

Thousands of jobs axed at British car plants

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In the past month two companies have announced the elimination of over 2,500 car manufacturing jobs in the UK. In April, the French giant Peugeot-Citroen announced that 2,300 jobs are to go when it closes its car plant in Ryton, near the city of Coventry, in July 2007. The factory currently makes the Peugeot 206, which is being replaced by a new model due to be built for the European market at a new factory in Trnava, Slovakia.

Slovakia is fast becoming Europe's main car manufacturing location. Peugeot's huge modern assembly plant is just outside the capital Bratislava. Peugeot has said that by 2010 some two-thirds of its 207 model will be built at the plant. Auto workers' wages in Slovakia are less than a fifth of those in western Europe.

A further 260 job losses were announced by luxury sports car maker TVR in Blackpool, Lancashire. Owned by millionaire Russian businessman Nikolai Smolensky, TVR has announced that it plans to shift production to an as yet unspecified lower-cost country. A Transport and General Workers Union (T&G) spokesman said workers had "bent over backwards" to help the company. At the union's recommendation workers had been encouraged to accept a demand that they delay a January pay increase until the summer.

Peugeot workers have staged a series of protests against the job losses over the last weeks. They held several demonstrations in Coventry and Birmingham and attended a Trades Union Congress organised May Day rally in London.

But union officials have responded to the announced job losses with a customary mix of capitulation to big business and economic nationalism. Addressing the May Day event, for example, TUC General Secretary Brendan Barber called for "stronger employment laws" to protect jobs in Britain. Derek Simpson, general secretary of the engineering union Amicus, echoed this

theme, warning the Blair government that its policies were risking a Labour defeat at the next general election if it did not take measures to "protect industry."

The main union at the Ryton plant, the T&G, were quick to offer their services to Peugeot management. The T&G stated that Peugeot should adopt its proposal to implement job cuts and efficiency savings by cutting shifts and improving productivity at the factory. The union hoped that this would maintain some production at the plant until 2009-10 when the new model would be built there.

Even if Peugeot were to go with the T&G's plan—a highly unlikely proposition, given the massive labour-cost savings the company will achieve by moving to Slovakia—it would be at the expense of the living standards and working conditions of the Ryton workforce.

In reality, the T&G proposal was little more than a weak palliative intended to divert the Peugeot workers into thinking that there was still some chance that some of their jobs might be kept. Union officials, management and industry observers have known for a long time that the Ryton plant was a likely target for closure.

Union leaders attended meetings in London with Chancellor of the Exchequer Gordon Brown. Describing his meeting as "helpful," T&G official Des Quin praised the Chancellor's efforts and injected an anti-French note:

"We have accepted there will be some job losses with this new plan.... At the moment [the T&G plan] is not something which is definitely viable but it is something we are working on. In terms of support from the government, this meeting was definitely positive. The problem is with the French bosses."

True to form, the unions have isolated the Ryton car workers from those in other plants in Britain, as well as

from their fellow workers in France and Slovakia, all of whom face similar depredations at the hands of the same handful of transnational corporations. No workers at Peugeot's other factories in the Midlands were called out in support of Ryton workers, nor were T&G members at any other manufacturers in the area.

Two days after the announcement of the job cuts Coventry City Council took the opportunity to launch its proposal to become the host of Britain's first "super casino," featuring thousands of gaming machines and tables, as a "regeneration" scheme for the area. The council, which has already given permission for a new casino in the Ricoh Arena, has stated that a massive new casino development could create 1,800 jobs by 2007.

In the 1970s, 55 percent of workers in Coventry were employed in manufacturing, mainly in the automobile industries. Today only 18 percent work in manufacturing, with large numbers employed in low-paid and insecure service industries. Most jobs pay only a fraction of the wages offered in the car factories, while the casinos will generate huge social problems through gambling addiction.

With thousands of jobs lost last year at MG Rover's Longbridge factory in Birmingham, the latest job cuts mark a further decline in the availability of skilled, relatively secure and productive jobs in Britain—a process that mirrors that in the other major economies in Europe and North America.

The globalisation of production means that the transnational automobile companies can scour the globe looking for cheaper sources of labour, lower tax rates and reduced worker rights. With the expansion of the European Union into the former Stalinist states of central and eastern Europe, the European bourgeoisie has an opportunity to shift jobs out of relatively high-wage areas of western Europe and take advantage of the skilled but poorly paid workers of impoverished countries like Slovakia.

In contrast to the betrayals and nationalist appeals of the trade union bureaucrats, workers across Europe must unite in a political struggle across national borders to secure decent, well-paid jobs and create an economy run on a rational and democratically controlled basis. Only through the fight for a United Socialist States of Europe will it be possible to overcome the irrational and divisive policies of European big business and its

backers in London, Paris and Brussels.



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