

Ford to close Bridgend engine plant in Wales, eliminating 1,700 jobs

Robert Stevens
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Ford Motor Company this week announced the closure of its Bridgend engine plant in south Wales, with the loss of 1,700 jobs. The plant is scheduled to close by September of 2020, inflicting a devastating blow to workers and their families in an area decimated by decades of deindustrialisation.

The Bridgend plant was opened in 1980 after Ford was offered incentives to invest by the outgoing Callaghan Labour government.

The closure is part of Ford's global restructuring programme, with Ford of Europe President Stuart Rowley stating, "Changing customer demand and cost disadvantages, plus an absence of additional engine models for Bridgend going forward, make the plant economically unsustainable in the years ahead." The company indicated that it plans to step up production of hybrid rather than petrol engines.

Workers at the plant were given no notice. They were sent home Thursday after receiving a letter saying they will lose their jobs in phases by September 25 of 2020. According to some employees, Ford could start making redundancies as nearly as Monday next week.

One of the workers told ITV News that "quite a lot of us relocated from Southampton to Bridgend when they shut the place." He added, "There's not going to be anything left is there?"

Ford closed its Southampton plant, which manufactured transit vans, in 2013, with the loss of 500 jobs. The firm shifted production to Turkey, boasting that its costs would be "significantly lower" than in Western Europe.

The move to full closure comes only months after Ford announced last January that it was cutting 1,000 jobs at Bridgend, with 370 going in the first wave.

Ford produces over a million engines annually at two UK locations—Bridgend and Dagenham in Essex (which makes diesel engines.) As part of an integrated global production network, petrol engines made at Bridgend are shipped to Ford production facilities overseas for use in the Focus and Kuga models.

A major factor in the closure was the upcoming end of a contract for larger engine production for Jaguar Land Rover (JLR) models. Engine production for JLR stems back to 2008, when Ford sold off both Jaguar and Land Rover to Tata Motors and agreed a contract to produce the engines in Wales. But in 2017, JLR announced it would start producing all its engines in-house at its plant in Wolverhampton from 2020.

Bridgend was to produce the new Dragon three-cylinder 1.5 litre engine from this year, but demand for it is dwindling. The plant was equipped with capacity to produce 750,000 Dragon engines annually, but predicted volumes fell first to 250,000, then to 125,000, and, according to reports, to just 80,000 now. As a consequence, since 2016, Ford has slashed planned investment at Bridgend from £181 million to £100 million.

Ford is not abandoning the Dragon, but will shift production in a cost-cutting operation—under its One Ford global strategy—from Wales to its plants in India and Mexico that already make them. Dragons are also produced in Brazil, China and Russia.

Ford claimed that the UK's planned exit from the European Union was not a factor in its decision. However, Ford and other car manufacturers have repeatedly warned of the danger of the UK crashing out of the EU in a no-deal Brexit and stressed that loss of tariff-free access to the Single Market would imperil their myriad cross-border supply operations.

Due to a lack of demand, with a glut of vehicles on the global market, the number of cars built in the UK in April fell by almost half compared with the previous year. The fall was compounded as several manufacturers operating in the UK, including Nissan, Honda and Jaguar Land Rover, brought forward summer production stoppages in anticipation of a Brexit, which was ultimately postponed until October 31.

The Bridgend announcement follows Ford's move last month to shed 550 office and management jobs in Britain as part of 7,000 white-collar jobs going worldwide.

Closure of Bridgend signifies an acceleration of Ford's global restructuring, following the bringing on of a new chief financial officer from online retail conglomerate Amazon, a company notorious for the super-exploitation of its workforce. In April, Ford announced plans to cut 5,000 jobs in Germany. It also plans to close plants or consolidate its operations in France, Russia and Brazil. It is cutting thousands of jobs in China in response to a decline in vehicle sales, which fell by 40 percent.

The unions have reacted with feigned outrage at Ford's decision. Unite General Secretary Len McCluskey stated that the union would "resist this closure with all our might." Speaking as would a corporate executive, he declared the closure "a grotesque act of economic betrayal" to the "manufacturing base" after "Ford broke promise after promise to the UK."

Deliberately promoting economic nationalism in order to drive a wedge between British workers and their counterparts throughout Europe and around the world, he added, "The company has deliberately run down its UK operations so that now not a single Ford vehicle—car or van—is made in the UK." McCluskey complained that it was "easier and quicker to sack our workers than those in our competitor countries."

Neither strikes nor any other forms of industrial action are being organised by the union. Unite's phony "resistance" is focused on a bankrupt "call upon the governments at the Welsh Assembly and Westminster to join us to save this plant, and to prevent yet another grave injury to UK manufacturing."

McCluskey's demagoguery belies everything Unite and the other unions have already done in preparing the way for the closure, including collaborating with the firm to impose whatever "voluntary" redundancies it demanded.

In January, *Walesonline* reported that the unions would be party to a Ford presentation outlining how the company planned to cut the workforce over the next two years. At the time, Ford said it would work with its "union partners" and other key "stakeholders" to implement a "comprehensive transformation plan aimed at strengthening the Ford brand." The company added: "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 rotten process, carried out behind closed doors—with workers kept in the dark—has resulted just a few months later in a plan to scrap the entire plant. The unions are concerned only to cement their status as reliable "partners" of

management and the government.

GMB regional organiser Jeff Beck said the announcement was a "real hammer blow for the Welsh economy and the community in Bridgend." He insisted, "Regardless of today's announcement, GMB will continue to work with Ford, our sister unions and the Welsh Government to find a solution to the issue and to mitigate the effects of this devastating news."

In a nationalist diatribe, he declared, "What makes it worse is Donald Trump is in this country talking about a possible trade deal with the UK and the US—yet if the plant does close, the new line is likely to be produced in Mexico by an American company... So much for the special relationship, Mr Trump!"

To survive in a dog-eat-dog industry, Ford operates on a global playing field, always seeking to increase profitability at the expense of its workers' jobs, wages and conditions, as demonstrated by its plans to shift Dragon engine production to cheaper sites in India and Mexico. All of the global automakers are conducting job-cutting campaigns like Ford's. GM is slashing 14,000 jobs, Volkswagen 7,000, Tata Motors' Jaguar Land Rover is cutting 4,500 and Tesla is slashing 3,000.

Workers can oppose these corporations only by developing an internationally coordinated campaign to defend their jobs and living standards. This fight can be waged only in a struggle against the nationalist programme of the unions.

The unions are not working class organisations and do not function in defence of their members' interests, but rather in the interests of the companies and the "manufacturing industry." As all international experience in the car industry and elsewhere demonstrates, if the struggle against job losses is left in the hands of the unions, the Bridgend plant *will* close.

To avoid this devastating outcome, it is imperative that workers at Ford Bridgend take the fight to defend their jobs out of the hands of the unions and assert their own class interests—not those of the corporations—via the formation of independent rank-and-file committees. This must be based on mounting a common offensive in defence of their jobs and livelihoods alongside car workers in Britain and internationally.

The author also recommends:

The global socialist strategy to fight auto layoffs
[22 May 2019]



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