

Opel chairman warns of plant closure in Europe

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In an interview with the *Financial Times* on February 28, the chairman of the board of Opel Autos, Hans Demant, announced a “comprehensive reorganisation” of Opel’s European works. Opel is the European subsidiary of General Motors (GM).

Over the past year, 12, 000 jobs have been eliminated by GM at its European plants. Nevertheless, Demant, interviewed by the British financial newspaper during the Geneva auto show, made it clear that even more drastic measures were in the offing. “According to current planning,” he said, “it looks like in future we will need fewer factories.”

With the switch by the company to the new Opel Astra model, he indicated, one of Opel’s European works will be redundant and will have to be closed. The Astra is currently assembled at four plants: Ellesmere Port in Britain, Gliwice in Poland, Antwerp in Belgium and Bochum in Germany.

The head of GM in Europe, Carl-Peter Forster, told the newspaper that the decision on which plant will close would be made in the current year and would be decided by “internal competition.” In other words, factories are to be played off against one another and the work forces at all of the locations blackmailed into making concessions.

In March 2005, the works council trade union representatives signed a so-called “future contract” that—along with redundancy payments, part-time working arrangements for older workers, and the transfer of workers from production to subsidiary occupational schemes—stipulated wage cuts of 15 percent. At the time, the work councils tried to justify the cuts by arguing that management had given assurances that no factories would be closed before 2010.

In a cringing response to the latest development, the

chairman of the joint works council, Klaus Franz, who is also deputy chairman of the company’s supervisory board, declared that the remarks made by Demant and Forster were “harmful for the Opel brand and the sales of outstanding Opel products.” Franz criticised Opel managers for being “obviously not willing to advance the Opel brand and solve problems internally with the consent of workers’ delegates and trade unions.”

In a comment to *Spiegel Online*, the Bochum works council chair, Rainer Eienkel, said he was “dismayed.” Only two weeks previously, he learned from management of plans to cut an entire Astra shift, with the potential loss of 1,000 jobs. “Demant’s statements unfortunately confirm our fears,” Eienkel told *Spiegel Online*. “We need the new Astra, otherwise it’s curtains here.”

Eienkel warned that it was not only the future of the Bochum factory that was threatened. He said five plants in Europe were under threat. The GM Saab plant in Trollhättan, Sweden, depends on Astra post-production to boost its utilisation and secure its survival.

Such arguments have been circulated by union officials to prepare the ground for claiming that the closure of “just” one factory would be an acceptable outcome.

Eienkel made clear that the works council had no answer to the gauntlet thrown down by the company. His own demand, that the US company should build more of its Chevrolets in Europe, instead of in the US, only serves to pit GM workers in Europe and the US against one another, while management slashes jobs on both sides of the Atlantic and shifts production to cheap-labour countries such as Poland and China.

A series of betrayals by the works councils and unions has encouraged the Opel executive to go on the offensive. Following a joint statement by the European

works councils that the restructuring programme had led to the “deepest cuts in the post-war history of GM Europe” and that therefore “plant closures or an unequal distribution of production between different locations would not be accepted,” Demant merely responded by saying that “distributing the pain equally” did not really help, because fixed costs remained the same.

At present, neither the Bochum Opel plant nor the Ellesmere Port plant has been able to attain the productivity levels demanded by the company. However, Demant said that the factory in Great Britain was showing more willingness to cooperate, secure in the knowledge that, irrespective of declarations of solidarity, the work councils of the individual European plants were already at work to play off one factory against the other.

In preparation for new and violent conflicts, employees at Opel must undertake their own critical assessment of the role of the work councils and trade unions and adopt an international socialist perspective aimed at uniting all workers across national borders.



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