

Australia: Broadmeadows workers speak on car industry crisis

Our reporters
15 January 2014

World Socialist Web Site reporters recently spoke with workers and young people in the northern Melbourne suburb of Broadmeadows about the crisis of the global and Australian auto industry.

Broadmeadows was first developed in the 1950s as a public housing centre based around the Ford Motor Company assembly plant. In the three decades after World War II, the area housed an expanding number of manufacturing, clothing, food and electronics factories. Most of these have since been shut down, with waves of corporate restructuring enforced by the trade unions and successive state and federal governments, both Labor and Liberal. Official unemployment in the area is nearly 16 percent, with youth unemployment 53 percent. The devastated area now has Victoria's lowest median family income. Ford's planned shutdown in 2016 will see nearly 1,000 jobs destroyed in Broadmeadows, in addition to many more lost in various car component plants with supply contracts for Ford.

In the 1990s, Ford divested some aspects of its production operations to cut labour and other costs, and new component companies were set up within the Broadmeadows plant. **Ali** worked at two of these companies, Ventura and Futuris, as a machine operator. He was among hundreds who lost their jobs at Ventura in 2008, afterwards he worked for Futuris for a year before being sacked again and has been unemployed for four years.

"I've lived in Broadmeadows for 15 years, I'm originally from Turkey, I came here in 1989," he explained. "My wife and I have a mortgage of \$1,600 a month, including gas and electricity bills—things cost too much. We've almost spent all our savings. We've also spent our redundancy money. We're trying to find cheaper living... My children are 13, 17, 18 and 22. One

is joining the military, the others are studying, which all costs money. I don't know what's going to happen, you can't see tomorrow anymore."

Ali added: "We had the Labor Party, they didn't do anything. I don't know who they're working for." After a WSWS reporter said "they work for the rich," he replied, "I think so too."

Josh 17, spoke with the WSWS outside Centrelink, the welfare office in the area. Josh and his father had recently arrived from New Zealand in search of work. "I'm starting a job here in two weeks," he said. "I'll be working at a clothing factory in Craigieburn. In New Zealand I just did supermarket work, part-time packing. I have a few friends who have come to Australia but they can only find work in part-time positions. Food restaurants, that's all they can get at the moment."

Josh's father **Kerry** added that he had been forced to move between Australia to New Zealand in search of work: "This is the third time I've shifted," he explained. "I've had to move back and forward every five years. I started out doing an apprenticeship here in the clothing industry and after I finished my time, the jobs were all gone. It's getting worse."

Following announcements by Ford and General Motors Holden that they will soon shut down production in Australia, Toyota will be the last remaining car producer in the country after 2016. However, company executives are demanding sweeping cuts to wages and workplace protections as a condition for maintaining production at its assembly plant in Melbourne's western suburb of Altona.

A **Toyota worker** who lives in Broadmeadows, but did not want to be identified fearing company reprisals, spoke with the WSWS. Expressing anger over the company's demands, he said: "If you get rid of all these workers, how are people going to afford to buy

cars if they've got no jobs? How is the manufacturing industry going to survive? It's really frustrating. If I'm out of a job in the next couple of months, how am I meant to look for a job with 50,000 other people looking for work?

"You can't afford a car with no job. The bank's going to take away a lot of people's homes, because they can't make repayments. What happens then? You've got people who send their kids to school, but who can't afford their school fees. Where does it stop? People can't afford to live, the minimum home loan now is for half a million dollars, and repayment plans on \$2,500 a month. What you will have to do is pay your home loan, pay your bills, put food on your table, pay for your registration, water bills and electricity bills, which are all going up. I don't know how people will do it."

He continued: "I had my poor brother leave here and move to Adelaide for a job—he's only 25 years old and he can't find a job. GM is gone in Adelaide. Don't think for one minute that Toyota and Holden and Ford don't have their little business lunches together, don't think for one minute they didn't know that Ford would close down, don't think for one minute that they didn't know that Holden would close down... It's impossible to cut costs by the \$3,800 per car that they're demanding. I'm telling you, it is absolutely impossible. It's not just in manufacturing, it's in supplies, in engineering, in the staff. You've got the big honchos on \$300,000 or \$400,000 a year."

The worker spoke about the current attack on wages and conditions in the plant. "The big boss came down before Christmas, telling us that we need to do this and this. And if we don't do it, we'll have to close. What they're trying to do is put it back on us. If you don't save, take a pay cut, the future is in your hands... They want 27 different cuts. One is they want to be able to terminate someone if they get to work late. Once you're out the door, if you were on \$35 an hour, then they'll say goodbye and hire someone on a contract for \$19 an hour. On contract there's no long service leave, and they can sack you whenever they want."

Another worker spoke about relatives hit by the Holden closure in Elizabeth, South Australia. **Alan** is a carpenter working in the construction industry. "I don't know what my brother-in-law will do in South Australia," he said. "He lives in Elizabeth. He's not in

the car industry, he's self-employed, but the GM closure will impact on everyone... In the building industry, the conditions we won [are under threat]. The companies didn't give them to us, we had to fight for them. I've been out on strike for them. In the car industry, cutting wages, that's not on. We can't go backwards."

Adam is a council worker: "I think the impact of the closure of the car industry will be huge for Victoria and Australia wide. It's a reality that manufacture is dying. Like Ford, it's not about you, it's their bottom line. So if it is not profitable in their eyes, they just shut it down. The collateral damage is the workers. They don't look at Ford Broadmeadows, they just look at Ford globally."

Jimmy is a disability pensioner: "I reckon what is being done is wrong—it's not the workers' fault the cars are not selling. We should run everything for the workers and not for the companies. The managers of Holden and Ford should be made to drop their wages—they're not on normal wages. The workers get nothing and the bosses get their pay rise for sacking them. Instead of sacking the workers, sack the managers."

Samim has just finished his degree in transport logistics, after working at night through school and university. His family is from Afghanistan. "I had to work because my parents work minimum wage and they couldn't afford to support me," he said. "So since I was 13, I worked nights and studied in the day. I worked as a waiter, getting \$15 an hour. I'm still doing it now. But I'm looking for a proper career. Right now it's a very slim chance to get some work, but I'm trying hard to do my best."

"I think the government are two faced liars. They talk about how we're short of money for this and that, I don't believe them. All this money that goes toward the government, they drive around in \$300,000 cars and live in mansions, and then they say they don't have any money."



To contact the WSWs and the Socialist Equality Party visit:

wsws.org/contact