

# GM-Opel: Union “social wage contract” splits German auto workers

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At a staff meeting in Dortmund on June 16, GM-Opel employees in Bochum, Germany, were informed by the IG Metall union and company bosses of the consequences of the factory closing at the end of the year.

IG Metall president Knut Giesler, who worked out and signed the so-called social wage contract, announced arrogantly that the contract only applies to IG Metall members, also making other eligibility requirements known: first, the result of negotiations will be final and not subject to renegotiation; second, the wage contract is to be decided by the negotiations commission and will not be put to employees for a vote.

With this ultimatum, IG Metall seeks to intimidate all workers who had criticised the union in the past or might oppose it in the future. The contract diktat is the climax of a campaign to prepare and impose the factory closing in Bochum.

When General Motors broke off talks with Magna for the sale of Opel five years ago and announced the “reorganisation” of its factories in Europe, IG Metall and Opel’s joint work committee presented the so-called Germany plan. This reconstruction project of the union dictated comprehensive streamlining measures, including job cuts, wage cuts, and cuts to social programmes.

When GM demanded that operations cease at one of the factory locations in Germany, IG Metall recommended the Bochum plant, whose militant employees had gone on strike multiple times against the wishes of the union. IG Metall took over the preparation and implementation of factory closings. The “Master Contract” made vague promises to the workers at other locations about future investments. This was clearly done with the intention of isolating the

employees in Bochum and short-circuiting the development of any common struggle aimed at defending jobs.

After the employees at Bochum refused to vote for the closing of their own factory, the decision was made to punish them by closing the factory for two years. Many workers were furious and turned against the union. Now, IG Metall is pushing back and wants to shut out every non-member from the social plan provisions. The union could scarcely present itself more clearly as the lackey of management.

The unions were built 150 years ago to unify the working class and fight against the company bosses. On the basis of these past struggles, a few privileged employees are now establishing new conditions of exploitation. Today, a corrupt bureaucracy has transformed the unions into management organisations that systematically divide the workers and carry out massive social attacks.

When Giesler released details of the contract, the workers who long ago turned their backs on the union were not the only ones appalled. (Approximately every fifth employee is no longer a member of IG Metall.) All other workers also knew that they would be forced into unemployment by means of a starvation wage and the establishment of so-called transfer societies.

Giesler exaggerated the redundancy payments in his claim that workers would receive up to €250,000 per year. To receive this much, a worker who was 60 years old or had 40 years service at the company would have to be receiving a gross monthly wage of approximately €5,200. This is true of only an extreme minority of workers.

The provision for older workers was talked up by Geisler. Those born between 1949 and 1959 would receive 80 percent of their last net wage based on the

company retirement plan together with unemployment benefits “until their earliest possible entry into the legal retirement scheme.” At that point, however, they must accept cuts of up to 18 percent in retirement pay.

Giesler praised the preservation of the distribution centre in Bochum as a special success of the negotiations. It is supposed to raise the number of job positions from 265 to a total of 700 who will work until 2020. But this provision above all serves the company as a buffer for those who have special protections against dismissal or those with works council privileges.

The entire social wage contract is oriented to splitting workers. It purposely plays the old against the young. While workers 55 and over are calculating whether they can rescue themselves through retirement, by means of provisions and transfer society, all others must search for new jobs as quickly as possible. In the Ruhr district, this is no easy undertaking, and certainly not for workers in their 50s.

The overarching purpose is to prevent every struggle for the defence of jobs. In case it occurs to any of the workers to do something to try to stop the closure, IG Metall and Opel have made a commitment to a non-strike agreement—until the end of 2020! Accordingly, the 700 workers of factory 3 have no legal possibility of carrying out a struggle to defend their interests for six years.

At Monday’s meeting, workers began leaving after a little more than an hour. The mood was heated. Anger and indignation were in the air.

The *Handelsblatt* carried a report on the meeting and described the situation: “Icy silence in the meeting hall and angry words about the union IG Metall at the door—this is how many Opel workers reacted on Monday to the presentation of the wage contract for factory closure at the end of 2014.”

Gunther P., 54, who has worked at Opel for 39 years, gave the *World Socialist Web Site* an estimate of what the provision would bring him. “I reckon with €160,000 gross. Taxes and so forth will reduce this. For me, as a single person, a lot of things will be deducted. Out of the 39 years I have spent at the company, 15 years are not recognised by the provision. For that, I get only €500 per year. With this money, I somehow have to make do. All you can say is that it is better than nothing.” He has no idea who will make €250,000 per

year.

He is afraid that he will not find a job and will slide into Hartz IV unemployment payments. “But I don’t have a claim on Hartz IV, because my sister and I were left a small house. But I can’t live from that. It is unlikely I can find work anywhere at my age.”

He also complained that the union and the works council, including works council chairman Eienkel, had left them in the lurch. “They simply sold us out.” He knows Rainer Eienkel very well, having been at school with him. Eienkel’s suit in opposition to the works’ closure by the supervisory board (of which he is himself a member) is only a perfunctory action, he said. “Absolutely nothing will come of it.”

A 48-year-old worker, who makes no secret of his rejection of IG Metall, thinks that the works councils have pursued only their own ends for quite a long time. “Actually, it would have been a good idea to leave the union a long time ago, only then we wouldn’t have gotten anything. The wage contract is only valid for members. Where should I find work? At McDonald’s?”

Opel worker Hans-Peter Buxinski told the *Handelsblatt*, “the provisions don’t reach very far—I feel betrayed by IG Metall.”



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