

French automaker PSA colludes with unions to prepare mass job cuts

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10 January 2018

Yesterday, automaker PSA Peugeot-Citroën called in French trade union confederations to discuss and prepare mass job cuts, using early retirements and the so-called Rupture of a Collective Contract (RCC) provision of President Emmanuel Macron's antidemocratic labor decrees.

Initial reports of the talks show that 2,200 jobs are threatened at PSA in France, with other job cuts planned at PSA subsidiaries across Europe. On Monday, it was announced that 250 further jobs are to be cut at the Ellesmere Point facility of PSA's British subsidiary, Vauxhall. At Opel in Germany, finally, after agreeing to thousands of "voluntary" retirements, the unions and management yesterday reduced workers to part-time work for six months, as PSA prepares to cut some 4,000 jobs.

In March 2017, PSA Group bought Opel and Vauxhall from US automaker General Motors for €1.9 billion (US\$2.3 billion), creating a European car giant to challenge market leader Volkswagen.

Workers face the necessity of organizing an independent, international and political struggle against PSA's plans for speedup and a vast intensification of the exploitation of workers in Europe. With backing from the European Union and Macron, PSA aims to restructure the workforce, replacing older, higher-paid full-time workers with young temp agency workers paid the minimum wage.

WSWS reporters yesterday spoke to Sophie, a young temp worker at a PSA plant in the Paris area. "We are paid €9.96 (US\$11.89) per hour," she said. "We work the same hours as the full-time workers. I work Monday to Friday, sometimes Saturday if the factory asks me to come in."

She criticized the plans of PSA and Macron to increase the number of temp workers in the auto

industry. "It's not good. A full-time job, that is security. Personally, I'm OK with being a temp worker because I am hoping to do something else, afterwards. But for older people, who can't retrain afterwards, it's hard." She said her best hope at PSA was "a longer-term contract as a temp worker. But that's not possible given the way the staffing is set up."

Sophie dismissed Macron, declaring, "I am not even interested in being interested in him. With him, it is everything for the bosses and nothing for the workers."

Despite this broad popular opposition, however, the unions in France and elsewhere will mount no genuine opposition to PSA's plans. After receiving billions of euros of taxpayer funds from the 2009 French auto bailout and posting record profits, PSA is moving to ensure long-term competitiveness by pushing wages and conditions at plants in France towards the miserable levels in Eastern Europe or Asia. The unions, negotiating with PSA on a national basis to ensure the profitability of plants in France, are organically incapable of opposing PSA's global strategy of deep cuts to wages and jobs.

According to press reports, the plan is slated to be presented to the PSA works council on January 19 and adopted in February. Amid the talks yesterday, the trade unions made clear they do not plan to make it hard for PSA to obtain their agreement to the RCC—which is necessary under the terms of Macron's labor decrees. Several unions indicated that they have at most tactical disagreements with the restructuring plan.

The French Democratic Labor Confederation (CFDT) declared its "satisfaction" with a deal, citing a pledge by PSA to hire 1,300 workers and 2,200 on state-sponsored youth temp contracts. It said only that it was "disappointed" that PSA is only creating 400 full-time

production jobs.

This came after the CFDT approved a contract for the French chemical industry last week, under the terms of Macron's labor decrees, where workers can be paid less than the minimum wage.

The Workers Force (FO) union complained that Macron's RCC program should not only serve to "make workers leave." Pointing to the now vast numbers of temp agency workers at auto plants in France, it made a measly request for PSA to directly hire "17 percent of this population."

As for the Stalinist General Confederation of Labor (CGT), which oversaw the closure of the PSA plant in the Paris suburb of Aulnay in 2013, it struck a rhetorically more belligerent tone, denouncing the plan as "unacceptable," since "PSA is rich with billions of euros." CGT officials warned that the PSA plant in the Paris suburb of Saint-Ouen might also be closed.

Fundamentally, however, the CGT—whose delegate, Jean-Pierre Mercier, is a leading member of the petty-bourgeois Workers Struggle (LO) party and the top union official at PSA—is no different from its more openly class-collaborationist counterparts.

All the unions have helped oversee a drastic reduction of jobs and wages in the auto industry, which has made PSA immensely profitable. Last year alone, it announced profits of €1.5 billion (US\$1.8 billion). With skilled autoworkers available nearby in Eastern Europe or North Africa and compelled to work for €350 (US\$418) per month or less, however, it has in recent years carried out a massive job- and wage-cutting campaign in Europe's wealthiest countries.

Since 2013, when it closed the Aulnay plant, PSA has cut 25,000 full-time jobs in France. This left only 33,000 full-time PSA jobs in car production in France, even as PSA production levels in the country increased from 860,000 to over one million vehicles. The billions of euros in new profits extracted by PSA were based on this drastic speedup and the hiring of low-paid temp workers.

At many key French auto plants, temp agency workers make up the vast majority of workers on the assembly lines. Business web site *L'Usine Nouvelle* in 2016 cited trade union sources to report that 84 percent of assembly line workers at the Renault plant in Flins, and 70 percent at the PSA plant in Sochaux were temp agency workers. The PSA plant in Mulhouse—widely

described in the press as a model PSA plant of the future because its production manager, Corinne Spirios, is female and it uses large amounts of temp labor—announced plans to hire 800 temp workers last year.

The massive attacks being prepared on jobs, wages and working conditions will doubtless provoke broad and increasingly explosive opposition in the working class in France and across Europe. This has already taken the form of autoworker strikes across Eastern Europe and last month's wildcat walkout by Ford workers in Craiova, Romania against a union-management-government conspiracy to cut wages. This struggle can only proceed as an international struggle, intransigently opposed to Macron and the EU, and based on a revolutionary and socialist perspective.



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