

# Ford Cologne: Management and IG Metall union blackmail workers

Dietmar Henning  
24 February 2014

After the closure of Ford plants in Genk, Southampton and Dagenham, now it is the turn of the long-standing plant in Cologne. The IG Metall union, works council and management are currently negotiating the future of the production of the Fiesta model in Cologne.

According to the *Frankfurter Allgemeine Zeitung*, based on information from the Supervisory Board of Ford Werke GmbH in Cologne, if the approximately 4,100 workers at the Cologne-Niehl plant do not “work more flexibly, efficiently and cheaply than before,” production could be shifted to the Romanian plant in Craiova.

On Friday last week, more than 10,000 workers at the Ford plant in Cologne, as well as from suppliers, attended company meetings to be informed about the status of negotiations by the union and Ford works council.

Production of the current Fiesta model ends at the end of 2016, and Cologne faces international competition with all Ford plants when it comes to the internal allocation of successor production. “We have over 90 plants worldwide, including many that also produce small cars,” Ford Germany head Bernhard Mattes already stressed last month. “The plants are always in competition with each other.”

The Fiesta manufactured in Cologne is now in its seventh generation. In the past 35 years, more than 7 million vehicles of this type have rolled off the production line. According to the manufacturer, the model was last year’s best-selling small car in Europe. Almost the entire Cologne production—about 90 percent—is exported. Overall, Ford employs 17,300 workers at its plants around the Cologne European headquarters. In addition to the Fiesta, motors, gearboxes and forgings and castings are also

manufactured.

According to the IG Metall union, the Cologne plant is in competition with the Ford factory in Craiova, Romania for the new Fiesta model. In Romania, costs are significantly lower; including energy costs, but especially labour costs. According to data of the CAR Institute of the University Duisburg (Centre for Automotive Research) labour costs in Romania are just under €5 per hour, just 10 percent of the labour costs in Germany.

Four thousand work for Ford at the plant in Craiova, producing the five-seater Van B-Max, which is based on the Fiesta. Sales of this larger family car have fallen in recent years, and the Ford plant in Romania is not working at full capacity.

Like all corporations, Ford has used the economic crisis since 2008 to push through significant attacks against its employees worldwide. The economic decline and falling sales figures are used as a lever to cut jobs on a large scale, and to reverse all the workers’ post-war gains. The wage cuts of up to 50 percent imposed by automakers in the US are now to take place worldwide, including in Europe.

The closure of the plants in Genk, Belgium with almost 4,500 employees, and in Southampton, UK, as well as the closing down of the press shop and tool manufacture in Dagenham were the prelude. Last year, the announcement was made that the two Ford factories in Australia are being closed. The entire Australian automotive industry now stands on the brink.

Ford boss Mattes threatened the workers at the Cologne Niehler plant: “The next Fiesta in Cologne must be globally competitive.” In other words, employees must expect wage cuts and job losses if the plant is not to be closed.

The Ford workers in Cologne are being pitted against

Romanian workers, who already suffer from poverty wages. The IG Metall and the works council are involved in this extortion. While they fob off the workers with excuses, they are working closely with the management on the planned cuts. They are demanding a commitment to the Cologne plant from the American management; then they will negotiate on savings.

In a press statement, the works council states: “The plants in Genk, Southampton and Dagenham were closed without giving the works councils and trade unions a real chance to save these locations.” The Cologne works council will not let such a thing happen.

The union and works council are elaborating their own savings and reduction programme and want to present this as a defence of the plant. Their statement reads: “If the calculations show that we can produce the Fiesta competitively in Cologne, then it must also be built here!”

In other words, the works council and IG Metall act as business consultants and make suggestions about how exploitation at the Cologne plant can be increased to such an extent that production there is profitable for management and investors, despite the lower wages in Romania. “Our demand is to establish work groups to analyse the total costs of the site and initiate any necessary corrections,” they write.

In this spirit, Witich Rossmann, the IG Metall leader in Cologne-Leverkusen, explains that the Cologne plant enjoys excellent locational factors for the Fiesta production. Based on studies, it is “the world’s most productive plant in the automotive industry.” In Cologne, there is “an experienced team” with “permanent increases in productivity,” flexible “just in time cooperation” with the supplier companies at Ford Industrial Park in the immediate area, as well as with the Cologne engine plant, etc., etc. The workers’ living and working conditions do not receive a mention in his arguments.

Works council leader Martin Hennig has already told *Bild* newspaper how savings were to be achieved: “The plan provides that the Cologne workforce build 1,200 units on the morning and late shifts. Depending on demand, the Romanian colleagues would take over the rest of the Fiesta production.”

At the moment, Cologne produces up to 1,760 Fiesta daily in three shifts, including the night shift. Hennig

reckons: “Those working night shift in Cologne earn €500 a head more than their colleagues on the early and late shifts. 1,000 jobs on the night shift—in times of crisis, this is where there is the greatest potential for savings.”

And Hennig has identified another minus point: the Cologne workers have a higher than average rate of absences for sickness. Absences at the Cologne Ford plant range between 10 and 20 percent, Hennig told *Bild* newspaper, which is the highest rate of all Ford plants in Europe, and needs to be changed, he said.

The reason for the high absence rate is not least the “permanent increase in productivity” at the expense of the workforce, which the works council wants to further intensify. In the late 1990s, many works councils in the car industry, such as at Opel, struck operating agreements linking the traditional Christmas bonus to the level of sick absences. Workers only receive the full bonus if the absence rate is below 6 percent.



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