Australia: Former Labor minister to assist Holden shutdown

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To facilitate the "orderly closure" of GM Holden's Elizabeth plant and the sacking of its entire workforce, the South Australian state Labor government has appointed former federal Labor minister and union chief Greg Combet to oversee a so-called transition assistance package for displaced workers.

The "transition" package, as previous closure schemes have demonstrated, has nothing to do with assisting the 1,600 Holden workers to be retrenched over the next four years. Their real purpose is to dissipate anger over the shutdown and divert workers from the necessity for an independent struggle to defend their jobs.

Like the axing of South Australia's Mitsubishi plant that destroyed over 900 jobs in 2008, the vast majority of Holden workers will be unable to find alternate employment or will be forced to take jobs with far inferior pay and conditions.

Combet's appointment this month on a $160,000 annual salary has received bi-partisan support—testimony to the dirty operation that is underway. South Australian Labor Premier Jay Weatherill said that Combet had "the confidence of the Abbott [federal Liberal] government."

In addition, state Liberal Opposition leader Steven Marshall, who could form the next South Australian government following a state poll in March, declared: "If Combet is the best person in that position, I'm certainly not going to be playing politics if elected."

A brief examination of Combet's political record demonstrates that such "confidence" from the entire political establishment is not misplaced.

Combet climbed the ranks of the union bureaucracy to become Australian Council of Trade Unions (ACTU) assistant national secretary in 1996 and played a pivotal role in shutting down the 1998 national dock workers' strike. The dispute erupted after Patrick Stevedoring axed its entire workforce and replaced it with scab labour.

The sackings provoked widespread anger in the working class, resulting in sustained, and at times large, pickets of the company's terminals despite the attempts of ACTU and the Maritime Union of Australia (MUA) to contain the popular response.

The ACTU banned support industrial action by oil workers, miners and other key sections of the working class. It pushed the dispute into the courts, charging that the Howard Liberal government had unlawfully conspired with Patrick to sack all union members. The legal case was rapidly dropped and pickets demobilised, after the High Court ordered the reinstatement of the sacked workers and Patrick called in the MUA to negotiate a deal.

The agreement, which became a benchmark for the entire waterfront, delivered the company's demands. Almost half the 1,400-strong workforce was axed, core conditions were cut and massive speed-ups imposed.

After being elevated to ACTU national secretary, Combet was instrumental in 2001 in preventing Ansett Airlines workers defending their jobs. Up to 16,000 Ansett workers were sacked and $760 million in outstanding entitlements not paid following the airline's collapse.

The ACTU used its relationship with the sacked workers to have itself defined as a "creditor representative" and joined administrators in selling off the airline's assets, ensuring that all major business creditors were paid. Payments for the workers, however, were strung out over 10 years until 2011, causing considerable hardship.

In late 2004, the New South Wales state Labor government called on Combet and the ACTU to

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extricate James Hardie Industries (JHI) from a major crisis over its asbestosis compensation fund. The building company moved offshore in 2001 but falsely told investors that its compensation scheme for asbestosis sufferers was “fully funded.” The NSW Labor government attempted to tie a settlement to a statutory scheme that would impose caps on payments and restrict claimants’ legal rights.

While Labor’s proposal was rejected by asbestosis victims and their lawyers, the ACTU called off limited bans on JHI products. Combet brokered a new deal in which annual payments from JHI would be placed into a special-purpose asbestos fund that would be capped at 35 percent of the company’s free cash-flow.

“The ability of the Fund to meet the claims of claimants,” the agreement declared, “will depend on the success of James Hardie’s global business.” In other words, the needs of asbestosis sufferers were formally made subservient to company profits.

In 2006, in recognition of his assistance to the corporate elite and the political establishment, Combet was awarded the Order of Australia “for service to industrial relations and through advocacy of improved health and safety for workers.”

In his last act as ACTU secretary, Combet helped divert mass working-class opposition to the Howard government’s draconian WorkChoices industrial laws into a campaign to elect the Labor Party at the 2007 federal election. In return, he was parachuted into a safe Labor seat as part of the incoming Rudd Labor government and quickly elevated into key jobs and ministerial positions.

In September 2010, Combet became the minister for climate, an appointment hailed by the Murdoch-owned *Australian* newspaper as “a welcome return to economic pragmatism.” He vowed to bring “common sense” to the so-called climate-change debate, i.e., to ensure operations of the transnational giants continued unhindered. He later delivered a multi-billion compensation package for major corporations affected by Labor’s carbon tax.

In 2011, Combet added the portfolio of industry and innovation and oversaw the subsequent restructuring and closures of plants by major employers, including the shutdown of Automotive Components APV in Melbourne.

In June this year Combet and then Prime Minister Gillard were involved in discussions with representatives from the Victorian and South Australian governments, union officials and GMH, Ford and Toyota executives—to achieve wage cuts and other demands from auto companies to maintain production in Australia. Ford and Holden, however, rejected the measures in favour of outright shutdowns.

With Labor facing certain defeat in upcoming elections, Combet announced that he was quitting politics—his eyes set on more lucrative fields.

Along with his car industry appointment in South Australia, the former Labor and union bureaucrat has been recruited by federal Liberal Industry Minister Ian Macfarlane to redraft work practices and “boost productivity” at food producer SPC Ardmona. The Coca Cola-Amatil owned company this week announced that it was sacking 73 maintenance tradesmen and replacing them with contractors.

Under conditions where the corporate and financial elite is unleashing a cost-cutting onslaught against the working class there is no end of opportunities for figures like Combet who are prepared to do anything in the service of big business.

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