

# Opel factory in Germany threatened with closure

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29 March 2011

In mid-March, management at the Opel works in Bochum presented the works council with a plan involving the loss of 1,200 jobs at the factory.

The works council, led by its chairman Rainer Einkenkel, angrily refused to sign the document. But the fact is that the council had been informed a long time ago about the next stage of massive job cuts. Despite its pretense of surprise and indignation, the council indicated its readiness to cooperate with management and is already negotiating on the details of the redundancies.

Einkenkel had tried to appease union members at a meeting of trade union delegates in early February, declaring that the threat of mass layoffs had been withdrawn. He also declared that he had managed to dissuade the company from slashing the current workforce from around 4,600 to just 2,800 employees.

The cuts in jobs would be lower than originally planned, he indicated. According to the *Ruhr Nachrichten*, Einkenkel also claimed that management would no longer insist on staff reductions by May 2011. “We were able to prevail with almost all our demands”, he told the paper.

His colleague on the council, Dirk Bresser, told the same newspaper that the company’s new Zafira model was “a sign of hope made in Bochum” and could generate excellent sales. Above all, Bresser was worried that a discussion on job cuts would harm the company’s image.

Both Einkenkel and Bresser have sat for years on the

Opel Supervisory Board and are well informed on the company’s plans for systematic downsizing. They are well aware that the accelerated loss of jobs at the factory in Bochum is in preparation for its complete shutdown. They regard their main task as pacifying factory personnel and preventing at all costs any common struggle by all employees at all of the company’s plants.

The refusal of the councils and the bureaucracy of the engineering union, IG Metall, to conduct any serious struggle has in turn encouraged management to carry out even more attacks.

At a staff meeting on Monday, the Opel-Vauxhall personnel director arrogantly instructed all employees: “Think big and make sacrifices”. It is the workforce that will be forced to make sacrifices. It is already clear that a great proportion of the savings made from layoffs and cuts in benefits will flow directly into the pockets of senior management. Opel has distributed bonuses to its executives amounting to up to 145 percent of their annual salary.

The statements of protest at the meeting by representatives of the works council were merely aimed at covering their tracks. The current policy of Opel management was agreed to some time ago by the European works councils and Rainer Einkenkel.

By signing the so-called “Pact for the Future” last August, Einkenkel gave the European General Motors

subsidiary, Vauxhall-Opel, the green light for job losses and wage cuts amounting to €1 billion.

Part of the agreement between the unions, works council and Opel involves wage cuts of €265 million per year and cutting 8,000 of the company's total staff of 48,000 in Europe. When one includes workers leaving through early retirement, then the total number of jobs lost increases to 10,000. By the end of last year, 5,200 European employees had lost their jobs, with the complete closures of the Belgian Opel plant in Antwerp involving 2,500 redundancies.

In Bochum, there is considerable resistance by workers to more job cuts. Despite intensified pressure on workers, only 600 have agreed to leave their jobs in return for a severance payment. This figure is just a third of management's target of 1,800.

According to the Bochum works council, a total of 1,600 "consultations" have been held with Opel's workers, which led in early March to 607 "separation agreements", with 71 other members of staff switching permanently to other Opel plants. At the end of February the workforce at Bochum had been reduced to just 4,600. Unable to find the additional 1,200 "volunteers" for redundancy, Opel management is now threatening mass layoffs.

Einenkel and Oliver Burkhard, regional head of the IG Metall in North Rhine-Westphalia, had previously addressed an open letter to other works councils and IGM districts declaring that, due to losses of €1.3 billion in its European operations, the company was increasing its pressure on the European and especially the German workforce.

The company is now demanding "further cost reductions" via "drastic job cuts and further cuts in capacity.

Einenkel and Burkhard went on to write: "In Bochum a further 1,200 jobs are to be cut by the end of 2011, and 300 jobs will be affected in Kaiserslautern. When necessary, the job cuts will be imposed as compulsory redundancies. This is contrary to previous

commitments to the workforce!"

The latter statement is a lie. Opel management never agreed to exclude the possibility of mass layoffs. The only stipulation made in the "Contract for the Future" signed by the works councils and management referred to doing everything possible to prevent compulsory redundancies. In fact, Opel spokesman Michael Kroemer recently confirmed that such compulsory layoffs had always been considered an option: "We have never excluded this possibility."

Already a year ago, Einenkel had sabotaged any joint action by Opel workers following the public announcement by the company to close its plant in Antwerp. At that time the Bochum works council hoped it could take over some of the production carried out in the Belgian factory. In addition, Einenkel and his council colleagues offered a deal to slow down job losses at Bochum by means of a further wage cut, i.e., an agreement to reduce working hours without pay. These concessions, however, only encouraged the group's top management to carry out new and sharper attacks.

Einenkel and his cohorts have repeatedly opposed a joint struggle by all Opel and GM workers to defend jobs and wages. In early February, he vigorously opposed a demand for action and said: "Anyone who now calls for a strike is being irresponsible to the staff and the factory. We could not do the managers of Opel and GM a bigger favour. Other works would immediately take over our production. We will not allow that to take place. "

It is this completely narrow-minded policy pursued by all the unions at every Opel site that is responsible for the success of the strategy of GM and Opel management so far. Einenkel and the works councils function simultaneously as co-managers and the police of the company executives.



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