Ford workers at Bridgend in Wales facing 1,000 job losses

Barry Mason 21 January 2019

Ford has confirmed its plans to cut nearly 1,000 jobs at its plant in Bridgend in South Wales. It is threatening cuts at its other main UK plant in Dagenham, London, which produces diesel engines.

At Bridgend, some 370 jobs will be lost in the first phase, with a further 620 to go by 2021. This would reduce the current workforce of 1,700 by more than 50 percent. Bridgend currently produces engines for Ford Sigma and for Jaguar, now owned by Tata-subsidiary Jaguar Land Rover (JLR).

Ford employs around 13,000 workers in the UK. The job losses are tied to the ending of production of the two petrol engines currently made at Bridgend. There are plans for Bridgend to produce Ford's new three cylinder 1.5 litre Dragon engine. When initially announced in 2015 the proposal was for 250,000 Dragon engines a year to be produced, but this was reduced to 125,000 when the plans to cut jobs were announced in early 2017. A projected workforce of only 550 is considered large enough to produce the new engine.

Under the One Ford global approach the Dragon engine will be produced in Brazil, China, India, Mexico and Russia as well as Bridgend. The plant in India will play the lead role, with plants competing to produce the engine at the cheapest price at the expense of the workforce.

The reduced workforce and capacity at the extensive Bridgend plant could mean it becoming economically unsustainable and under threat. It opened in May 1980 creating 1,400 jobs, although Ford initially promised 2,500 jobs. Bridgend produced engines for Ford's Fiesta and Escort models and at its height employed over 2,100 workers.

Ford is stepping up its plans to compete in the cutthroat global car industry. Ford's European president Steven Armstrong told the *Financial Times*, "This is not about making the business today more efficient but completely redesigning it."

The attacks on jobs, wages and conditions are set to be sharply escalated as a result of the Brexit crisis. The FT noted, "The company also warned that its two UK sites—at Bridgend and Dagenham—face 'significantly more dramatic' cuts than already planned if the country leaves the EU without a trading deal ... If we get wrong result, then expect that results will be significantly more dramatic..."

Sky reported Armstrong saying, "If Brexit went in the wrong direction we would need to take another look to mitigate the impact of that—we will take whatever action is needed. Nothing is off the table."

Under the 2008 "One Ford Plan," rather than tailoring production to a country or continent, Ford now produces models to be sold across the world, with parts made in various countries. In 2012, Ford announced it would cease vehicle production in the UK. It closed its Transit Van factory in Southampton and part of its original car production site at Dagenham, with the loss of around 1,400 jobs. It had already ceased assembling cars at Dagenham in 2002. At its peak in the 1970s, the Swaythling plant in Southampton employed 4,500 workers, but this had been cut to just 500 prior to its announced closure. Only three years earlier, in 2009, the workforce had been halved when Ford offered voluntary redundancy.

Henceforth Ford would not assemble any vehicles in the UK and only produce engines in its UK plants in Bridgend, Dagenham and transmissions at its Merseyside Halewood plant.

Every single job loss imposed by Ford and other auto conglomerates has been with the connivance of the trade unions. Ford had originally put forward its plans to cut jobs at its Bridgend plant in early 2017. It proposed to work with the Unite and GMB unions to, "to identify future business opportunities." The GMB reported that its meetings with the company had shown 1,100 jobs to be under threat over the next five years.

The unions allowed Ford to pit workers at Bridgend and Dagenham against one another to win orders. At the time, BBC Wales reported a leaked internal Ford document showing that Bridgend was "underperforming in comparison to similar sites, including at Dagenham in Essex. Overtime levels at Bridgend are more than double Dagenham's rates, which adds 6% to the cost of the engines produced..." The document adds that finding future work for Bridgend would be subject to improvements in performance.

In May 2017, Ford announced a global \$3 billion costcutting exercise to address a drop in its share price.

As the latest cuts were announced, Walesonline reported January 16 that unions would be party to a Ford presentation outlining how the company plans to cut the workforce over the next two years. Bridgend managers were waiting for approval from the US headquarters to be able to offer any "voluntary" redundancies. Walesonline had seen documents showing that "370 jobs will be cut this year through voluntary redundancy; 450 jobs will become surplus to requirements by the time the plant ceases to make engines for Jaguar Land Rover in September 2020; 170 jobs will no longer be needed during the same period due to the decline in demand for the Sigma engine."

The article noted that the unions were prepared to accept the cuts, provided they were achieved through "voluntary redundancy." It noted that some workers fear other attacks were planned, including a pay freeze or ending the final salary pension scheme.

A statement given to Walesonline by Ford referred to the role of the unions: "We are starting consultations with our union partners and other key stakeholders to implement a comprehensive transformation plan aimed at strengthening the Ford brand ... The strategy will result in fewer jobs—both hourly and salaried—but it is premature to speculate on how many as we have just begun discussions with our Works Council and union partners ... [W]e aim to achieve the reduction in labour costs through voluntary employee separations and will be working closely with social partners and other

stakeholders."

This statement demonstrates that the unions are nothing but management partners. Following Ford's announcement, Unite issued a January 11 press statement by Des Quinn, its national officer for the automotive industry, that could have been written by Ford's PR department. It stated, "Over the last two decades the UK car industry has experienced a renaissance of which we can all be proud of. [sic] The challenge for government, the carmakers and the unions in the near future is to fight very hard to maintain the environment that made that success possible."

This is nothing more than a call for workers in the UK to accept lower wages and more exploitative conditions.

Workers at Ford must break free of the stranglehold of the unions and wage an independent, international struggle. New organisations—rank-and-file workplace committees, democratically controlled by the workers and independent of the unions—must be set up based on unifying and mobilising car workers in Britain and internationally in defence of the social right to a secure, well-paid job.

The author also recommends:

Ford to lay off thousands, close plants across Europe [11 January 2019]



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