

Further mine closures point to deepening job cuts across Australia

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Mining conglomerate BHP announced last month it would shut down its Western Australian nickel operations for at least three years, putting around 3,000 workers out of a job. The closure is likely to have a flow-on effect on mining and other industries in the region, meaning even more jobs will be destroyed.

Soon after BHP's announcement, Glencore warned its Murrin Murrin cobalt mine, also in Western Australia, may cease operations, putting around 1,500 jobs in danger. Another major mining and energy giant, Fortescue, slashed 700 jobs last month in a cost-cutting exercise prompted by warnings the company's share market value could be halved.

These announcements follow the destruction of thousands of jobs in the critical minerals sector, as falling prices on world markets threaten to cut into the rapacious profits demanded by mining corporations and their shareholders.

This is part of a broader trend of job cuts confronting the working class in numerous sectors, including telecommunications, banking, manufacturing, IT, aviation, education and hospitality.

According to the Australian Bureau of Statistics (ABS), the official unemployment rate, seasonally adjusted, rose from 4 percent in May to 4.1 percent in June. This represents an additional 9,700 people who were unable to find work. The figures show a total of 608,200 people unemployed, 95,800 more than in June 2023, when the unemployment rate was at 3.5 percent.

In addition, the ABS data show that 6.5 percent of the workforce is underemployed and seeking more hours of work, meaning the total under-utilisation rate is 10.5 percent.

These official figures are a substantial underestimate of the actual situation. Market research firm Roy Morgan estimates the real rate of unemployment in June at 8.3 percent, with a total of around 2.7 million people (17.3 percent of the labour force) either unemployed or under-utilised.

Among those having the most difficulty finding work are demographics that are already economically vulnerable. According to the ABS, the youth unemployment rate, at 9.6

percent, is more than double the overall figure and the data also show a striking discrepancy in unemployment figures between socioeconomic regions.

The unemployment rate in Sydney's wealthy eastern suburbs was 2.5 percent in June, less than half that of working-class areas such as Parramatta (5.1 percent) or the city's south west (5.4 percent). In Melbourne's west, the June unemployment rate was 6.2 percent, compared with 3.3 percent in the inner south. Inner-city Brisbane had a jobless rate of 3.2 percent, while Logan recorded 5.4 percent.

Compounding the social crisis in these working-class areas, many of those where unemployment is highest are also experiencing the worst rental pain.

Numerous economists and researchers are warning that finding work will become increasingly difficult over the coming months and years.

Moody's economist Harry Murphy Cruise anticipates the official unemployment rate will increase to 4.5 per cent by the middle of 2025.

According to data from ANZ-Indeed, the number of job advertisements fell for a fifth straight month in June, down 2.2 percent from May and 17.6 percent from June 2023. The most affected jobs in June were cleaners, tradespeople and food service workers.

Another job advertisement platform, Seek, found that the number of applications per advertised job increased by 3 percent from May to June.

The hardest hit industries on Seek were hospitality and tourism, where there had been a 28.4 percent drop in job ads over the past year, and information technology, which saw a 30 percent decline.

In mid-July, CreditorWatch forecast that 1 in 11 hospitality businesses will fail in the next year, putting more people out of work. The credit reporting bureau attributed this to the sector's "heavy reliance on discretionary spending, which has dried up as customers tighten their belts to cover increases in mortgage payments, rents, power bills and other essentials."

CJ's Group, master licensee for US fast-food chain Carl's

Jr, entered voluntary administration late last month, immediately shuttering 20 outlets and standing down hundreds of workers.

Good Group Australia, which operated a string of steak restaurants and Asian-fusion venues, entered voluntary administration and closed its doors in May, destroying at least 200 jobs.

Almost 1,000 workers, mostly in Melbourne, are set to lose their jobs at Crown Resorts as the company undergoes a major restructuring operation. This follows the slashing of 100 jobs at Crown Resorts in Sydney last year.

Artificial Intelligence (AI), has the potential to develop the productivity of labour in ways that enhance living standards for all. However, under capitalism, this, like all technological advancements, will be used to slash jobs and drive up corporate and shareholder profits. A report by analytics platform Faethm estimates that some 2.7 million Australian jobs are at risk from automation by 2035.

“Everyone is focusing on cost efficiency, reductions in staffing levels, the greater use of technology and AI [artificial intelligence] ... you are seeing in almost all those white-collar areas, a pressure on reducing numbers,” Lendlease chairman and Westpac director Michael Ullmer declared in February.

Australia’s major banks cut more than 2,000 staff in 2023. This year, Westpac announced a further 132 jobs would be outsourced to India and the Philippines, Commonwealth Bank announced 83 job cuts and ANZ is expected to sack up to 170 staff in its business banking team. The cost slashing has continued, despite the fact that the “big four” banks (also including NAB) reported a combined profit after tax of \$15 billion in the first half of this year.

Telecommunications provider Telstra is in the process of slashing 2,800 jobs, 9 percent of its workforce, by the end of the year. This follows 500 job cuts last year.

The impact of technological advances on jobs is by no means limited to white-collar” positions. Major supermarket chain Coles last week opened a new, highly automated distribution centre in Western Sydney which will replace two existing warehouses, cutting around 350 jobs by the end of the year.

Labor Prime Minister Anthony Albanese spoke at the official opening of the new Coles facility, falsely promoting it as a boon for jobs in the region. This underscores the pro-business austerity agenda of Labor governments at every level, state, territory and federal.

Service NSW, the state’s customer service agency, is undergoing a major restructure at the hands of the Labor government. Around 235 full-time positions have already been identified for the first wave of cuts but the full impact will not be known until later in the year. According to

7News, Service NSW chief executive Greg Wells told staff last month that some divisions would be cut by up to 60 percent.

Up to 200 non-teaching positions are “under review” at state-owned vocational education and training provider TAFE NSW.

Thousands more public sector jobs have been slashed by Labor governments around the country, including some 4,000 layoffs announced late last year in Victoria, eliminating 10 percent of the state’s public service.

Other Labor government policies are indirectly leading to the mass destruction of jobs. In a move aimed at making overseas students and immigrants scapegoats for Australia’s deepening cost-of-living, housing and social crisis, Albanese’s government plans to drastically reduce international student numbers. University of Sydney modelling has estimated that this may result in 21,922 direct and indirect job losses in 2025.

The federal Labor government has fully supported repeated interest rate rises by the Reserve Bank of Australia. This policy is not directed at reducing inflation, as is claimed, but at driving the economy into recession and increasing unemployment in order to shut down demands for higher wages.

Together with the global descent into war and barbarism, the deepening social crisis at home is producing growing anger and opposition among workers. The lead role in suppressing any struggle against the assault on jobs, wages and living conditions is being played by the corporatised trade unions which serve as an industrial police force of governments and big business.

To overcome this, workers need to build their own organisations of struggle, workplace rank-and-file committees, independent of Labor and the unions.

Through such committees, workers can develop a unified counter-offensive against the corporate onslaught. Above all, what is posed is the need for a political alternative to the irrational and profit-driven capitalist system—a workers’ government based on a socialist program, including placing the banks and corporations under public ownership and workers’ control, and guaranteeing the right to a decent, well-paid job for all.



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