Ford Saarlouis, Germany: The stalling tactics of the union and works council

Dietmar Gaisenkersting 29 June 2023

When it comes to closing down the Ford plant in Saarlouis, Germany, on behalf of the company's top management and its shareholders, and leading the workers around by the nose, no trick is too shabby for the works council led by Markus Thal and the IG Metall union.

At a factory meeting last week, exactly one year to the day after workers there had learned that their plant would be closed by 2025 at the latest, the workforce was once again brushed off and deceived by Thal and management.

For the last year, the 4,500 workers at the plant have been kept in the dark about their future. When managing director Martin Sander again asked for their "patience" because he could not yet name an investor that would continue running the plant after 2025, workers had had enough.

But Thal and his works council team had made preparations to prevent the meeting from escalating. Shop stewards had been told to boo Sander mercilessly and not let him get a word in edgewise. Thal then used the deafening noise and tumult as an opportunity to break off the meeting and send employees home or back to work. In this explosive situation, the whole process was a set-up to prevent workers from taking a decision to really fight for their future.

Thal had announced at the meeting that he would hold a strike ballot a week later (Wednesday, June 28), in order to force through a "social collective agreement." This is meant to regulate the liquidation of the factory and determine how much severance pay workers would receive.

On Tuesday afternoon, about 12 hours before the start of the ballot, Thal called everything off again. In a video message from the IG Metall office in the German city of Völklingen, he claimed, "Now there is movement on the matter." Last week, together with the IG Metall negotiating group, he had "for the first time" been given an insight into "drafts of possible preliminary agreements." The union and the works council had assessed these as "quite positive."

Meetings and negotiations between Ford, possible investors and the state government were currently taking place "without interruption around the globe at all hours." "And it's going in the right direction, it's about more jobs

for us here at the site in Saarlouis," Thal said.

Thal called for another factory meeting on Friday, where he expected "further resilient results" from the company's top management. And what can the workforce expect? A letter of intent (LoI). This has been confirmed by Lars Desgranges, the senior IG Metall Völklingen representative: "We expect an LoI to be signed by then."

All the parties involved are keeping quiet about the investors who want to declare their non-binding intention to operate on the factory site.

But it is no secret that one of the last two interested parties for the factory site was the Chinese group BYD (Build Your Dreams), which also manufactures cars and is interested in gaining a foothold in Europe. Chinese manufacturers are far ahead of European ones, especially in electric vehicles. BYD was therefore a direct rival of volume auto producers like Ford and Volkswagen, wrote finance daily *Handelsblatt*. Ford's top boss Jim Farley had only recently said at a financial meeting in the USA that his main competition was "not Toyota or General Motors," but the Chinese carmakers.

According to *Bloomberg*, besides BYD, only a group of smaller Chinese carmakers are said to be interested in the Ford site in Saarlouis.

Even if a letter of intent were to lead to a preliminary agreement and then a contract, there would still be huge hurdles. Apart from direct competition, there are above all the US war preparations against China. "A deal with a Chinese investor is likely to put Berlin on the spot," writes *Handelsblatt*, "as the German government around Chancellor Olaf Scholz (Social Democrat, SPD) is currently doing a lot to reduce economic dependence on the People's Republic [of China] and thus make supply chains here more resilient."

It is far from certain that the end result will not be the sale of the factory site and the destruction of the production facility. A large battery recycling centre, for example, could then be built on the ruins of Ford, an option which has occasionally been brought into play.

That it has come to this is the responsibility of IG Metall

and its works council under Thal. IG Metall and its workplace "representatives" organise one disaster after another for the workforces. They elaborate the mechanisms and instruments with which the workers are attacked in order to enrich the shareholders.

Thal took over as works council chair in Saarlouis in 2019. Since then, he has pushed through the reduction of almost 3,000 jobs, always with the argument that this would secure competitiveness and thus the production location.

In the ruinous bidding war between the Ford plants in Saarlouis and Almussafes (Valencia), which the trade unions and their works councils in Germany and Spain had conducted in 2021 and 2022, Thal and the IG Metall went even further. They offered the corporation, which pays out billions to its shareholders every year, to cut the wages of all 22,000 workers in its German plants by 18 percent. The Saarland state government under the SPD offered billions in subsidies.

But the Spanish trade union UGT and its factory representatives had offered even greater attacks on jobs and wages and the Spanish regional government even higher subsidies.

Now, despite this, wages are also being slashed at the Almussafes plant, and more than 1,140 jobs are being cut from the previous total of around 6,000. The UGT is just as merciless in acting against opposition within the factory as the IG Metall in Saarlouis.

In addition to the 4,600 jobs in Saarlouis, another 2,300 are being destroyed in other plants in Germany, especially in the development sites in Cologne and Aachen.

The workforce in Saarlouis has been kept in the dark and lied to by Ford and the works council for a year. Ford promised to table a "future concept"10 times and has still not presented it. And just as often, Thal has announced a "fight" if a concept were not presented the next time. In the meantime, he is only begging for "resilience" and declarations of intent.

Only Thal knows how resilient Ford's promise to maintain 1,000 jobs at the site until 2032 is. It is likely to be just as resilient as the declaration of intent that Thal and Sander want to present on Friday.

What is certain, however, is the fact that Thal is negotiating piecemeal job cuts. Eighty employees are leaving the company via partial retirement, and 650 via "individual solutions," i.e., severance payments.

The Ford plant's supplier park, with currently 1,300 employees at seven companies, is being moved towards closure. IG Metall started negotiations for a "social collective agreement" at the beginning of June. The jobs are to be eliminated with the help of low severance payments, a "transfer company" and a bridging model for older workers.

Since its inception, the Ford Action Committee has warned against precisely such developments. In its first appeal in January 2022, shortly after Thal and IG Metall had made their cuts offer to Ford HQ in Germany, as part of the bidding war with the Spanish plant, the Action Committee had written:

Concessions do not save jobs! All our concessions in the past and all the concessions already made at all Ford locations count for nothing today.

We reject the blackmail and brutal competition being instigated between us and workers at other plants. Playing one off against the other leads to disaster.

Now this disaster is becoming more and more real. The works council and the IG Metall have devoted themselves lock, stock and barrel to defending the interests of the corporation and its owners. They are on the other side of the barricade. Their ranting about "struggle" and "tough confrontations" is a sham. The only "struggle" that Thal and his fellow officials are waging is to stop workers from really fighting and to allow the factory to be closed down.

Anyone who does not want to resign themselves to being sold out by Thal, Gruschka and the other corporate stooges in the works council and IG Metall should join the Ford Action Committee, a rank-and-file organisation of militant workers. It must be strengthened.

It has sufficiently proven its strength in terms of its analysis and perspective. Now it has to be strengthened by Ford workers themselves.

Contact the action committee via Whatsapp message at +491633378340.



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