

# The Journal

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## Hit the Road

- Drive into 15 pages of motoring

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# JOBBS AXED



Picture: Robert Carew

**Jobs blow:** some of the disappointed Heinz workers who face the axe in November. Front, from left, Carol Hanley, Wayne Methven, Nathan Miller, Adam Sawrey, Back, Rick Alder, Jean Wynford and James Burt.

**By Phil McLeod**  
**GREATER** Dandenong's reputation as a hub of industry took a battering last week when more than 400 factory workers lost their jobs in key industries.

Union officials say as many as 300 jobs will be affected following the announcement by Heinz Wattie that it will close its Dandenong factory in November.

And an estimated 130 further workers look likely to be sacked at two Dandenong truck manufacturing plants.

Up to 80 workers are believed to have been made redundant at International Iveco trucks, while another 50 at the Daimler-Chrysler plant

are believed to have been given six months' notice after the company said it no longer needed staff to convert imported trucks to Australian standards.

Heinz, which has employed local families for 45 years, said the Dandenong plant was no longer viable, and has moved its food processing operations to New Zealand and country Victoria.

Mr Martin Foley, the Victorian State President of the Australian Services Union (ASU), called the Heinz closure a "kick in the guts" for the people of Dandenong.

The workers will receive four week's redundancy pay for each year served which, the unions say, is not good enough.

Mr Foley said the company was not prepared to spend the \$30 million needed to update the Dandenong site.

Heinz Wattie's Australia chief executive, Mr Neville Frelke, said: "When you take into account the (Dandenong) plant's age, and take into account the prohibitive amount of capital investment to modernise the plant, and the low productivity and flexibility, these all led to the decision."

A source at International Iveco said that about 80 workers had been made redundant, but calls to the managing director Mr Stefan Schneider, were not returned.

Mr Jeffrey Fisher, a spokesman for Daimler-

Chrysler, said the company no longer needed staff to convert imported trucks to Australian standards.

Fifty workers have been told they will be made redundant on January 31.

"The employers have only been there two years, it's been a temporary situation," he said. "The employees have been aware of that situation for up to a year. They have been consulted during that time as well, so it's not really a surprise."

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# Heinz closes

The end of the golden mile



Angela Long



John Pandazopoulos



Warwick Heine

## 'Not a knockout'

DESPITE the loss of Heinz, new companies are finding the grass is greener here, says the State Labor MP for Dandenong, Mr John Pandazopoulos.

"Greater Dandenong is benefiting from companies relocating to greenfield sites in the region and creating jobs," Mr Pandazopoulos said.

"Figures show a 56 per cent increase in the construction of commercial and industrial projects in Dandenong over the past 12 months."

He said Heinz' decision to close the Dandenong plant was about efficiency and capacities.

"But in the end we've got to pick up the pieces and help these Heinz workers," he said.

The Mayor of Greater Dandenong, Councillor Angela Long, said the closure was a blow but not a "knockout blow".

She said investment in manufacturing in the city was at an all-time high, with more than \$130 million invested in the first nine months of the financial year.

However, the State Liberal MP for Eumemmerring, Mr Gordon Rich-Phillips, has accused Mr Pandazopoulos of "inept bumbling".

"Last year, the Bracks Government said it wanted to help develop Heinz Dandenong as a centre of excellence," he said.

"John Pandazopoulos must accept responsibility for failing to save the jobs of Dandenong workers."

Mr Rich-Phillips said he had written to the Premier and Heinz seeking meetings to discuss what assistance can be given to the sacked workers.

The State Liberal MP for Eumemmerring Province, Mr Neil Lucas, blamed the Government and unions for the closure after the company

relocated its baby food production to Echuca in November.

"I said then the decision was forced on Heinz by the failure of the AMWU to adopt modern work practices and that if the Government did not act, we would see further job losses in Dandenong. Sadly, that has come to pass," he said.

The chief executive officer of Greater Dandenong, Mr Warwick Heine, said the council was "shocked and angry" over the closure.

"Council's discussions with Heinz Wattie led us to believe their review of operations could result in further investments in Greater Dandenong," he said.

The city's manager for economic development, Mr John Payne, said he could not understand the closure.

"What worries me was that in November, Heinz announced they were making it a centre of excellence. The plant didn't become obsolete in six months," he said.

### WHAT THE WORKERS SAY...

Following last week's closure announcement, PHIL McLEOD spoke with several of the workers who will be out of a job. This is what they said...

■ **Carol Hanley**, 33, shop steward and process worker, worked at Heinz for six years:

"We've been expecting it for a while. They were saying it was going to cost \$25 million or so to make the place respectable again, but we argued why they hadn't spent that money in the past instead of putting machinery in at great expense, and then taking it out and moving it somewhere else again.

"The company says it was cost-effective to close Dandenong, but they can't get what they want through pushing workers around and giving them lower conditions. They're moving to

where they can get pretty much what they want.

"We've got a lot of people who have been here 25, 30 years; we've got people who have just bought houses and we've got a quite a few husband-and-wife teams here.

"We've been in EBA (enterprise bargaining agreements) discussions for the past few weeks to secure conditions for the workers."

■ **Adam Sawrey**, 27, kitchen hand, worked at Heinz for nine years:

"We're pretty upset. Working here has become a family tradition. My mother, aunty, brother and cousins have all worked here at some stage over the last 30 years. I wanted my

kids to work here as well. It's the end of a family tradition. But life goes on."

■ **Rick Alder**, 36, packer, worked at Heinz three years:

"Even though we all knew it was going to happen, it's still a shock. They kept on saying it was because of bad work practices, but when we started losing lines like the sauces and baby food, we knew it was the end. We'll all have to wait and see what happens to us."

■ **Melvin Cox**, 37, cook, worked at Heinz six years:

"They mucked us around for 12 months when we just wanted to know what was happening. They've told us some jobs will be available



Carol Hanley

in their factories in Echuca, Wagga Wagga and New Zealand, but it depends if we meet their criteria. I don't think many will be applying for jobs in New Zealand."



# Heinz closes

The end of the golden mile

## Rise and fall of a giant

H. J. HEINZ made *The Journal* headlines in July 1951, when it was announced a £2 million factory with an initial area of of 300,000 square feet and employing 800 would be built on a site on Princes Highway.

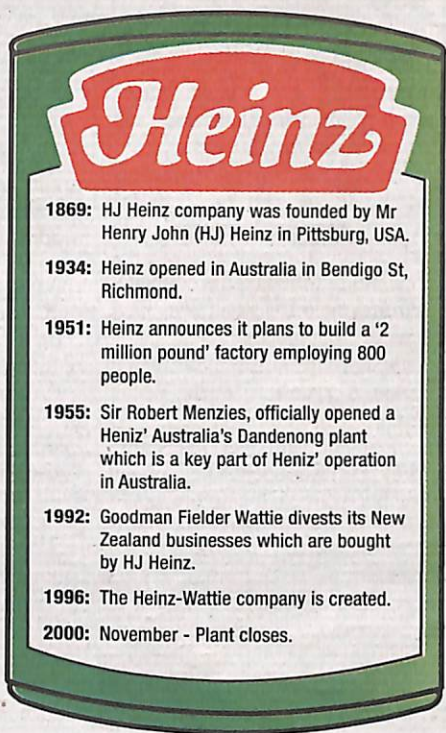
Even by October, when the new factory was on the planning board, loans of £4 million were being negotiated to cover the expansion program.

Along with the adjacent GMH plant and International trucks, Heinz formed what was known as the 'golden mile' ... the industry that gave Dandenong its heartbeat and led to the building of Doveton.

In November last year, the 350 staff at Heinz were told the factory was under review and its future in Dandenong could not be guaranteed.

Some of the manufacturing giant's product lines had been moved to other factories in country Victoria and others had been earmarked for relocation.

Australian Manufacturing Workers' Union spokeswoman Ms Browyn Halfpenny said then: "We have heard rumours Heinz has bought a factory from Nestle in



Echuca and intends to relocate the Dandenong operations there."

Heinz Watties corporate affairs manager Ms Glenda Orland said the future of the Dandenong factory was under review.

"What we are trying to do is create centres of excellence. We have restructured the whole company, creating centres which specialise in categories. It is possible baby food will be relocated. We have not yet made a decision where it will be located to but it will possibly be Echuca," she said.

## Heinz canned?

Meet our new man at the top



350 staff told future cannot be guaranteed

By Alice Baker

THE staff of the Heinz Wattie factory in Dandenong has come under question, sparking speculation it will close.

The 350 staff have been told the factory is under review and its future in Dandenong cannot be guaranteed.

Some of the manufacturing giant's product lines have been earmarked for relocation to other factories in Victoria

and to be concentrated in a few centres - she said.

Factories are very expensive and that will have to be considered, but we are committed to manufacturing.

Ms Orland said the Dandenong factory was under review.

What to do next is to create centres of excellence. We have restructured the whole company