

Australian car component plant reopens after union-imposed layoffs

Margaret Rees
12 May 2012

The Australian Manufacturing Workers Union (AMWU) last month orchestrated the restructuring of the bankrupt APV Automotive Components plant in Melbourne, Victoria, imposing 34 layoffs.

The factory, which makes fuel filters, rear suspension struts and steel and fabricated parts for Toyota, Ford and General Motors Holden, abruptly shut down on April 11. The company went into receivership, while its 126 workers were stood down without pay and without receiving any of their entitlements. Twelve days later the corporate receivers, PPB Advisory, reopened the plant and resumed production, following discussions with AMWU bureaucrats and executives from the three car producers.

The union carried out this operation without convening any mass meeting of the workers or holding a vote on the proposed restructuring. Instead, officials simply organised the sackings by working out voluntary redundancies. Nearly 70 workers reportedly applied, with priority given to those on the afternoon shift that has now been eliminated.

Assistant state secretary of the AMWU's vehicle division Paul Defelice hailed the sackings. "They [the receivers] have been excellent," he told AAP. "I can't fault them whatsoever. They've been good with the workers and the union members. They've basically done what we've been saying for two years ... so hopefully this will get things moving nicely again."

Defelice's remarks underscore the particularly stark role played by the unions as an arm of corporate management. Like their counterparts in the US and Europe, the union bureaucracy in Australia collaborates

on a daily basis with the car companies and with government to destroy jobs, drive down wages and conditions, and impose further speed ups in the name of "international competitiveness".

Defelice made little attempt to conceal his contempt for the APV workers, who are mostly immigrants and make low wages doing onerous assembly line work. The AMWU official told the media that the remaining workers were in "high spirits" with the plant's reopening; he added that "a lot of people have said this is the best they've felt for a long time, and there seems to be some future in the long road ahead."

In reality, the workers are deeply concerned that the plant will be permanently shut down, once the three car producers have made alternative component supply arrangements. Production has been guaranteed for just two months, with its future dependent on the receiver finding a buyer to take over the company.

Workers spoke with the *World Socialist Web Site* about their anger, frustration, and fears about the poor chances of finding another manufacturing job.

Many bitterly denounced the AMWU. "For the union, we have to pay \$10.75 a week, and if we get behind, then we get a letter for payment," one worker said. "But what has the union done for us? How has the union helped us? For two weeks we were at home with no pay. We got no apology, nothing."

Another said: "They are the number one liars. The union always says that the company has lost money ... Every day we were making 1,200 parts. Where did the money for them go?"

Every worker described the effect of the day to day insecurity now confronting those remaining at the plant. “People can’t think about the future,” one explained. “How can you when maybe we have one week’s work, maybe two weeks? What will happen when I lose my job? It is not easy to find a job.”

He added that his wages are less than \$20 an hour, and that the rising cost of living is making every day more precarious: “The situation is very bad. Money is a very big problem for me, as my wife cannot work. Yet they want to reduce wages.”

After being forced to go without any income for nearly two weeks during the shutdown, workers reported that they are now not being paid their full wages. Workers told the WSWS that sick leave, annual leave and rostered days off have all been frozen. Moreover, they accused the company of not paying the full overtime rate for their work for the April 25 public holiday. One worker added that other overtime hours were only being paid at the normal hourly rate.

The receivers are using the threat of a final plant closure to ramp up output. “They told day shift people they had to work hard to help get a buyer [for the plant],” one worker explained. “They told afternoon shift they had to go over production targets. They get the profits—and they take everything from us.”

APV workers can only defend their jobs and conditions by mobilising against the AMWU, electing a rank and file committee, and turning out to other layers of workers facing similar attacks on their jobs and conditions. In the first instance this means developing a joint struggle of car and car component workers—uniting APV workers with those at Toyota, where 10 percent of the workforce was ruthlessly slashed last month, Ford, where 1,800 workers were stood down for nearly a week after production was suspended two weeks ago, and numerous car component plants where workers are under enormous pressure to increase production and accept job cuts and lower wages.

Above all what is required is a political struggle

against the Labor government of Prime Minister Julia Gillard, which is spearheading the restructuring drive in the car industry as well as throughout the economy. A new perspective is required, based on the fight for a workers’ government implementing socialist policies, including placing the major car companies under public ownership and the democratic control of the working class.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact