

Australia: A tidal wave of job losses

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Every day brings news of further major job destruction in Australia. This week, so far, BHP Billiton shuttered a nickel mine in Western Australia (WA), eliminating 200 jobs; mining construction contractor Monadelphous laid off 100 workers, also in WA; and east coast retailer Robins Kitchens went into administration, threatening 300 jobs.

Last week's decision by General Motors to cease production by 2017, following a similar announcement by Ford, is just the tip of the iceberg. The gutting of manufacturing since the 2008 global financial crash is being compounded by rising job losses in the mining sector, further retail closures and deep public sector cuts.

Even the Abbott government's forecast, in yesterday's mid-year budget review, that unemployment will reach 6.25 percent, and remain at that level for the next four years, vastly underestimates the real situation facing the working class.

Officially, unemployment rose from 5.7 to 5.8 percent in November, but these figures cloak the reality because they only count people who have not worked one hour per week. According to Roy Morgan survey data, underemployment—those wanting more work but unable to find it—increased by 59,000 last month, taking the combined jobless and underemployment rate to 19.3 percent, or 2.4 million people.

Young workers, unable to find jobs, apprenticeships or training, are the worst affected. Australian Bureau of Statistics data shows that the number of 15- to 19-year-olds employed fell by nearly 30 percent over the past three years, to 164,000. Since the 2008 crash, the number has dropped by 100,000.

The previous Labor government insisted that the mining boom would insulate Australia from the global financial crisis, but the mining sector is now experiencing major job losses. Just this past month, **Rio Tinto** announced the shutdown of the Gove alumina

refinery next year, destroying 1,100 jobs and endangering the survival of the Northern Territory town of Nhulunbuy. Rio Tinto also axed up to 500 jobs at the Argyle diamond mine in WA, and its subsidiary **Coal & Allied** slashed 30 jobs from its Hunter Valley workshop, near Newcastle. **Uranium One** mothballed the Honeymoon Project in South Australia, cutting staff from 100 to 10.

Thiess, a mining contractor slashed 40 jobs after shutting regional offices in Queensland and New South Wales, **Iluka Resources** cut 47 jobs from its operations in WA and **Newcrest** declared further job losses at the Telfer goldmine in WA. **Peabody** announced its Wilkie Creek mine west of Brisbane would shut by the end of the year, destroying 200 jobs and Cobar's **CSA Mine**, owned by Glencore Xstrata, said 40, or about 10 percent of the workforce, will go.

Worse is to come. Mining construction jobs could plunge by as much as 90 percent by 2018, as mining investment drops precipitously. According to the Australia Workforce and Productivity Agency, more than 78,000 jobs in the sector could disappear to just 7,700 jobs.

Downsizing in mining is having flow-on effects. **WesTrac**, a Caterpillar mining equipment supplier, announced 630 jobs will be destroyed, including those of 75 apprentices. In addition, at least 16 apprentices lost their job after WesTrac and train builder **UGL** cut 80 staff from their Hunter Valley operations. UGL sacked a further 43 from its nearby Broadmeadow rail yard, including 6 apprentices, on top of 30 workers from Broadmeadow and 130 from Taree in recent months. **David Brown Gear Industries** will sack 11 shop floor staff in addition to opening "voluntary" redundancies.

The destruction of manufacturing jobs, already at their lowest numbers since records began three decades ago, is accelerating. During the year to August, more

than 42,500 jobs were eliminated. Up to another 150,000 jobs are threatened by the knock-on effects of the **General Motors** and **Ford** closures, which directly involve nearly 5,000 jobs.

Qantas has announced a further 1,000 job cuts, on top of more than 8,000 since 2009. **Jetstar**, a Qantas subsidiary, will cut 95 jobs in Darwin. **Kellogg's** is shutting its plant on the NSW Central Coast, axing 100 jobs. **Pacific Brands** will scrap 50 customer service positions from Broadmeadows and Keysborough in Melbourne, following the shutting of 10 factories across Australia, New Zealand and China, at the expense of 2,800 jobs, in 2009.

Job losses are mounting in the federal public sector. The Abbott government is targeting 12,000 jobs, on top of the 14,000 job cuts initiated by its Labor predecessors. Most recently, the **Department of Human Services** said it would shed 56 IT staff in Hobart, the state capital of Tasmania where unemployment is already the highest in the country. The **Department of Agriculture** is pushing for 220 redundancies. The **Australian Taxation Office** has begun shedding 900 jobs, out of a workforce of 25,000.

Job cuts are spreading across the economy. **Norton Rose Fullbright**, a multinational law firm employing 3,800 lawyers, culled 30 positions in Australia on November 21. The **Royal Melbourne Hospital** is cutting its budget by \$8 million, which equates to about 100 jobs. **BP** is slashing at least 300 jobs from its national operations, including roughly 150 from its headquarters in Melbourne. **Elite Customer Solutions**, a BP subsidiary, announced staff cuts of 30 percent, or 170 people. **WIN TV**, an affiliate of Nine Entertainment, closed its Dubbo news centre, on top of previous cuts and bulletin closures earlier this year.



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