

Johnson Controls announces partial closure of plant in Bochum, Germany

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The giant US-based auto supplier Johnson Controls announced plans earlier this month to eliminate a third of the workforce at its Bochum, Germany plant by the end of the year, threatening 220 of some 660 jobs. The announcement is the result of the closure of the GM-Opel factory in the same city, in the state of North Rhine-Westphalia, for which Johnson Controls manufactures car seats.

Only the production of seats for the Ford Fiesta, built in Cologne, will remain in Bochum. Johnson Controls spokesman Ulrich Andree said the first to go would be all 88 contract workers. At the same time, he offered workers from Bochum the chance to apply “now for around 100 jobs at its Saarlouis plant”. That facility, 350 kilometres [220 miles] away in the German state of Saarland, also makes seats for Ford.

Opel only needs the seats currently manufactured in Bochum until the end of the year. Starting in 2015, the Zafira will be built at Opel’s main plant in Rüsselsheim. “We have investigated whether we can also supply Rüsselsheim with seats from Bochum”, explained Andree. However, seats are generally manufactured only a short distance from a destined assembly plant. Rüsselsheim is some 250 kilometers away from the Bochum factory.

Seats are usually delivered “just in time” and installed immediately. The Bochum Opel plant is continuously resupplied with seats from Johnson Controls by truck, only a small number are stored at the plant at a given time.

Johnson Controls (founded in 1885), with revenue in 2013 of \$42.7 billion, employs 170,000 people worldwide, and, in addition to the auto sector, is also involved in the energy optimization of buildings (its original business). Johnson Controls, which claims to be the world’s largest provider of car seat systems, has responded to the sales slump in the automotive industry following the international financial crisis of 2008 with

restructuring and wage and job cuts.

The firm has sold its electronics division, and there are persistent rumours that its production of auto interior parts will suffer the same fate. Johnson Controls also recently announced it would close part of its operation in Solingen-Merscheid. This affects the prototyping and testing department, along with 117 workers, who will be offered severance packages.

According to the IG Metall union, the company is demanding wage cuts at the Wuppertal plant. If the concessions are not accepted, the plant could be closed this year. Even if IG Metall agrees to the wage-cutting, Johnson Controls merely holds out the prospect of continuing production at the plant until 2017. According to IG Metall official Torsten Lankau, the workforce has already been forced to accept deteriorating conditions over the past few years without the promised investment or new jobs coming to Wuppertal in return.

At other company locations, the unions have also agreed to wage cuts or longer working hours. According to the chemical sector IBGCE union, workers at the Greifrath plant near the Dutch border have accepted cuts of more than 13 million euros [\$US 17.7 million] since 2009 as part of a union-agreed deal to “secure” the plant. For example, the workers work 40 hours a week instead of the 38 hours in the sector contract. In spite of that, the plant will be closed at the end of the year.

Job cuts at Johnson Controls are not restricted to Germany. The firm reduced the workforce at its Mandling, Austria factory last year from 400 to 270. Another 65 jobs, in foam production for vehicle seats, are scheduled to go in Mandling by September. Company officials explain the move with reference to growing cost pressures from car manufacturers on their suppliers. “We have therefore decided not to manufacture certain cold foam parts in the future in Mandling, but at a site in Eastern Europe [where wages are lower]”, said Matthias

Gross, a company official.

Johnson Controls management in Bochum has urged the works council [a body composed of employees' and employers' representatives] to conduct rapid negotiations in regard to a "social plan". However, management did not respond to the council's demand to abandon the job cuts and negotiate another solution. In 1999, the company tried to get rid of the works council chairman Dietmar Kupfer with a severance package of DM 500,000, but he rejected the offer.

Meanwhile, the survival of the plant, which began operations in 1990, is in jeopardy. Kupfer told the WSW: "Whether our plant is in danger now depends on Ford". If orders now disappear from both Opel and Ford, he suggested, the "partial" closure would become something else.

Ford recently announced that it would decide later this year whether the new Fiesta model would be produced in Cologne starting in 2017. "We still have a hole to close to make it profitable", Ford's German chief Bernhard Mattes told the DPA news agency last month at the auto trade fair in Detroit. This is a euphemism for further price pressure on suppliers and workers.

Currently, Mattes is negotiating with the Cologne works council and IG Metall over "concessions" by the Ford workforce. "We have over 90 plants worldwide, including many plants that also produce small cars", Mattes stressed. "The plants are always in competition with each other".

In Cologne, 4,000 workers are employed in the production of the Fiesta alone. If Ford management decides against continuing production at the plant, not only would those workers be affected, but also the 440 remaining Johnson Control employees in Bochum and several thousand more in the supply chain.

It is clear by now that the closure of the Opel plant in Bochum threatens a social disaster, involving the loss of far more than the 3,000 jobs directly affected. The local Chamber of Commerce and Industry (IHK) fears that in the region around Bochum up to 10,000 workers could lose their jobs at suppliers and in other trades.

In producing seats for Opel, according to a works council press release, Johnson Controls relies on hundreds of other suppliers throughout Germany and abroad. They would also all be affected by a closure or a drop in orders.

Kupfer told the WSW that he expected a "hard struggle". Currently, "talks are being held with the workforce" as to how this might done. The press release names one possible demand, "a cut in working time

without any cut in wages", but also calls for "alternative jobs".

It was clear, according to Kupfer, "that we can't solve the fundamental problems at Johnson Controls in Bochum alone". He was also in contact with workers from Opel in Bochum and Ford in Cologne.

The main obstacle standing in the way of defending jobs in Bochum, and everywhere else, is the union. The IG Metall and the central Opel works council have organized the closure of the Opel plant in Bochum, and systematically isolated the workers there who repeatedly voted against accepting the shutdown. The Bochum works council, led by Rainer Einkel, has occasionally complained about the rotten role played by the central Opel works council. At the same time, however, the local works council has sabotaged every serious struggle and sought to put the workforce to sleep with futile negotiations.

Apart from empty words, the Johnson Controls workforce has received no support from IG Metall. If the workers oppose the job cuts, IG Metall will go on the offensive against them, as the union did against their fellow workers at Opel.

To defend jobs, independent, rank-and-file action committees must be built that will make contact with workers throughout the international auto industry and in other industries. Above all, the defence of jobs requires a socialist programme. The right to a job is an inalienable right, and cannot be dependent on the profits of the auto companies.

In order to defend jobs, it is necessary to mount a fight against the trade unions, break with the parties that stand behind them, such as the Social Democratic Party and Left Party, and build a new revolutionary party, the Partei für Soziale Gleichheit (Socialist Equality Party).



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