

# Toyota ends car production in Australia

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On Tuesday, Toyota wound up production at its plant in Altona, a working-class suburb in southwest Melbourne. The closure marks the end of the company's 54-year Australian manufacturing operation. The shutdown left 2,700 workers unemployed, and threatens tens of thousands more jobs in the car components industry.

The Australian Manufacturing Workers Union (AMWU), which covers car workers, previously oversaw the shutdown of Ford's production in Melbourne and Geelong in October last year, eliminating the 600 remaining jobs. Once Holden closes its operation in South Australia, in less than three weeks, a further 944 workers will be left unemployed, and car production will cease in Australia.

A University of Adelaide study in 2014 predicted this would result in the destruction of some 200,000 jobs across the country.

The string of shutdowns is an indictment of successive Labor governments, at the state and federal level, and the trade unions. Having imposed round after round of sackings, speed-ups and cuts to conditions, the unions, functioning as an industrial police force of the car corporations, have done everything they can to ensure "orderly closures."

On Tuesday, Toyota held a private "event" for its sacked employees. Speaking via video link, the company's global manager Akio Toyoda expressed his "sincere appreciation again to you, our dedicated employees." Different Toyota models were driven around the plant. As always, a large private security force was on hand to keep workers in check.

These cynical exercises, promoted by the unions, have become the norm for the car giants. Ford raffled off several cars as part of its final "celebration." Holden is planning a "street party."

The reality is that after extracting vast profits from their employees, Ford, Toyota and Holden, have

decided their Australian operations are not providing a sufficient return for their ultra-wealthy shareholders. They have thus ended manufacturing, wreaking social havoc on devastated working-class communities.

This is part of a global restructuring by the major car producers, aimed at taking advantage of poverty-level wages and economies of scale in Asian manufacturing hubs. Workers in every part of the world, from Asia and the US and Europe, are paying the price.

Toyota has been engaged in a continuous overhaul of its operations over the past decade, which has included plant closures in the United States and elsewhere, and the stepped-up exploitation of its Japanese workforce. As a result, the second largest car company in the world registered a 2016-2017 operational profit of \$US16.28 billion.

The unions, taking their nationalist and pro-capitalist program to its logical conclusion, support this global race to the bottom, helping companies pit workers against each other along national lines. The AMWU, working with Toyota and the major companies, drove down wages and conditions over the past 20 years, seeking to ensure Australian car manufacturing was "internationally competitive."

At the Altona Toyota plant, the union enforced enterprise agreements in 2008 and 2011 that included real wage cuts and shorter working hours. In 2011, the union enforced 350 sackings and collaborated in the expansion of casualised and temporary labour. The union supported a series of massive subsidies to the car companies, by the former federal Labor government, which came with the proviso of a stepped-up assault on jobs, wages and conditions.

In 2014, the union insisted workers had to accept Toyota's closure announcement, and suppressed any resistance. Since then, the AMWU has assisted Toyota with a highly planned transition of its Australian operations away from manufacturing to sales and

distribution.

At the same time, the union helped the company squeeze as much profit as possible out of its workforce. Until Tuesday, Toyota continued day and night shifts, making certain the production goal of 61,000 vehicles for the year was attained.

AMWU National Vehicle Division secretary Dave Smith bragged of the union's role on Monday, declaring: "This is the best performing Toyota plant in the world, for efficiency, for quality, right to the end."

Toyota, with the backing of the AMWU, established a paltry \$32 million fund to provide "re-training programs" for workers. The federal Liberal-National government and the Labor Party opposition issued statements promoting such programs.

Similar hollow declarations were made after Ford closed. Both the company and the government asserted they had spent millions on retraining workers. But only around half of those workers have found new jobs over the past year. Many are working casually on far lower conditions and pay.

Research conducted in 2008, after the closure of Mitsubishi in Adelaide, showed that just one-third of workers gained permanent work six months after the closure. The rest were either unemployed, under-employed or forced into retirement.

This is part of a broader corporate offensive against jobs, wages and conditions, following the collapse of the mining boom, amid a deepening crisis of Australian capitalism. Massive job cuts have been imposed in the energy sector, telecommunications, and virtually every other industry.

A Roy Morgan survey in August found that more than 10 percent of the national workforce, more than 1.2 million people, were out of work. In the working-class suburb of Elizabeth, in Adelaide, where Holden is closing its plant, unemployment has been estimated at 33 percent.

In other words, car workers are being thrown onto the scrapheap, deepening an unprecedented social crisis.

**Ronnie**, a 60-year-old worker with 23 years' experience at the Altona plant, spoke to WSWS reporters on the day of the closure. "I am really worried about the young ones at the factory," he said. "They all have mortgages that they have to pay. I'm not sure how they are going to do it. Toyota aren't happy with the amount of their profits they are making so they are

closing, even though there has been cost cutting, which has made things harder and harder for us."

Ronnie commented: "The union always works with the company. When I first started working, I paid \$8 dues to the union. Now we pay double that." Pointing to the corporatised character of the unions, he noted: "They will be unhappy when GM closes in South Australia, because they will receive less union dues."

The role of the unions underscores that jobs and conditions can be defended only through a rebellion against these pro-business organisations.

The closure of the car industry demonstrates that workers in every sector of the economy must develop independent organisations of struggle, including rank-and-file committees, to prosecute a struggle against the corporate elite's offensive. These would be tasked with breaking the isolation imposed by the unions, unifying workers across the country and internationally, and developing coordinated industrial and political action.

Above all, what is required is a socialist perspective, aimed at establishing a workers' government, which would place the banks and major corporations under public ownership and democratic control. This is the only means of opposing the continuous destruction of jobs, and the reduction of workers to conditions not seen since the 1930s.



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