

# Ford-Spain signals plant closure, more attacks on auto workers in Valencia

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Last week, Ford Spain announced it was refusing millions of euros in corporate bailout from the Spanish government, citing a “revised outlook for Europe.” This signals Ford’s intention to increase attacks on workers and potentially close the Almussafes plant in Valencia, reneging on its earlier commitments.

It is a devastating exposure of the treachery of Spain’s unions and Socialist Party (PSOE)-Podemos government, which only weeks ago were celebrating Ford’s investment commitments as a great victory. In June, Ford announced plans to produce electric vehicles (EVs) after the General Union of Workers (UGT) rammed through historic wage cuts on workers to ensure the plant “won” a fratricidal bidding contest against Ford’s Saarlouis plant in Germany.

On Wednesday, Ford said it had withdrawn its request to access European Union (EU) bailout funds. Approved last year by the government, with support from the neo-fascist Vox party, the fund consists of €140 billion earmarked for corporations and banks, overseen by Podemos and the trade unions. The bailout, which exposed official claims there was no money to fight to stop COVID-19, is to be paid for by workers with pension and job cuts.

Automakers in Spain are set to receive €700 million (\$694.8 million). Ford applied for the funds in May to invest in launching EVs in June 2025. Last month, it received €106 million (\$105.2 million).

The funds are premised on brutal attacks on jobs and wages. SEAT, part of Volkswagen, received €167 million and is working with the unions to slash 2,100 of its 15,000 jobs in Spain. Mercedes is to receive €159 million; last month, the union rammed through de facto wage cuts by accepting 2.25 percent wage increases between 2023 and 2026, way below inflation levels of 10 percent.

D-Hub, a consortium of tech companies and large Spanish firms of the Ibex 35 stock index, will receive €105 million to “re-industrialise” Barcelona’s Nissan plant. In August 2020, the unions signed off on closing Nissan’s three Barcelona factories, cutting over 2,500 jobs at these plants and another 20,000 indirectly.

Ford’s withdrawal from the funds are significant. The company claims that if it accepted the funding, it would have to start producing EVs by 2026. Given that it cannot abide by these timelines, citing a “revised outlook for Europe,” Ford claims that it is postponing its investment plans to produce EVs in 2030, but that this does not represent a cancellation.

Such statements cannot be taken at face value. The bailout funds were going to help the Almussafes plant adapt its facilities to making EVs. That Ford is refusing this free money for investments made through 2026, when the Mustang Mach-E will supposedly start production, suggests that plant closure is a possibility.

Ford claims it will work with local authorities to identify other potential public funding as they move to an all-electric passenger vehicle fleet by 2030. This begs the question as to what will happen until 2030. In March, Ford split operations into separate businesses, Ford Blue and Ford Mobil E—the first focusing on internal combustion engines and the other on EVs.

Almussafes will then be a Ford Blue plant of combustion, not Mobil E. Soon, there will be only one car in production with a combustion engine. Ford Blue is being wound down throughout Europe. The rationale for withdrawing from the funds, that the situation in Europe has changed, begs the question: what is the change? Everything points to laying the grounds for massive new attacks in Valencia, in addition to the closure of Saarlouis.

Job losses and further wage cuts are expected until

2026. According to *Economia Digital*, there were 3,000 jobs at risk with the new electric conversion, even before Ford's announcement of no new EV-production in 2025-2026. Mondeo and the Transit Connect van will reportedly stop being built for the US market next month. Both represent around 20 percent of the factory's production. In addition, between the end of 2023 and 2024, the production of the S-Max, Galaxy and Transit Connect for the European market is to end. These three models account for another 20 percent of production.

In June, Ford warned of "significant" global job cuts. In July, Bloomberg reported that it is planning as many as 8,000 layoffs this year, targeting white-collar workers and jobs in its internal combustion engine business. This was followed by last week's announcement that Ford plans to lay off 3,000 workers in the US, Canada and India, effective September 1.

As the *World Socialist Web Site* warned last week, these attacks are a prelude to a wider attack on jobs. Fighting to dominate the markets for EVs and other new technologies, global auto giants are restructuring their operations, slashing costs and looting even more from workers for profits.

It is also part of a broader, international growth of the class struggle. The ruling class, feeling itself under siege, is stroking inflation in order to counteract growing protests and strikes among workers.

Workers at Valencia require a new strategy to defend jobs and salaries. They cannot rely on the PSOE-Podemos or the trade unions, which seek to downplay Ford's announcement.

The PSOE-Podemos' Ministry of Industry indicated that "the withdrawal is due exclusively to a corporate decision that will redefine the calendar and scope of the investments to be made in Spain, focused on a new electric vehicle platform and on the new business model that it will be associated," insisting that this withdrawal does not put in question Ford's decision to invest in Valencia.

The General Union of Labor (UGT), the largest union in the Almussafes works council, called for "calm" at the plant. It claimed investments "are not in question" and will preserve "thousands of jobs in very good conditions." It added, "What was really decisive and fundamental for assigning Ford's new electric platform was for us workers to reach an agreement with the

management, which would ensure a stable work environment ..."

The UGT's lies—calling on workers to work with management and the PSOE-Podemos government, sacrifice their wages and working conditions for Ford profits to "save their plant," and do so against their brothers and sisters in Saarlouis—are in shambles. The UGT had a strategy for defeat.

In April, the UGT and Ford-Spain signed a collective agreement imposing the most savage attack on workers in the Valencia plant's 46-year history. Worked out between the unions and management, it imposes a four-year wage freeze and staggering cuts to real wages from inflation. With the latest Consumer Price Index (CPI) figures at 9.8 percent, this would mean real wage cuts of 20 percent or more by 2026.

Aware of mounting anger, the UGT refused to submit the agreement to a referendum, though 97 percent of the unionised workers are UGT members. Instead, they opted to submit the deal to a sham vote last February. Without the text available, workers were forced to vote via a union app. It was thus impossible to count the vote.

At the same time, to preempt opposition to the sham vote, the UGT attacked the WSWS. Conscious that the main opposition to their deal was among workers, UGT posted a YouTube video attacking the WSWS and describing its articles as fake news. The UGT now stands exposed as the biggest producer of fake news at the plant.

The *World Socialist Web Site* urges workers in Valencia to contact the rank-and-file committee in Saarlouis and build the International Workers Alliance of Rank-and-File Committees (IWA-RFC) to organise the fightback against Ford and connect workers in a growing number of industries. Rank-and-file committees, democratically controlled by workers, are the only way forward to organize a fight against job cuts.

To contact the WSWS about the Ford struggle, send a WhatsApp message to +491633378340.



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Socialist Equality Party visit:

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