

Australia: Union complicity in Rosella closure

Gabriela Zabala
2 March 2013

Workers at the Rosella sauce-making plant in western Sydney's Seven Hills area were suddenly told yesterday that the factory would close, eliminating 70 full-time and 30 casual jobs. Because they join tens of thousands of other workers who have been retrenched across the country in the past 18 months, these mostly immigrant workers—many from Vietnam and India—face a grim future if the plant is allowed to shut.

The morning and afternoon shifts were terminated on the spot and told to return all company property, empty their lockers, collect their severance letters and to leave the premises. The receivers told the workers that their entitlements were unlikely to be paid and that they would have to join a long queue of sacked workers seeking redundancy payouts from the government guarantee scheme. Only a handful of workers have been kept on for a couple of weeks.

The Australian Manufacturing Workers Union (AMWU) colluded with the company and its receivers, Ferrier Hodgson, to keep workers in the dark, police the closure and prevent any fight against the destruction of their jobs, just as unions have with every other closure and job loss scheme.

As soon as Rosella's owners, Gourmet Food Holdings, went into receivership last November, the AMWU colluded with management to isolate Rosella workers from other workers, and ensure that no protests, stoppages or other action erupted to oppose the looming closure.

When Ferrier Hodgson representatives called an impromptu meeting last Wednesday, an AMWU official stood by as the receiver angrily berated workers for having "leaked" information to the media, and denounced their "breach of confidentiality", which he claimed had made his job "infinitely harder".

The union placed an official on site, not to oppose the shutdown or defend a single job, but, on the contrary, to direct workers toward applying for unemployment

benefits and job searching services.

AMWU state secretary Tim Ayres praised the workers for working "really hard over the last three months to keep the company trading". In fact, the union had enforced production speed-up, holding out the false hope that by working harder, the Rosella employees could save their jobs.

Over the past six months, the AMWU has assisted Rosella to cut the pay of workers hired through temporary worker agencies from \$23 to \$16 per hour. Many were called in on a day-to-day basis, with little notice and have no entitlements, such as sick pay or holiday pay.

Having failed to find a buyer for Rosella, the receivers will now try to sell the Rosella group brand names to pay creditors. Rosella began operations in 1895, supplying sauces, pickled vegetables and condiments for the Australian and New Zealand markets. Its parent company, Gourmet Food Holdings also owns Waterwheel at Dandenong in Melbourne, producing biscuits, and Pitango in Auckland, which provides supermarkets with curries, pastas, sauces and soups. Waterwheel has since been purchased by Green's General Foods, with some jobs lost as a result of the buyout.

Rosella's shut down is part of the ongoing restructuring of manufacturing in Australia and internationally, at the expense of the working class, since the onset of the global economic breakdown in 2008. Australia food manufacturing has been hard-hit by the high local dollar, and constant pressure for cheaper goods from the major supermarket chains Coles and Woolworths.

Over the past three years, thousands of food workers' jobs have been destroyed. Heinz sacked 340 workers at its plants in Victoria, Queensland and NSW, 115 jobs were lost at McCain Foods' vegetable processing plant in Tasmania, 150 at SPC Ardmona at Mooroopna in

Victoria and 64 at National Foods' Berri juicing plant in South Australia. Darrell Lea, confectionary makers for 85 years, shed over 600 jobs last year.

When Rosella was placed in receivership, the AMWU claimed to have "assurances" from the receivers "to sell what is a viable Australian food making business as a going concern and to protect every single job." This was a fraud.

The AMWU has done nothing to defend the more than 100,000 jobs that have been eliminated since 2008 throughout the manufacturing industry, including food processing. This record is set to continue with many employers, including major auto and construction companies, announcing further layoffs this year.

The AMWU's three-month push to boost productivity at Rosella, in the name of "protecting jobs", exposes the real meaning of the campaign launched by the unions, and the Gillard Labor government, to "stand up for Aussie jobs." It is to drive up the rate of exploitation of workers and the profits of Australian companies, while fomenting nationalism to pit workers in Australia against their fellow workers overseas.

Since participating in the Gillard government's Manufacturing Taskforce last year, the AMWU has hailed the resulting "plan for Australian jobs". The scheme involves increasing productivity, to make Australia an attractive investment option for venture capital, as well as thinly-disguised protectionism, via "anti-dumping" measures. According to AMWU national secretary Paul Bastian, the plan "backs our nation's ability to keep making things well, to be competitive and to get access to work."

As far as the AMWU is concerned, the selloff of Rosella is now a *fait accompli*, with the union's role in ensuring an "orderly closure" offered as a pledge to other manufacturers that the union will collaborate in enforcing their demands against workers for higher rates of output and profitability.

Rosella workers must take a stand in defence of their jobs and livelihoods. That will only take place through a complete break with the union and the establishment of an independent rank-and-file committee to organise an industrial and political campaign, including the occupation of the factory. Rosella workers need to turn to others facing similar attacks. The plant should be turned into a rallying point and organising centre for

workers throughout Sydney, Australia and internationally to oppose the destruction of jobs and the relentless attacks on conditions and living standards.

The only basis for waging such a political fight is to advance a socialist program that includes placing basic industries, such as food, manufacturing and finance, under social ownership and workers' control. Around the world, workers are being made to bear the burden of the crisis of capitalism produced by the rampant speculation and criminal activities of the financial aristocracy. The offensive by the corporate elite, and its Labor government and trade union enforcers, can be answered only in the fight for a workers' government to implement socialist policies to meet the pressing needs of the overwhelming majority of working people, not the profits of a tiny few.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact