

UK: BAE Systems and Vauxhall to impose mass job losses

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Britain's largest defence contractor, BAE Systems, is planning to cut nearly 2,000 manufacturing jobs across its UK aerospace and maritime division.

The company, which produces Britain's nuclear submarines, and the Euro fighter Typhoon aircraft, has a global workforce of 83,100, with 34,600 of these based in the UK.

Many of the job losses will hit workers at a number of sites across the UK in the next three years. The majority of the jobs will go at the Warton and Samelsbury plants in Lancashire, north west England, where 750 jobs are expected to be lost. Four hundred jobs will be lost at BAE's plant in Brough, East Yorkshire that builds the Hawk trainer jet.

An expected 340 jobs will go at the Portsmouth and Solent plant that provides maritime servicing and support. The rest of the jobs will be lost at two Royal Air Force airbases and a number of smaller sites.

The proposed 1,950 job losses represent 6 percent of the overall workforce at one of Britain's largest remaining manufacturing centres.

The cuts have been blamed on a reduction in demand for the Typhoon and Hawk trainer jet, which has forced production to be slowed down. There is also the added pressure on BAE, as with other aerospace and defence groups, to base production in customer countries in return for winning contracts.

Brough is set to be turned into a ghost town as a result of the cuts. The Brough plant has a workforce of 950 workers, and the current round of job losses, hitting nearly half the workforce, comes on top of 381 jobs that were lost in 2012, in a previous company restructuring.

The response of the Unite trade union, which represents many of the workers at BAE's plants, has been one of unrestrained nationalism and jingoism,

based on calls for a battle to defend Britain's "sovereignty."

Unite assistant general secretary, Steve Turner, said, "These planned job cuts will not only undermine Britain's sovereign defence capability, but devastate communities across the UK who rely on these skilled jobs and a hope of a decent future they give to future generations.

"Unite will not stand by and allow the defence of our nation to be outsourced abroad, and further. This state of affairs is not only hollowing out Britain's sovereign defence capability and British manufacturing but leaving the nation's defence exposed to the whim of foreign powers and corporate interests."

The BAE losses were followed by the announcement that 400 jobs are to go at Vauxhall's Ellesmere Port car plant that makes the Astra models. This will involve the movement of staff from two production shifts to one in early 2018, with annual output falling by 60,000 cars.

Vauxhall is owned by the French carmaker, the PSA group, maker of the Peugeot and Citroen. It is Europe's second biggest producer of cars, after Germany's Volkswagen. Vauxhall have a workforce of 4,500 people in the UK, with 1,800 employed at Ellesmere Port.

There has been a drop in sales of the five-door estate vehicles, and saloons, which are produced at Ellesmere Port, while the sales of sport utility vehicles (SUVs) have risen rapidly across Europe.

In August this year, UK car manufacturing fell for the fourth consecutive month, with production for the domestic market collapsed by 4.4 percent to 26,594. Output for overseas customers was down to 5.6 percent at 76,638.

Yet fluctuations in car sales alone do not explain entirely what is happening at the Ellesmere Port car

plant. PSA said manufacturing costs at Ellesmere Port were significantly higher than at similar plants in France. Speaking to the BBC, Professor David Bailey, from Aston Business School, said, “The depreciation of sterling since the Brexit vote has meant that the cost of importing components has gone up, so it’s a more costly plant.”

Earlier this month, a survey of purchasing executives in more than 600 industrial companies showed that manufacturing output continues to fall. The UK manufacturing PMI index compiled by Markit/Cips revealed that activity fell to 55.9 in September from 56.7 in August, as firms were hit by an escalating cost of commodities. The survey backed up official data released at the same time showing that the UK economy was now the most sluggish of the G7 countries.

Jobs are being shed throughout the UK economy. Around 20,000 jobs have gone in the retail sector this year. This month, one of the UK’s four main supermarket chains, Sainsbury’s, announced the elimination of 2,000 jobs in a cost-cutting operation aimed at saving £500 million as the grocer struggles with the return of food inflation and rising wage bills. This follows a move by another leading chain, Asda, to put more than 3,200 jobs under review in August.

Many employers are refusing to pay the national minimum wage, with a report by the British Retail Consortium noting that retailers, who employ 1.7 million people on wages close to the minimum wage, are laying off staff rather than pay increased wage costs. The Retail Week web site reported, “The pressure of higher wages comes as retailers battle with increased business rates and bulging overseas sourcing costs as a result of weaker sterling. As a consequence, some retailers have created centralised facilities to benefit from economies of scale—Tesco is consolidating its call centre operations to its Dundee site ...”

The latest job cuts reveal that there is no let-up by corporations in forcing their employees to bear the cost of their trade war strategies against their global rivals. The GMB trade union published figures in June this year showing that more than 600,000 manufacturing jobs had been lost in the UK in the last decade. This represents a fall of 17 percent, with every region in the UK hit by the sharp decline in manufacturing employment.

Scotland and the North East have lost 22 percent of manufacturing jobs. The worst affected region is the West Midlands, where almost 100,000 manufacturing jobs have gone.

Workers must oppose the reactionary agenda of the trade unions, whose nationalist programme only results in the divisions of the working class in Britain from their class brothers and sisters internationally. As the job losses at BAE and Vauxhall demonstrate, this constant invocation of the unions to step up productivity and hand concession after concession to the bosses has resulted in workers being shown the door, with those that remain in employment being exploited even more.

Workers must turn to an independent socialist and internationalist strategy as the only way forward to defend their jobs. This must be based on uniting their struggles with workers throughout the UK and across borders in a fight based on opposing the capitalist profit system and its defenders, the trade unions and Labour Party.



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