

# Visteon workers reject “derisory” redundancy offer

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The occupation at the bankrupt Visteon car parts factory in Belfast and pickets at Enfield and Basildon in the UK are continuing after the company’s latest redundancy package was rejected by workers. An official from the union Unite said the offer was “derisory.”

The offer would have meant that the workers, many of whom have worked at the plants for 20 or 30 years, would only receive a cash payment equivalent to 16 weeks of their previous pay. The company said further payments may be made in the future, but this depended on the outcome of the bankruptcy process. However, at the end of 2008, the company had cash balances of just over US\$1 billion and debts of nearly US\$3 billion, despite a non-stop programme of job losses, wage cuts and asset stripping over the last few years.

Kevin Nolan, works representative for the Unite union, said, “What they’ve offered us is the pay in lieu which legally they have to do anyway. They said what they would do is set up a fund from the sale of the company’s assets and if there was any money left we would get it.

“A lot of it is very vague,” Nolan said. “We thought the company was going to be more positive. I said maybe I should bring my children in here to meet you. I can’t feed them anymore. I haven’t got the money. They’ve put more than 600 people in a position where they are going to lose their houses and they can’t feed their children.”

It would have been nearly impossible for the union to sell the redundancy package to the workers. Their anger and determination to defend their rights was reflected in the immediate occupation of the three plants after they

were told at hastily organised meetings on March 31 that the company was bankrupt and all 560 employees would be sacked. Receiver KPMG informed them the factories had to close because Visteon’s UK factories owe a massive £400 million to its US-based parent company, Visteon Corp.

Workers in Belfast occupied the factory immediately, followed the next day by workers at Enfield. At Basildon, workers also occupied the factory. However, after police threatened them with arrest, they left and organised a 24-hour picket. All this was done on the workers’ own initiative without the involvement of the union, which has worked hand in glove with Visteon ever since it was spun off from Ford in 2000.

The whole process of outsourcing developed in the 1990s as car companies searched for new methods to extract profits from autoworkers in the intense global competition for sales. This was championed first in the US and became the standard throughout the global car industry.

Outsourcing was designed to set the newly created company in a bidding war against the traditional components companies. Their products had to be produced at the lowest possible cost in order to win contracts. This was only feasible by lowering the wages and conditions of Visteon and other autoworkers.

The unions went along with the whole process. Although existing workers were told they would keep the same “blue book” conditions they had under Ford, the union agreed that new employees would receive lower wages and conditions. Visteon UK ended up with a three-tier workforce—those on the old Ford “blue book” conditions, those on “CCR” conditions and those on “CCM” conditions. Over the past few months, the company sacked many newer hires, leaving mainly “blue book” workers the subject of the latest attack.

The Visteon workers' initiative in occupying the factories was a shock to the union bureaucrats, who later moved in to take control of the situation. They are acutely aware that the dispute could win the support of workers in the wider car industry. Workers at other companies, including LDV, BMW Mini, Land Rover, Jaguar and Vauxhalls—the UK arm of General Motors—are experiencing similar attacks on conditions and jobs.

On April 6, after KPMG obtained a possession order in the High Court for the Enfield plant, the union successfully argued for workers to end their occupation and mount a picket instead. The union claimed that this was necessary in order to prevent legal action against Kevin Nolan and union deputy Piers Hood who had led the occupation.

By this means, Unite has effectively succeeded in ending the occupation at Enfield, where the company and administrators had failed.

The union's actions have caused bitter recriminations from some of the workers who recognise they face a three-pronged attack—by the company, the legal system and the union itself.

Raymond told the WSWs that he believed workers should stop paying their membership contributions to Unite and set up another organisation. Workers could no longer keep paying out in order to maintain such union officials in their positions, he said.

“We have to start doing things ourselves. The union is supporting the company. They are not supporting us. If they don't act, we will act against them, too.”

“From the time we came out, we haven't seen the union,” Raymond said. “We have to keep chasing them. They haven't done anything on their own initiative.”

Ian said, “We have had to do everything ourselves. These union officials, we should be telling them to \*\*\*\*\* off. When we went to court, you could tell these guys were spinning us a story, telling us we were wrong as far as the law was concerned.”

Sammy added, “All the jobs are going. The Labour Party does not care. I wish we had the power to control politics. If the Tories come into power, they will be the

same because we have a global crisis.”

“Workers need to take their own responsibility. Labour is dead. What we need is a new workers party.”



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