

POSTSCRIPT: THE AUSTRALIAN EXPERIENCE

By Paul Noack, Shop Steward, G.M.H. Elizabeth, South Australia. (March 1981).

General Motor's World Car - the "J" car is due to commence production in 1982. Along with Ford's "K" car, they are attempts by the two major multinational car corporations to bolster declining profit rates.

The industry employment statistics indicate that rather than the usual downturn, we are experiencing a market balance at a substantially lower level of output. That is, we are in a depression with no hope of a "natural" upturn in demand.

January 1st - August 1979: GMH sold 311,281 new vehicles.

January 1st - August 1980: GMH sold 297,084 new vehicles.

This represents a 4.77% fall. GMH share of the market in the same period has fallen from 28.32% to 24.79%.

The Fraser Government's "export credits plan", which will come into force on March 1st 1982, will smooth the rationalisation. Under the plan, the value of export sales to other countries will offset additional duty free imports of components up to a value of five per cent of the value of all components of a car. In addition to the existing provision under which 15 per cent of the value of all components can be imported duty-free, this may mean that the local content of Australian-produced cars will be as low as 80 per cent. By 1984, the future may fall to 77.5%.

The multinational car companies are turning the screws. The big corporations will attempt to save their necks at the expense of Australian workers and most of the ancilliary industries.

In the immediate South Australian situation, GMH is preparing for a trim- and model-change. Consequently, they are faced with getting rid of old stock quickly. Under normal circumstances, that is, without sackings or "voluntary retirements" or part-time work, it would take 18 months to use up the surplus stock. But because of the corporate plan, GMH needs to complete the task in 6 months.

Company officials called in all the shop-stewards at the GMH Elizabeth plant last year to explain their "problem". They explained that the problem could be solved in one or all of three ways: voluntary retrenchments and retirements
sackings
introduction of part-time work.

The stewards unanimously rejected the part-time work proposal, and called mass meetings of workers.

In March this year, using the excuse of lack of heater-boxes, GMH laid off thousands of workers to cut the stockpile and also to frighten workers to accept a new retirement/retrenchment scheme.

Australian workers have already begun to feel the effects of the global restructuring of car production. Pagewood is a foretaste of the effects of the "world car" concept in operation, and the GMH plant at Woodville (S.A.) looks like it will be the next on the list.

In South Australia, industry bosses have succeeded with their "natural attrition" plan and 1800 jobs have been eliminated without too much fuss for the company. The plan consists of voluntary retirements and retrenchments. Of course, in times of full employment, the labour movement would never have tolerated these tactics - their effectiveness is largely the result of the threat of worse slumps in the future: as one worker said, "better a quid now, than to be retrenched in some uncertain future date".

The ability to resist such restructuring, which ultimately involves the loss of particular skills within the workforce and consequently the loss of the ability to produce a motor-car as a whole, requires greater co-operation between car industry unions to confront the corporate plans head on.



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