

Australian government announces bogus “assistance” for Ford workers

Patrick O'Connor
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Prime Minister Julia Gillard visited the regional Victorian city of Geelong on the weekend to announce additional funding to supposedly help “transition” 1,200 Ford workers into new employment after they lose their jobs when the company ends its manufacturing operations in Australia.

The package will do nothing to help the targeted workers and their families. As with previous Labor government “assistance” programs announced following the closure of large industrial plants, the beneficiaries will be the trade unions, selected local businesses, and the privately-owned and operated employment network providers.

The latter will receive the bulk of the government’s \$52 million Automotive Industry Structural Adjustment Program, which provides Ford workers with access to intensive “support” as they seek new employment. Another \$30 million has been allocated to promote “economic development and diversification” in Geelong and Broadmeadows, home to the two Ford plants slated for closure by October 2016. This money will be funnelled into private businesses, via cheap loans or subsidies, without their owners incurring any obligation to hire laid off auto workers.

Few details have been provided about exactly how an extra \$15 million announced by Gillard on Saturday will be spent. According to a media release, the funds will “coordinate labour adjustment activities” and “support communities to identify how they will respond to this significant adjustment in the local economy.” Gillard also promoted a sponsored “jobs and skills expo” and other “jobs marts” to be held in Geelong next year, describing these as “practical steps that will help workers and their families.”

The Labor government has nothing but contempt for Ford workers, their families, and the working class

communities that will be hard hit if the plant closures proceed as planned.

Gillard has consciously spearheaded the sweeping pro-business economic restructuring agenda that has eliminated wide layers of Australia’s manufacturing base. In the process, areas of the country dependent on industrial employment have been devastated. The official unemployment rate in Broadmeadows is more than 10 percent, with the real rate far higher. Similarly in Geelong, the planned Ford closure comes as 600 Shell oil refinery workers and 500 Alcoa aluminum smelter workers in the city face being laid off in coming months.

There will no alternative employment available for the retrenched Ford workers, many of whom have spent their entire working lives in the car plants. They face the prospect of permanent unemployment, with their families and communities left to deal with the well documented social consequences, including mental health problems, drug and alcohol abuse, and family breakdown.

The government’s “expos” and “transition” assistance are nothing but cynical diversions. Gillard’s response to the Ford closure has been an orchestrated exercise in public relations, attempting to project a “caring” response, while at the same time working closely with the trade union bureaucracies to deliver another “orderly closure” in the auto industry, ensuring that there is no opposition to Ford’s closure.

The Labor government responded in a similar manner to Mitsubishi’s sudden closure in 2008, when nearly 1,000 workers in Adelaide were sacked. Announcing \$50 million for worker retraining and “economic development,” Gillard, then deputy prime minister, declared that the government would “get those workers into proper jobs.”

More than two years later, only one third of ex-Mitsubishi workers had found gainful employment. The University of Adelaide's Andrew Beer found that another one third of the workforce had quit trying to find work and the final third were either unemployed or underemployed. Of the sacked workers classified as less skilled, 70 percent reported receiving lower incomes, with many depending on insecure casual employment.

The situation has proven little different for the 1,400 BlueScope steelworkers laid off in 2011 in Hastings, Victoria and Wollongong, New South Wales.

The ABC's "7.30" current affairs program last month exposed the government's \$30 million Illawarra Region Innovation and Investment Fund, announced in the wake of the BlueScope closure. The government pledged to create 888 jobs by mid-2014, but now admits that only 117 positions have so far been generated. Of the 37 companies receiving government subsidies under the government's scheme, just two have employed any former steelworkers. Some local businesses have taken on greater debts in order to qualify for the public subsidies, raising fears that they could go bankrupt, triggering more job losses.

The ABC spoke with one worker, Donny Windsor, who remained unemployed 18 months after his redundancy. He had applied unsuccessfully for more than 200 positions. "Most of the time I hear nothing back," he explained. "The mines—you're just classed as a greenhorn if you've never been in a mine, so it's very hard. And one company I applied for said they had 3,000 applications a week."

Ford workers in Geelong and Broadmeadows ought to reject with contempt the empty pledges of support being issued by the government and the trade unions, and establish their own independent rank-and-file committees to oppose the closures on the basis of the socialist perspective advanced by the Socialist Equality Party.

The auto plants—built by the labour of generations of workers—must be taken out of the hands of Ford and placed under public ownership and the democratic control of the working class, together with the mining giants, the banks and finance houses. The productive capacity of society in Australia and internationally must be harnessed for the social needs of the majority, not the profit calculations of the banks and major

corporations.

*Authorised by Nick Beams, 113/55 Flemington Rd,
North Melbourne, VIC 3051*



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Socialist Equality Party visit:

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