

Hundreds of jobs cut in Belfast

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16 June 2003

Two of the Northern Ireland's oldest and most famous manufacturing companies, Short Brothers and Harland and Wolff, have announced drastic cuts in their workforces.

In March 2003, Harland and Wolff completed construction of a car ferry, the Anvil Point. The company promptly laid off 100 workers, leaving just 120 in a shipyard that once employed 35,000. In its 150 years Harland and Wolff built hundreds of vessels, including the Titanic, the Canberra, and 1,740 lesser-known vessels. During the Second World War, the Belfast yard built 280 naval and merchant ships.

In decline for decades, the company was taken under state ownership in 1975 and privatised in 1989 to Norwegian based Fred Olsen Energy. As recently as 2001 the yard employed over 2,000 workers. Olsen intends to continue production of equipment for the oil industry with the tiny remaining workforce.

Also located in the same area of East Belfast is the main manufacturing plant for Shorts Brothers plc, aircraft manufacturers and subsidiary of Canadian owned Bombardier Inc.

Shorts is the world's oldest aircraft manufacturer and took orders from the Wright Brothers. Unlike Harland and Wolff, following privatisation of the plant, Shorts has emerged as a crucial part of Bombardier's global aircraft building operation.

Bombardier is the third largest aircraft manufacturer in the world after Boeing and Airbus, producing smaller jets for the regional and business markets. It employs 38,000 workers globally, of which 25,000 are in Europe. Shorts makes nacelle systems, fuselages, flight controls and air defence systems for Bombardier. During the 1990s Bombardier poured \$1.35 billion capital into its Belfast operation as part of the engineering company's reorientation towards aircraft production, making Shorts the largest manufacturing employer in Northern Ireland. Around 9,000 workers

are employed in Belfast, down from 9,000 in 1990.

Following September 11, 2001 and the onset of recession in the airline industry, Bombardier has sought to slash its global workforce to cut costs and save its profit margins in a shrinking market. It has also faced fierce competition for another new entrant in airline production—Brazilian-based Embraer. In September 2002, Bombardier cut 3,800 jobs in Canada, the US and the UK, including 240 in Belfast, along with plant closures in Germany and the UK mainland to offset a 65 percent fall in profits.

In March 2003, Bombardier announced 3,000 more job losses and much-reduced quarterly profit figures—\$58.6 million, compared with \$143 million in the previous year's quarter.

Following its profits warning, Bombardier appears to have gone around all its major manufacturing facilities to find the trade union able to deliver the most effective cost cutting.

In Wichita, Kansas, the Machinists Union successfully encouraged the local Bombardier workforce to accept a pay freeze and higher health insurance premiums in return for promises that their plant would be kept open until 2006.

In Belfast, despite the best efforts of engineering union Amicus, workers rejected a minimal pay deal, including a one-year pay freeze. Bombardier responded by announcing 1,050 additional redundancies at Shorts and changes in shift patterns. The company insisted that capital equipment would not be maintained with outside finance, thereby endangering the plant's long-term future. Faced with this, the trade unions and local politicians have called for a revote.

The crisis facing the two companies has major political ramifications. For more than a century wealth produced by the Belfast-based manufacturing industry allowed a layer of Protestant workers to be maintained as a buffer against any unity developing with their

Catholic counterparts in the North and between workers in the North and South of Ireland. The threatened rebellion of Ulster's predominantly Protestant six counties with the backing of the Tories in the early years of the twentieth century against plans to grant Home Rule to colonial Ireland was based on the defence of Belfast's vast industrial wealth.

The partition arrangement of 1921 following the Anglo-Irish War ensured that Ulster remained British, its industrial workforce largely Protestant while Catholics did the dirty and low paying jobs—under continual pressure from Protestant gangs, and a Protestant paramilitary police force.

In 1971, of the company's then 10,000 workers only 400 were Catholics. Protestant workers were encouraged to believe they had a job for life, while Catholics were almost entirely excluded from Harland and Wolff and most of the province's then substantial engineering sector. The same year sections of the Harland and Wolff workforce demonstrated for internment to be introduced against the newly emerged Irish Republican Army (IRA) under the encouragement of Unionist demagogues.

Three years later, Harland and Wolff workers were central to the strike organised by the Ulster Workers Council, allied to the paramilitary Ulster Defence Association, which brought down a power sharing agreement between the British and Irish governments. In 1986 some workers from the yard demonstrated against the Anglo-Irish accord, which laid the basis for what ultimately became the 1998 Good Friday Agreement. The Shorts workforce has also traditionally been predominantly Protestant.

The Good Friday Agreement of 1998, which established the Northern Ireland Assembly, was based on the recognition that old industries such as Harland and Wolff were finished. A means was therefore required to slash public spending, develop the province's antiquated infrastructure, partially stand down the military apparatus built up during 30 years of civil conflict and remove the barriers to the North emulating the investment-based boom of the Southern republic. Globally mobile investment had to be attracted and a stable political framework for this had to be sought which incorporated Sinn Fein, the political wing of the IRA, into the state, governmental and policing apparatus of the North.

Hailed as a new dawn of peace and prosperity, the Good Friday Agreement has only brought an uneasy peace based on rule by competing sectarian and pro-business parties and declining living standards for working people of all religions and none. According to the US Bureau of Labor, hourly manufacturing costs in Northern Ireland were 15 percent lower than in the UK, which in turn had costs nearly 40 percent lower than Germany. Industrial disputes were the lowest in Europe, alongside the rest of the UK. While public spending remains relatively high, that is set to change dramatically with a series of semi-privatisation schemes in the offing.

Finding a way through this violent and complicated historical legacy is no small challenge. Even now, the East Belfast parliamentary constituency, which includes the shipyard, is held for the Democratic Unionist Party (DUP) by Peter Robinson, deputy leader of the party led by the notorious bigot Ian Paisley. The DUP, vying for position as the largest Unionist party, opposes the Good Friday Agreement on the basis that it is a charter for eventual unification with the South, "rewards terrorists" and threatens the interests of Protestants.

Robinson is also the regional development minister in the currently suspended Assembly. Like the Amicus trade union, the only proposal the DUP has had for Shorts workers has been to accept Bombardier's pay freeze and for jobs to go via "natural wastage." Robinson also sought to offload the job losses onto Canadian workers. "I remain concerned that the Canadian operation is being placed at an advantage at the expense of the Belfast plant," he said.



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