

Britain: Vauxhall car workers protest mass layoffs

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Workers at GM's Vauxhall car plant in Luton reacted angrily to the announcement of 2,000 job losses as part of a global restructuring, ending car production at the 95-year-old plant.

Around 100 workers entered the company's management headquarters chanting "Judas" and demanding to speak to Vauxhall chief executive Nick Reilly. After workers left the foyer, Reilly addressed them for 15 minutes outside the building. He said the job losses were not restricted to the UK, pointing out that around 5,000 jobs would be lost at the company's European plants.

Vauxhall has said the remainder of the Luton plant will concentrate on commercial and off-road vehicles, with car production based at the company's other plant in Ellesmere Port, north-west England.

Production of the Vectra at Luton will move to one shift early next year and will end by the first quarter of 2002. The company's new medium duty van, the Vivaro, and the Frontera four-wheel drive vehicle will be built at Luton. The end of car production will leave less than 1,500 workers at the Luton plant.

It is estimated that the layoffs will affect far more than the 2,000 workers immediately concerned. Bedfordshire Chamber of Commerce chief executive Richard Lacy told BBC News Online that up to 50,000 people in the area could be affected by the closure. "There are 2,000 people being made redundant by Vauxhall but when you consider the trickle-down effect, it could end up being much more.

"You can double that figure if you include the immediate supply chain to the plant and then when you look at the service sector support industries, the figure rises steeply again.

"The effect of the closure is devastating. We think anything from 35,000 to 50,000 people could be

affected. The numbers are enormous," Lacy said.

Prime Minister Tony Blair described the announcement as "very bad news." The opposition Conservatives are demanding greater tax concessions for business and the pro-European Union lobby is blaming the lay-offs on the fact Britain has not adopted the single European currency, the euro, since its introduction in January 1999.

The layoff decision comes at the end of what has been a disastrous year for British manufacturing, and the auto industry in particular. Ford's Dagenham plant in Essex is set to close in 2002 with the loss of thousands of jobs, and this is on top of thousands more who were laid off this year following the sale of Rover by BMW.

Unlike Rover, there is no talk of government aid for Luton. Trade and Industry Secretary Stephen Byers instead announced a range of measures, which would supposedly "soften" the impact upon the local economy and help former car workers into other employment.

The fact that the Vauxhall announcement was made as part of a worldwide restructuring plan with the loss of 10,000 jobs at plants in the US and a further 3,000 in mainland Europe over the next 18 months has been largely forgotten in the political point scoring within British political circles.

Shadow Trade and Industry Secretary David Heathcoat-Amory said, "We've been warning for months that the higher tax and regulatory burden on manufacturing would cost jobs. Manufacturing industry has borne the brunt of £5 billion a year in extra taxes, with more to come."

There are growing concerns among sections of big business with the effect on manufacturing due to the high value of the pound and Britain's position outside

of the euro-zone. The unions' response to the GM announcement merely echoes these arguments. Advancing a pro-euro agenda, Trade Union Congress (TUC) general secretary John Monks said, "Large-scale manufacturing plants are fast becoming an endangered species in Britain. These closures show our vulnerability to job losses while we remain outside the European mainstream." John Edmonds, head of the general union GMB, joined him declaring, "The government must act to prevent the high-level of the pound squeezing the life out of Britain's manufacturing heartlands."

This prompted a government spokesman to respond by asking: "If it is the fault of the pound, why are there so many job losses in Germany?"

The GM announcement is not the product of special British or European circumstances but a global crisis of overcapacity within the auto industry. The response of all the transnationals is one of mergers, corporate restructuring and downsizing, resulting in the loss of tens of thousands of jobs worldwide.

The unions vow to "fight the closure" of Luton amounts to nothing more than the argument that GM has some obligation to keep the factory open because the company received money from the public purse in Britain. This is accompanied with appeals to the Labour government to "create a tougher climate for multinational companies in this country... Make it harder for them to exit in the way that General Motors are doing in Luton."

Far from doing anything to restrict the actions of global corporations like GM, the Blair government will continue to defend business interests against those of ordinary working people. If the Rover sell-off was anything to go by, as the closure date draws nearer, the unions will indulge in evermore-nationalist rhetoric, precisely at the point when what is needed is an international perspective for autoworkers to answer the global offensive of their employers.



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