

10,000 steelworkers demonstrate in Duisburg against threatened job cuts

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On February 26 around 10,000 steelworkers demonstrated outside the administrative buildings of ThyssenKrupp Steel in Duisburg to protest against the threat of job losses. Steelworkers from the Thyssen Krupp plants in Bochum and other towns also took part in the demonstration, as well as a delegation from Arcelor Mittal.

On the same day, Opel workers in Rüsselheim and Eisenach, where tens of thousands of autoworkers fear losing their jobs, held a day of action.

Like other steel processing concerns, ThyssenKrupp Steel is massively affected by the crisis in the car industry. In addition, the international financial and economic crisis has led to a drastic reduction in the demand for steel and steel products from the construction and machine manufacturing sectors. In the last three months of 2008, the numbers of orders dropped by 56 percent, and this trend plunged even more sharply in January and February, according to the *Handelsblatt* (February 26).

At the beginning of February it was made public that the Board of Directors of Thyssen Krupp Steel is planning wide-ranging austerity measures aimed at reducing spending by €400 million, including the slashing of 1,500 jobs.

Thyssen Krupp Steel has a total worldwide workforce of 40,000. Half of this figure work at seven plants in Germany, most of which are situated in the state of North Rhine-Westphalia. In Duisburg alone, the company currently employs 14,000 workers. As a result of the shortfall in orders, comprehensive short-time working has been implemented since February.

The protest action in Duisburg, called by the IG Metall (IGM) trade union and the shop stewards council, had been described as an "extraordinary

factory meeting." It was timed to correspond with a meeting of the company's supervisory board aimed at giving additional backing to trade union officials taking part in the meeting. As far as the union heads were concerned, the assembled workers were merely extras brought along to increase the clout of the IG Metall in its dealings with management.

Workers who had come to the demonstration and rally in the hope that they would learn something new about their situation were disappointed. Spokesmen for the IG Metall and the works council repeated their mantra that the "future contract" concluded between the union and the company board for the years 2006-2013 ruled out redundancies. The workforce had already accepted shorter working hours and loss of pay as a precondition for this contract. In exchange the contract provided for 1,000 new jobs and the retention of all apprentices.

The IG Metall deputy chairman and deputy supervisory board chairman at ThyssenKrupp Steel, Detlef Wetzels, had complained that he had not been consulted prior to the latest executive announcement of planned job reductions. For Wetzels, the defense of jobs is not a question of principle. Instead, he demands that the trade union be brought on board when job cuts are required. He called upon the company executive to work more closely with his union and proposed an extension of short-time working as an alternative to redundancies.

ThyssenKrupp chief executive Karl Ulrich Köhler also addressed the demonstration and repeated his view—already circulated by the media—that the measures already introduced by the company were insufficient to compensate for the loss of revenue due to the collapse in orders. In light of the present crisis there was no alternative to job cuts, including compulsory

redundancies, he insisted.

After the rally, nearly all of the speakers—chief executive Köhler, Detlef Wetzel, and Wilhelm Segerath, head of the works council—took part in the supervisory board meeting. Following the meeting, Wetzel then told the press, in his function as deputy supervisory board chairman: "Compulsory redundancies have been ruled out."

But this does not mean the company will not shed jobs. This was made clear one day later by the works council chairman of ThyssenKrupp Steel in Bochum, Herbert Kastner. According to Kastner, "The necessary reduction in personnel should now take place along much more socially acceptable lines."

No more details were given, but workers in the region have manifold experience with so-called "socially acceptable" job cuts organized and implemented by the IG Metall and steel concerns over past decades. Such measures have led to the loss of tens of thousands of jobs and the closure of numerous industrial plants in the region. For the workers who retained their jobs, "socially acceptable job cuts" have led to substantial wage cuts and drastically worsened working conditions.

When the crisis first hit ThyssenKrupp Steel last year, the trade union did not lift a finger when the company sacked 2,100 agency workers. Workers can be sure that the union is prepared to enforce additional concessions on workers for the temporarily agreed ruling-out of compulsory redundancies at the company. At the same time, existing agreements struck by the union have absolutely no weight under conditions of the severest economic crisis to affect the region since the 1930s.

Every "job security contract" or "future contract" signed by the trade unions in recent years contains a clause that renders the provisions of the contract void under conditions of an unexpected economic contraction and slump of orders. The company then has a free hand to implement redundancies, and/or close entire factories.

In fact, the main concern of the trade union bureaucracy is the social unrest that will inevitably result from growing unemployment, increasing short-time working and threatened dismissals in virtually all sections of industry and the economy.

In an interview with the WAZ newspaper on February 27, Detlef Wetzel spelt out why he was

opposed to the threatened dismissals at ThyssenKrupp Steel: "The enterprise would become a shining example of how one should not proceed. If companies react in a similar manner then we will experience social riots in this country."

Accompanying the news of planned redundancies in the steel industry and at Opel was the release of employment figures that show a huge rise in unemployment and short-time working in Germany in February.

According to the Federal Labor Agency, the number of unemployed rose by 769,000 in February—a 17 percent increase compared to the same month one year previously. Over the same period, 700,000 people disappeared from the unemployment statistic—the so-called "silent reserve," i.e., those attending training courses, taking early retirement or parental leave or those who have simply given up looking for work.

Total official unemployment rose to 3.55 million, corresponding to an unemployment ratio of 8.5 percent (7 percent in West Germany, 14.1 percent in East Germany). A further drastic increase in unemployment has only been temporarily avoided by the introduction of short-time working in nearly all branches of industry. In February alone, 670,000 workers were put on short-time working. This means that a total of 1.4 million workers have been forced to work short-time since last October.

Experts fear a further explosion of unemployment as the economic climate worsens. In the last week of February, the Volkswagen company put two thirds of its 90,000 workforce on short-time working. At the end of the week VW executive chairman Martin Winterkorn announced that, due to the crisis, VW will dismiss all of its remaining 16,500 subcontracted workers.



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