

# Spanish Unions And Magna Debate Mass Layoffs

Daniel Woolls, Associated Press Writer

MADRID (AP) — Spanish unions met Wednesday with representatives of Magna International Inc. to discuss its new proposal for an Opel plant targeted for job cuts, an official said.

As part of its takeover of Opel from General Motors Co., Magna wants to eliminate 1,300 jobs at an Opel plant near Zaragoza in northeast Spain and move one of its two assembly lines to Germany. The factory now employs 7,000 workers.

Union representatives walked out of a meeting with Magna on Tuesday in Madrid. Later, Magna made a new proposal to guarantee production at the Zaragoza plant for 5 to 10 years, the plan being discussed Wednesday in Zaragoza, according to an official with the Aragon regional industry ministry, who spoke on condition of anonymity in line with department rules.

Juan Jose Arceiz, a union leader who attended Tuesday's meeting, said his side left because Magna is not proposing anything new. He said the company wants to shift production of the two-door Opel Corsa model to Germany and divide production of the four-door Corsa between the Zaragoza plant and one in Germany.

He insisted the plant in the Spanish town of Figuerelas, just outside Zaragoza, is efficient and said Magna has failed to present clear data to back up its argument that some production has to be moved to Germany for Opel to prosper.

"We defend the technical capacity of the Figuerelas plant," he told reporters.

Arceiz urged the Spanish government not to contribute to a proposed euro4.5 billion (\$6.7 billion) Opel rescue fund that is supposed to come from governments of countries with Opel plants.

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