SeaFrance cross-channel ferries liquidated

Antoine Lerougetel
13 January 2012

The Paris Commercial Court on Monday ruled the liquidation of France's only cross-channel ferry company SeaFrance, amid squabbles within the trade unions as to who would get the pickings from the carcass of the company, which carried 3.5 million passengers per year across the English Channel.

Consequently, 880 workers in France and 127 on the English side of the operation in Dover have lost their jobs. In the Calais area, on the French side, a further 1,000 service jobs dependent on the company are expected to be lost. The company had been in receivership since November 16, from which time its ships were idled.

The court had rejected as unviable the only “rescue” scheme on the table: the conversion of the company, owned by the state railway company, the SNCF, into a workers' cooperative (SCOP) financed by a public-private initiative (SEM). This was despite Eurotunnel’s last minute offer to back the SCOP.

The hundreds of SeaFrance workers demonstrating outside the court were stunned, aware of the virtual impossibility of finding employment elsewhere. A woman with 15 years at the company said: “I'm 40, I've got two children and muscular sclerosis. How am I going to survive?”

The Calais area has an 18 percent unemployment rate, nearly double the fast-growing national average of 9.6 percent, which is rising as the French and European economies go into recession. The trade unions have blocked any struggle to mobilise maritime and railway workers or broader sections of the working class to defend jobs in this economically devastated region.

The majority union in SeaFrance is the local maritime section of the CFDT (French Democratic Confederation of Labour, close to the Socialist Party, PS), led by Didier Cappelle and Eric Vercoutre. They are supporting and organising the collective for the SCOP rescue scheme, which would involve the 880 sacked workers putting their redundancy money of €40,000 each into the cooperative, which would thus receive a capital of some €35 million. Local government and private finance would provide the rest. This would give the SeaFrance CFDT bureaucrats, already accused of corrupt practices, lucrative control of the new company.

Reports differ on how many workers, from 260 to 600, would be prepared to risk their money on this venture. Eurotunnel's offer was to buy SeaFrance's three ships and hire them back to the SCOP at reasonable rates. Some have asked whether Eurotunnel might just want to eliminate competition to its shuttle and rail services and would scrap the ships.

SeaFrance workers have dismissed with contempt statements by SNCF President Guillaume Pepy, offering jobs to all workers made redundant if they are prepared to move out of the area. During the last sackings at SeaFrance in 2010, Pepy made a similar offer; out of 450 redundant workers, 325 reportedly have yet to find a job.

The CFDT, led by François Chérèque, has threatened to expel the SeaFrance section of his union confederation over “dishonorable” behaviour. Chérèque claimed, according to business daily *Les Echos*, that “the pig-headedness” of the local union was not “favourable to employment.” This was apparently a reference to CFDT-North Maritime union’s veto of an offer by Louis Dreyfus Shipping (LDA) and the Danish firm DFDS to take over the company. The consortium would have bought SeaFrance’s ships, worth worth €150 million, for €5 million.

Chérèque, as well as the CGT (General Confederation of Labour, close to the Communist Party), supports this joint buy-out, even though LDA-DFDS have made conflicting statements as to how many SeaFrance workers they would retain. The most commonly cited estimate was only 300. The workers refused the offer.

Both the CFDT and the CGT have played a major role nationally in strangling struggles against austerity. They have worked consistently with President Nicolas Sarkozy to help carry out his austerity programmes and strengthen French capitalism against its competitors. The sell-out of the struggle of the airport security staff over the Christmas period is a recent example. Another is the complicity of the CGT in the use of the police to enforce the requisition of refinery workers to break their strike against the pension reform in 2010.

The CFDT openly supports the imposition of austerity measures against the working class to pay France's sovereign debt, and the CGT plays an important role in isolating struggles against closures and preventing any independent political movement of the working class.

The class policy of Didier Cappelle and Eric Vercoutre appears to resemble that of the UAW auto union bureaucracy in the US, which has become part owner of the main car companies and whose interest is to expand the industry's profits at the expense of the workers. The two SeaFrance CFDT bureaucrats, it is revealed in the January 7 edition of *Libération*, are landlords deriving rent from extensive investments in housing.

Cases of the main unions, notably the CGT (General Confederation of Labour, close to the Communist Party) using moneys from social funds are well known—and one indication of the class gulf between them and the workers they purport to represent. (See also: France: Top union pension negotiator gets lucrative promotion)

On January 2, in a surprise move, French President Nicolas Sarkozy intervened in the liquidation proceedings of SeaFrance, to support the SeaFrance CFDT section’s SCOP scheme. It is not clear whether Eurotunnel's eleventh hour offer to support the SCOP was made seriously, or was a political manoeuvre on Sarkozy’s behalf to break resistance to the liquidation.

This about-face, only four months from the presidential elections, was a political manoeuvre by Sarkozy to counteract his unpopularity and to enhance his electoral appeal. His response to the rapid rise of unemployment towards 10 percent is austerity measures—including pension cuts, some 30,000 public sector job cuts, and the rise in VAT sales tax.

In the meantime, the haemorrhaging of industrial jobs in France and Europe continues. Closures and sackings are accelerating again, with the possible shutdown of the indebted Petroplus oil refinery near Rouen, with others threatened in Switzerland, Belgium, Germany and the UK.

After the closure of ArcelorMittal's Gandrange steel blast furnaces in 2010, the company has announced that it is reducing its production in Europe by 50 percent next month. It has already put workers a thousand workers at its Florange plant in France on reduced hours and is also putting workers on short time at its plant in Liège, Belgium.