Opel's auto works in Antwerp to close by end of year

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27 October 2010

By the end of 2010, production in the Belgian auto works of Opel and General Motors will come to an end. The company's management board, trade unions and works councils have succeeded in enforcing the long-planned closure.

Cars have been rolling off the assembly lines of GM and Opel in Antwerp since 1925. The Chevrolet was the first model produced there, followed by models such as the Manta, Ascona, Kadett and Vectra. In recent years various models of the Opel Astra were assembled.

Just over 20 years ago, some 12,000 people were still working at the plant. In 1988-89, Opel/GM's former Plant 1 had already been closed, and as many as 3,000 workers lost their jobs at the time. The dismantling of the works steadily continued. In 1997, 1999 and 2001, major restructuring was implemented.

The Belgian works council chairman, Rudi Kennes, repeatedly involved himself in "compromises" to avoid—as he said—"the worst", namely the plant's closure. In 2004, he told the WSWS, "We all need to give up a bit so that all the plants don't have to close. Trouble shared is trouble halved". By that time, only 5,600 men and women were working in the factory.

Rudi Kennes is a qualified accountant and has worked in the GM plant in Antwerp for 33 years. In 1983 he was elected to the works council as a delegate of the social democratic General Belgian Trade Union. For many years, he has been vice chair of GM's European works council, the European Employees Forum (EEF).

Besides job cuts, Kennes and his works council colleagues willingly negotiated the introduction of harsher working conditions and lower wages. Entire sections of the plant, such as logistics, the cafeteria and the fire department, were outsourced. New employees were then paid 12.5 percent less than the regular workforce.

A proposal from the union, involving so-called "workshops", led to the imposition of more stressful working conditions. Each workshop consisted of six employees, one representative from the union and one from the firm. They drew up proposals for the intensification of work, which were then immediately realised in terms of job cuts.

Adopting the tone of a GM manager, Kennes repeatedly claimed that it was a problem of costs. Early this year, he boasted that what was left of the Belgian workforce had renounced its claim to €20 million over the last two years alone in order to prevent the long expected closure of the plant.

Only 2,600 people were then working at the Opel plant and their jobs were dismantled in two groups: 1,300 had to go in June and the remaining 1,300 at the end of the year.

The plant closure has devastating consequences for the industrial region of Belgium. With a population of half a million, Antwerp is the largest city in Flanders. The official unemployment rate in the region has already reached 17 percent. The Renault corporation had already closed its factory in neighbouring Vilvoorde 12 years ago. Extensive job cuts were also made at Ford in Gent, and at Volkswagen in Brussels-Forest. Opel was the last major industrial company in the region, and every Opel job spawns three other jobs in the supply industry. The number of unemployed is therefore set to soar by an additional 10,000.

In addition to Kennes, the works council in Antwerp, the Belgian trade unions, IG Metall and the German works councils bear particular responsibility for the closure. They have systematically cooperated with management to facilitate the shutdown of the plant in Antwerp.

Plans for the closure had been made a long time ago, at least since 2007. They were part of the concept of the Austrian-Canadian auto parts supplier, the Magna Group, which originally wanted to take over GM's European plants after the bankruptcy proceedings of the GM parent company in the United States.

When GM then allowed the Magna deal to collapse and decided to continue with Opel under its own management, the company simply took over the cuts and closure plans Magna had previously agreed with the work councils and trade unions. These plans provide for the reduction of about 10,000 of the 48,000 Opel/Vauxhall jobs in Europe, together with wage cuts in the billions.

From the beginning of this process, the closure of the plant in Antwerp was a foregone conclusion. Quoting from a highly confidential document last January, the *Franfurter Rundschau* newspaper revealed that production of a small SUV in Antwerp, which GM management had guaranteed the workforce in writing in 2007, had been rejected.

The document stated, "Even if the economic success of SUV production in Antwerp were assured, that would not alter our intention to close the plant there. The financial outcome would be significantly better if the model was manufactured in a different European factory."

Thus, while the shutdown had already been concluded, the German works councils and the district head of IG Metall at the

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German Opel plants released a press announcement vehemently opposing a “closure of existing plants, especially closure of the factory in Antwerp”. They refused, however, to organise a joint struggle to defend jobs. Klaus Franz, chairman of the European Employees Forum (EEF) and the German joint works council, stated at a press conference, “Let me be very clear. We don’t want any strikes”.

His hypocritical assurances of solidarity to the “colleagues in Antwerp” only served to pacify the Belgian workforce, while he developed a strategy for closing the plant behind their backs.

This is what came to pass a few months later in April this year. It was then that Franz and Nick Reilly, GM’s European CEO, put their names to a memorandum in which the closure was settled in the form it is currently taking. By the end of June, some 1,250 jobs were destroyed in line with a social plan involving early retirement and severance pay. An attempt was made to console the remaining, mostly younger workers with the hope of finding an investor to take over what was left of the workforce.

But even then it was decreed in the memorandum, “If no investor is found, this (social) plan will apply to the rest of the workforce at the end of December 2010”.

According to a press release from the European Metal Workers’ Federation (EMF), after GM had announced the final closure of the Belgian plant at the beginning of October, the European Employees Forum (EEF) took “the initiative” and sat down to direct talks with the Geely International Corporation, the Chinese auto manufacturer and owner of Volvo.

Geely was to take over management of the employees and the plant, and produce up to 100,000 vehicles in Antwerp over the next three years. The motors and gear systems were to be bought from Opel so that jobs at the Bochum transmission plant—due for closure the following year—and the continuance of the Aspern engine works in Austria could be secured. As the Belgian newsagency *Belga* reported, however, Geely, the last party to show interest in the deal, suddenly bailed out of the negotiations on October 18. GM then had to start looking for buyers who might be interested in acquiring the 900,000-square-metre works site.

Nevertheless, the EEF and the trade unions are demanding that GM/Opel continues talks with the Chinese investor.

The cost of this disgusting spectacle will have to be borne predominantly by the Belgian Opel workforce at this point. It shows how the official workers’ councils act as company police for corporate management. The Opel and Vauxhall workers in Europe need to understand the closure of the plant in Antwerp as a warning. The next step will be for the EEF, under Klaus Franz’s leadership, to sacrifice one of their plants on the altar of profit.

The works councils and trade unions have made it their task to plan and enforce the so-called “restructuring” of the company demanded by Nick Reilly earlier this year when he took over as chairman of GM in Europe. They want to prove to him that their services are essential for GM.

Their role model is the American United Auto Workers union (UAW). The Obama administration took over General Motors in the US in June 2009 and “restored” the company via a bankruptcy proceeding in a record week’s time. Rich investors and the banks recovered 100 percent of their money; but it was the workers who had to pay for the “restoration”. In all, 14 plants and 2,000 dealerships were closed down; some 27,000 jobs were placed on the chopping block. Pensions and health insurance for retirees have been eliminated, even for workers who have long since retired. Many of the remaining workers are being forced to agree to working for half their wages or face dismissal.

The UAW pledged to enforce all this against opposition from the workers and was royally rewarded. A trust managed by the UAW holds shares amounting to 17.5 percent of the reorganised GM. The UAW heads now have a personal interest in increasing corporation profits and reducing its costs—that is, the wages and social entitlements of workers.

American auto workers have taken an important first step to defend their wages and jobs. In recent weeks, an overwhelming majority of the workers at the GM stamping plant in Indianapolis voted against a 50 percent pay cut, a cut initiated with the full support of the UAW. Workers at the Lake Orion plant near Detroit have reacted angrily to a UAW agreement to halve workers’ wages, without even allowing a strike ballot.

Workers in GM’s Indianapolis stamping plant set up a rank-and-file committee, asking other workers to follow their example and build more independent committees in opposition to the UAW. The fight to defend jobs and wages will be conducted through these committees.

There is an urgent need to support the workers in the US as well as to organise resistance to the planned layoffs, plant closings and wage cuts in Europe—without and in opposition to the official workers’ councils and trade unions. Factory committees should be built independently of the works councils and unions.

The defence of jobs must be made the starting point for a political offensive with the aim of expropriating the banks, big corporations and excessive personal assets of management, bringing them under democratic control in order to serve the interests of the whole of society.

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