

Belgium: Opel union councils serve as management's henchmen

A report from the GM plant in Antwerp

Helmut Arens, Andreas Kunstmann
18 December 2004

“We had the job of saving 100 million dollars and that’s what we did.” With these words Rudi Kenneth summarised the role of the trade unions and its factory council at the General Motors Opel plant in Antwerp, Belgium. Reporters from the *World Socialist Web Site* recently visited the Belgian factory.

The factory is situated in the middle of Antwerp’s extensive port, which is the fourth largest in the world. The route to the factory leads past enormous container ships and loading terminals. Over 130 million tons of freight are shipped here annually. Also visible is the former Opel/GM factory (Plant 1) which was closed in 1988/89. Three thousand Opel workers lost their jobs at that time, shrinking the workforce from 12,000 to 9,000.

Rudi Kenneth is an accountant who has worked at the plant for 27 years. In 1983, he was elected to the factory works council and is now the main delegate of the social-democratic General Belgian Trade Union (ABVV). The attrition of the workforce has continued apace since the closure of Plant 1, 15 years ago. GM Antwerp now has just 5,600 workers, Kenneth told the WSWS. “The last restructuring was completed June 1 this year. A thousand jobs were lost.”

There were even more severe restructuring measures in 1997 and 1999, which were crowned in 2001 with the so-called “Olympia” program. As was the case in Germany, GM management in Sweden threatened to completely shut down production and close the plant unless the “Olympia” plan were adopted. At the time, the Belgian works council reacted just like their German colleagues today. According to Kenneth, the works council sought to prevent the worst-case scenario from taking place by compromising time and time again. “We had to make limited cuts, not to close entire plants. Shared suffering is half the suffering,” he added.

The results of these compromises became clear just two years later. “On January 1, 2003, a whole production line was closed down,” explained Kenneth, who maintained that the dismantling of jobs was inevitable: “At the time there was an overcapacity of 350,000 cars in Europe. We were therefore to stop the production of the Astra.” Up to June of this year 1,000 workers have lost their jobs as a result of this restructuring.

And today? “Currently GM proposes that a further 300 jobs be cut.” Kenneth added: “However the budget for next year is around 10 percent less than this year. That makes 324 fewer jobs.” Kenneth is glad that the factories in Antwerp have been spared the threat of closure, but the price paid by the workforce is high.

Along with the continuous loss of jobs a profound restructuring process has taken place over the past five years—with dramatic consequences for many workers. Management delivered an ultimatum that \$100 million had to be saved in Antwerp, and the works council saw no other possibility than to meticulously implement company guidelines. The savings were obtained by job losses, but in particular by “outsourcing” entire factory lines. “The entire logistic, e.g., the loading and unloading of trains was outsourced.”

As in the deal recently reached with the German company Volkswagen, the trade unions have agreed that from now on two classes of workers can be employed side by side in the outsourced enterprises. “The former Opel workers have the same contracts as before but new employees have different contracts.” New employees receive 12.5 percent lower wages. “However,” Kenneth continued, “they still receive about 12.5 percent more than they would have received in the logistics industry.” The same principle was introduced with the outsourcing of the plant’s cafeteria and fire brigade—the new workers receive 12.5 percent less than former Opel workers.

Kenneth refused to commit himself when asked whether the company will try to shed the existing Opel workforce and replace it with workers under the new contracts. He did not want to admit this, stating instead: “That was the only way to save around 100 million dollars.”

Kenneth readily describes how these cuts—which bring in 100 million euros annually for GM—were prepared and imposed by the works council and trade union. “At that time we had many limited work contracts, more than 1,000 people,” he explained. “They received secure contracts in the new enterprises. There was therefore not much protest, because the concluding of secure work contracts for these people, although on worse conditions, represented progress.” However, currently there are

still several hundred workers with limited work contracts employed in the Antwerp plant.

The problem here is the costs, says Kenneth, speaking like a GM manager. “For each euro that a worker gets here the enterprise must pay two additional euros to the state. We are nearly as expensive as Germany, but we get much less money in our pockets. A worker in Antwerp receives about 11-13 euro gross—that is not like the wages paid in Rüsselsheim.” According to Kenneth, the real problem is the tax rate paid by the company. Overproduction of autos means that an increase in working hours without an increase in pay is also not a viable option. “We already have a target to build 20,000 fewer cars next year.”

GM obtained its largest productivity increases and savings by intensifying work rates. In addition, the unions proposed the setting up of so-called “workshops” to expand the group work already taking place. “Representatives are elected by the individual teams for every shift. They then consider how the work can be carried out more simply and faster, e.g., by workers having to walk less in the course of a shift. Such a workshop consists of six representatives of the workers, a trade unionist, a foreman and a specialist for labour organisation. Two thirds of the staff representatives have to agree to a change. This saves jobs. Ten percent of the money saved is distributed to the teams concerned.”

Kenneth justifies the cooperation of the trade union in this continuous speedup with the words: “If the trade union is not involved, then things are even worse.” He neglects to mention, however, that the workshops only became a reality due to the agreement of the trade union.

Kenneth described the way in which the European Works Councils function basically as the extended arm of GM management. The council is the place where discussion takes place on GM’s European balance sheet, which Kenneth is able to cite so readily: “In the euro-work councils, the following figures were given with regard to comparative labour costs. If West Germany represents 100, then Antwerp registers at 91.1, Eisenach in East Germany at approximately 82, Sweden 57, and Portugal 32 points. Poland stands at just about 15.4.”

The European Works Councils currently meet at least once in the month, much more frequently than other enterprises. At the centre of these meetings are the figures and guidelines laid down by management and the implementation of the appropriate measures to realise management plans. Any form of resistance on a European-wide basis is completely ruled out: “With the last day of action we stopped work for 20 minutes in the three shifts and met in the cafeteria.” While the works councils meet on a regular basis Europe-wide, GM/Opel workers in the individual works are cut off from one another. “The only connection between the staff in Antwerp and colleagues in other countries takes place within the context of training measures,” Kenneth remarked.

The role of the European Works Councils is also evident in

relation to the two workers dismissed at the German Bochum plant. They were sacked without notice shortly after the completion of the recent seven-day strike at the Bochum works. An agreement that participants in the strike should not be punished by dismissal or other measures, usually reached between the trade union and management, had not been struck by the works council during the latest Bochum strike.

“We only heard of it indirectly,” Kenneth reported. No mention was made of the Bochum dismissals at the meeting of the euro-works council in Brussels on November 24. “We were told nothing. We only heard it after seeing a report in a newspaper. Some workers here heard about it.” No word of the sackings had been passed on by the works council in Bochum.

Even after learning of the sackings from press releases, the works council in Antwerp made no attempt to get more information from Bochum in order to inform their own workers. Justifying this inaction, the Belgian works council representative said, “Because we were not officially informed, we were not sure whether the newspaper had reported correctly... not everything in the newspaper has to be correct.”

When asked why he did not make enquiries with the German works council members at the euro-works council meeting on November 24, Kenneth answered simply: “That is a bit tricky. How would the IG Metall interpret that? Perhaps they would say it was an internal affair. I would have some understanding for such a response. We would not be too enthusiastic if IG Metall told us what to do.”

Workers at the Antwerp plant reacted in a very different manner. At the shift change, WSWS reporters distributed a leaflet in Flemish describing the punitive action against the two Opel workers in Bochum. Many of the Belgian workers were indignant that they had received no information about the incident, after they had sympathetically followed the strike of their Bochum colleagues.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact