Ford Australia's closure demonstrates need for a global auto workers' strategy

The Socialist Equality Party (Australia)
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This Friday, with the indispensable assistance of the trade unions, Ford will close its two remaining auto plants in Australia, at Broadmeadows and Geelong in Victoria, ending production in the country after 91 years.

To the very end, Ford is seeking to extract every ounce of profit from its workforce. Production will continue up to the last day, when the remaining 487 workers in Broadmeadows and 327 in Geelong will be sacked.

This will be one of the final nails in the coffin of an entire industry, at the hands of the transnational auto companies and the banks and billionaires that increasingly control them.

General Motors (GM) and Toyota plan to follow suit next year, shutting down their plants in Adelaide and Melbourne. That would finish off the country's auto assembly and related parts industry, resulting in an estimated loss of up to 150,000 jobs nationally.

These closures have not been inevitable. They are part of an ongoing, ruthless restructuring of the global auto industry, enforced by governments and unions, for the benefit of a tiny financial and corporate elite, with devastating consequences for workers internationally.

To add insult to injury, Ford is holding a "send-off" inside the Broadmeadows plant when the last car comes off the production line tomorrow. "For us, it's about putting our people first," Ford Australia boss, Graeme Whickman told the media. "We are going to treat our staff with dignity and respect and that means we will be holding private events with them to recognise and honour their work over so many years."

What a sham! The car giants are treating their employees as disposable commodities, as they always have. Theirs is a global strategy: to utilise their ability to shift production to exploit ever-cheaper labour, playing workers in one country off against their brothers and sisters in others, thereby lowering wages and destroying the conditions of workers everywhere.

Recent revelations confirm that Ford has planned this closure for years. Twice, in 2005 and 2009, the company rejected subsidies worth millions of dollars offered by governments, both Labor and Liberal-National, to build US police cars in Australia. As far as Ford was concerned, those subsidies would have cut across its closure plans. Nevertheless, the shutdowns of Ford, GM and Toyota are taking place despite the fact that together, the three companies have happily accepted about $7 billion in government handouts since 2001.

Far from being treated with "dignity and respect," Ford workers this week told reporters that up to half their colleagues are yet to find work. So much for the claims of a $20 million program of "careers advisers" and "job fairs" touted by Ford, the unions and the Victorian state Labor government! These have simply been a means of stifling opposition before the final shutdown.

In May 2013, when Ford first announced the closure, more than 1,200 workers were employed across both sites. Since then, hundreds have been made redundant.

Previous car plant closures have left one-third of the workers jobless, one-third in part-time jobs and one-third in alternative full-time jobs, invariably on lower pay and conditions. Today, with more than 720,000 workers officially unemployed nationally, and high levels of unemployment plaguing working class areas like Broadmeadows and Geelong, the impact of this closure will be even more damaging.

The company has heavily relied upon the unions, and their role as corporate policemen, to carry through the redundancies and the final closure of the company's Australian operations. Ever since Ford's announcement, the Australian Manufacturing Workers Union (AMWU) has insisted that workers have no choice but to accept the company's decision as a fait accompli.

This week, AMWU official John Herbertson summed up the union's cynical attitude regarding its role in

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suppressing resistance to the closure among its members. “We’ve done the best we can to prepare them for future employment,” he told the media.

Earlier this year, AMWU national secretary (vehicle division) Dave Smith spoke contemptuously of the social cost being exacted in northern Adelaide, another area of mass unemployment. There, also on Friday, GM will cease production of its Cruze model, eliminating 320 jobs. The other 1,000 workers at the Elizabeth plant will be sacked next year, together with 200 workers at the Port Melbourne engine plant. “Honestly, I wouldn’t like to be in the northern suburbs of Adelaide,” Smith told journalists.

Like their counterparts internationally, the unions in Australia have blocked any struggle by workers against the auto conglomerates. Time after time they have insisted that workers have no alternative but to sacrifice their jobs and conditions to help “their” national-based employers become “globally competitive” and “attractive” to investors.

Youth unemployment in working class areas around Adelaide and Melbourne is already at Depression-levels, ranging from 20 to 40 percent. The car industry closure will drive it far higher, leaving young workers without a future and whole families without work.

Following the 2008 global financial meltdown, Ford, GM and Chrysler, with the support of the United Auto Workers (UAW) and the Obama administration, closed plants across the United States, sacked thousands of workers, slashed retiree pensions and imposed a two-tier wages system, with new employees being paid barely $15 an hour. This onslaught against autoworkers was extended worldwide, with Ford and GM carrying out plant closures in Europe.

Around the world, autoworkers have engaged in bitter struggles against the companies’ assault, including in China, South Africa, India, Europe, South Korea and the US. Last year, American workers rebelled against the UAW’s attempt to push through a sellout contract with Fiat-Chrysler. Rank-and-file workers used social media to organise opposition and circulated the *World Socialist Web Site Autoworker Newsletter*, which became the voice of workers who opposed to the contract deal. The UAW, on behalf of the auto companies, was only able to obtain ratification of the contract through the use of lies, intimidation and fraud.

The unions are no longer, in any sense of the term, workers’ organisations. Under the impact of the globalisation of production, their perspective of seeking concessions within the framework of nationally-protected industries has collapsed, transforming them into industrial police forces, pitting workers against each other, country-by-country, in a never-ending drive to boost the profit rates and share prices of “their” companies.

The working class in Australia and around the world must take stock of the situation. The global strategies of transnational finance and corporations can be defeated, but only by a global political strategy that corresponds to the interests of workers internationally.

The defence of jobs, working conditions and democratic rights cannot be conducted through the unions or through appeals to national governments, whether National-Liberal or Labor. It can only be developed through the political initiative and collective struggle of the working class itself. New, democratic organisations of struggle must be built, including rank-and-file committees that are completely independent of the unions and the capitalist parties, and that will turn to other sections of workers in Australia and around the world who face similar attacks.

The auto giants—along with the other large corporations and banks—must be placed under public ownership and the democratic control of the working class. The guiding principle of economic life must be to meet the interests and needs of the vast majority, not to boost the balance sheets of the wealthy bankers and speculators.

The essential prerequisite for such a struggle is the building of a new revolutionary leadership in the working class to advance an internationalist and socialist program. The Socialist Equality Party 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 Ford, GM and Toyota closures.

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