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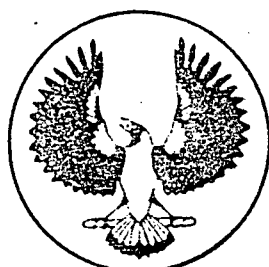
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Title:

Statement: Premier meets worker participation authority

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STATEMENT

from the Premier

Date... October 23, 1976.

Embargo.....

State Administration Centre,
Victoria Square, Adelaide,
South Australia 5001
227 2688

PREMIER MEETS WORKER PARTICIPATION AUTHORITY.

The success of the Volvo organisation's introduction of worker participation had shown that involving employees in their work environment helped both the individual workers and the company, the Premier, Mr. Dunstan, said today.

Speaking at a press conference with the Managing Director of A.B. Volvo, Mr. Pehr Gyllenhammar, Mr. Dunstan said Volvo's decision to chose new forms of production technology and work organisation was a very significant step in the changing nature of industrial life.

"Volvo have shown that employees want to take an active interest in the decisions which affect their daily work and that they also want patterns of work which are not repetitive or monotonous.

"Volvo's car plant at Kalmar, where the assembly line has been abandoned, both in practice and approach, has shown that industrial production can be organised on a varied and interesting basis."

Mr. Gyllenhammar said the first official report on the Kalmar plant had shown increased job satisfaction and reduced absenteeism. In building the Kalmar plant Volvo had chosen a new direction in production technology, he said.

Mr. Gyllenhammar is the 41 year old Managing Director of Sweden's largest and most diversified industrial concern, the Volvo Corporation, manufacture of cars, trucks, construction and forestry machinery, marine and industrial engines, buses and cross country vehicles.

He arrived in Adelaide to speak at an Industrial Democracy Seminar.

Mr. Gyllenhammar established the basic criteria and requirements for the car assembly plant at Kalmar in Sweden that opened two years ago.

"The factory was the result of encouraging experiments at other Volvo establishments into ways of increasing job satisfaction for workers", he said.

"It has no production line.

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"Individual teams build entire sections of vehicles by themselves on stationary platforms that can be moved around from team to team until the vehicle is completed. There are 30 teams in the factory ranging in size from 4 to 28 people.

"Each team has its own area to work in which is separate from the rest. These groups have their own coffee shop, showers, lockers and sauna facilities.

"They plan their work pace and time off themselves within a previously agreed schedule and production.

"One of the primary objectives of the system is to continually rotate jobs among workers and increase their individual responsibilities to provide variety and interest.

"Up to 1969 the traditional method of factory production was based on the theory of increasing specialisation.

"Each worker stuck to the same repetitive task.

"This became continually simpler and more monotonous as automation reduced the role of the individual in production. This caused increasing frustrations, finally ending in violent strikes in several other companies.

"Our philosophy has been to give the worker a large responsibility so that he or she can be involved in and proud of what they are doing."

Mr. Gyllenhammar said that as well as giving workers greater freedom to organise their own work, Kalmar itself was made a pleasant place.

"The building exterior has an attractive design. Inside the layout permits each person to work beside a window with a good outside view.

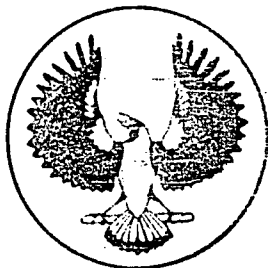
"Men and women work side by side on equal wages, noise is kept below normal conversation level and high fidelity music or stereofonic headphones are available for those who want it. All mechanical movements are designed to minimise bending and to be undertaken in natural positions.

"As a result we have had no strikes at the factory since it opened, no serious accidents, back injuries are rare and there is a waiting list for employment."

Mr. Gyllenhammar said the plant had cost about 10 percent more than a conventional one but the productivity advantages were expected to fully cover the extra investment.

"Ever since it opened Kalmar has been inundated with politicians, unionists, engineers and other vehicle manufacturers. Australians have easily had the largest representation per capita. Further developments of the Kalmar concept have been introduced in Volvo factories over the last few years."

Last year an independent commission representing employers and unions commenced an enquiry into the success of the plant. They published their findings this month. The general conclusion was that the working environment was better and that Kalmar was at least as efficient as any other Volvo plant, Mr. Gyllenhammar said.



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