

Australian auto workers condemn Holden plant closure

A WSWs reporting team
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Workers at the General Motors Holden assembly plant in Elizabeth, a northern suburb of Adelaide, spoke to WSWs correspondents as they finished their shift yesterday, condemning the company's plan to shut it down in 2017. At least 1,600 workers at the factory will lose their jobs and another 1,300 will be sacked at Holden's facilities in Melbourne, Victoria.

The jobs of thousands more workers employed by car parts manufacturers, transport and other companies that rely on Holden are also threatened. With Ford closing its plants in Melbourne at the end of 2016 and Toyota weighing up the future of its operation, up to 200,000 jobs could be wiped out across the country over the next four years.

Earlier in the day, Prime Minister Tony Abbott announced that just \$100 million would be assembled for a fund to supposedly create alternative employment in Adelaide and Melbourne. The federal government will provide \$60 million, GM \$20 million, the Victorian state government \$12 million and the South Australian state government \$8 million. Abbott contemptuously told a press conference that Holden workers will "probably be liberated to pursue new opportunities" by the destruction of their jobs.

Workers leaving the Elizabeth plant yesterday were confronted by journalists and camera crews from two television stations, Channel 9 and Channel 7, asking them how they felt about Abbott's "assistance" package. Few stopped to speak with the mainstream media. As they passed WSWs correspondents campaigning on the opposite of the road, one labelled the fund a "sham." Another said: "These people [the media], the government and the company don't give a damn about us."

There is considerable bitterness among workers. Between 2005 and 2009, nearly 2,500 jobs were

destroyed at the plant in repeated downsizings organised in the closest collaboration with the Australian Manufacturing Workers Union (AMWU). Each round of so-called voluntary redundancies was justified by the union as necessary to ensure the plant met GM's demands that it be "internationally competitive" and protect the jobs that remained.

In July, 400 more jobs were axed at Elizabeth. Before a ballot in August, the remaining workers were urged by the AMWU to accept sweeping cuts to their conditions, including a three-year wage freeze, or face the prospect that GM would shut the plant. Despite an overall yes vote, the corporation nevertheless announced on December 11 the complete liquidation of its manufacturing in Australia.

The devastation is part of the international offensive waged against car workers since the onset of the global economic slump in 2008. In the case of GM, it was rescued from bankruptcy, and the interests of its ultra-rich share-holders protected, by the US Obama administration and the American United Auto Workers union, which was handed major stakes in the company and organised savage cost-cutting. Plants were closed across the US, thousands of jobs destroyed and in 2009, the wages of new hires slashed in half to \$14 per hour. Closures, lay-offs, wage freezes and other cuts to conditions were imposed in Canada, Belgium, Britain, Germany, Brazil and South Korea, as well as Australia.

Peter, a worker who has been at Elizabeth for 10 years, spoke to the WSWs yesterday afternoon. "There will be a massive effect from the closure," he said. "The flow-on effect will last for years. Have a look at Detroit. That's what happens with big business. If there's something not profitable, they shut it down. Everything revolves around money."

Peter said a sizeable number of workers had voted

“no” to Holden’s demands in August. “GM is making big profits internationally. Everything that’s handed to them by workers just goes into their profits and is just taken out before they close anyway.”

Indicting the AMWU, Peter said: “The union is a business. The only thing they were worried about with the closure was the loss of 1,700 members at Holden and the loss of thousands of other dues-paying members from other factories that will close. All they care about is their own interests. They don’t care about the ordinary worker.

“They [the union] go on telling you over and over to accept the deals until the very moment where the vote happens. When the vote took place in August, the union shut their mouth and didn’t want to know about it. The corporates told us we had to vote ‘yes’ to save our jobs, but the union didn’t say a thing. I think they were paid shut-up money by the company.”

Another worker who wanted to remain anonymous said: “The decision has been made in Detroit. I know how things work. Even if things in the economy did pick up in two or three years’ time, it won’t matter. Unless something changes in the next couple months, it’s going to close.

“It’s going to be tough. People will have to adapt. It’s hard to say if there are any jobs that will be available. No one can predict the future. When I started working there, I hoped to retire there. We’ve done everything that can be done. We took the pay cuts, we took the other concessions.”

Allan, who has worked in the plant for 20 years, told the WSW: “The impact will be catastrophic. You can see it with the people who have been involved in the industry for a long time. This has broken all my hopes of getting to my retirement in a good condition. Who is going to consider hiring me? It’s forced retirement.

“I’m very disappointed. We have done a lot to try to keep our jobs, but GM decided there’s not enough we can offer them.

“GM is looking to save money. In the first world countries, we want decent wages, but the company doesn’t want to pay them. They’re going to third-world countries to pay terrible wages and terrible conditions. They exploit those workers. That’s key for them. They exploit people.

“The unions haven’t got any power. The businesses run their interests in one united body around the world.

But workers don’t think to act as one, united in all countries. That’s the problem. We must be united in whole continents and internationally.”

The assault on workers around the world is the basis for GM’s return to profitability. It has caused immense hardship in affected working class communities such as Elizabeth. Adelaide’s north has an official unemployment rate of over 14 percent and more than 40 percent among young people under 25—levels that will dramatically rise over the next four years.

Over the coming days, the WSW will publish interviews with residents of the area who are speaking out about the situation they already confront after years of job-cutting in the car industry and their concerns over the impact of Holden’s closure.



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