

With mass job cuts looming, German union pits Bombardier workers against one another

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The Canadian aircraft and train manufacturer Bombardier is planning new job cuts, including the possible closure of factories in Germany. The country's largest union, IG Metall, and the works councils are pitting factories against each other to facilitate the company's downsizing plans.

The plant in Görlitz in east Germany, with over 2,300 employees, is particularly threatened. Bombardier Transportation plans to limit production at the plant to aluminum passenger car bodies, according to a recent *Frankfurter Allgemeine Zeitung* interview with Michael Fohrer, the chairman of the German division. In Hennigsdorf, hundreds of job cuts imperil the production of the company's prototypes. The site in Bautzen, on the other hand, is to be developed into an "industrial control center" for the mass production of trains, at a cost of 20 million euros.

The job cuts are part of a second worldwide round of redundancies, involving the loss of another 7,500 jobs. In February and March last year, Bombardier announced it would cut 7,000 jobs worldwide.

For months production at the Görlitz plant has been systematically reduced. Previously double-decker trains and parts for the new ICE 4 train were produced there, including engineering, interior finishing, steel and aluminum parts. The concentration on the production of aluminum car bodies is a major blow, which is the writing on the wall for the complete closure of the factory. According to the works councils, demand has shifted from aluminum to steel and stainless steel trains.

Fohrer blamed international competition for the job cuts. The company has more than 61 factories in 26 countries but Asian and Eastern European companies were increasingly bidding for contracts, he said, and this was depressing price levels due to their lower labor

costs and higher government subsidies. In addition, big customers, he said, had demanded that production and service of finished products take place in their own countries.

The company's aviation division has suffered major losses in recent years, adding pressure to reduce costs in the transportation division. The division's pre-tax profits were \$465 million in 2015, while the aviation sector lost over \$5 billion.

The solution, Fohrer said, lies in a "specialization of sites as development and production centers", and the transition from "order-specific design and production" to the cost-saving "modular principle". Under this scheme, several varieties of trains are built from the same train type or module, depending on whether they will be used as commuter, regional express trains, etc. In addition, Fohrer said automation and digitization had to be brought up to date. "We want to implement the industry change 4.0", he said.

He could not give any long-term prognosis on factory closures, Fohrer said, adding that any such speculation would be "untrustworthy".

Job cuts and possible closures are not restricted to east Germany. Locomotive engineering, which was discontinued in Görlitz last year, is also to be terminated at the company's plants in Poland, Switzerland and Italy. It will be concentrated, at least temporarily, in Mannheim, Germany.

Fearing slowdowns or other forms of resistance, Fohrer said he wants to ensure that existing orders are completed before announcing the final restructuring plan in July. In the meantime, management is relying on IG Metall and the company works councils to force workers into a bidding war over who will sacrifice more to keep their jobs.

At the same time workers are not prepared to wait

until the closure of the plant is announced. “All the signals point to storm”, declared René Straube, the chairman of the works council in Gorlitz. “To take away our production of the steel shell is a deadly blow”.

In mid-January, Sigmar Gabriel (Social Democratic Party-SPD), the former economics minister, the premiers of Brandenburg and Saxony and works council and union officials met with Bombardier management. All sides then sought to downplay the announcement and sow complacency among workers.

The main role of the union and works councils is to allow the company’s plan to be implemented without a “storm”. IG Metall leader for East Saxony, Jan Otto, instructing workers not to strike during a general meeting of IGM members in January and swept aside demands by workers for a fight.

The company joint works council delivered its own restructuring proposal, under the title “Timetable Zu(g)kunft” (Train- Future), to management. The basic premise is that the company is facing a “financial slump” and changes must be implemented. One works council member from Görlitz told the WSWs, “There is already a small internal competition taking place”.

In fact, the “Timetable Zu(g)kunft” is already leading to fierce competition with the works councils playing off plants against one another. They all praise their own factory as the most cost-effective, hardworking and competitive. To prevent falling into disrepute with management, the works councils vehemently oppose any serious measures to defend workers’ jobs.

The unions and work councils are not opposed to layoffs and plant closings in principle. They only ask that they be the ones to enforce factory closures and job cuts—through their own methods. One of these is slashing workforces via “social plans”, severance payments, early retirement or the sacking of temporary workers. “There will be no compulsory redundancies!” declared IGM functionary Otto, making it clear the union will help implement the jobs cuts but wants to sell them as “voluntary” instead.

The bankruptcy of this policy was strikingly revealed with the closure of the GM-Opel plant in Bochum in late 2014. GM and its labor “partners” presented the closure of the Bochum plant and, before that, in Antwerp, Belgium, as necessary to save remaining jobs. Now GM has floated plans to sell Opel-Vauxhall

to Peugeot-Citroën (PSA), which would threaten the jobs of tens of thousands of workers in Great Britain, France, Germany and other countries.

IG Metall is now involved various stunts to present itself as the champion of the workers in Görlitz. To let off a little steam IG Metall has called for a demonstration in the town on 4 March. As far as the union bureaucracy is concerned the protest will be a kiss of death to the workers at the plant. A fight can be taken up but it cannot be left in the hands of the unions and works councils—it is up to rank-and-file workers themselves.



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