

# Oppose the destruction of the car industry in Australia! Launch a struggle in defence of jobs!

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As American auto workers begin to fight back against decades of cost-cutting contracts imposed on them by the companies and the United Auto Workers (UAW) union, tens of thousands of Australian workers employed in car manufacturing and related industries face mass unemployment and the loss of their livelihoods at the hands of transnational auto conglomerates. With Ford, General Motors Holden (GMH) and Toyota all intending to end production throughout the country and shut down their plants, workers are under immense pressure to accept the destruction of their jobs as a *fait accompli*.

Among car workers, there is unquestionable anger and frustration. What dominates, however, is resignation. These multi-billion dollar corporations, and their supporters in the Turnbull government, the Labor opposition and the mass media are incessantly telling the workers that there is no alternative to the closures. The trade unions, however, play the most insidious role, having already forced through tens of thousands of job cuts in the car industry, steel, mining and across all sections of manufacturing industry.

Ford announced in May 2013 that it would cease production, followed by GMH in December of that year. Toyota, the largest manufacturer in Australia, made its announcement in February 2014.

The trade unions immediately fell into line, accepting not only the closures but the justifications advanced by the three companies. The Australian Council of Trade Unions (ACTU), the state union councils and the Australian Manufacturing Workers Union (AMWU), which directly covers car workers, effectively parroted the management line that wages and conditions in Australia make production “uncompetitive” and “unprofitable” compared with operations in Asia and the United States.

The AMWU is serving as the industrial police force for an “orderly closure” of the car plants. Ford’s manufacturing workforce has been slashed to barely 850, all of whom are set to lose their jobs in October 2016 if Ford gets its way and mothballs its assembly line in Broadmeadows, Melbourne and its engine plant in the regional city of Geelong. GMH intends to shut its Melbourne engine plant in 2016, destroying 230 jobs, and eliminate the last 1,250 positions at its plant in Elizabeth, north of Adelaide, by the end of 2017. Toyota hopes to shut down its assembly line in Altona, Melbourne at the same time, destroying

the 2,500 remaining manufacturing jobs at the facility.

Just as they have acted in the interests of countless other employers over the past several decades, the unions have opposed any struggle to defend the jobs immediately at stake or those of the next generations. Instead, since the announcements, they have worked to suppress any expression of opposition and encouraged car workers to believe the lies they have been told: that the government and the companies will “look after” them, that they will receive “generous” redundancy pay-outs and that government-sponsored “retraining” programs will prepare them for new jobs, which will somehow miraculously materialise.

The experience of those car workers who have already been made redundant points to a very different scenario. Most have been unable to find new full-time jobs with comparable wages, and have instead been forced into lower-paid, often casual work, into desperate attempts to set up their own small businesses, or into financially insecure retirement.

Australian car workers face the same essential problems as their American brothers and sisters, who confront corporate demands for poverty wages—including a savage “two-tier” wage system which massively penalises new and younger workers—cuts to health care and the likelihood of sweeping job losses and plant closures. If car workers everywhere do not reject the government- and union-backed agenda of the companies, they will be returned to the conditions of the 1930s.

Industry specialists estimate that the shutdown of the entire Australian industry will lead to the loss of up to 150,000 flow-on jobs throughout the economy. This includes the 44,000 workers who, in 2013, were employed by parts manufacturers and other suppliers. By the end of 2017, many will have lost their jobs, and those who remain face their wages and working conditions being slashed. Thousands already have. Under the union-backed “restructuring” of these companies, aimed at ending their reliance on local car production, closures, sackings and productivity drives to cut costs and achieve greater “international competitiveness” are already underway.

Those areas suffering the most are the sprawling working class suburbs of Melbourne, Geelong, northern Adelaide and western Sydney. Youth unemployment in these locations is already at Depression-levels, ranging from 20 to 40 percent. The car industry closure will drive it far higher, leaving whole families without

work.

At the same time, under the impact of the deepening global economic turmoil, Australia is descending into economic slump and financial crisis. Corporations in numerous industries, including mining, steel, food processing, telecommunications, transport and the waterfront, are shedding jobs and seeking to cut wages to shore up profitability and satisfy the demands of the banks and other investment funds for shareholder returns. Federal and state governments alike are seeking to slash spending on education, health care, unemployment benefits, disability pensions, single parent and aged pensions and other welfare support. Just as in Greece, these austerity policies will mean thousands more public sector job losses and devastating poverty for pensioners and those without jobs.

Car workers must refuse to accept such a future. In considering how to fight the combined corporate-government-union conspiracy that has been mounted against them, it is critical that workers draw lessons from the experiences already made by their American counterparts in taking the initial, courageous step of rejecting, for the first time in 33 years, a company-union contract. Of particular importance has been the political guidance provided to the Fiat-Chrysler workers by the *Autoworker Newsletter*, produced by the WSWs and the Socialist Equality Party in the US.

In that struggle, the *Autoworker Newsletter* has insisted that there is *an alternative* to the demand of the corporations that workers pay for the global crisis of the capitalist profit system. The closure of the car plants in Australia is not inevitable. It can be fought, but only on the basis of a new political perspective and new forms of organisation, entirely independent of the trade unions.

Workers need to understand that the unions, including the AMWU, are no longer, in any sense of the term, workers organisations. Over the past three decades they have been transformed into nothing but a police force for the government and the corporations to suppress all resistance in the working class. From the ACTU down, they have become businesses in their own right, staffed by highly paid, pro-capitalist union bureaucrats who manage multi-billion dollar superannuation funds as well as other assets. As such they have vested interests in eliminating “unprofitable” sectors of industry and driving up the exploitation of workers in those sectors that remain. The aim of the unions is not to defend workers’ conditions, but to make Australian capitalism “internationally competitive” and “attractive” to investors. That means sustaining corporate profits at the direct expense of the jobs, wages and working conditions of the workers who produce all commodities, including cars.

A struggle to defy the closures and defend jobs cannot be conducted under the unions or through appeals to the Turnbull government or the Labor Party. It can only be developed through the independent initiative and collective struggle of the working class itself. That requires the building of independent rank-and-file committees in every plant, democratically elected and led by the most militant and courageous workers, who will fight to unify with car workers in the different car plants and parts factories around the country in a joint campaign to prevent the closures. These committees will need to turn out to the broadest sections of the working class, and give a powerful impetus to struggles by other

workers—miners, steelworkers, teachers, public servants and workers in other industries, as well as students and unemployed youth—in defence of their social rights.

The most essential allies of car workers in Australia are autoworkers around the world. The ability of the transnational companies to demand that workers in one plant or country accept lower wages and conditions, in order to be “competitive” against their co-workers in another, thus pitting them against each other in a never-ending race to the bottom, can only be combatted through the fight to unify the working class of every country on the basis of a socialist and internationalist perspective.

Such ties can only be forged through independent rank-and-file committees. The internet provides the means for instantaneous and constant communication, creating the conditions for car workers in Australia, the United States, Asia, Europe and elsewhere to support each other’s struggles against their common exploitation by the same transnational car corporations.

From the outset, a struggle against the plant closures will be a political one. The Turnbull Liberal-National Australian government, the Labor Party, the Greens, and their pro-union pseudo-left supporters in organisations such as Socialist Alternative and Socialist Alliance will do everything they can to block such a development.

Only through the struggle for a workers’ government based on socialist policies, which will place the car industry and the other major corporations and banks under public ownership and the democratic control of the working class, can the ongoing downward spiral of the profit system into mass unemployment, the impoverishment of further millions and the ever-increasing threat of another world war be overcome.

The SEP in Australia urges car industry workers to reject the government-corporate-union claims that “nothing can be done,” and contact us to discuss the development of a unified industrial and political struggle against the closures.



To contact the WSWs and the Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**