

Workforce at MAN Truck & Bus in Austria votes against plans to sell the factory

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15 April 2021

Almost two-thirds of the workforce at the MAN Truck & Bus company in Steyr, Upper Austria, voted on April 7 to oppose the sale of the plant to Austrian investor Siegfried Wolf. MAN Truck & Bus is a subsidiary of Volkswagen Autos, and its management confronted the workforce with the alternative of either agreeing to the sale or accepting the closure of the plant in 2023.

Ninety-four percent of the factory's 2,356 workers took part in the vote, with 1,415 (64 percent) voting against the sale. Twenty-seven votes were invalid, and 773 workers voted in favour because this minority—irritated by the investor's promises and fears that all jobs would be lost—hoped to continue working in a new company. In fact, there is no guarantee they will retain their jobs in the case that the company is sold.

The investor, Wolf, had presented his concept to a works meeting held on March 26. The new product range is to consist of small-scale vans with diesel engines and electric drive, platform trucks, trucks between six and 12 tonnes, as well as city buses with electric drive and buses for regional transport. The existing capacity of a paint shop for truck bodies built just a few years ago is to be used for deliveries to the Russian truck manufacturer GAZ. Wolf owns 10 percent of the shares in GAZ.

The plan, however, involves massive job cuts and wage reductions. Only 1,250 of the existing 1,900 full-time employees will be retained, though not a single temporary or contract worker. The previous piece-rate payment is to be completely abolished, which would have meant an average wage reduction of between 15 and 30 percent. Moreover, the whole concept is risky because the US has leveled sanctions against GAZ's owner, the Russian oligarch Oleg Deripaska.

Closing the plant would not only affect its workforce. It would lead to the loss of a total of 8,400 jobs—a disaster for thousands of families. This is the conclusion of a study undertaken by Professor Friedrich Schneider of the Institute of Economics at the Johannes Kepler University (JKU) in Linz. Austria's gross domestic product would decline by almost €1 billion as a result of the closure, and the regions of Upper and Lower Austria would also be affected by higher unemployment costs and falling tax revenues, according to the study.

The supervisory board of MAN Truck & Bus had already decided at the end of March to close the site by 2023 if the sale fails to go through. Production would then be relocated to Poland, where wage levels are an average 65 percent lower than in Austria. Like many Western European car manufacturers, MAN had taken the opportunity, after the collapse of the Stalinist regimes in Eastern Europe, to slash production costs by taking over or setting up new production plants in these low-wage countries.

The company's executive tried to persuade the workforce to agree to the sale with a bonus payment of €10,000 per person. The PRO-GE trade union did not recommend a vote. Nevertheless, the vast majority of the workforce saw through this attempt at bribery and rejected it. Their vote is clearly a vote in favour of a fight to retain the factory.

The workforce confronts not only the company but also the PRO-GE trade union, which is not prepared to defend all jobs. Even prior to the ballot, works council members and the union leadership had signaled their willingness to cut jobs.

In a number of interviews, Erich Schwarz, chairman of the works council, and Rainer Wimmer, head of PRO-GE, stressed that staff cuts were inevitable

anyway, due to the conversion to electric motors and EU directives to limit carbon dioxide and nitrogen emissions.

After the results of the vote were published, Helmut Emler, deputy chair of the works council, told the press that the goal was now to find a solution similar to the one arrived at in Germany. He said that talks with management would start the next day. The closure of the plant was not planned until 2023, while the paint shop with its 400 workers would close in 2027. This declaration must be regarded as a warning for all workers in Steyr.

In Germany, the trade union IG Metall agreed to the destruction of 3,500 jobs and celebrated this as a great victory, declaring that the original number of jobs to be cut had been reduced. As an alternative to the company's sales plan, PRO-GE has raised the possibility of other investors so far not considered by the MAN executive. There is, for example, a draft for a "Green Mobility Centre" proposed by the Linz industrialist Karl Egger (KeKelit) and a vague concept by the Austrian Minister for Economic Affairs Margarete Schramböck for an "Austria Consortium."

The PRO-GE union strictly rejects any principled defence of all jobs. MAN has canceled a job security agreement agreed to by the company just last year. The union has declared it does not plan to take action against this breach of contract either. It is "not the issue" for the time being, according to works council member Emler. The union and the works councils will most likely soon begin negotiations behind closed doors with the MAN executive to present the workforce a fait accompli.

The example of MAN-Steyr underlines that workers can only defend themselves if they take the initiative, free themselves from the straitjacket of the unions, organise themselves independently in action committees and network with colleagues in other factories and internationally. This requires a socialist perspective that places the needs of workers before the profit interests of the corporations.



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