

French authorities reject Ford plant closure plan

January 29 2019



Ford, which announced the Aquitaine plant's closure nearly a year ago, last month rejected the French state-backed Punch-Powerglide buyout offer

French authorities have rejected a plan put forward by US auto-maker Ford to close one of its plants, giving a Franco-Belgian equipment

manufacturer more time to improve a buy-out offer.

Authorities in the southwest, where Ford's Aquitaine Industries plant at Blanquefort has been turning out gear boxes since 1972, Monday evening rejected the company's plan to lay off 850 workers, citing procedural "non-compliance" as a reason.

Government sources said the decision gives Strasbourg-based Punch-Powerglide two more weeks to "beef up" a buy-out offer earlier rejected by Ford.

French authorities will then have 21 days to review the situation. They also want Ford to improve its own offer to help preserve local jobs once the plant closes its plant in August.

Philippe Poutou, a local Confederation Generale du Travail trade union representative and nationally-known left-wing politician, welcomed news of the delay.

"It will force Ford to reexamine things and look more seriously at Punch's offer which is backed by the employees," he told AFP.

"It gives us a few more weeks to improve the chances of saving the factory," he added.

"Additional time does not guarantee that we shall succeed because we know there are difficulties over how the would-be buyer will finalise his offer, but at least the battle can go on," Poutou said.

A buy-out by Punch-Powerglide could save 350 jobs at the plant, according to Jean-Marc Chavant, an Force Ouvriere trade union representative.

Ford, which announced the closure nearly a year ago, last month rejected the French state-backed Punch-Powerglide offer.

Ford's local subsidiary FAI said it did not find Punch's business plan convincing and that it would offer workers redundancy instead—a decision labelled "hostile and unacceptable" by President Emmanuel Macron.

The standoff is the first major spat between the government and a multinational since Macron, a pro-business centrist, came to power two years ago.

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Citation: French authorities reject Ford plant closure plan (2019, January 29) retrieved 16 April 2024 from <https://phys.org/news/2019-01-french-authorities-ford-closure.html>

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