

Germany: Opel auto plant on brink of closure

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The US car maker General Motors (GM) has responded to losses in its European business with massive job cuts and the closure of its Opel plant in Bochum, Germany.

A press release from the company announced: “Following the discontinuation of the current Zafira Tourer (2016) and subject to further consultations, no new product is planned for manufacture at the Opel plant in Bochum”.

This seals the fate of some 3,200 Opel employees and many thousands of workers at other companies whose survival directly depends on the plant in Bochum.

The IG Metall trade union and works councils have been involved in intensive negotiations with management since last spring. They knew GM was resolutely pushing for closure of the Bochum plant. But they continually tried to appease the bosses and reassure the workforce. Under no circumstances were they prepared to lead a serious struggle to defend jobs. Instead, they offered increasingly lavish concessions. At the start of negotiations, for example, the union agreed to postpone a paltry pay increase of 4.3 percent.

The Opel workers will now receive this wage as a lump sum retroactively for the months from May to October. But the rate increase will be further delayed over the coming months while negotiations continue.

IG Metall will again try to appease the management. This is supposed to be “the way things are usually done”. The works councils involved in the negotiations will also attempt to calm the fears of the workforce. For months, Bochum works council head Rainer Eienkel categorically denied he was negotiating the closure of the plant in Bochum. Commenting on the ongoing “rumours of plant closures”, he was still claiming at the beginning of October that “There have been no discussions between IG Metall and the works councils about the closure of any Opel factory”.

He says even now that the next two to three months

will be spent “rescuing” the plant. This is a deliberate deception. The only thing to be negotiated is how the closure is to be enforced.

The fact that all participants in the negotiations are working on how the plant is to be closed is also indicated by GM’s and the North Rhine-Westphalian (NRW) government’s establishment of a “working group”. This was officially announced by Stephen Girskey, vice president of GM and Opel’s supervisory board chairman, in a joint statement with NRW economics minister Garrelt Duin last Tuesday. The workgroup, named “Bochum 2022 perspective”, is intended to promote the protection and the creation of new jobs in Bochum and in the Ruhr area, and deal with issues on the future use of Opel’s Bochum site.

Eienkel “welcomed” this working group in a recent declaration. He wrote: “For many months, the ‘Opel workgroup’ has been cooperating with the NRW economics ministry, the city of Bochum, the chamber of commerce, the works council, trade unions, colleges and universities (Bochum, Aachen, Duisburg/Essen) and Adam Opel AG in order to formulate proposals for the securing of the Bochum site”. The “project, ‘Opel’s Bochum 2022 perspective’”, according to Eienkel, was moving in the same direction.

Eienkel stressed that the working group’s participation would not constitute an alternative to the negotiations with GM about the plant in Bochum. “The working group should develop and not dismantle”. Eienkel and the IG Metall functionaries themselves want to take charge of the dismantling. In the past, IG Metall and the works councils have supported every attack on the workforce. In the name of securing the site, they have consented to one round of sackings and wage cuts after another, and finally to the closure of the Belgian Opel plant in Antwerp. Now, it is Bochum’s turn.

In addition to the closure of the Bochum plant, Opel

has announced further measures. The company has abolished 2,600 jobs in the current year, most of them in Germany. According to Opel's Rüsselsheim headquarters, some 2,300 employees have already left the firm, including 1,000 temporary workers. General Motors employs about 38,000 people throughout Europe, including about 20,000 in Germany. Threats relating to severance arrangements will be used to force more workers to give up their jobs.

General Motors also expects to make savings by allying with its French competitor, PSA Peugeot Citroën. Four vehicle models are to be developed jointly. The first cars from this collaboration will come onto the market by the end of 2016, and it will be at the cost of more jobs losses at Opel and Peugeot Citroën. The PSA concern has long since announced its intention to cut 8,000 jobs and close the factory in Aulnay-sous-Bois, north of Paris.

General Motors has also reaffirmed its determination to end one of its work shifts in Eisenach and switch to a two-shift system. Moreover, the production of the Opel Astra will be merged into two plants from the current three. Three plants currently produce Opel's best selling cars—Rüsselsheim, Ellesmere Port (United Kingdom) and Gliwice (Poland). As Polish workers, compared to western European workers, have always received much lower wages, and because the works councils and union in Ellesmere Port have made major concessions in wages and working conditions in the past months, the cutbacks in production will be made at the expense of the Rüsselsheim workers. This will be the outcome, unless the works council and IG Metall unleash even greater attacks on the workers than those made in Ellesmere Port.

Despite the cost-cutting drive, however, GM is bracing itself for years of further losses at Opel. From January to September, new registrations of Opel and Vauxhall vehicles in Europe slumped by more than 15 percent to 657,400 cars. Even in Germany, only 163,000 Opels were sold—a drop of 13 percent compared to the same period last year. In September, there was even a drop of 26 percent. Opel is responding by cutting back its supply to sales firms and dealers. Since February this year, its stocks have been reduced by 100,000 vehicles, and another 20,000 fewer cars will be produced in the last months of this year.

This decrease in sales is a direct response to the

growing recession in Europe. Like all auto workers, GM employees are paying for a sales crisis in Europe that is caused by the brutal austerity programmes of the European Union. This is especially true for workforces producing car-makes that are almost completely dependent on European markets—in addition to Opel and Peugeot Citroën, Fiat and Ford.

Only two weeks ago, Ford announced the closure of three of its plants—at Genk in Belgium, and Dagenham and Southampton in the UK. Some 5,700 male and female workers are directly affected, as well as several thousand in ancillary industries.



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