

# Britain: Visteon workers appoint solicitor to investigate pensions rip-off

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Workers at bankrupt car parts manufacturer Visteon UK have appointed their own solicitor to investigate the rip-off of their pensions, claiming the union Unite has done nothing to help them.

The Visteon pension fund, into which some 3,000 workers have paid into for years and some for decades, has a huge shortfall and is likely to end up in the government's Pension Protection Fund (PPF). As a result, pensions will be slashed by up to 70 percent with minimal increases in future. Younger people will find their pensions worth "next to nothing," campaigners say, when they come to draw them and widows' pensions could be reduced by a half.

The campaigners have explained, "We the ex-Ford workers at Enfield, Belfast and Basildon have been betrayed. We occupied the factories for our rights, and now we are continuing the fight to demand pension justice."

At the end of March, Visteon UK, the British arm of the US-based Visteon Corporation, declared bankruptcy and sacked workers with a minute's notice. In response, workers occupied the factories in defiance of their union to prevent administrators from gaining access.

Workers who transferred from Ford to Visteon when it was spun off in 2000 had been guaranteed lifetime protection of their pay and conditions. They were assured that terms and conditions would "mirror" Ford conditions for "the duration of their employment," including their pensions.

With the collapse of Visteon UK, Ford management insisted that they had no "legal or moral" obligation to help Visteon's employees and administrators KPMG agreed, claiming that "Visteon and Ford were separate entities from 2000."

In early May, the workers were persuaded to accept a "gift" from Visteon Corp. of improved redundancy payments and ended their occupations and pickets. On May 28, Visteon Corp. also declared bankruptcy in the United States and went into Chapter 11 protection. A rescue package involving Ford, GM, Chrysler and Nissan is

currently stalled over a planned \$80 million bonus payout to Visteon Corp. executives.

Only the Visteon workers' independent initiative secured them any settlement from their former employers. However, the victory was partial and limited. They have lost their jobs, and those employed in the last nine years have received less than that agreed to for former Ford workers. Most importantly, the pensions issue for all workers remains completely unresolved.

On June 1, joint general secretary of the Unite union, Tony Woodley, told the pension campaigners, "We have to get the best we can out of a difficult set of circumstances."

Woodley explained that Visteon was bankrupt in the US and UK, and its only legal obligation is to its shareholders. "Where pensioners fit in...what money is available, I just don't know," he added.

The union's solicitors were investigating the case, he said, calling on Visteon workers to "shame" Ford into keeping the promised final salary pension scheme. Woodley repeated that Unite would lead the pensions campaign, insisting, "We haven't left it, and we aren't going to."

Since then Visteon workers have been demonstrating outside Ford showrooms and factories. Linda, who has picketed the showroom in Enfield near the former Visteon factory, said, "We were supposed to receive a report from Unite at the end of last week but we have still heard nothing. They don't reply. I'm very disappointed. Not one of the union representatives has been here.

"Now, we've got our own solicitors to go through the case and see if it something can be done."

Linda explained how Ford promised to protect the wages and conditions of workers who were transferred to Visteon and persuaded them, along with the union, to move their pension pot to the new company.

Almost immediately, Visteon began outsourcing work to other countries and car manufacturers, such as Jaguar, stopped using the company's parts. "We were told 2009 would be a rough year with short time working," she said. "We accepted that because we were promised that the new

Ford Transit model would start using Visteon parts in 2010. Instead they closed us down.”

“Unite was supposed to be investigating whether criminal negligence has been involved, but we don’t know anything. That is why we have had to appoint our own solicitor and Queen’s Counsellor. We have had to raise money through raffles to pay for them, print our leaflets and hire rooms to hold meetings to discuss the campaign.”

Linda added, “Ten years ago there was 52,000 workers at Ford in the UK, now there are only 12,000.... Those left will get shafted just like we were.”

Referring to the anti-trade union laws, she asked, “Why do the unions always say they are worried about their assets [being confiscated]? That’s an excuse. Let them take them away. People would get behind them. The whole country would rise up.

“We should have kept on with the occupation. Workers have to fight. But maybe we need some new structures. I was brought up with the Labour Party, but I haven’t voted for years. They don’t have principles. I can’t see a party yet, though.”

Vijay explained that at the meeting urging acceptance of the improved redundancy package, Enfield convenor Kevin Nolan said it was now up to the older Visteon workers to pursue the pensions campaign while the younger ones looked for jobs. Vijay said that the campaigners are now petitioning to remove two Visteon Corp. executives who sit as trustees on the pension fund. He explained how the Visteon UK executives transferred some £22 million in assets from the Visteon pension fund into a new scheme for themselves in advance of the company’s bankruptcy.

Many workers could have taken early retirement on a reduced pension at 50 on the former Visteon scheme, Vijay explained. But with the government having raised the minimum retirement age to 55 and the collapse of Visteon, many won’t get anything until 65, if they get anything at all.

“The government’s PPF scheme is full of bankrupt companies like Woolworths waiting to be assessed and some companies have been in the queue for four years,” he said. “The government has had to pay another £700 million into the PPF scheme this year and won’t go on paying forever.”

Vijay has spent two hours a day for the last four months looking for work. “We’ve got the skills, but there is no work,” he said. Visteon workers like him used to get nearly £12 an hour with a 27 percent allowance for shift work. “The most I have heard anyone getting now is £7 an hour,” he said.

Anna explained that she had received £19,000 redundancy for the 17 years she had worked at Visteon, but it was nearly all gone because she wanted to reduce her mortgages in case

she couldn’t find a job. Many workers had done the same and were now living on Jobseekers Allowance.

Being aged 56, and with the “economic crunch,” it was impossible to find a decent job. Even her daughter, who finished university two years ago, was still unemployed. Some ex-Visteon workers had found jobs, but they were short-term contracts paying the minimum wage. One was an orderly at Chase Farm hospital, but that is closing down. Another was working at home improvement retailers B&Q on a three-month contract.

Enfield was once a manufacturing centre employing thousands of workers, but now it is just “selling and buying places, where wages are very bad,” Anna said. “I know people talk about a global market, and we can’t have jobs here, but that is not true. How long can they keep moving jobs to cheap labour places? How are we going to buy things? Shops around here shut down as soon as they open.”

Anna described how the union had put huge pressure on workers to transfer from the Ford pension fund into Visteon’s, so much so that it made her “physically sick,”

“They said we would have a better deal but now they say there is no money,” she said. “Where did that money go? Why didn’t the workers’ trustees see what was going on? Why didn’t the union’s lawyers see what was happening?”

“We have been done over twice—by Ford, Visteon and the union. They were supposed to be acting on our behalf. It’s not fair on people. I worked there for 17 years, others for 40 years.”

Marcia said, “It looks like the union is not going to solve the problem. We gave the union money for years, and they’ve done nothing.

“The union said, ‘We won, we won!’ But they didn’t do anything. It was our hard work that got us a better payout. I think we ought to take the Unite flags [that some of the demonstrators were waving] and wrap them around the union’s necks.”



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