

German trade unions vote for job cuts

New Opel (GM) plant in Rüsselsheim means 4,000 fewer jobs

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In a press statement on May 26, Robert Hendry, the head of the board of directors for General Motors Germany, announced that the new Opel plant to be located in Rüsselsheim, Germany, would cost 820 million DM and employ 4,000 fewer workers and white-collar employees than the existing plant.

This year parent company General Motors plans to start construction of one of the world's most modern auto plants on the present Rüsselsheim site with its century-long Opel tradition. Production will be based on the latest model of "streamlined production", flexible, multi-skilled staff, constant quality control and "just in time" production methods in existence, up to now, only in the east German Eisenach factory. The old Rüsselsheim plant, which 20 years ago employed 43,000 workers, is no longer viable and will be totally demolished.

The new fabrication line will be erected in close proximity to the old site; the installation for the body works and the finishing assembly line are to be finished by 2002, the new paint works some time later.

Wolfgang Strinz from the Opel board of directors told the *Frankfurter Rundschau* that per vehicle production costs in the old factory at Rüsselsheim were 35 percent higher than in Eisenach. The "Eisenach model" was developed when General Motors took over the Wartburg works following the collapse of East Germany, closed it down, and set up the world's most modern manufacturing vehicle plant employing fewer than one-third of the 10,000 original Wartburg work force.

Workers in the new Opel plant will face completely transformed conditions. Although group work has already been implemented, the management also wants to retain three-shift operations. Where previously two separate assembly lines were in place for the Vectra

and Omega auto models, future operations will be constructed on a single line in which a 40 percent productivity increase is to be reached producing the same annual total of 275,000 vehicles. The 10,500 workers at present employed in the fabrication plant will be cut to 6,500, and more and more pressure will be placed upon them.

Rudolf Müller, works council president, spoke positively about the decision, telling the press it had long been awaited. The representatives of the work force had been demanding a complete overhaul of production methods. To be sure, he "regretted" that 4,000 fewer workers would be employed in 2002, but the new plant was the only correct option and the old works had no future. He maintained that job cuts would not entail direct redundancies, but would be carried through by the more socially acceptable methods of not replacing workers who retired or encouraging older workers to leave through early retirement. But even if this is the case, it means that ever-fewer workers will be producing under increasingly stressful conditions, while a growing army of unemployed is put on the street.

In a recent agreement on maintaining the site, management and the works council expanded the early retirement scheme and pension rules for employees of the original Opel plant. Fifty-eight-year-old workers can volunteer for the pension and 57-year-old workers as well as 60-year-old white collar employees are eligible for a part-time pension.

Opel trade union works council members and representatives of IG Metall (the metal workers union) took part in an international works council convention in Detroit on the last weekend in May. Opel was represented by Müller, his deputy Klaus Franz and IG-Metall-functionary Thomas Klebe. (All three are

members of the board of directors.) At present General Motors has plans to set up rationalised production methods in Canada and in the US, where downsizing will occur.

The German works council members concluded that General Motors should be urged to develop a method to secure jobs over a longer period of time. They argued that with the help of modern technical innovation, quality work and a highly motivated staff it must be possible to win back a greater share of the world market. To effect this it was necessary to tie the interests of the firm to national commercial considerations. Müller said an all-round strategy was not only in the interests of defending jobs but also of capital because, in an international game of global players, only those who took into account the peculiarities of the national market could survive.

For this reason the Rüsselsheim works committee had supported the appointment of Robert Hendry to Germany and the removal of production chief Peter Hanenberger. Hanenberger championed the General Motors headquarters-favoured concept of a "universal world car"—highly rationalised and cheap to produce—while the works council preferred the concept of the typical German Opel nurtured by the new boss Hendry—the concept of a nationally distinct product with its established standard of quality.

Emulating junior partners in management, the union and the works council strive to give advice on how to survive in the world market and compete more successfully. They criticise the structures at General Motors as "too encrusted" to carry through necessary changes (Thomas Klebe, IG Metall).

The works council has already been involved in disciplining the work force: in Rüsselsheim, Bochum, Kaiserslautern and Eisenach, where the Christmas bonus has been coupled with the number of sick days used, they participated in hounding sick workers. In recent times the union has paved the way for agreements that introduced permanent night-shift and weekend work.

However, with the latest decision, IG Metall and the works council have gone a step further: with massive funds being invested in the new plant, they have agreed to a 5.3 percent reduction of the wage costs and the destruction of 4,000 jobs over the next four years.

"What was the alternative?" said Klaus Franz in the

Detroit News. "To shut down Rüsselsheim. That was the alternative. It is hard, very hard, but that is reality." He played up the threat that production could be shifted to Gliwice in Poland, where General Motors will set up production of the car models Astra and Corsa in three years. IG Metall has no answer to this threat.

The fact that the convention in Detroit took the first step in the direction of an international works council and Rudolf Müller's appointment as president of the European works council have not resulted in growing solidarity between workers at Opel and General Motors—quite the contrary. The international works council will assist the world combine in setting up Eisenach-type production lines in Poland and Rüsselsheim, in Michigan and Ohio in the US as well as Argentina, Brazil and China to attain maximum profits with minimal production costs.

The American press held up as a model the agreement of the Opel works council and IG Metall to slash 4,000 jobs. The *Detroit News* wrote on May 26, "Whoever wants to know what the United Auto Workers and General Motors has prepared for the future, look at Germany ... the leaders of the IG Metall, the powerful union representing German workers, faced for 18 months the same dilemma now confronting the UAW: fewer jobs or none."

The paper concludes that in a globally integrated enterprise there can be only one exclusive entrepreneurial concept, applicable all over the world. "In Rüsselsheim, only ninety minutes by air from markets in Poland, Hungary and the Czech Republic, they have understood this."



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