

IG Metall union backs rationalization plans for Opel

Dietmar Henning**21 June 2012**

The IG Metall union, together with Opel management and the works councils, has taken the lead in ensuring the success of "Strengthening the Opel brand." To this end, the union has submitted a so-called "Plan for Germany," which foresees comprehensive rationalization measures, including job cuts, welfare cuts and wage reductions.

At the end of May, IG Metall invited the senior management and the state premiers of those states with Opel plants to attend negotiations at the union headquarters in Frankfurt. In addition to Prime Minister Hannelore Kraft (Social Democratic Party, North Rhine-Westphalia), her counterparts Christine Lieberknecht (Christian Democratic Union, Thuringia), Volker Bouffier (CDU Hesse) and Kurt Beck (SPD, Rhineland-Palatinate) attended the meeting.

GM vice chair and Opel supervisory board chair Stephen Girsky and Opel boss Karl-Friedrich Stracke stated afterwards that the meeting had been extremely constructive. In a joint press release, IG Metall, the Opel management board and the central works council announced as a first measure they had agreed that Opel would defer payment of an agreed wage rise of 4.3 percent to October. This alone saves the company at least €19 million.

IG Metall is also setting the pace in relation to the planned closure of the Opel Bochum plant. It claimed plans already existed to close the plant by 2014. "The closure plans were on the table," said IG Metall leader Berthold Huber. The union claims it was then able to move the closure back to 2017, in "tough negotiations."

This is the well-known cynical ploy of the unions that they pursue not only at Opel. If a company wants to cut jobs on a large scale, it turns to the union, which suggests first announcing far more layoffs than the

company really want to push through. Then the works council organizes a few protests, finally declaring that in tough negotiations they have managed to save some of the jobs.

Following the same pattern, IG Metall is now celebrating the so-called "extension of the existing guarantee for Opel Bochum until 2017" as a success. The union particularly welcomed the commitment of the company to avoid compulsory redundancies until 2016.

The announcement by General Motors that the "benchmarks" agreed will be further concretised in the coming months and must reflect "current sales trends" shows what should be made of the agreement with IG Metall.

The figures look anything but rosy. Growing poverty and unemployment has seen a fall in new car registrations in the European Union in May compared to same month last year by 8.7 percent. Particularly affected were the French carmaker PSA Peugeot Citroen, with a total sales decline of 19.5 percent, and Opel/Vauxhall with a decrease of 12.3 percent. Both companies recently agreed their close cooperation.

The deal struck by IG Metall with Opel is a stitch-up to impose new and more extensive cuts to the workforce. For many years, there were supposedly no compulsory redundancies at Opel. But since 2010, more than 8,000 jobs have been eliminated and the plant in Antwerp closed.

The announcement by IG Metall that the prolonged existence of the plant in Bochum was a hard-won concession to the employees is a lie. In truth, it is a financially calculated decision.

The Zafira model currently built in Bochum is approaching the end of its life cycle. Transferring production of this model to Rüsselsheim as a

replacement for the Astra—which will soon be produced exclusively in the UK at Ellesmere Port and in Gliwice, Poland—would require high investment costs in Rüsselsheim. The expensive retrofitting of machines for the remaining life of the Zafira of around two years makes no economic sense.

As part of its "Plan for Germany," IG Metall wants to prevent the relocation of the Astra to Gliwice in Poland, and the works council is offering further concessions to this end. Pressure is also being increased on the workforce at the Corsa plant in Eisenach. This plant is currently working only 30 hours per week, with a significant loss in pay for workers.

In this way, the workforces at the individual plants are being pitted against each other, with the union and the works councils playing the key role. The works council chairs of the individual plants are all members of the supervisory board of Opel, and pocket considerable allowances for their board duties in addition to their salaries. The Rüsselsheim and European central works council chair Dr. Wolfgang Schäfer-Klug is deputy chair of the supervisory board, and also acts as a consultant for the GM management.

Since recently, Bob King, president of the American United Auto Workers union, is also on the board. In close cooperation with the Obama administration, King ensured General Motors was able to lay off more than 30,000 workers in the USA, reducing wages for new hires by nearly half and considerably worsening working conditions. He and Opel supervisory board chair Stephen J. Girsky, who came onto the board with the support of the UAW, have decided to intensify collaboration with IG Metall and the works councils.

The works council in Bochum is playing a particularly nasty role in this farce against the workforce. Works council chief Rainer Einenkel—a former member of the pro-East German DKP—likes to strike a militant pose, while as a member of the supervisory board and Economic Committee he is kept constantly informed of all the plans in detail, but keeps secret from the workforce all the talks and agreements.

To hide this close partnership with management, he organizes media stunts from time to time. One of these was held last Saturday, when 2,000 Opel workers in Bochum walked out of the staff meeting shortly before the speech of the CEO Stracke, leaving management alone in the room.

It is increasingly clear that the defence of jobs at Opel/Vauxhall demands a break with the works councils and the unions, including IG Metall. It is necessary to establish independent Action Committees, which will make contact with workers at all GM factories in Europe, and with GM workers in the USA, and organise a joint struggle.

A rebellion against the dictatorship of the unions and the works councils is necessary, and must become the starting point for a joint international campaign in defence of jobs and social gains. This struggle must be waged on the basis of an international socialist perspective.



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