

Opel Bochum: Few new jobs a year after plant closure

By Dietmar Henning
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A year ago, the last Opel came off the assembly line at the GM-Opel plant in Bochum. The plant is now in ruins and for most Opel workers there are no new jobs in sight. About 2,500 of the last 3,300 workers are parked in a so-called “transfer company”. As was to be expected, there is no sign of the alternative jobs that had been promised by the IG Metall trade union, the works council and top management when the plant closed.

Around 200 Opel workers transferred to other plants and 265 went to the spare parts warehouse (Factory III), which had been initially outsourced to Caterpillar and then Neovia a decade ago. On January 1, 2016, the now 700-strong workforce at the spare parts warehouse will come back under the umbrella of Opel, more precisely into the subsidiary “Opel Group Warehousing GmbH”. Sixty million euros are to be invested in the former gear factory (Plant II) in Langendreer, intended to create a new distribution centre.

While these 700 workers are being paid at the IG Metall (IGM) agreed wage rates, their former colleagues who are now stuck in the transfer company are threatened with unemployment or a low-wage job.

These so-called “transfer companies” have been used by the unions since the 1980s to prevent resistance to mass layoffs with cheap promises of alternative jobs. While the shareholders earn a fortune, for the workers they are just the transfer stations to unemployment.

At Opel Bochum, some 2,600 workers were moved into the TÜV Nord Bildung [Education] GmbH, a two-year transfer company. Approximately 750 of them that are over 55 years old are part of an early retirement programme. They are spending their time initially in the transfer company and then will receive unemployment benefit until they take early retirement. They face a pension reduction of 3.6 percent for every

year they retire in advance of their normal pension age.

The former works council chairman Rainer Einkenkel also moved into the transfer company in April. He is now 61, and plans to retire in 2017. Unlike most workers, he is likely to be well taken care of.

According to IG Metall representative Eva Kerkemeier, of the 2,600 Opel workers only 102 have so far left the transfer company because they found a new job. Some were retrained as train drivers, others as firefighters, or have found a job as a janitor at a major housing company.

In a forum for former Opel workers, the managing director of TÜV Nord, Bildung Hermann Oecking, said he “found nothing disheartening” in this development. “When I tell staff it takes two years to retrain for a new career, then I have to assume that they will accept this offer,” he wrote.

What jobs the 2,500 former Opel workers will find in the coming year, however, is a mystery, because the establishment of prospective new companies on the former Opel site has come to a halt.

To market the Opel site, the “Bochum Perspective 2022” development company was formed six months ago, in which the city council has a 51 and Opel a 49 percent shareholding. Its chief, Rolf Heyer, has not seen any success so far. The demolition work has been interrupted because a company that made an unsuccessful offer has gone to court to challenge the decision. The next hearing before the Dusseldorf Higher Regional Court is expected in March 2016. If the demolition then starts, it will take 15 months before any new companies are set up.

Meanwhile, the development company is busy trying to remedy mining damage. The Opel plant had opened in 1962 on a former colliery site, where coal mining had been carried out since 1742. For the former miners

who had worked in the recently closed mines, the alternative jobs at Opel were attractive 53 years ago. There can be no such expectations for the promised alternative jobs today, should they materialise at all. It is likely that any jobs created on the 68-hectare former factory site will be almost exclusively low-paying jobs in the logistics sector.

The only “major project”, which according to Heyers is in the “final phase”, is the establishment of a new parcel centre for Deutsche Post DHL. The company plans to employ 500 and later “up to 600 people” on the 14-hectare site. It can be assumed that many of these jobs will only be on temporary contracts. Other logistics enterprises are said to have expressed an interest in the location.

Other companies that might move onto the former Opel site would also offer no substitute for the lost industrial jobs. The Ruhr University Bochum wants to support research-related businesses.

The closure of Opel is a further stage in the deindustrialization of the Ruhr region, once the largest industrial area in Europe. With a current unemployment rate of 9.5 percent, Bochum is still in a relatively good position in the region. But here, like the other Ruhr cities, the unemployed face a vicious circle. Many well-paid jobs in production and processing are being dismantled and replaced by low-wage jobs.

After the mines and steel mills died off the 1960s and 1970s, the breweries were next. The same is now true for the remaining production sites. In the 1980s, Opel Bochum still employed more than 20,000 men and women.

In 2008, the Nokia Bochum plant was wound up. Here, too, IGM had agreed to setting up a transfer company for the 2,300 employees. Around 2,000 temporary contract workers and employees in supplier companies went away completely empty-handed.

According to IG Metall, more than 10,000 jobs, mainly in industry, have been lost in the region in the past five years alone. Other companies, including auto parts supplier, have also announced massive job cuts.

In the Ruhr, most remaining jobs are low wage and physically strenuous. This means that older and low-skilled unemployed workers become dependent on welfare benefits. For example, of the currently 17,900 unemployed in Bochum, nearly 9,000 are over 50 years old; nearly 8,000 are considered long-term

unemployed. The 2,500 Opel workers in the transfer company who are mostly over 50 years old are not included in the calculations. They must also fear that they will soon join the unemployed and then after a year will have to rely on welfare.

A letter from Opel management to all current and former Opel workers in Bochum was met with anger and incomprehension. The letter begins with the words, “An eventful and successful year comes to an end”, and then offers them a car at special rates. Very few will be able to afford a new vehicle in the future. No one expects a “successful new year” in 2016.

The closure of Opel Bochum after 52 years of production is the result of a conspiracy against the workers by the IG Metall trade union, the works council and the top management.

When the parent company General Motors went into bankruptcy in the wake of the international financial and economic crisis in 2008, Opel was to be sold off. When GM then stepped back from these plans, IG Metall and its works council representatives offered to impose swingeing cuts to again guarantee the shareholders high profit margins.

In 2010, they agreed to wage cuts of €265 million a year. Just two years later, the then IG Metall leader Berthold Huber, together with the Opel joint chairman Dr. Wolfgang Schäfer-Klug, presented the so-called “Germany Plan”, the union’s own restructuring plan to “strengthen the Opel brand”.

A short time later, it turned out that this “strengthening” included the closure of the Bochum plant. IG Metall and the works council isolated the workforce at the Bochum plant and put them under pressure, prevented any fight and in the end allowed the closure to take place.

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