Auto workers vote for strike action at Britain's GM-Vauxhall plants

Keith Lee
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Union members at General Motors (GM) Vauxhall car plants in Britain have voted for industrial action in protest at the closure of the Luton factory. Workers at GM's Luton and Ellesmere Port factories belonging to the Transport and General Workers Union (TGWU) voted by 58 percent for strike action. The strike began with the night shift on Wednesday, building up to a general walk out of all shifts on Friday February 22.

Members of the smaller engineering union (AEEU) and the white-collar MSF voted for action short of a strike.

GM announced its decision to shut the Luton plant last December and cease production of the Vectra model, with the loss of 2,000 jobs, as part of its global restructuring programme. The glut of cars on the world's markets has created an economic downturn and loss of profits for GM in the US and Europe. World production has stagnated at around 14.4 million cars, compared with an overall installed capacity of all auto manufacturers of over 21 million cars per year. GM has seen its sales fall by 17.9 percent last December in the US, while profits internationally have halved from the 1999 figures of $1.3bn. In Europe, GM subsidiary Opel has recorded losses of $390m.

The vote for strike action is an indicator of workers' anger inside the plant. Up to 50,000 jobs could be lost as a knock on effect of Luton's closure—in a town built up largely to supply the car plant with workers and materials.

Although the closure is part of a programme of 16,000 job losses at GM plants throughout Europe and America, the unions have made no effort to unite GM workers internationally against this massive destruction of jobs. Rather, in Britain they have responded to Luton's closure by deepening the nationalist campaign that has been the hallmark of their response to the crisis in the car industry throughout the last decade. The unions are attempting to utilise the threatened strikes as bargaining chips to pressure the company into negotiations, with the aim of lessening the job losses and/or displacing them to another country.

In its 13-page document, *The Case for Britain*, the TGWU argues for GM to change its mind, "because the British market is key for General Motors and [that] in the last ten years it has made £1,096.000.000 net profit”. The TGWU complains that GM is "betraying the productivity agreements made with the union”. When the Chairman of Vauxhall motors asked for "an agreement that enables us to put in place more of the right working practices and a more competitive cost structure," the unions delivered. The document goes on to boast that it delivered a "unique agreement" with GM between 1998-2000, which gave the company:

* An £11m grant aid from the British government.
* Flexibility and productivity improvements at both plants.
* A three-year wage deal at moderate rates of settlements—to help cut costs.
* An agreement that new employees would receive a wage set at just 82 percent of existing base salary.
* Reduced holiday entitlement and productivity bonus scheme payments.

The union's entirely cynical complaint is that GM decided to shut its Luton plant because British workers are "cheap" to get rid of. By its own admission, the union is responsible for ensuring the lowering of wages and conditions at GM's British plants. In doing so the TGWU has set Vauxhall workers in Britain against those employed by GM in other countries, as well as all those who work for rival auto makers in a fratricidal conflict from which only management gains.

A constant striving to lower the benchmark for employment costs and to raise productivity is the central feature of the global auto industry. GM, for example, has come under constant pressure from Nissan, which currently sets the global standard for costs and productivity. Recently Nissan has confirmed that it will be increasing its capacity at its Sunderland plant, with an injection of cash. The company has implemented a global restructuring programme that cut costs by 20 percent and eliminated over 210,000 jobs. Nissan's profits have increased by 130 percent, and net profits for 2000-01 are estimated to reach $2.2bn—four times previous forecasts.