

Jaguar Land Rover announces nearly 5,000 UK job losses in global restructuring

Robert Stevens
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Jaguar Land Rover (JLR), the UK's biggest car maker, has confirmed that 4,500 jobs will be lost in Britain.

The redundancies represent around a tenth of its 44,000 strong UK workforce. The company, owned by Indian-based Tata Motors, has UK plants in Halewood, Solihull, Castle Bromwich and Wolverhampton. Internationally it employs a total of 53,000 workers, with operations in India, Ireland, Austria, Slovakia, Brazil, China and the United States.

The job losses are part of restructuring plans by the firm to cut costs by £2.5 billion. The announcement was made Thursday, the same day that the Ford Motor Company announced it would shed thousands of jobs in Europe. BBC Wales reported yesterday that this includes plans to slash 370 jobs at the Ford Bridgend engine plant in south Wales, which employs 1,700 workers, in a "first phase" of up to 1,150 job losses by 2021.

As with all car producers, JLR operates in a cut-throat environment and is constantly reducing its costs and increasing productivity. Last year, JLR shed 1,000 roles at its flagship plant in Solihull and reduced working hours at other sites amid falling demand for its diesel vehicles and saloon cars. Costs have been reduced further, with the company opening a plant in Slovakia employing 1,500 workers.

Last October, JLR posted losses of £90 million and has seen a collapse in sales by nearly 50 percent in its main and most profitable market, China. Reflecting growing trade tensions between the US and China, and a marked slowdown in its economy, last year the Chinese car industry recorded its first fall in sales for more than 20 years. The China Passenger Car Association reported that 22.7 million units were sold last year, a decline of six percent.

JLR manufactures a range of vehicles in Britain, with Castle Bromwich producing the Jaguar XE, XF and F-type models. Solihull makes the Jaguar F-Pace, Land

Rover Discovery and Range Rover models. The Ryton and Halewood operations manufacture the Jaguar XE SV Project 8, Range Rover SV Coupé, Land Rover Discovery Sport and Range Rover Evoque. JLR is to shift production of its Land Rover Discovery model to Slovakia.

The company said the losses were the next stage of its "transformation programme" to be imposed over the next 18 months, resulting in "cashflow improvements" and "a leaner, more resilient organisation with a flatter management structure."

By the end of 2019, it is estimated that JLR's UK workforce will be down to 38,000. The company have not yet announced which positions will be lost, but it is expected that managerial, research, sales and design staff will be hit. Job losses in the car industry have a massive knock-on effect in the many linked sectors. Five other jobs are dependent on each manufacturing job at an auto plant. Around 800,000 jobs in the UK are bound up with the car industry, with 170,000 involved in production.

Announcing the redundancies, JLR chief executive Ralf Speth said, "We are taking decisive action to help deliver long-term growth, in the face of multiple geopolitical and regulatory disruptions as well as technology challenges facing the automotive industry."

Central to these geopolitical disruptions is Brexit and the widespread fear among car manufacturers over its impact. The UK is scheduled to leave the European Union in less than three months, on March 29. If Prime Minister Theresa May is unable to get her deal with the UK accepted by parliament, the real possibility exists of a "no-deal" Brexit threatening the auto industry with unprecedented turmoil.

Over half of UK car exports are destined for the EU and two-thirds of car imports come from the EU. UK car industry bosses all supported a Remain vote in the 2016 referendum and lobbied May to opt for a soft Brexit, including tariff-free access to the single market. Losing

access to the EU's Single Market and Customs Union would disrupt supply chains and brings the spectre of queues of lorries choking up the ports. With something like 15,000 components going into the production of a single car, these factors are life and death issues for the industry.

Speth voiced these concerns again this week. When asked by *Sky News* if a no-deal Brexit could be problematic, he responded, "It would be a huge problem for the company because [of] ... the physical logistics to produce 3,000 cars in the UK daily... if we miss a part, we have to stop production, and stopping production costs between £80 million and £100 million per day."

Amid growing economic crisis, workers fear that implications of the loss of some of the last decent paying jobs in the declining manufacturing sector that now represents less than 10 percent of the UK economy.

There is a widespread sentiment to fight job losses. The BBC cited one worker, speaking anonymously, who works at JLR's plant at Whitley near Coventry. He said, "It's not clear what's going on," adding, "I've got a young child, so I could really do with not losing my job right now." He insisted, "I'm fighting for my job... It's not worth the risk for me to take voluntary redundancy."

This willingness to fight was expressed in the wildcat strike by an entire shift last November of Vauxhall car workers at Ellesmere Port near Liverpool, just a few miles from JLR's plant in Halewood, Merseyside. After being told by local Unite trade union representatives that 241 jobs were to be lost, workers immediately walked out. Vauxhall is owned by PSA, who also own Peugeot and Citroën.

This sentiment pits workers into direct conflict with the trade unions, who have never lifted a finger to defend jobs in the car industry. The main union, Unite, which has around 95,000 members in the industry, has done nothing to oppose job losses at Ellesmere Port and only called for "urgent assurances" over the plant's future. It would instead be "pressing for guarantees of no compulsory redundancies"—which as every worker knows is code language for accepting job losses.

The unions at JLR and Ford operate no differently. In response to JLR's announcement, Unite national officer Des Quinn said, "Unite will be scrutinising the business case for these global job cuts, and Unite expects that any UK redundancies will be on a voluntary basis amongst affected employees."

The central concern of Unite, as a trusted partner of the company, was to ensure the continued competitiveness of

JLR, with Quinn stating that the companies UK workforce "have had to endure a great deal of uncertainty over recent months as they continue to work hard to ensure the carmaker remains a global leader."

He added, "With record levels of new investment and models set to come on stream in its UK factories we look for Jaguar Land Rover to continue to be a global success and the jewel in Britain's manufacturing crown."

Autoworkers in Britain cannot fight job losses and further attacks on their pay, terms and conditions unless they adopt a perspective in opposition to that of the nationalist, pro-capitalist trade unions. The tens of thousands of JLR workers and 13,000 Ford workers in Britain must turn to building rank-and-file committees—independent of the unions.

These committees must establish the closest links with workers who face the same onslaught at auto plants across Europe, Asia, the United States and Canada to organise an internationally coordinated struggle. Autoworkers from the Big Three auto companies in the US, hostile to the constant sell-outs by the United Auto Workers union, have begun this fight by voting at a meeting in Detroit in December to establish independent rank-and-file committees to oppose General Motors' planned layoffs of 15,000 workers internationally. The meeting was organised by the *WSWS Autoworker Newsletter* and the Socialist Equality Party (US).

The author recommends:

Autoworkers at JLR and Vauxhalls UK face thousands of job losses

[24 December 2018]

A significant step forward: Detroit meeting of autoworkers resolves to form rank-and-file committees

[13 December 2018]



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