

# Australia: Jeld-Wen strike into third week

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More than 300 workers in four Australian states are into the third week of a determined strike against wage-cutting by Jeld-Wen, a transnational door and window manufacturer. Faced with the US-based company's refusal to drop its aggressive demands, the strikers are still picketing the Corinthian Doors and William Russell Doors plants in Sydney, Melbourne, Adelaide and Perth.

The Jeld-Wen dispute flows directly from the intensifying global financial crisis that began in 2007-08, when it devastated the US home-building industry, and underscores how the assault on jobs and conditions in the US, Europe and globally is now being replicated in manufacturing and other basic industries in Australia. Far from backing down, Jeld-Wen has threatened to move its production out of Australia unless the workforce accepts its demands.

Having voted by 96 percent nationally for industrial action, the workers walked off the job on September 6 and 7, and were then provocatively locked out by the company for three days. Resolved to fight the company's attacks, the workers renewed their strike. In the dispute over a three-year enterprise agreement, Jeld-Wen is only offering 2.5, 2.6 and 2.9 percent pay rises a year, well below the current official cost-of-living index of 4.5 percent for an employee household. It is also seeking to abolish an attendance bonus, worth between \$500 and \$1,500 annually.

"The management is not budging at all," a striking worker from the Corinthian Doors plant at St Marys in Sydney told the WSWs. "Companies seem intent on reducing wages as far as possible. It is certainly looking like a trend. They are pushing families to the brink, with prices rising for everything like electricity and water."

The striker noted that Jeld-Wen's 2.5 percent pay offer was in line with the pay limits being imposed by the federal and state governments on public sector workers.

"The government has said 2.5 percent, and the companies have jumped on the bandwagon." She added that the lockout by Qantas of its ground staff this week [<http://www.wsws.org/articles/2011/sep2011/qant-s21.shtml>], on top of the Jeld-Wen lockout, showed that lockouts were "rearing their ugly head again".

Spearheaded by Qantas, which is eliminating 1,000 jobs, and BlueScope Steel and OneSteel, which are destroying nearly 2,000 jobs between them, employers have embarked on a ruthless restructuring drive, backed by the Gillard Labor government, to slash costs. The Labor government and its state counterparts are also cutting billions of dollars from social spending, at the expense of jobs, wages and services.

In the face of this offensive, the trade unions are working to isolate every section of workers in struggle, in order to assist the Gillard government and the corporations to carry through their plans without a major confrontation with the working class.

The hostility of the union bureaucracy to any unification of workers' struggles was displayed at the St Marys picket line on September 15. Construction Forestry Mining and Energy Union (CFMEU) official Phil Davies screamed at WSWs correspondents: "You have no right to link this dispute to the BlueScope sackings. There are thousands of job losses there. This is a profitable company."

Davies tore copies of the initial WSWs article on the Jeld-Wen dispute out of the hands of striking workers, ordering them not to read it and not to talk to the WSWs. "This is my dispute," he yelled, "there will be no debate." He threatened to have WSWs correspondents "arrested" if they did not leave the picket line.

Davies exhibited the contempt that union officials have for rank-and-file workers, and the determination of the

unions to keep their members misinformed about the connection between the global economic crisis and the wage-cutting policies of companies such as Jeld-Wen.

The WSWs article reported that Jeld-Wen had closed 21 plants and shed 25 percent of its worldwide workforce since 2008, when the American housing market collapsed. The article, citing reports from *Businessweek*, warned that the Klamath Falls, Oregon company was in danger of bankruptcy, with a \$1.2 billion debt. The company's inability to sell \$US575 million in "junk"-status bonds had thrown into doubt an \$864 million takeover by Canadian-based private equity firm Onex.

Further research has revealed that about 300 Jeld-Wen workers have been laid off in Oregon's Klamath County, cutting its workforce there to 1,200. This followed a drop in the construction of new homes in the US from 2.15 million in 2005 to about 600,000 last year. The company has also slashed retirement fund entitlements for its existing and former workers, tying the payouts to the plunge in the private company's share price from \$746 in 2007 to \$364 in 2010.

According to the *Oregonian*, worse is likely to come because Jeld-Wen is operating in breach of terms on two loans totalling more than half a billion dollars and has until October 17 to regain compliance.

On the picket line at Canning Vale in Perth, Kim Lucas, 22-year-old glazer, commented: "What triggered the dispute was that we are not getting paid the money we should be getting paid. You can't live on a 2.5 percent pay rise, simple as that."

Asked about the rising cost of living in Western Australia and the impact of the mining boom, Lucas said: "It's too expensive over here. It is one of the richest states in the world, but only the top cats benefit. They just want profits, profits, profits. They can't give the workers any extra money—the workers that do the job for them. I'm struggling to put fuel in the car."

Lucas said he was not surprised that the company had locked them out. "We knew it was coming. We took two days strike action but they came back and locked us out because that was all they could bargain with. They never thought we would be out here for another week or two."

Far from being an isolated conflict, the strike at the Corinthian and William Russell door plants is part of an emerging wave of strikes, which the Labor government

and the unions are desperate to stifle and suppress.

A St Marys striker told the WSWs that the police who had been dispatched to their picket line had said that another three pickets were taking place in the nearby Eastern Creek area. "The union said they didn't want to broaden our struggle while they are calling on the Gillard government to establish an inquiry into the manufacturing industry," he said.

Following BlueScope Steel's sackings, the trade union movement asked Prime Minister Julia Gillard to establish a parliamentary inquiry into the manufacturing sector, modelled on the 2008 review into the car industry by former Victorian Premier Steve Bracks. The Bracks Review resulted in an ongoing downsizing of the Australian car industry, with the unions enforcing layoffs. Gillard, however, rejected the union proposal, in line with her insistence on a quicker economy-wide "transition" (See: "Australian government, unions, business collaborate in job destruction").

This so-called "transition" requires cutting working class conditions to match the assault underway internationally. In order to prevent a bitter sellout of their dispute, the Jeld-Wen strikers have to break free of the unions, and turn out to other sections of the working class, including the BlueScope and public sector workers and Jeld-Wen workers internationally. For this fight to succeed, rank and file committees and new forms of struggle must be developed, in conscious opposition to the Labor government's pro-market agenda on the basis of a socialist and internationalist perspective.



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