

GM to close plant in Germany

General Motors Co will build the next generation of its Astra compact in Britain after workers at its factory in Ellesmere Port, northwest England, overwhelmingly agreed to a new labour deal, leaving its plant in Bochum, Germany in danger of closure.

The U.S. carmaker said on Thursday it would invest 125 million pounds in the Ellesmere Port plant, where assembly of the new vehicle will start in 2015.

Britain's Unite union said 94 per cent of those balloted voted in favour of changes to working conditions and that some 700 jobs would be created at the plant, securing its future until 2020.

"It's almost certain that one of GM's German plants will now be closed, probably the plant in Bochum," a source close to the negotiations said.

GM, which sells under the Vauxhall brand in Britain, is expected to halt production of the Astra, its most important model, at its main plant in Russelsheim, Germany, making the car only at Ellesmere Port and at Poland's Gliwice plant from 2015.

The source added that some production of GM's Chevrolet marque could be shifted from Asia to Europe, with Russelsheim the likely beneficiary. This would leave the Opel factory at Bochum as the most likely site to be closed.

The decision is one of the most dramatic so far as Europe's carmakers look to restructure or consolidate in response to more than four years of falling demand and profits. Many factories are running at partial capacity - analysts estimate automakers have cut some 3 million cars, or 20 per cent, from their production lines - and still producers struggle to sell their wares.

Questions:

1. According to the article, which GM plant will likely be closed?
 - a) The plant in Russelsheim, Germany
 - b) The plant in Ellesmere Port, England
 - c) The plant in Bochum, Germany

2. The article states that from 2015, the Astra will no longer be produced in _____.
 - a) Gliwice, Poland
 - b) Russelsheim, Germany
 - c) Ellesmere Port, England

3. Does GM own the Vauxhall brand?
 - a) Yes
 - b) No
 - c) It's not specified in the article.

4. How many years of falling demand and profits has GM seen, according to the article?
 - a) three
 - b) four
 - c) two

5. The workers at GM's UK plant _____.
 - a) will soon be voting on a new labour contract
 - b) rejected a proposed labour contract
 - c) agreed to a new labour contract