

# European trade unions agree to closure of GM plant in Belgium

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Trade union work councils have agreed to the closure of the General Motors Opel plant in Antwerp, Belgium, despite enormous opposition from the workers. All other reports or statements to the contrary are merely smoke and mirrors aimed at disguising the sellout. The closure directly affects over 2,500 workers.

On Sunday the European work councils, the so-called European Employee Forum (EEF), agreed to a “Memorandum of Understanding” with the European management of General Motors. On the same day Reuters announced the deal and quoted the EEF chairman Klaus Franz: “We concluded negotiations over a MoU (Memorandum of Understanding). It is as good as signed.”

Newspapers also reported the agreement. According to *Spiegel Online*, the factory is to be closed by the end of the year. A “social plan,” including buy-outs and early retirements, had been agreed, but still must be voted on by the workforce. *Spiegel Online* cites Franz: “If the social plan is accepted by the workers in Belgium, then this will remove a major obstacle from the table.”

On Monday, the workers in Belgium spontaneously went on strike in protest, shortly after the beginning of the early shift. They were then persuaded to return to work by the work councils. The unions claimed that the press reports had been fueled by misinformation from GM management, and that nothing had been signed.

This is an obvious distortion of the facts. The Memorandum of Understanding which, according to works council chief Franz, is already “as good as signed,” states, “Immediate restructuring and dismissal of approx. 1,250 employees by the end of June 2010. Conclusion of a local social plan by the middle of April—should no investor be found, this plan is also

valid for the remaining staff up to the end of December 2010.”

That is, workers who do not accept the buy-out voluntarily will be forced to take it at the end of the year unless GM finds another company to purchase the plant.

Only a few weeks ago trade unions and work councils loudly proclaimed that they would never accept the closure of the plant in Antwerp. On January 22 the work councils and the district heads of the IG Metall trade union at Germany’s Opel plants issued a press release with the title “Closure of the Opel plant in Antwerp—a declaration of war on employees.” The press release stated, “We oppose any closure of existing plants, in particular the closure of the plant in Antwerp. Any agreement over savings to be made is not possible under these conditions.” IG Metall has now removed this statement from its website.

The union’s hypocritical declarations of solidarity were aimed solely at pacifying the militant workforce in Belgium, which has repeatedly protested against the planned shutdown of their factory. This gave the trade union and work council functionaries a breathing space to prepare a strategy for the closure of the plant behind the backs of staff.

The memorandum agreed with the GM management indicates the nature of this strategy. About 1,250 workers—or nearly half of the workforce—are to be shed by the end of June via compensation payments and an early retirement scheme. The remaining 1,300 will languish in the hope that an investor intervenes.

GM has promised any potential investor orders for the production of the Astra Cabrio and Astra three-door as well as the “possible new generation of Astra convertibles.” In fact all of this is all utterly vague, as indicated by the word “possible,” and GM has a bad

record of failing to honour such declarations of intent. Under conditions of overcapacity in the automobile industry worldwide, it is unlikely that any investor will be found.

The plans to close down Antwerp have existed for some time. They were a part of the concept put forward by Magna, which originally bid to take over GM's European works with the full support of IG Metall and work councils. When GM ditched Magna and decided to run Opel under its own direction, the company simply adopted the plan for cuts and closures that Magna had previously agreed with the unions. These plans envisage the slashing of approximately 10,000 of the company's total workforce of 48,000 in Europe, together with massive wage cuts.

It was in particular the German IG Metall trade union and German work councils that systematically pushed for the closure of the plant in Antwerp. The work council at the German Bochum plant, led by its chairman Rainer Eienkel, believed they could prolong the operational activities of their own factory by encouraging the shut-down of Antwerp.

The work councils function as a police force for the company management. It is they who have undertaken to plan and implement the so-called "restructuring" of the company, including wage cuts for the remaining GM-Europe staff amounting to €265 million per year.

These massive cuts are the precondition for subsidies to GM of €1.8 billion promised by European governments. So far only the British government has announced the payment to GM of €300 million. If the work councils succeed and are able to close the Belgian plant, the way would be free for the promised subsidies. This is what Klaus Franz was referring to when he said that agreement by the workforce to the Memorandum of Understanding would "remove a major obstacle from the table."



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