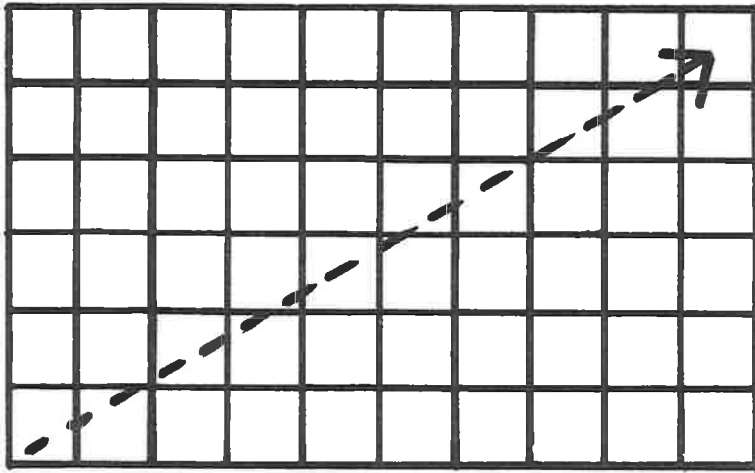


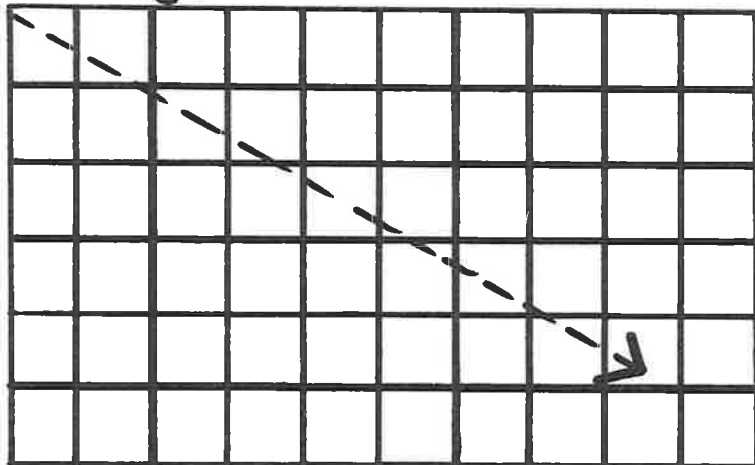
FIGHT LATEST PROFIT RORT OF MULTINATIONALS

- * Award restructuring**
- * “Multi-skilling”**
- * “Career paths”**
- * Forced union mergers**

Profits



Living standards



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**Communist Party of Australia (Marxist-Leninist),
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March 1989

FIGHT LATEST PROFIT RORT OF MULTINATIONALS

* During 1987, there were over 1500 staff and workers employed at the Williamstown Naval Dockyard in Melbourne. By mid-1988, the Dockyard had been "privatised", working conditions "restructured" and a new "skills-based", "multi-skilled" award introduced, including a "career paths" wages scale. Not one of the original employees still had a job. Over 1200 had taken a "voluntary redundancy" package; the remaining 270 workers were sacked. All of this was the work of the monopoly consortium which bought the Dockyard, the Federal government, the ACTU leaders and the top officials of some unions.

* *The State Rail Authority in New South Wales is "restructuring" its workforce. It plans to cut the number of workers by almost a quarter in the next four years — the loss of 10,000 jobs. Those with higher "skills levels" are particularly a target. Hundreds of metal tradesmen are being forced to work as labourers, pulling up weeds, pushing brooms and cleaning carriages. Recently 20 apprentice fitters came out of their time with the SRA only to be demoted to labourers, being paid \$40 a week less than in the last year of their apprenticeship. (A protest campaign subsequently forced the SRA to offer these men trade jobs.) Meanwhile there are shortages of metal tradesmen in a number of areas of the SRA which are being filled by outside contractors.*

* **About 90 fitters and motor mechanics employed by Heinz at its Dandenong plant in Victoria learnt new skills**

to accommodate a \$40 million computer-integrated flexible manufacturing process the company was installing. By mid-1988 the tradesmen had completed their in-house and Technical and Further Education (TAFE) training in pneumatic circuitry and electronics. This entitled them to a new special award classification. But the company wouldn't pay the \$30-odd per week wage increase. The Arbitration Commission would only order the men to lift the bans they had imposed in protest. The award increase was finally won by industrial action which included seven weeks' total overtime ban, seven weeks' ban on contract labour, mass protest meetings at Arbitration Commission hearings, two 24-hour protest stoppages, numerous stopwork meetings and finally a two-week strike.

Everywhere around the working class there is talk of "restructuring", "multi-skilling", "skills enhancement", "career paths", "job retraining", etc. The new wages scheme the ACTU leaders are pushing would be based on all this.

What is behind these moves? What will be the effect on workers?

Let's examine some of the "restructuring" agenda.

MULTI-SKILLING

Multi-skilling is in reality the cornerstone of restructuring.

The essence of multi-skilling is that each worker will do more work — i.e., will be more intensively exploited by the boss. Speed-up and mass sackings are the order of the day.

Part of the intensification of exploitation is to get each worker to do more types of work. But only those workers employed in minority high tech., high volume, skills intensive industries will be able to pursue maximum skills 'training'.

These will form the *core* of the various industries. The top monopolies hope that this section will throw in their lot with capitalism.

Workers in non-union, poorly organised, low technology and various service industries will not in reality have access

to any skills training. Slowly but surely huge sections of the workforce will fall behind, as they have already done, but with the process accelerated through restructuring. These workers will form the *periphery*.

Both groups, core and periphery, will enable capitalists to make much bigger profits. The core will work flat out, moving from job to job at the whim of the employer. There will be no trade or craft barriers to the most intense utilisation of this group's labour power.

This is basically following the organisation of Japanese industry. Only between 12-15 per cent of Japanese workers are unionised and they are in the company unions of the big names of Japanese industry, i.e., Kawasaki, Mitsubishi, Toyota, etc. A typical arrangement might be that the core workers, that is full-time workers, belong to the unions. Part-time and special shift workers aren't eligible. They are brought in to meet production backlogs and target dates, etc. They can be terminated at any time, enjoy little union coverage and work longer hours for less pay.

Multi-skilling is bargain basement shopping for the bosses. It will allow an employer to retrain any worker so as to acquire the basic skills of two, three or four of the previous trade classifications. These retrained workers will operate in a far wider working environment. Additional staff will not be required. Overtime and shifts will still operate as before. Production peaks and emergency production requirements will be able to be met by employing the majority 'peripheral' workers on a temporary or part-time basis.

Naturally, idle or lost time will be greatly reduced as employers direct their flexible workforce from one work area to another. Through the indirect process of attrition, employers will actually reduce their permanent workforces without fear of union retaliation.

No idle time, one employee carrying out two, three or four separate skill operations, minimised unions, increased production, less overall labour requirements, reduced costs — a grim testimony to the treachery of the ACTU leaders and those national union officials who back up Crean and Kelty.



SRA apprentices at Chullara railway workshops in Sydney — “deskilled”, unable to practise their trade and \$40.00 per week poorer when they got their trade.

PAYMENTS FOR SKILLS, ELITISM AND ENTRAPMENT

Top ACTU leaders and their mates argue that under restructured awards, employers must, with regard to new skills, pay for retraining on or off the job. In theory not many people would argue with that.

These top officials further argue that employers will pay workers on the basis of skills *acquired* and not skills *required*. And pigs might fly!

In the real world, what employer is going to pay for retraining of workers in skills he doesn't require? None. Workers won't be able to take or afford time off to retrain at their own expense.

Multi-skilling will create minority elites amongst trade groups. Very few workers indeed will have any chance to obtain maximum skills enhancement in their field.

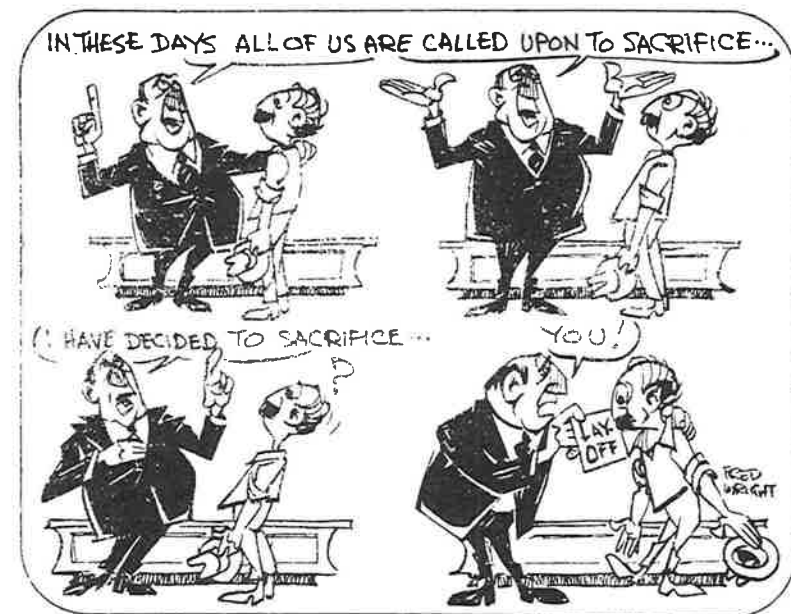
Many workers will be trapped, unable to either easily leave present employers or seek new ones by virtue of not having the required skills level. Requirements for highly skilled or maximum skilled workers will be fulfilled extremely easily and those left over simply won't get money wasted on them for skills provided by the small number of core workers.

Many workers will also fall victim to 'in-house' training schemes that will fit them with specific rather than general skills which won't be any use to other employers and so will not be fully transportable. Multi-skilling will tend to act like the early superannuation schemes in tying workers to one employer.

CAREER PATHS

A wages system based on skills attainment (i.e., maximum productivity) is dressed up as offering 'career paths' to the six-and-a-half million workers in Australia. Supposedly, as employees complete each training matrix (providing such a situation actually exists), they will receive a pay increment and, depending on the skills acquired, such employees may move to a new career level, gradually working towards greater levels of responsibility at each stage. Theoretically, employees can move through the trade base, technician, supervisory and management fields with no limitations.

Reality insists that 'career paths' are pie in the sky. Indeed, there is considerable cynicism among ordinary workers at the



notion of 'career paths'.

Who will decide how many and when workers move to a new level? What will happen when an enterprise reaches saturation point and does not require additional workers at a given skill level? Will retraining be halted? If so for how long? Is capitalism really going to continually need large numbers of higher skilled and higher paid workers?

Quite obviously, once enough workers are trained for each skill level, the rest will grind to a halt until a few and only a few, vacancies open up at the next level. In other words, career paths aren't worth the paper they're written on.

In fact, the whole restructuring scam is a worthless scheme to bump up soaring profit levels for the top foreign monopolies and rubber-stamp demands from U.S. and Japanese imperialists for stepped up attacks on the working people of Australia.

ACTU LEADERS MAKE THE RUNNING

Restructuring is being flogged amidst an enormous barrage of innuendos, promises, economic enticements, false hopes and outright lies. The significant and noticeable feature of the restructuring debate is that the top monopolies are stepping back to allow the hierarchy of the official trade union movement, the ACTU and its executive of national officers from mainstream unions, to make the running on behalf of the bosses.

Australian workers are told that restructuring is to take place on two levels: the restructuring of industry, basically on a plant by plant basis, and the wholesale restructuring of industrial awards.

Workers are asked to believe that employers will be making sizeable contributions to restructuring, i.e., new technology, on-the-job training, a new era in industrial relations, open access to career paths. In reality, measures taken by employer groups are simply the necessary requirements to set in train the profit spin-offs from restructuring.

By far the greatest contributors to the whole process will



August 1985 — a mass rally of Brisbane workers supports SEQEB workers despite efforts of top ACTU leaders to head off united working class action.

be the workers. They are expected to accept "broad-banding", i.e., the massive reduction of job classifications, several hundred in some awards reduced to a mere 10-12 classifications. With multi-skilling, this will mean that a worker will do more work, not just more types of work.

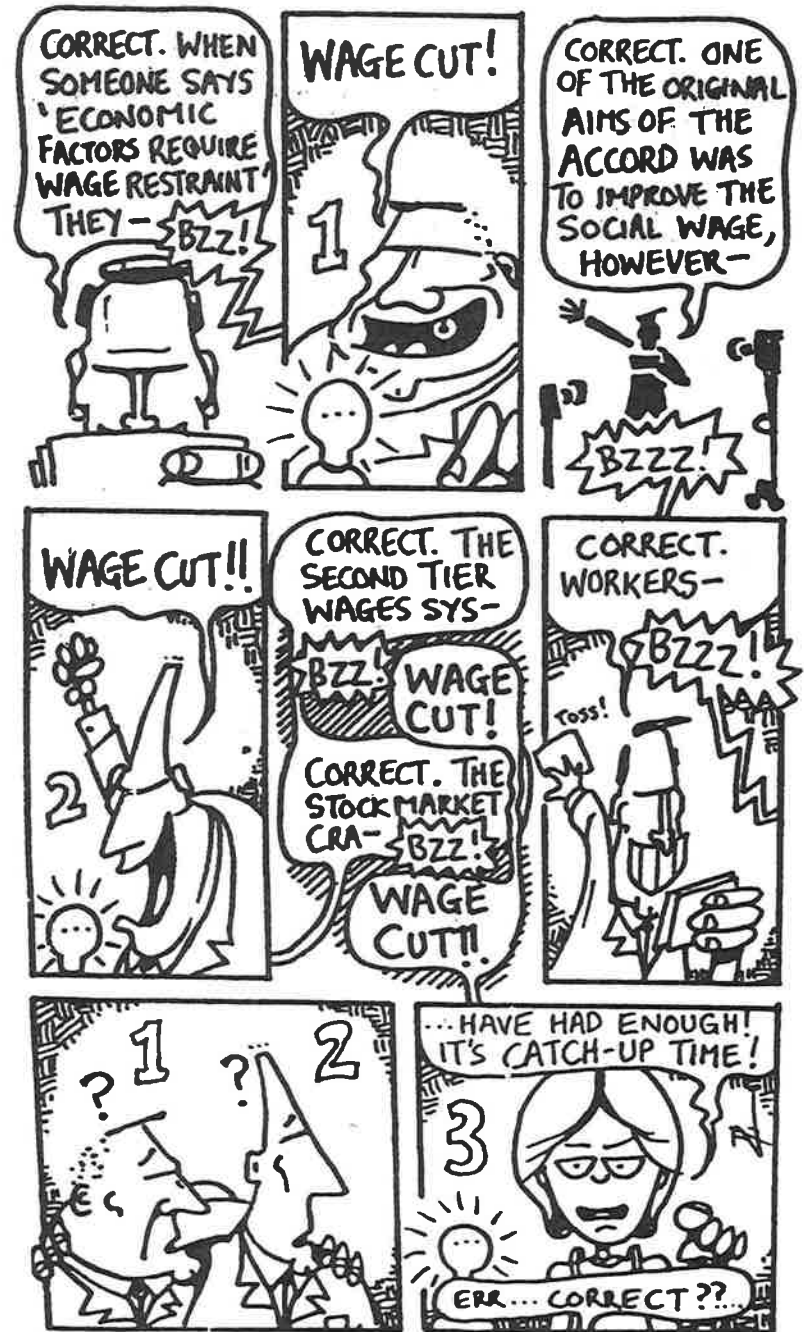
The treachery of the ACTU operates on two levels. Firstly, the high profile Kelty and Crean are the open, public prophets for capitalism's restructuring. Secondly, some other sections of top union officials jockey and scheme to ensure their own power bases are maintained or expanded. They seek recognition in Kelty's grand plan as "preferred unions", that is, big tamecat unions committed to full co-operation with and full implementation of capitalism's restructuring.

ACTU and other top union leaders have moved irrevocably away from traditional trade union philosophies and have embraced the concept of corporate unionism, that is, unionism openly and directly serving the interests of the top bosses. Kelty's plan recognises 20 big unions toeing the bosses' line.

A further essential is to force dissident and unco-operative unions, particularly the smaller ones, to amalgamate. If they resist, attempts will be made to isolate them or dismember them. The courts are ready to force amalgamations with fines and worse under the new Industrial Relations Act.

Of course, none of this will involve proper and open discussion with the rank and file, for fear of an explosion of opposition in response. Reality is that such opposition is sure to erupt once experience shows the real aim of the ACTU leaders' scheming.

Restructuring is being flogged to workers as a genuine trade union concept, rather than a device of capitalism. Restructuring will supposedly revitalise Australian production and allow Australia to emerge on the world trade stage as an equal competitor.



Quite the opposite will occur. If they have their way, the top foreign monopolies intend to tighten their grip even further on Australia's economic and political system and step up their repression of Australian workers. If Australia became a top world performer, it would be because the country had been taken over by Japanese imperialism.

SEARCH FOR PROFIT THE IMPETUS

Profits come straight out of workers' pockets.

On average, a worker's wage amounts to the cost of keeping the worker and his or her family going from week to week. This is so the worker and future generations of workers can turn up to work to produce the commodities from which the boss gets his profits.

But the value the worker's labour adds to the commodities during the week is much greater than the cost of keeping the worker and family.

So there is a part of the working week when the worker produces value equivalent to the wages he or she gets paid. The rest of the week, the worker does not get paid for the value he or she produces. The boss gets this extra or surplus value when he sells all the commodities in the market. This surplus value is the sole source of profit.

Because paid and unpaid labour time are not separated off, the actual source of profits for the bosses is somewhat disguised. But once the source of profits is understood, it doesn't take much to work out that pushing down workers' paid time and increasing their unpaid time is bound to increase profits proportionately.

The top monopolies have a number of ways of increasing the ratio of unpaid to paid labour. These include cutting real wages and extending the hours in the working day (or more precisely, the number of hours of unpaid labour performed per worker per day). In the 1930s Depression, the capitalists had all wages and pensions cut 10 per cent under the infamous Premiers' Plan. In recent years real wages have been cut 25-30 per cent by deliberate failure to compensate workers fully for

inflation, a process made possible through the Accord arranged between the ACTU and Labor leaders.

Another way of stepping up the exploitation of labour by increasing the unpaid/paid ratio is using what labour there is, more flexibly. This mainly means that workers are forced to do other categories of work as well as their "own" — that they accept the elimination of a variety of award classifications which currently require the employment of individual workers to perform the work defined under each classification.

If all this sounds familiar, it's because it's the basis of all the fancy schemes dredged up by Crean and Kelty to disguise the further attacks on wages and working conditions which they are trying to introduce.

UNIONS ADAPTED TO BOSSES' NEEDS

Australian workers are frustrated at the wages policies being peddled by the top ACTU leaders and some other leading union officials.

They have every right to question the direction of trade unionism in this country. ACTU leaders Crean and Kelty identify directly with Federal Labor leaders to administer capitalism for the top foreign monopolies.

They are adapting unions to serve the needs of the bosses.

Crean and Kelty have presided over slashed real wages and working conditions. They've stood back and watched the top bosses attack SEQEB workers in Queensland, meatworkers at Mudginberri, iron ore workers at Robe River and Mt. Newman, meatworkers at Portland, confectionery workers at Dollar Sweets, and builders' labourers in Victoria, New South Wales and Canberra.

Secretary of the ACTU Kelty expresses absolute horror at the thought that workers might take the bit between their teeth and actually fight for and get some rise in real wages (i.e., an increase which might be greater than price rises)! He wrings his hands at the prospect of a "wages breakout". He openly says that it's a good thing for employers that workers "understand the need for profits". What language from a supposed leader of workers!

It is a fact that the ACTU leaders, over these recent years of the prices and incomes accord, have worked mighty hard at a strategy aimed to keep wages and incomes down. The opposite end of such a policy must in turn be to keep profits up.

And this is the hard reality borne out every day in practice. BHP announced an interim profit of \$523 million for the six months to December 31, 1988, making profit of \$1 billion plus for this year almost a certainty. On average, profit of all companies rose 27 per cent in 1987-88. Manufacturing companies' profits rose an average of 45 per cent in the same period.

As profits have risen, general real wage levels have since 1982 dropped 30 per cent — from the workers' pockets to the bosses' profits.

In response to slashed real wages and working conditions, workers around the country are taking up their own independent struggles to win back some of the wages and working conditions handed over on a platter to the bosses by top ACTU leaders.

The top monopoly bosses do everything in their power to head off industrial action of any kind. They fear the strength of workers' united militancy.

Now, in a vain attempt to divert workers from direct struggle on the job, there's a lot of high-faluting talk from Crean and Kelty about "restructuring" Australia, "career structures" and "multi-skilling" as the way ahead.

FOREIGN MONOPOLY DOMINATION

The changes to the direction of trade unions have not developed out of the blue. They result from the domination of Australia by a handful of huge, mainly foreign monopoly companies. World capitalism is now in great economic difficulty.

Australia, as a dependent or client state of foreign owners, particularly the U.S., Britain and Japan, cannot escape these difficulties. On the contrary, the imperialist powers off-load their economic problems onto Australia, to shift the burden from their own shores.

The top U.S., British and Japanese monopolies are the real, behind-the-scenes rulers of Australia. Within their various closed boardrooms, the crucial decisions to invest, disinvest, take-over, move offshore or penetrate new areas of investment are made, reassessed and made again. The fate of thousands of ordinary workers hangs in the balance as these corporate giants dominate world markets, seeking ever more fields to exploit. They are driven by the very nature of capitalism to explore each and every avenue that may increase profits.

These foreign imperialists dictate the terms to Australian governments, whether they are Labor or Liberal, Federal or State. They are able to do this because they stand firmly astride the whole Australian economy, either owning, controlling or influencing every key industry and financial institution in Australia.

U.S. AND JAPANESE RIVALRY

The decisive imperialist force in Australia since World War II has been the United States. Now Japanese imperialism is rapidly expanding. Internationally and within Australia the U.S. and Japan compete with each other and with other imperialist groupings for world market domination. U.S. imperialism still decisively dominates Australia's development and the local state machine — police, courts, gaols, the top bureaucrats, the armed forces. It uses this domination against its rivals. There is unity between the foreign imperialist interests in Australia against the working people and their struggles for decent living standards and democratic rights.

Imperialist competition for the sale of commodities and produce is getting stiffer. Each imperialism tries to maintain a competitive edge and stay ahead of the growing worldwide difficulty in finding markets for commodities by dramatically *reducing* the cost of the production of those commodities. In simple terms, that means competition compels them to dramatically *increase* the exploitation of the workers producing the commodities within their sphere of investment and influence.



That is, the U.S. and Japanese imperialists strive to produce more commodities, more cheaply, from the same or even reduced workforce within their respective and joint spheres of influence.

This is the whole guts of the restructuring scenario: force less workers to produce more goods in less time with reduced wages and conditions.

Australia is within the orbit of U.S. and Japanese investment. British investment plays an important role but is no longer decisive. Apart from economic control, U.S. and Japanese influence and control permeate this country militarily and culturally as well as through development and trade.

Japan's production is enormous though still only 60 per cent of that of the U.S. Japan is the leading creditor nation on earth. The U.S. is in slow decline although still very powerful. The death of Hirohito has cleared the tarnished decks for the new breed of Japanese imperialists. Prime Minister Takeshita blatantly tells U.S. President Bush to move over, Japan's coming through.

Japanese banks bailed out the U.S. during the 1987 stock market crash and now Takeshita is calling in the chips. Foreign Ministry official Okamoto says "Together we (U.S. and Japan) make up 50 per cent of the free world's GNP. Japan wants to

arrive at a position which will enable us to contribute more internationally".

Imperialists in the end don't share power. One triumphs, the other recedes. History confirms this fact. For historical reasons, however, the main limiting factor for Japanese imperialism at present is its lack of military power. Although U.S. imperialism is on the decline and Japanese imperialism is in economic advance, the latter is not yet at a situation of sufficient military strength to enable it to dispense with its military alliance with the U.S. Hence the uneasy truce between the major world powers.

COMPETITION TO EXPLOIT AUSTRALIA

Both imperialist powers turn their attention with renewed vigour to client states, such as Australia, in which each has a substantial stake. There is no bailing out of Australia's financial problems, no financing of its external deficit by the central banks of other countries. The Australian people shoulder the entire burden of keeping capitalism functioning.

In competition with each other, both the U.S. and Japanese imperialists attempt to intensify their respective exploitation of Australian workers. U.S. imperialism desperately seeks to arrest its financial decline by squeezing its colonised labour force even harder.

Japanese imperialism seeks new and politically stable areas for the export and investment of its surplus capital, and in particular for manufacturing in resource-rich locations with highly educated and skilled workers. Marxism shows that the operation of imperialism is governed by social and economic laws of development. These laws force an imperialist country to expand and export capital overseas. This, combined with its enormous trade surplus with the U.S., compels Japan to relocate even some of its own industries so as to defuse the growing demand in America (and Europe) for anti-Japanese protectionist trade barriers.

This is the impetus for the reconstruction of Australian capitalism which has been embraced by the decisive Labor

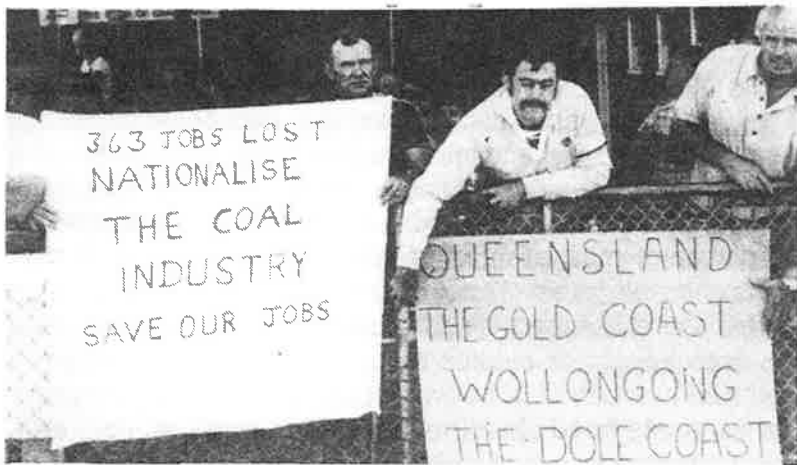
and ACTU leaders. It explains the opening of the country to foreign banks, the effective end to restrictions on foreign investment and tariff reductions to facilitate import of goods produced by imperialism in low wage Asian countries.

Above all, it means increasing the attractiveness of Australia as a target for the export of imperialist finance capital. There can be no doubt that these top foreign monopolies plan to escalate the exploitation of every ordinary working Australian.

It is vital that people recognise restructuring for what it is and organise to fight back against the foreign domination of Australia's political and economic system and the service of Crean and Kelty to the foreign monopolies.

THROW OUT THE FOREIGN MONOPOLY EXPLOITERS

Are workers' buying the ACTU leaders' restructuring for the bosses? Of course they're not. There's deep suspicion about this latest scheme. Anyone can see that Australia's economy is in deep trouble. More sacrifices until "the economy turns the corner" sounds remarkably thin when the top monopolies are raking in unprecedented profits.



South Coast (NSW) miners demonstrate against job losses and foreign ownership of their industry in January 1984.

The best place for the ACTU leaders' restructuring plans is at the bottom of a garbage heap. And, having buried it, the task for working people is to work out the best way forward.

Quite obviously, the top ACTU and Labor leaders haven't got the answer. They're too deep in the pockets of big business.

If wages, working conditions and living standards are to be improved in any way, the real cause of the people's problems needs to be sorted out.

The whole capitalist system is crook. But at the moment the tune is being called by overseas multinationals. These need to be seen as the main target.

Fighting back on the job is a start. Working out ways to hit the top bosses while protecting workers needs to be addressed as a priority. Standing united in workplace struggle, building unity with other sections of workers, creates a formidable barrier to the all-round attacks of the foreign imperialists.

Pressure on reluctant trade union leaders can force them to fight for the workers they're elected to represent. When a trade union leadership works fearlessly in the interests of its members, experience has shown that even the fiercest attacks of the top monopolies can be defeated.

But it's more than that. As long as the foreign imperialists and their huge monopolies continue to dominate Australia, there will be no fundamental solution to the workers' problems.

This small group of foreign exploiters should be thrown out of Australia and their operations nationalised. Enormous possibilities open up if the coal mines, steel works and oil companies are nationalised. The car industry should also be nationalised. The foreign banks and top financial institutions should be taken over so that control of the economy returns to Australian hands.

The establishment of an independent Australia, with truly representative institutions, is the first step down a road which offers genuine advances for the people of Australia. It may not solve all the problems. Only a socialist society where the people control the means of production can provide really fundamental answers. But it's a very significant step forward.

The ousting of the foreign imperialists, the fight for Australian independence, is a genuine alternative to the ACTU leaders' service to the big foreign monopolies.

- * Scrap the ACTU leaders' restructuring scam.**
- * Fight back on the job for higher wages and safe working conditions.**
- * Kick out the top foreign monopolies.**
- * Nationalise the coal, steel, oil and vehicle building industries.**
- * Nationalise the banks.**

FIGHT FOR AUSTRALIAN INDEPENDENCE!

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