Exploring the Process of Adjustment to Retrenchment: Putting Home in its Place

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A thesis submitted for the Degree of Doctor of Philosophy of Flinders University.
School of the Environment, Faculty of Science and Engineering
# Contents

Contents ........................................................................................................................................... ii  
Abstract ........................................................................................................................................ vi  
Declaration ..................................................................................................................................... ix  
Acknowledgements ..................................................................................................................... x  
List of Figures ................................................................................................................................ xi  
List of Tables .................................................................................................................................. xii  
List of Abbreviations ................................................................................................................... xiii  
Chapter 1: Introduction ................................................................................................................ 1  
  1.1 Running the risk of retrenchment at home, in a globalising world ......................... 3  
  1.2 Understanding Adjustment to Retrenchment and Home: Towards an  
      interdisciplinary Framework ......................................................................................... 10  
  1.3 Research Question and Aims ....................................................................................... 12  
  1.4 Thesis Structure ............................................................................................................. 16  
Chapter 2: Managing The Risk of retrenchment in Australia; the Case of  
Structural Adjustment in the Automotive Industry .......................................................... 21  
  2.1 The Evolution of the Regulation of Retrenchment in Australia: 1984–2004 ........... 22  
  2.1.1 Summary .................................................................................................................... 33  
  2.2 Retrenchment in Australia: National Statistics ......................................................... 34  
    2.2.1 Retrenchment as a Contributor to National Unemployment Trends ................. 36  
    2.2.2 Summary ................................................................................................................ 46  
  2.3 Planning for Labour Market ‘Adjustment’ in the Automotive Industry  
in Australia ............................................................................................................................ 46  
    2.3.1 The 1990 Industries Assistance Commission Inquiry ........................................ 49  
    2.3.2 The 1997 Industries Assistance Commission Inquiry ........................................... 51  
    2.3.3 The 2002 Productivity Commission Inquiry .......................................................... 53  
    2.3.4 Summary ................................................................................................................ 55  
  2.4 Organisational Restructure and Retrenchment at MMAL in 2004 ......................... 56  
  2.5 Conclusions .................................................................................................................... 60  
Chapter 3: Understanding the Links between Home and Adjustment to  
Retrenchment – macro and micro perspectives ................................................................ 62  
  3.1 Labour Market Outcomes Following Retrenchment: The Role of Home .......... 64  
    3.1.1 Problematising Retrenchment .............................................................................. 64  
    3.1.2 Evidence from Plant Closure Studies ................................................................. 67  
    3.1.3 Overseas Studies ................................................................................................. 77  
    3.1.4 Retrenchment at Ansett Airlines ......................................................................... 79  
    3.1.5 A Housing Tenure Effect? .................................................................................. 81  
    3.1.6 Summary ............................................................................................................ 82  
  3.2 The Psychology and Sociology of Adjustment to Unemployment ....................... 83  
    3.2.1 The Psychology of Employment and Unemployment ....................................... 83  
    3.2.2 Sociological Perspectives ................................................................................... 88  
    3.2.3 Summary ............................................................................................................ 93  
  3.3 The Role of the Home in the Contemporary Era ....................................................... 94  
    3.3.1 Housing Studies ................................................................................................. 96
3.3.2 The Sense of Home and the Life Course Perspective ........................................... 97
3.3.3 The Importance of Home and Homeownership ...................................................... 101
3.3.4 The Meaning of Home ......................................................................................... 103
3.3.5 Home, Mobility and Belonging ............................................................................ 106
3.3.6 Workplace: A Special Kind of Home? ................................................................. 111
3.3.7 Work/Home Interaction ....................................................................................... 116
3.3.8 Summary ............................................................................................................. 118

3.4 Conceptualising the Links between the Home and Adjustment to Retrenchment .......... 123

Chapter 4: Methodology ................................................................................................. 127
4.1 Constructing the research approach ...................................................................... 128
4.1 The Mixed Methods Approach .............................................................................. 129
4.2 Research Design .................................................................................................... 132
4.4 Conclusion ............................................................................................................ 139

Chapter 5: Retrenchment - One door shuts and another opens? ...................................... 140
5.1 Retrenchment – ready or not ................................................................................ 140
5.2 Labour and non labour market outcomes over three years ................................... 142
5.3. Impact of Gender, Nature of Retrenchment, Previous Experience of Retrenchment, Housing Status and Journey to Work on labour market outcomes ........................................................................... 145
5.4 Summary ............................................................................................................. 157

Chapter 6: Feeling at Home: The Trajectory of the Sense of Home Prior to Retrenchment .......................................................................................................................... 158
6.1 Housing Histories .................................................................................................. 158
6.2 Attachment to Place .............................................................................................. 161
6.3 The Meaning of Home .......................................................................................... 165
6.4 Conclusion ............................................................................................................ 172

Chapter 7: Home and a Major Life Challenge - the Lived Experience of Adjustment to Retrenchment ................................................................................................. 174
7.1 Establishing the Meaning and Personal Significance of Job Loss ......................... 175
7.1.1 Home and the Impact on Social and Group Activities, Family Life and Health .......................................................................................................................... 179
7.1.2 Impact of Retrenchment on Social and Group Activities and the Role of the Home ......................................................................................................................... 180
7.1.3 Impact on Family Life and the Role of Home ..................................................... 183
7.1.4 Impact on Health and the Role of the Home ..................................................... 188
7.1.5 Overall Assessment of Retrenchment Adjustment and the Role of the Home .......................................................................................................................... 189

7.2 Confronting Reality and Responding to Requirements of the External Situation: The Impact of a New Job ......................................................................................... 193
7.3 Sustaining Relationships and Maintaining Emotional Health: Integrating Job Loss over Time ................................................................................................................. 195
7.3.1 The Meaning of Job Loss .................................................................................. 195
7.4 Preserving a Satisfactory Self-image .................................................................... 201
7.5 Conclusion ............................................................................................................ 204

Chapter 8: At Home and Planning for a Meaningful Future ............................................ 206
8.1 Money Isn’t Everything: The Impact of the Redundancy Payment and of Getting a New Job ................................................................................................................. 206
8.2 Discovering, Securing and Exploiting the Meaning of Home during Adjustment ......................................................................................................................... 213
Abstract

‘Home’ has been defined as a place of belonging, community, domesticity and safety as well as being materially significant as a major household cost and or investment and may be experienced as a haven from work and or a source of ontological security in an uncertain world (Giddens, 1991; Saunders, 1990). The experience of ontological security through homeownership may be constrained in times of high interest rates (Colic-Peister and Johnston 2010). Proponents of the risk society thesis (Beck, 1992) which holds that the first modernity’s concern with scarcity and class is being supplanted by the second modernity’s concern with risk and individualisation, point to globalisation as the driver behind the changing nature of work and in particular behind job insecurity. Flexible accumulation and labour market flexibility is the new mantra. A “job for life” once provided the orientation to and possibility of a sense of security within Fordism as did other institutions such as family, religion and ‘home’, in the latter case particularly through home ownership. When retrenchment arises decisions need to be made about career and finances and there may be positive and negative implications for current plans regarding housing and the meaning of home. What do you do when you don’t belong at work anymore?

The labour market outcomes for individual workers following retrenchment have been the subject of considerable academic and policy research particularly by labour market analysts, psychologists concerned with the cognitive and affective dimensions of work and unemployment, by sociologists concerned with the role of work in sociality and geographers concerned with the spatial distribution of economic activity and employment. Media treatment of retrenchment invariably is couched in the language of ‘moral panic’ and casts retrenched workers, including those who volunteer for retrenchment packages, as being victims of uncaring companies and or governments. This form of media construction is often triggered when companies announce plant closures with little or no warning to the workers, the unions or the government. However very little research has been conducted which attempts to work across these disciplines by drawing attention to the interaction of processes of adjustment over time, within place.
and across labour markets and within the context of structures of subjectification and or resistance, mediated by house and home.

How should we explain the housing decisions and attitudes of people during retrenchment given the plethora of theories regarding the role of home in the contemporary era and the variability in the individual circumstances of workers with respect to labour market success? This thesis contributes to a bridging of the adjustment to retrenchment and ‘home’ literatures through a longitudinal study of retrenchments within the automotive industry and asks how does home constrain and or enable the process of adjustment to retrenchment?. A mixed methods approach is used with an emphasis on the analysis of data on the subjective experience of adjustment in order to understand how meanings about home and work influence adjustment decision making. Data was analysed from an Australian Research Council (ARC) funded study on a sample of 372 workers retrenched following restructuring and plant closure at the Adelaide, Australia branch of a large multinational automotive industry company, announced in May 2004. This data comprised three telephone surveys at approximately one year apart, interspersed with two in depth interviews with a randomly selected subsample of 38 workers.

Using thematic, content and case study analysis the thesis identified the mechanisms through which home enabled and constrained adjustment and through which workers maintained a strong sense of home. The research found that retrenchment packages were essential for workers to be able to plan a meaningful future, demonstrating the importance of the manifest benefits of work in assessing the psychological implications of job loss; nevertheless workers missed the social interaction with former workmates. Retrenchment packages were used to reduce or pay out the mortgage which has less to do with strengthening workers’ homeowner identities than it did with establishing financial security and a secure base for the post retrenchment world. Less than 10 per cent of workers relocated during the study period. Place attachment by workers was informed by a commitment to the existing local relationships and educational development of their children, connections with friends and relatives and the environmental amenity. The
thesis demonstrated how meanings of home can change for workers as a result of the retrenchment episode and how the sense of home anchors narratives of job loss and animates life biographies in the risk regime of employment.
Declaration

I certify that this thesis does not incorporate without acknowledgment any material previously submitted for a degree or diploma in any university; and that to the best of my knowledge and belief it does not contain any material previously published or written by another person except where due reference is made in the text.

Signed:

Date:
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List of Figures

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.2</td>
<td>Retrenchment by Area of Usual Residence</td>
<td>43</td>
</tr>
<tr>
<td>2.3</td>
<td>Persons Retrenched or Made Redundant, Three Years to July 2001</td>
<td>45</td>
</tr>
<tr>
<td>2.4</td>
<td>Labour Market Volatility in the Automotive Industry</td>
<td>58</td>
</tr>
<tr>
<td>3.1</td>
<td>Coping, Psychological Status and Employment Model (CoPES)</td>
<td>86</td>
</tr>
<tr>
<td>3.2</td>
<td>Characteristics of Housing Important to People’s Lives</td>
<td>97</td>
</tr>
<tr>
<td>3.3</td>
<td>Housing Decision Making Over Time, the Variable Influence of Life Cycle, Labour Market, Well-being, Tenure and Lifestyle Aspirations</td>
<td>99</td>
</tr>
<tr>
<td>3.4</td>
<td>The Experienced and Imagined Home over the Life Course</td>
<td>100</td>
</tr>
<tr>
<td>3.5</td>
<td>An Experienced Life Course Trajectory</td>
<td>101</td>
</tr>
<tr>
<td>3.6</td>
<td>Meanings of Place and the Process of Personal and Social Identification</td>
<td>113</td>
</tr>
<tr>
<td>3.7</td>
<td>Maintaining the Sense of Home and Adjusting to Retrenchment over Time – an Experiential Model</td>
<td>124</td>
</tr>
<tr>
<td>4.1</td>
<td>Residence of Workers at Wave 1 by Postcode</td>
<td>135</td>
</tr>
<tr>
<td>4.2</td>
<td>Residential Development in the Suburb of Morphett Vale South Australia</td>
<td>136</td>
</tr>
<tr>
<td>4.3</td>
<td>Residential Development in the Suburb of Morphett Vale Adjacent to Commercial Precinct</td>
<td>137</td>
</tr>
<tr>
<td>5.1</td>
<td>Employment Status by Wave</td>
<td>144</td>
</tr>
<tr>
<td>5.2</td>
<td>Labour Market Status at Wave 2 for those Unemployed at Wave 1</td>
<td>145</td>
</tr>
<tr>
<td>5.3</td>
<td>Employment Status by Gender at Wave 1</td>
<td>146</td>
</tr>
<tr>
<td>5.4</td>
<td>Employment Status by Gender at Wave 3</td>
<td>147</td>
</tr>
<tr>
<td>5.5</td>
<td>Responses to the Question ‘Are You Actively Seeking Employment?’ (Wave 1) by Number of Years Worked at MMAL and Gender</td>
<td>148</td>
</tr>
<tr>
<td>5.6</td>
<td>The Need for Another Person in the Household to Take Extra Work, by Length of Unemployment in Weeks (Wave 3)</td>
<td>149</td>
</tr>
<tr>
<td>5.7</td>
<td>Wave 1 Employment Status and Whether Retrenchment Was Voluntary or Involuntary</td>
<td>150</td>
</tr>
<tr>
<td>5.8</td>
<td>Wave 3 Employment Status and Whether Retrenchment was Voluntary</td>
<td>151</td>
</tr>
<tr>
<td>5.9</td>
<td>Employment Status and Previous Experience of Retrenchment at Wave 1</td>
<td>152</td>
</tr>
<tr>
<td>5.10</td>
<td>Wave 3 Employment Status by Whether the Participants Had Previous Experience of Redundancy</td>
<td>153</td>
</tr>
<tr>
<td>5.11</td>
<td>Employment Locations at Waves 2 and 3</td>
<td>156</td>
</tr>
</tbody>
</table>
List of Tables

Table 2.1: Commission’s Determination on Severance Pay .......................................................... 28
Table 2.2: 2004 AIRC Test Case Severance Pay Decision .......................................................... 33
Table 2.3: Industries: Retrenchment Ratios and Contribution to Total Retrenchment, Three Years to July 1997 .......................................................... 37
Table 2.4: Occupation: Retrenchment ratios and contribution to total retrenchment, three years to July 1997 .......................................................... 38
Table 2.5: Retrenchment Ratios by Age and Selected Social and Demographic Characteristics, Three Years to July 1997 .......................................................... 40
Table 2.6: Number of Times Retrenched by Age, Three Years to July 1997 .......................................................... 41
Table 2.7: Labour Force Status of Persons Who Had Been Retrenched in the Three Years to July 1997 .......................................................... 42
Table 2.8: Main Reason for Retrenchment, Three Years to July 1997 .......................................................... 44
Table 3.1: Importance of Factors in Individuals’ Lives .......................................................... 102
Table 3.2: Discourses of Home in Responses to the Question ‘What Does Your Home Mean To You?’ .......................................................... 106
Table 4.1: Numbers of Participants in Each Wave .......................................................... 137
Table 5.1: Occupation at Mitsubishi (Wave 1 Data) .......................................................... 141
Table 5.2: Age of Employees as at 2006 .......................................................... 142
Table 5.3: Aggregate Employment Status at Waves 1, 2 and 3 .......................................................... 144
Table 5.4: Housing Tenure across Waves .......................................................... 154
Table 5.5: Industry after Retrenchment .......................................................... 155
Table 6.1: Responses to the Question: Have You Ever Lived outside the Southern Region? (Wave 1) .......................................................... 162
Table 6.2: Responses to Question: To What Extent Are the People You Know From Your Neighbourhood? (Wave 1) .......................................................... 165
Table 5.3: Results of Meanings of Home Discourse Analysis of Responses to the Question: Do You Think of This Place as Home? If So, What Does Home Mean to You? .......................................................... 166
Table 7.1: Responses to Question: Do You Think that the Changes at MMAL Have Affected Your Social and Group Activities? (Wave 1) .......................................................... 177
Table 7.2: Response to Question: Do You Think that the Changes at MMAL Have Affected Your Family Life? (Wave 1) .......................................................... 178
Table 7.3: Responses to Question: Do you Think that Your Health Has Been Affected by the Changes at MMAL? (Wave 1) .......................................................... 179
Table 7.4: Top Five Categories of Responses to the Questions: What Are the Best and Worst Things about the Current Job (Wave 2: Those Currently in Full-Time Employment) .......................................................... 194
Table 7.5: ‘The Top 10 Themes in Response to the Question: What Has Been the Best Thing about Leaving MMAL?’ (Wave 3) .......................................................... 196
Table 7.6: Top Twelve Themes in Responses to the Question: What Has Been the Most Difficult Thing about Leaving MMAL? (Wave 3) .......................................................... 198
Table 7.7: Waves 1, 2 and 3: Top Three Themes and Responses to the Question: Anything Else to Add? .......................................................... 203
List of Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABS</td>
<td>Australian Bureau of Statistics</td>
</tr>
<tr>
<td>ACCI</td>
<td>Australian Chamber of Commerce and Industry</td>
</tr>
<tr>
<td>ACIS</td>
<td>Automotive Competitiveness and Investment Scheme</td>
</tr>
<tr>
<td>ACTU</td>
<td>Australian Council of Trade Unions</td>
</tr>
<tr>
<td>AHURI</td>
<td>Australian Housing and Research Institute</td>
</tr>
<tr>
<td>AIRC</td>
<td>Australian Industrial Relations Commission</td>
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<tr>
<td>AMWU</td>
<td>Amalgamated Metal Workers Union</td>
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<tr>
<td>ATO</td>
<td>Australian Tax Office</td>
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<tr>
<td>CBD</td>
<td>Central Business District</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
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<tr>
<td>CES</td>
<td>Commonwealth Employment Service</td>
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<td>CITCA</td>
<td>Committee of Inquiry into Technological Change inAustralia</td>
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<td>DFI</td>
<td>Direct Foreign Investment</td>
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<td>EBA</td>
<td>Enterprise Bargaining Agreements</td>
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<td>GM</td>
<td>General Motors</td>
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<tr>
<td>HILDA</td>
<td>Household, Income and Labour Dynamics in Australia</td>
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<tr>
<td>ICT</td>
<td>information, communication and technology</td>
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<tr>
<td>ILO</td>
<td>International Labour Organization</td>
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<td>LATA</td>
<td>Labour Adjustment Training Arrangements</td>
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<tr>
<td>MMAL</td>
<td>Mitsubishi Motors Australia Limited</td>
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<tr>
<td>MMC</td>
<td>Mitsubishi Motors Corporation</td>
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<tr>
<td>NLAC</td>
<td>National Labour Advisory Council</td>
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<tr>
<td>TCF</td>
<td>Textile, Clothing and Footwear</td>
</tr>
<tr>
<td>TCR case</td>
<td>The Termination, Change and Redundancy Case of 1984</td>
</tr>
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<td>UK</td>
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</tr>
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</tr>
</tbody>
</table>