

Peugeot pledges to uphold Opel workers' wage, job deals

FRANKFURT, Germany: French carmaker Peugeot pledged to uphold wage and job deals with workers after its [planned takeover](#) of Germany's Opel, according to a joint statement from the company, workers and government representatives.



Peugeot chief executive Carlos Tavares "reaffirmed its commitment to respect the existing agreements" covering jobs, salaries and sites, at a Berlin meeting with German Economy Minister Brigitte Zypries, regional government leaders and workers.

Opel workers secured a 'jobs guarantee' from current owners [General Motors](#) that runs until the end of 2018 and a pledge to continue investing in German sites until 2020, among other deals.

Half of Opel's 35,600 employees and three of its 10 factories are in Germany, with the rest spread around five other European countries including Britain, where its cars are sold under the Vauxhall brand.

Building on quality of relations

PSA, which owns France's Peugeot, Citroen and DS manufacturers, will "build on the quality of relations with employee representatives as a key factor of success of the company," Tavares said in the statement, promising to uphold Opel's "long-term viability".

Representatives from the Opel works council and powerful metalworkers' union IG Metall were more guarded, saying they were prepared to "engage in discussions on the future of Opel" once the takeover plans were in place.

Repeated losses

Founded in 1862, Opel, with its lightning bolt emblem, has long been a familiar sight on German and European roads. But in recent years the firm has booked repeated losses, costing Detroit-based GM around \$15 billion (€14 billion euros) since 2000.

By integrating the German firm into PSA, CEO Tavares hopes to achieve big economies of scale in the group, which would become Europe's second-largest carmaker after [Volkswagen](#).

Workers fear that the boost to the combined group's bottom line will come at the cost of job losses and factory closures in future.

Source: AFP

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