

Non-German workers more at risk of losing jobs after Opel takeover

Proposed job cuts

Germany

4,116 jobs

16.7% of total workforce

Belgium

2,517 jobs

100% of total workforce

Spain

2,090 jobs

32.7% of total workforce

UK

1,373 jobs

30.7% of total workforce

Source: Magna plan released by Opel Trust

Preliminary estimates

By Daniel Schäfer in Frankfurt, John Reed and Jean Eaglesham in London, and Bertrand Benoit in Berlin

General Motors' UK, Belgian and Spanish workers would proportionately bear the brunt of job cuts in the German-led rescue of Opel/Vauxhall, according to preliminary figures outlined by Magna International, the lead investor, and confirmed by people close to the sale.

The news brought angry reaction from union leaders ahead of a rally set for today by GM's European unions at its plant in Antwerp, which Magna and the US carmaker say may need to close for Opel to become viable.

People inside the trust created to manage Opel confirmed figures reported in Germany's Frankfurter Allgemeine Zeitung newspaper showing that 1,373 of GM's 4,475 UK jobs and 2,090 of its 6,401 in Spain – about a third in each case – would be lost. All operations in Belgium would close. The numbers form the basis for the Canadian-Austrian auto supply group's negotiations with GM's European works council, which started at the beginning of this week.

Magna's plan, which insiders said was unchanged since it was named preferred bidder in May, would see 4,116 of Opel's 24,700 jobs cut in Germany – less than

a fifth of the total. However, UK government insiders said the number of job losses in the UK was still in flux and would depend on different scenarios being discussed by affected governments and Magna, and potential intervention by the European Commission over possible German violation of state aid rules.

Klaus Franz, who heads the union, told the Financial Times the numbers did not reflect the state of negotiations between GM's workers and Magna, which must be concluded successfully to complete the €4.5bn European government-backed bail-out of Opel/Vauxhall.

The Canadian group declined to comment yesterday, but a person close to Magna put the number of UK job cuts at 1,100 to 1,200.

While Magna negotiates with unions, it is also engaged with governments in the European countries about how much deal funding they will provide.

"All the governments involved will now study the business plan (provided by Magna) and I am optimistic that all of them will come to a positive conclusion," Karl-Theodor zu Guttenberg, Germany's economics minister, told Handelsblatt newspaper in an interview to be published today.

