

# Toyota Australia details restructuring plans after 2017 shutdown

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In a statement released on Wednesday, Toyota Australia outlined how it intends to restructure its operations after it ends car production in the country in 2017. Last February, Toyota became the third and final car manufacturer to announce that it would shut down within the next three years, following statements by GM Holden and Ford.

In addition to the already known destruction of 2,500 jobs at the company's Altona assembly plant in Melbourne, Wednesday's announcement signaled that at least 100 sales and office jobs will be axed by 2018, as the company shuts its Sydney office and consolidates its head office at Altona. Another 350 staff in Sydney face the choice of either moving to Melbourne or losing their job. In addition, the Altona assembly plant will be converted into a "training" and "product development" facility.

The trade unions immediately made clear that they accepted the job destruction. David Smith, national secretary of the Australian Manufacturing Workers Union (AMWU) vehicle division, said there had been "speculation" that Toyota would retain some manufacturing jobs, "but now confirming it will all go is a great disappointment to us."

Notwithstanding their feigned concern, the AMWU and other trade unions have been the key accomplices of the companies, along with state and federal governments, in organising the shutdown of the auto industry and suppressing any opposition from car workers. The entire political establishment is utterly indifferent to the devastating impact that the destruction of the car industry will have on the livelihoods of hundreds of thousands of working people and working-class communities.

The unions' role is the culmination of more than three decades in which they have worked hand in hand

with the companies and the government of the day—Liberal and Labor—to impose cost-cutting, speedups and sackings on auto workers. The AMWU sits on tripartite bodies along with the car companies and the government, which deliberate on how to impose the automakers' ruthless cost-cutting agenda on the workforce.

At least 1,600 car jobs are slated for destruction by the shutdown of GM Holden's Elizabeth plant in Adelaide, South Australia, and another 1,100 at Ford's Broadmeadows plant in Melbourne. In an attempt to placate opposition, the unions and the federal Coalition government, as well as the previous Labor government, have promoted sham "transition" and "training" schemes, supposedly aimed at providing a "pathway" for laid-off workers into new employment. In reality, workers will confront conditions of global economic slump and stagnation and a deepening crisis of Australian capitalism, in manufacturing in particular. Many will never get jobs again.

A study conducted into the fate of ex-Mitsubishi workers, who were laid off during the automaker's Australian shutdown in 2008, found that more than two years later, only one third had found gainful employment. Another third had given up looking for work, while the rest were unemployed or underemployed. Seventy percent of those workers classified as "less skilled" reported receiving lower incomes.

The impact of the shutdown of the auto industry will reach far beyond car workers. An estimated 200,000 jobs which depend on the industry, both directly and indirectly, are predicted to be destroyed. Up to 150 car component manufacturers will likely slash jobs or shut down production. Denso, which manufactures cooling systems, air conditioning and intake systems for

Toyota, announced in September that it was ending local production and axing over 90 percent of the 390 jobs at its Croydon facility in Melbourne.

Entire working-class suburbs such as Broadmeadows, in Melbourne, and Elizabeth, in Adelaide, expanded after World War II around the car plants. These communities have already been devastated by decades of layoffs. The official unemployment rate in Broadmeadows is 26.4 percent.

The total closure of the car industry will leave these regions in a state of social collapse resembling the American city of Detroit. A business study completed in September by a South Australian academic, involving interviews with more than 450 businesses in northern Adelaide, found that a third were at risk of shutting down as a result of the closure of GM Holden.

The planned shutdown of the car industry is only the sharpest point of an assault on jobs, wages and conditions across manufacturing. Both are being driven by international, rather than national, processes.

In the wake of the 2008 global financial breakdown, the global auto giants have engaged in a ruthless assault on jobs and conditions in a bid to outdo their rivals in competition for markets and profits. The benchmark was set by the savage cost-cutting imposed on US autoworkers, with the assistance of the Obama administration and the American trade unions. New hires in US plants are now paid less than \$15 per hour. The assault has been extended to Europe, Asia and Australia. Toyota workers in Thailand earn the minimum wage, approximately \$10 a day. Under these conditions, the automakers concluded that their Australian operations are “uncompetitive” and surplus to requirements.

The struggle against the shutdown of the auto industry immediately poses the need for a new political perspective and strategy for car workers. First of all, a rebellion is needed against the trade unions, which in every country have worked with the global carmakers to impose cost-cutting, pitting workers against one another in a global race to the bottom in the name of “international competitiveness.” New, genuinely democratic forms of organisation, including independent rank-and-file committees, must be established to turn out to other car and car components workers, and workers across manufacturing, to take up a struggle against the endless assault on jobs and

conditions.

Second, the globally-organised character of the car industry poses directly the need for workers to adopt their own international strategy, through the linking up of workers across national borders in a common struggle based on a socialist program.

Under the irrational profit system, the globalised economy, which enormously boosted mankind’s productive capacity, has not led to rising living standards for the world’s producers—the working class. Instead, the exact opposite is the case. The fight to defend jobs and conditions requires a socialist perspective to expropriate the global auto giants, as part of a political struggle for workers’ governments to reorganise society on the basis of social need, rather than profit.



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