

Labor and unions allow Norco to sack its workers in flood-torn Australian city

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On September 23, dairy company Norco, one of the largest employers in the flood-devastated regional Australian city of Lismore, dismissed more than 150 casual and permanent workers—nearly all the remaining workforce at its ice cream plant. That was on top of laying off 70 workers in July.

The federal Labor government effectively permitted the management to deliver another mean blow to the working-class residents of the city of 46,000 and the surrounding Northern Rivers region of New South Wales (NSW).

Prime Minister Anthony Albanese's government gave Norco an extension until this week to accept \$35 million in an "Anchor Business Support Grant," without even requiring the company to guarantee that it will re-employ the workers if it reopens the factory.

The government also allowed the company to take a further \$11 million from a "Regional Growth Fund," in addition to the \$8 million it has already received for wage subsidies since February. Despite these handouts, management is speaking of only employing those workers that it wants after possibly constructing a revamped ice cream plant.

Federal Emergency Management Minister Murray Watt told the Australian Broadcasting Corporation (ABC): "The Albanese government understands the important role that Norco plays in Lismore, both in providing employment and identity for the local region."

Yet there is no requirement for Norco to retain workers in return for the cash. Watt previously said the only condition under the grant program is that companies remain "a very large presence" in the Northern Rivers. That vague language means employers can and will use the disaster to restructure at the expense of workers' jobs and conditions, as well as taxpayers' money.

Norco said it would retain just 16 maintenance staff at the factory, pending a company decision on its future. The axing of the other jobs has been ratified by the Fair Work

Commission, the federal industrial court established by the previous Labor government in 2009.

To add to the outrage, at least 40 of the sacked workers are among the thousands of people who lost their homes in the floods. Many residents remain homeless or in sub-standard temporary housing more than seven months after the first of the two disastrous floods that engulfed low-lying areas in February.

In sync with Labor's pro-business stand, the three trade unions covering the workers refused to issue any call for workers, at Norco, across the region and nationally, to oppose the sackings.

Instead, the Australian Manufacturing Workers Union (AMWU), the Australasian Meat Industry Employees Union (AMIEU) and the Electrical Trades Union held talks with management. As a means of defusing workers' disgust, the unions pleaded for voluntary redundancy packages, with workers to be given an option to return to work at the facility if it is rebuilt.

Union officials fed illusions to workers that Norco would reopen the factory and restore their jobs. "Definitely there is (sic) little indicators in our conversations that they are moving towards an operation back at this site," AMIEU branch secretary Justin Smith told the ABC.

But Norco has refused to make any commitments. A company spokesperson said Norco wanted to see a future for the ice cream facility. "However, in the event that the factory is not rebuilt, the co-operative will certainly fulfil all of its necessary workforce obligations."

That only covers payments of legal entitlements, such as accrued leave, to retrenched workers.

AMWU state secretary Cory Wright indicated the unions' readiness to accept permanent job losses. He told *The Echo*, a regional newspaper: "The combined unions are committed to helping impacted workers access employment opportunities elsewhere if they can't work at

Norco. No one should be left worse off by this process.”

In reality, Norco workers and the entire Northern Rivers working-class community are being left much worse off, losing hundreds of jobs, as well as homes.

While constituted as a dairy farmers’ cooperative, Norco operates like any other large firm, that is, it is driven by the generation of private profit and wealth accumulation. Norco made a record operating net profit of \$12.7 million in 2020–21, derived from a heavily casualised workforce of 554 full-time, 56 part-time and 231 casual employees.

In addition to facilities in Lismore, Norco has two milk bottling factories, at Raleigh, near Coffs Harbour, New South Wales and Labrador on the Gold Coast of Queensland. However, the unions have proposed no united fight against the retrenchments.

Meanwhile, thousands of Lismore and other Northern Rivers residents are still awaiting news of potential government buy-backs of their flooded and flood-prone homes. Such buy-backs were finally recommended by a NSW state government inquiry in August, but the Liberal-National government provided no details.

NSW Premier Dominic Perrottet said there would be a “targeted” deal for flood-affected areas, with expressions of interest to open by the end of the month. This would include raising homes, moving houses and buying back properties at pre-flood values, he said, but he set no date for when the deals would begin.

In fact, Perrottet said the criteria for qualifying for the scheme would not be announced until “the end of the year”—10 months after the disaster. Reportedly, the state government is now waiting for the federal Labor government to match its funding.

Anger and frustration are boiling over. More than 8,000 people have signed an online petition demanding that the state government provide information about buybacks, land swaps, house raising and resilient rebuilding schemes.

“There have been two inquiries yet still no concrete action from the government,” the petition states. “Thousands of displaced residents are now couch surfing or living in vans and tents after their house was destroyed.

“We have been through enough. We are traumatised. We need certainty about our future and we need it now. We are sick of the spin. We are sick and tired of being put on hold on the phone, uploading documents online over and over again. We are sick of one agency pointing the finger at other agencies, we are sick of the delays in processing grants, in getting reports for repairs, and

getting repairs.”

Adding to the anxiety and discontent, floods are expected to hit again this summer with another La Nina season of heavy rains coming. Climate change is increasing the frequency of such extreme weather events.

These developments underscore the indifference of the ruling class and its governments, both Labor and Liberal-National, to the health, lives and livelihoods of ordinary working people.

As the Socialist Equality Party warned in March, every aspect of the disaster has been subjected to the dictates of capitalist profit—from the lack of preparation and warnings to people, to the gross failures of basic emergency services and infrastructure, and the lack of assistance provided to the thousands of flood victims.

To defend their basic rights, the Norco workers and their supporters throughout the community have to take matters out of the hands of the governments and the unions. They need to form a rank-and-file workplace committee, totally independent of the unions.

Through such an organisation, they can reach out to all the flood-devastated communities and workers everywhere, including the Norco workers at Raleigh and Labrador, for a unified fight against the sackings and the denial of adequate flood support to residents. This would win widespread support.

That struggle would inevitably raise the necessity for Norco and other corporate giants to be placed under public ownership and workers’ control, and for a broader fight for a socialist program and a workers’ government to completely reorganise society on the basis of social and human need, not private profit.

We encourage Norco workers and Northern Rivers residents to contact us to discuss this perspective and the establishment of an independent rank-and-file committee.



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Socialist Equality Party visit:

wsws.org/contact