

Opel-Stellantis: Short-time working heralds closure of auto plant in eastern Germany

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The Stellantis Group, the result of the merger of the PSA Group (Peugeot/Citroën), Fiat Chrysler Autos (FCA) and Opel/Vauxhall, announced last Thursday that production of the Opel SUV Grandland X model at the Eisenach plant will terminate by the end of this year.

All of some 1,360 workers at the factory have been placed on short-time work. Production at the Opel plant in Aspern, Austria, near Vienna, is also on hold until the end of the year. The company justified the moves by pointing to the worldwide shortage of semiconductor chips.

When production in Eisenach was suspended in August, the shutdown was regarded as a temporary response to the fact that a supplier of electronic components in Malaysia had been forced to halt production following an outbreak of COVID-19.

The workforce in Eisenach now fears that the current production stoppage heralds the closure of the plant. The company's announcement that production will resume at the beginning of 2022 "if supply chains allow" is understood by many workers to mean that a resumption of production in three months is by no means guaranteed.

There are indications that the production halt will be used to transfer production of the current Grandland and a facelift model to the company's plant in Sochaux, France, although production of the new model was originally intended for a factory in eastern Germany. Workers report that warehouses are being completely cleared out, and material is being shipped to other plants, including the one in Sochaux.

Just two days before the company announced the three-month production shutdown, workers in Eisenach assembled for a factory meeting. At the meeting, no mention was made by the works council of the planned short-time working. After the company's announcement, the IG Metall trade union and works council angrily declared that they had not been informed. "This is a disaster," Uwe Laubach, the first representative of IG Metall in Eisenach, told the magazine *Automobilwoche*.

This is very hard to believe. According to Germany's system of "co-determination," management is obliged to inform the union of important changes, such as the introduction of short-time working or any other change in the company's working hours. The works council, which said nothing at the factory 48 hours before the short-time working was announced, had to

have been informed and in all likelihood had already agreed to the measure. Why, then, did its representatives not report it, and what else do the works council and the union know that they are hiding from the workforce?

The current state of affairs mirrors developments during the past few years. The works council, the union and management work together and have perfected their roles in implementing the cuts demanded by Stellantis. Bernd Lösche, the chairman of the Eisenach works council, plays a central role. He has been a member of Opel's supervisory board since June 2019, is vice chairman of the company's general works council and has been a member of the IG Metall executive since 2013.

Lösche and the union are supported by Germany's Left Party. The premier of the state of Thuringia, Bodo Ramelow (Left Party), vouched for the claim that the union had not been properly informed, calling the alleged omission "bad form."

For her part, the mayor of Eisenach, Katja Wolf (Left Party), merely brushed aside the Opel workers' fears. In an interview with Mitteldeutscher Rundfunk (MDR) radio, she expressed sympathy with the problems of the company, saying she was aware that the situation was difficult for auto manufacturers due to worldwide supply bottlenecks.

At the same time, she said she expected production to start up again as soon as possible. Wolf said she was in contact with the plant management, the Stellantis group and the works council, which were all sending "positive signals." She included the works council, which supposedly knew little or nothing about the situation.

This type of union connivance has a long history at Opel in Germany. As early as 1990, Opel launched a joint venture with the Eisenach auto plant, home to the East German Wartburg model, and commenced production of the Opel Vectra. At the same time, a state-of-the-art Opel plant was built in the city.

In January 1991, the West German institution began organising the winddown of East Germany's industry (the Treuhandanstalt) and ended production at the former Wartburg plant. Its 4,500 employees were made redundant, with the agreement of the IG Metall, and a year and a half later the new Opel plant opened. The new factory employed just 1,900 workers, who produced two models, the Astra and Corsa. At the time, the plant was considered one of the most productive in

Europe.

After decades of job cuts and plant closures, the PSA Group and its CEO, Carlos Tavares, took over Opel/Vauxhall from General Motors in 2017. IG Metall was full of praise for Tavares, who even then was known as a tough reorganiser. The union and the works council immediately agreed with him on the “Pace” (Tempo) restructuring plan.

At that time, Opel still employed a total of about 19,500 workers in Germany, including 1,800 in Eisenach. Today Opel has a total workforce of 15,000, with 2,100 due to lose their jobs, mainly at the main plant in Rüsselsheim.

At present, only 1,360 work in Eisenach. In 2018, the works council agreed to cut between 400 and 450 jobs. The then-chairman of the general works council, Wolfgang Schäfer-Klug, explained that the transfer from General Motors to PSA was “good for the plant” because production would be increased. “The disadvantage is,” Schäfer-Klug continued, “jobs will be lost. For Eisenach, this meant the loss of 400 to 450 jobs. But we would be prepared to put up with that.”

According to IG Metall, Tavares gave assurances in 2017 that the company would refrain from compulsory redundancies and plant closures. In reality, Tavares set targets for job cuts and other savings that the works council and IG Metall pledged to implement. In doing so, the union relied on its usual bag of tricks, e.g., severance payments and so-called transfer companies.

When workers refused to yield to pressure from the works councils to “voluntarily” quit their jobs, Tavares and the company threatened compulsory redundancies and plant closures.

These are now apparently to be imposed in Germany after the recent federal election. Tavares himself has appointed former Renault manager Uwe Hochgeschurtz as head of Opel in Germany. The two men have known each other from their time together at Renault.

Hochgeschurtz worked for Renault in various management positions from 2004 onwards and then took over as Renault’s boss in Germany in 2016. Tavares started his career at Renault in 1981 and stayed until 2014, when he took over as CEO of PSA Peugeot Citroën. Now Hochgeschurtz is expected to introduce the next round of cuts for Tavares and Stellantis shareholders.

The main problem facing Opel workers is not the company’s unscrupulous management but rather the IG Metall and its works councils, which have been implementing the company’s offensive against its workforce.

The mergers of Opel and PSA, as well as the merger of PSA and FCA at the beginning of this year, were supported by the union and the works councils, which were involved in the takeovers from the beginning. In 2017, even prior to the merger between Opel and PSA, IG Metall Chairman Jörg Hofmann and the then-Opel works council chairman, Wolfgang Schäfer-Klug, praised the fact that “constructive talks” had set the

course for a “European auto champion with German-French roots.”

The unions also enthusiastically welcomed the Stellantis merger, creating the fourth largest car company in the world earlier this year.

Both Schäfer-Klug, who still heads the European Works Council, and Uwe Baum, the current head of the Opel General Works Council, hold high-paying posts on the supervisory board of Opel Autos and have long been privy to all of the concern’s restructuring plans.

The basic prerequisite for a successful struggle to defend jobs is the realisation that IG Metall and its works councils are fully on the side of the corporation. Toothless union protests, such as “whistle demos,” carrying coffins through city centres and plant vigils, are aimed at obscuring this fundamental fact. Such pseudo-protests serve only to allow the union and the works councils to continue their dirty deals with the top management.

The globalisation of production creates the objective basis for strengthening international resistance and uniting workers struggles across national borders. Workers all over the world are facing similar attacks by transnational corporations on working conditions and wages. Resistance is growing.

In the US last week, over 10,000 workers at the farm equipment giant John Deere voted to strike. Earlier, 3,000 Volvo workers in Virginia walked off the job for nearly six weeks to oppose a contract involving much worsened conditions agreed to by the United Auto Workers (UAW) and worked out with management. Workers have set up independent action committees in both factories.

Workers at Opel in Eisenach must also take this step to defend their interests against the common front of management and union.

The International Committee of the Fourth International and its affiliated Socialist Equality Parties announced in May this year the formation of the International Workers’ Alliance of Rank-and-File Committees (IWA-RFC) to coordinate and organise the worldwide struggles of all workers. We call upon all Opel workers to organise themselves in such committees independent of the trade unions.



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