

# Germany: Ford announces massive job cuts at its Saarlouis plant

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The offensive against autoworkers across the globe is intensifying. Hardly a week goes by without a new round of job cutting. Following General Motors' announcement of the closure of five plants in the US and Canada and the elimination of nearly 15,000 hourly and salaried workers, Ford has announced its own plans for huge job cutbacks.

At a factory meeting last Monday in Saarlouis in the German state of Saarland, the local Ford management announced that production of the company's C-Max model is to be discontinued. A quarter of the 6,300 jobs at Ford-Saarlouis, or about 1,600, are to go with the reduction of shifts from three to two. It is still uncertain how many jobs would be lost, a company spokeswoman said, implying that the total could be even higher.

The company works council representative immediately sought to mollify the anger of the workforce. Nothing had been finally decided, he said, pointing out that 400 workers were due to leave the company at the end of this year due to retirement. In addition, 500 temporary employment contracts were due to expire in mid-2019 and would not be extended, he said with contempt for these workers. In addition, several hundred employees could accept an early retirement deal.

The works council rep stressed several times he was keen to arrive at a "socially responsible solution" for those losing their jobs. The phrase "socially acceptable job reduction," constantly used by works councils and union officials, is in fact a threat. It means that the so-called employee representatives will work closely together with company management, conduct secret negotiations behind the backs of staff, and agree to worsened conditions while suppressing any serious fight to defend jobs.

Despite the reassurances of the works council it is clear that the Ford-Saarlouis announcements are the opening shot in a massive cost-cutting program that will cost many more jobs at Ford.

At a factory meeting in the main plant in Cologne on Tuesday, the mood was very tense. The workers present expected concrete information about the future of their jobs, but neither management nor the works council made any clear statements. Both pointed out that negotiations on a cost-cutting program had not yet been completed.

Gunnar Herrmann, the CEO of Ford Germany, who was also present in Saarlouis, spoke at the Cologne headquarters in a general fashion about "inevitable adjustment measures" resulting from the "strict austerity measures" laid down by the company's headquarters in Dearborn, Michigan.

Herrmann gave a detailed report on the poor earnings situation at Ford Europe. The numbers are alarming, he said. In the second quarter of this year, the company had already lost \$73 million in Europe. The situation deteriorated again significantly in the summer and Ford reported a loss of 245 million euros for the third quarter.

The *Handelsblatt* newspaper reported that US corporate management has stipulated a minimum profit rate of six percent, which is now considered indispensable throughout the auto industry. At Ford in Cologne where the European and German businesses are headquartered no one believes that a turnaround will be possible by the end of the year: "The US group will finish deep in the red in Europe in 2018," a statement read.

The austerity program already in place for the plant in Saarlouis has already had drastic consequences and the effects will soon be felt at the company's Cologne headquarters with its 18,500 employees.

When contacted by the WSWS editorial board after the meeting in Cologne, the chairman of the works council, Martin Hennig, said he could provide no further information. Asked whether there were negotiations in the company's Economic Committee or in other committees, Hennig said, "Of course there are discussions and negotiations, but no results as yet." He could only say that

the plant in Cologne is one of the most efficient factories with an employment security protection agreement until 2021. The works council recognises the difficult situation of the company, he said, but would demand that Ford comply with its job security promises.

Such assurances are worthless. The works council and the IG Metall union are intent on keeping workers in the dark for as long as possible to prevent any resistance to the foreseeable job losses.

At the end of September, a similar factory meeting took place to supposedly reassure the workforce. There were rumors then that the entire Ford production in Germany was in danger after the company announced, “tough cuts.” The British newspaper *Sunday Times* reported that more than 20,000 jobs were in acute danger.

A worker on the way to factory meeting at the time said: “We saw what happened at the Belgian Mondeo plant in Genk four years ago. That’s an example how quickly those at the top can close down a work. This still sits in our bones.”

Ford has already announced cuts in France and the UK. The headquarters of the British Ford plants in Brentwood is due to be shut down and its 1,700 jobs lost. All of the company’s operations in the UK are to be concentrated at the Ford Dagenham plant and Ford Dunton in Basildon. In France, Ford plans to close its plant in Blanquefort near Bordeaux at the end of next year. The factory employs about 900 workers.

At the same time, Ford is investing 200 million euros in Craiova, Romania, for the production of another model. The number of Ford workers in Romania is to be increased by 1,500 to 6,000. The Romanian Ford employees work under slave-like conditions with some workers earning as little as 300 euros per month. At the beginning of 2018, 4,000 workers in Craiova took strike action to prevent the imposition of a new, extortionate contract. Since then their overtime allowances have been cut and they have been forced to accept new “flexible” shift schedules.

The latest job losses at Ford are part of a massive assault on workers, auto plants and suppliers around the world. At Opel, formerly owned by GM, new cuts and attacks have been taking place step by step since the company’s takeover by the French based PSA. The German company Volkswagen is also gearing up for new attacks on its workforce. VW management has just agreed to build more cars in the US to avoid US customs barriers. Currently, the VW Group is considering a partnership with Ford to use the latter’s American manufacturing

facilities. VW is also stepping up its development of electric motors which will invariably lead to new attacks on auto workers.

Across the globe the unions and local works councils are working closely with senior management to enforce job cuts in such a manner as to suppress all resistance. The turn to electric motors, the corrupt company practices revealed in the Diesel-gate scandal, Brexit, growing trade war and a general economic crisis make abundantly clear that autoworkers around the world face the same problems and attacks. At the same time the unions are adamantly opposed to any struggle to defend all jobs, wages and social standards.

It is therefore necessary for workers to take the defence of jobs and conditions into their own hands and organise independently of the unions.

In this context, the meeting held by the *World Socialist Web Site Autoworker Newsletter* last Sunday in Detroit, Michigan, is of great importance. Participants decided to organize rank-and-file committees, independently of the unions, to oppose GM’s plant closings and mass layoffs.

At the meeting, a Ford worker from Dearborn described her experiences with the United Auto Workers union (UAW), which imposed a pro-company contract in 2015 by resorting to lies, intimidation and vote-rigging. This had “shown that our union is not on our side. It does not act in our interests,” she said. From that point onwards, the workers met outside the factory and union meetings to discuss how to defend their own interests, she said.

The participants at the Detroit meeting passed a resolution calling for the building of “rank-and-file committees, independent of the UAW, Unifor [in Canada] and other unions, in all the affected workplaces and neighbourhoods, to organise opposition to the plant closures.”

These committees would “Establish lines of communication and collaboration with all workers—including auto parts workers, teachers, Amazon workers, service workers and others—and fight for the unity of American workers with our class brothers and sisters in Canada, Mexico and the rest of the world.”



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