

# Honda announces 3,500 job losses at Swindon, England

By Robert Stevens  
20 February 2019

Honda has confirmed the closure of its car plant in Swindon, England with the loss of 3,500 jobs by the end of 2021. The plant produces one car in roughly every 10 made in the UK. Closure will also result in an estimated 12,500 job losses in the auto supply chain and other businesses serving the plant.

The Honda losses follow announcements of nearly 9,000 redundancies by car producers to be imposed in the next few years. Jaguar Land Rover is cutting 4,500 jobs internationally, with most of these to go in Britain where it employs 44,000 workers. Ford is to axe 400 jobs at its Bridgend factory in Wales by 2021.

Nissan announced earlier this month that it will not be producing its X-Trail sport utility vehicle at its Sunderland plant, putting hundreds of jobs in jeopardy.

The Honda plant went into production in 1985 and produces the Civic model, mostly for export. It is the company's sole manufacturing location in Europe. Last year, the plant turned out more than 160,000 cars, with around 50 percent exported to the North American market, and 20 percent to Europe.

Giving expression to the cut-throat competition in the global car industry, Swindon would mark the first time that Honda has ever closed a vehicle factory since its incorporation in 1948.

A central factor in the decision is that Swindon's engine plant manufactures diesel engines, with the company also seeking to relocate more of its global production back to Japan where it has based much of its newer hybrid and electrical vehicle capabilities.

Announcing the closure, Katsushi Inoue, chief officer for European regional operations, said, "In light of the unprecedented changes that are affecting our industry, it is vital that we accelerate our electrification strategy and restructure our global operations accordingly."

Honda and the UK government were at pains to stress

that the Swindon closure was not related to Brexit. But a new free-trade deal between Japan and the European Union means that Honda has no financial incentive to produce cars in Europe. Cars made in Japan no longer attract tariffs coming into Europe.

Last September, Honda Europe's senior vice-president, Ian Howells outlined the doomsday scenario facing car manufacturers in the event of a hard-Brexit. Speaking to the BBC's "Wake up to Money" programme he said, "In terms of administration, we'd probably be looking at something like sixty-odd thousand additional bits of documentation we would have to provide to get product to and from Europe."

Howells warned, "[C]learly if we end up with World Trade Organization tariffs we'd have something like 10 percent costs in addition on our shipped product back into Europe, and that would certainly run into tens of millions of pounds. Likewise, when we're looking at componentry coming the other way, again [it could cost] tens of millions in terms of tariffs coming into the UK."

Last week, the *Times* reported that a Ford Motors executive told Prime Minister Theresa May, on a private conference call with other business leaders, that given a no-deal Brexit was an imminent danger, Ford was preparing to leave the UK. Ford has two engine plants in the UK—Bridgend and at Dagenham in east London. May was reportedly warned about the same outcome by other CEOs, with one stating, "This isn't about contingencies any more—we are taking steps because of the uncertainty. It's real."

Speaking to the *Just Auto* web site, a Ford's spokesman said, "We have long urged the UK government and parliament to work together to avoid the country leaving the EU on a no-deal, hard Brexit

basis on March 29. Such a situation would be catastrophic for the UK auto industry and Ford's manufacturing operations in the country. We will take whatever action is necessary to preserve the competitiveness of our European business."

The response of the trade unions at Honda, as at every other car plant, is not to organise a fight to oppose job losses but to smooth the way for them. Unite automotive national officer Des Quinn said the closure would be "a shattering body blow at the heart of UK manufacturing." He added, "The car industry in the UK over the last two decades has been the jewel in the crown for the manufacturing sector—and now it has been brought low by the chaotic Brexit uncertainty created by the rigid approach adopted by Prime Minister Theresa May."

There was no call to mobilise workers at Honda or in the rest of the car industry, where Unite has thousands of members. Instead an appeal was made to "Business secretary Greg Clark" who needs "to make an urgent statement on what the government intends to do to rectify this dire situation."

Unite claimed it didn't know the Swindon closure was on the agenda and expressed concerns that the sudden announcement made it harder to sell thousands of job losses to its members. "If the government had advance warning of this dreadful news and did not alert the unions, this is an appalling and cavalier attitude by ministers," said Quinn.

On Tuesday, Unite accepted the company's rationale for closure saying, "We acknowledge the global challenges that Honda has outlined in its statement, but we don't accept that this plant, with its highly skilled and dedicated workforce, does not have a viable future." No fight would be organised, with the union "now entering a period of meaningful consultations with the management to examine in detail the business case put forward by the company."

These are the words and actions of an appendage of the company, not an organisation that defends workers. All that can come out of such discussions will be proposals from Unite as to how it can ensure a smooth transition to closure or pledges that it will organise a further sacrifice of the pay, terms and conditions of its members to persuade Honda to stay.

In the face of an escalating trade war between the major imperialist powers, as car producers fight to win

greater a share of a diminishing market at the expense of their rivals, the only realistic way for Honda workers to fight back is through the adoption of their own independent strategy.

This must be based on the struggle for the international unity of car workers, based on a socialist programme that does not accept the "right" of auto conglomerates like Honda to destroy thousands of workers jobs overnight.

The vital first step is for workers to organise themselves independently of the unions through the setting up of rank-and-file committees.

Car workers internationally have begun to take these steps. Last month, tens of thousands of auto workers in Matamoros, Mexico, on the US-Mexico border, launched a wildcat strike. Workers formed independent organisations and marched under the banner, "The union and the company kill the working class."

In Detroit on February 9, autoworkers and supporters organised by the *World Socialist Web Site Autoworker Newsletter* and the Steering Committee of the Coalition of Rank-and-File Committees held a demonstration outside General Motors headquarters in opposition to the company's plans to close five plants in the US and Canada. This was carried out independently of the United Auto Workers union, which hasn't lifted a finger to save a single job.

We appeal to car workers to sign up to the *World Socialist Web Site Autoworker Newsletter* today to discuss the fightback at Honda and other car plants in the UK.

To contact the WSWWS and the  
Socialist Equality Party visit:

<http://www.wsws.org>