

Ford Australia to axe 400 more jobs as part of global cost-cutting strategy

Paul Bartizan, Martin Scott
25 June 2023

Ford announced last week that it plans to slash 400 jobs in Australia over the coming months. Most of these jobs will be eliminated from the company's Research and Development Centre in Victoria's second biggest city, Geelong, where thousands of manufacturing jobs have been destroyed over the past two decades.

This announcement, on top of 500 job cuts at Geelong and Broadmeadows over the past year, means Ford has slashed close to half of the small product design and development workforce it maintained after shuttering its Australian factories in 2016.

These will deepen the devastation in working-class Geelong, which was heavily impacted by the destruction of the car industry and manufacturing more broadly.

Ford began producing cars in Australia in 1925, creating tens of thousands of jobs for workers, many of them migrants from Europe in the post-World War II period. The Geelong suburbs of Norlane and Corio were built to house factory workers.

Along with the Ford plant, Geelong has lost many other jobs. Historically, Geelong was home to Cresco fertilisers, Pilkington glass, Godfrey Hirst carpets, International Harvester, a manufacturer of agricultural machinery, the Shell Oil refinery and the Alcoa aluminium smelter. In the mid-1950s, 46 percent of Geelong workers were employed in manufacturing. Today the sector only employs 8 percent.

These cuts are being imposed despite Ford Australia increasing sales by nearly 30 percent over the past year to over 30,000 vehicles, including 21,000 new model Ranger utilities. Ford says it will continue to develop the Ranger, as well as the Everest SUV, in Australia.

The Australian Manufacturing Workers Union (AMWU) is working closely with the company to

block any opposition by workers to the cuts. State Secretary Tony Mavromatis said, "how to get some training for them and prepare them for the jobs of the future is what we want to consult with Ford about."

This is the same role that the AMWU played as the enforcers of the "orderly closure" of the entire Australian car manufacturing industry, starting with Mitsubishi in 2008 and culminating with Toyota and General Motors in 2017. Including the flow-on job losses throughout the supply chain, some 150,000 workers were thrown on the scrapheap.

This was the end result of a process set in motion by the Hawke Labor government's 1984 "Button car plan." This was aimed at restructuring the nationally regulated car industry in order to integrate it into the increasingly globalised production networks of the auto manufacturers.

The AMWU, in line with all the other unions, told workers they needed to sacrifice to make Australian factories "internationally competitive" as the only means of keeping the car industry afloat. This meant pitting workers against their counterparts abroad, leading to a race to the bottom for wages and conditions on a global scale.

Far from "saving" the Australian car industry, the nationalist program of the unions sealed its demise, with factories closed down and production moved offshore as soon as it became more profitable for the corporations to do so.

The reality is that, then as now, the assault on Ford workers and the entire automotive industry, is a global one.

The destruction of jobs in Australia is in line with sweeping cuts imposed by Ford around the world. In Germany, the company plans to shut down its Saarlouis factory by 2025, at the expense of more than 4,600

jobs. Ford has announced that it will slash almost 5,000 additional jobs across Europe, including 2,300 more in Germany, 1,300 in Britain, 1,144 in Spain and another 200 elsewhere in Europe.

This follows Ford's announcement in August last year that it would axe around 3,000 jobs in vehicle development in the US, Canada and India.

While Ford claims the destruction of jobs is part of the transition to electric vehicles (EVs), the company has also recently cut jobs in its EV division globally.

A letter to Ford workers co-signed by CEO Jim Farley and Executive Chairman Bill Ford said the transition to electric "means redeploying resources and addressing our cost structure, which is uncompetitive versus traditional and new competitors." Ford is embarking on ruthless downsizing and \$50 billion in new investment by 2026 in an effort to become competitive in the EV market, especially against Chinese rivals.

The collaboration of the trade unions with management is also a global phenomenon. In every country, workers trying to fight the destruction of their livelihoods are coming into conflict, not only with management, but with the union bureaucracies, which are no longer workers' organisations but serve as an industrial police force for management.

This is sharply expressed in the actions of the United Auto Workers union (UAW) in the US in recent weeks, herding Clarios battery manufacturing workers back on the job after a 40-day strike.

The UAW rammed through a wage-cutting and overtime-slashing agreement at Clarios after carrying out a campaign to systematically crush the strike. While starving workers out with a fraction of their regular wage in strike pay, the UAW apparatus told members they would be replaced by scabs if they refused to accept the contract. The UAW actively supported the company's strikebreaking operations, ordering workers at companies supplied by Clarios to use batteries produced by scab labour.

In Europe, rather than fighting Ford's threatened plant closures, the unions in Spain and Germany engaged in a bidding war, competing over who could deliver the biggest profit boosts to the company through the destruction of workers' wages and conditions.

These experiences, along with the role played by the

unions in Australia and globally over past decades, underscore the necessity for workers to take matters into their own hands.

To defend their jobs, Australian Ford workers must form a rank-and-file committee, independent of the union apparatus which insists that mass sackings are inevitable and unavoidable.

The assault on Australian Ford workers is mirrored all over the world, throughout the automotive industry and more broadly. This poses the need to build a global counteroffensive. Through the International Workers Alliance of Rank-and-File Committees (IWA-RFC), workers in Geelong and Broadmeadows can link up their struggle with workers around the world who confront similar attacks.



To contact the WSWWS and the Socialist Equality Party visit:

[wsws.org/contact](https://www.wsws.org/contact)