engaged in a series of manoeuvres, including taking ballot boxes around the factory floor and making workers vote as they worked, right in front of the union’s people.

Most workers were rapidly forced to accept the new EBA—except for 300 skilled tradespersons who were members of the Australian Manufacturing Workers Union (AMWU) and the Electrical Trades Union (ETU). For the first time in many years, the workers went on strike, staging two 24-hour actions. As far as the unions were concerned, the strikes were utilised as a mechanism to let off steam among the resistant workers. The company was extremely grateful. Last July, Ford Australia president Marin Burela heaped praise on the “professionalism and maturity at every level of the trade union movement”.

One of the Ford ETU shop stewards, who opposed the whole process, has since been removed from his position. Such is the nature and the role of the unions that they have become the most ruthless policemen for the company’s interests.

The legacy of job destruction, deindustrialisation, and decades of government neglect is one of enormous social problems in working class areas. Young people have few job prospects, are provided with virtually no recreational activities, and have few public places where they can even meet and socialise. Just last week, on Thursday, reports emerged of a fight involving some school-age youth and up to 100 onlookers at the Craigieburn shopping centre. A number of people, including the local school principal, were doused with capsicum spray by police during the fracas. The next day there was a large police mobilisation, with horse-mounted and uniformed police officers surrounding Craigieburn Secondary College as students left the school for home. A police helicopter also flew overhead. Such measures will no doubt be stepped up over the next period, while nothing will be done to resolve the underlying economic and social problems that give rise to such incidents.

The SEP advances a socialist program to resolve this crisis. A massive increase in community facilities, sports, cinemas, theatres, libraries and live music venues must be built for use by youth at no charge. Young people must be guaranteed well paid, full-time employment, with reduced hours on full pay for those under 21 to allow them to fully participate in recreational and cultural activities. There must be a vast expansion in apprenticeships and technical training. All tertiary students should automatically receive a living wage. Student fees must be abolished, including for overseas students, and loan debts cancelled.

To resolve unemployment, we call for a massive public works program to provide well-paid and secure jobs for all. An emergency public works program must be launched immediately, including the building of new, and the repairing of old, social infrastructure—roads, rail and other public transport systems, adequate water storage capacity and renewable energy supplies, sewerage systems, public housing, aged and child-care facilities, schools, universities and TAFEs, hospitals and other medical facilities.

None of these policies will or can be implemented through parliament. What the coup against Kevin Rudd clearly revealed is that behind the façade of parliamentary elections, the real decisions are made behind the backs of population, by powerful unelected and unnamed forces, whose interests and agenda are diametrically opposed to the fundamental interests and democratic rights of the vast majority.

It is now long overdue for the working class to draw the lessons of its bitter experiences with the Labor Party and the unions. Workers must make a decisive political break with the reactionary nationalist programs of these old organisations and turn to a revolutionary socialist perspective. That is why the SEP is standing in these elections—to politically prepare workers and young people for the major social upheavals that lie ahead. The defence of jobs, conditions and a future for youth requires nothing less than the overthrow of the current social and economic order, and the establishment of a workers’ government that will place the banks and major industries in public ownership and under the democratic control of the working class itself.

I urge everyone here to read the *World Socialist Web Site*, carefully study the SEP’s program and analysis, and make the vital decision to join and build the SEP.

Click here for full coverage of the SEP 2010 election campaign
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