

Union shuts down Audi strike in Hungary

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The one-week strike by 12,000 workers at the Hungarian Audi plant in Györ had a massive impact on production in several factories in Europe and shook the auto industry.

The main Audi factory in Ingolstadt, Germany, has been shut down since last Monday. VW and Porsche plants were also affected. According to a company spokesman more than 10,000 autos in the A3, A4, A5 and Q2 product lines could not be built. Production would have come to a standstill this weekend at the Audi plants in Neckarsulm and in the Belgian capital of Brussels. FAZ.net reported that shifts were canceled at the VW plant in Bratislava, Slovakia and the Porsche plant in Leipzig.

Auto analyst Boris Tom?iak told the Slovak daily *Sme* "Should the strike last even longer, production of some auto brands at the Volkswagen plant in Bratislava could be completely stopped."

But just as the strike was demonstrating the real power of the workforce and served to inspire millions of autoworkers across Europe, the union broke off the strike and ensured that production was resumed. The lines at the Audi plant in Györ have been rolling again since Thursday.

The union at Audi in Györ, AHFSZ, works closely together with Germany's IG Metall and was determined to prevent the contract bargaining in Eastern Europe from uniting with the opposition to planned job cuts. All of the major auto manufacturers plan massive job cuts over the next one to two years, including Audi. The VW Group's Ingolstadt-based premium brand is currently preparing a massive job cutting program to maximise profits at the expense of the workforce.

In justifying ending the strike, the union said the original demand for an 18 percent wage increase had been achieved. On its website, it also lists the additional payments and premiums that existed previously but have been renegotiated. A closer examination of the deal exposes the usual tricks employed by the unions to present the result in the best possible light. The wage deal runs for 15 months instead of 12 and additional bonus

payments are proportionately lower for the majority of workers, meaning that the wage increase is not 18 but rather 13 percent.

The wage increase does not change the fact that the approximately 12,000 employees in Györ are still among the lowest paid workers in the VW global corporation. They earn an average of €1,000 a month, although living costs are similar to those in Western Europe. Wages are significantly lower even compared to employees at VW and Audi in Poland and the Czech Republic. Wages for Hungarian autoworkers are only around one-third of those paid to the companies' workers in Belgium or Germany, and even with the current wage increase, Hungarian autoworkers remain low-paid. The average gross wage in vehicle construction is the equivalent of €1,200. Now the Audi workers will receive a wage just slightly higher.

Handelsblatt wrote on Thursday: "Hungarian Audi employees get 18 percent more pay—and are still underpaid." Germany's leading business daily explained that the wage increase was tolerated by the company executive because it was important for the entire company to maintain its site in Hungary.

Hungary has become a central location of the German automotive industry precisely due to its low wage structure. The auto industry in Hungary accounts for almost 30 percent of manufacturing output. Audi, Daimler and Suzuki produce about 176,000 cars per year in Estzergom, while Opel produces almost 500,000 engines each year in Szentgotthárd.

German companies, in particular, have been exploiting the low wages and poor working conditions in Eastern Europe and raking in the profits since the collapse of the Stalinist regime 30 years ago, but resistance has been growing in many companies for some time.

The strike of Hungarian workers is part of a growing strike movement. In recent years, autoworkers have been on strike in Romania, Serbia and Slovakia. During the strike at Györ, workers at the VW subsidiary Skoda in the Czech Republic declared that they would also go on strike if the company did not respond to their demands in

contract negotiations due at the end of the month. Just last month, workers at the Daimler plant in Kecskemét saw their wages increase by 22 percent this year, with another 13 percent due next year.

Close to the Mexican border with the US, tens of thousands of workers in Matamoros have been striking for better wages for weeks in opposition to the unions.

The union at Audi, the AHFSZ, is under massive pressure from workers. It was created in 1996 as a rival to the VASAS metalworkers union at Audi and is one of numerous local Hungarian unions. It works closely together with the IG Metall union in Germany and is part of the InterSoli working group in Wolfsburg, which represents VW interests.

AHFSZ officials made clear that they intended to strike a deal quickly with the Audi management. Union leader Sándor Németh stressed that further talks would be held during the strike and that the strike would stop immediately if an “acceptable offer” was put on the table. On the first day of the strike, negotiations with management were already taking place.

In the past, IG Metall has been instrumental in organising cheap labour in Eastern European countries. Against a background of growing resistance in many companies, it is now trying to reorient itself and is prepared to speak about solidarity. IG Metall leaders were in constant contact with the AHFSZ leadership to end the strike as soon as possible.

The IG Metall sits on all the boards of the auto and supplier companies and advises the corporations how the job cuts planned for the entire auto industry can be best enforced. Their main objective is to prevent a common struggle of all autoworkers.

Germany’s Manager Magazin recently described Audi as “urgently needing restructuring.” In comments to the *Süddeutsche Zeitung* last December, Audi CEO Bram Schot did not rule out job cuts. He said that if the current production volume could be achieved with around 90,000 employees, then he would conclude there are too many employees at Audi. Manager Magazin now writes of at least 14,000 jobs that could be eliminated.

IG Metall, which plays a leading role in the development and implementation of corporate strategy within the VW Group, wants above all to prevent the wages conflict in Hungary from turning into a wildfire. Over the past few weeks, tens of thousands have taken to the streets throughout Hungary to protest against a reform of the country’s Labour Law passed in December by the right-wing government of Victor Orban. It allows for an

increase in overtime from 250 to 400 hours per year. The law is tailor-made to serve the interests of German companies and is therefore referred to in Hungary not just as a “slave law,” but also as a “Lex Audi,” “Lex Mercedes” or “Lex BMW.”

The “slave law” is the latest example of Orban’s anti-working-class policies, and illustrates why governments in the EU—with the exception of a few hypocritical protests—are lining up behind the right-wing government in Budapest. In 2017, Orbán lowered social security contributions from 27.5 to 19.5 percent and reduced the corporate tax rate to 9 percent. At the same time, the government is censoring social networks, suppressing democratic rights and undermining the freedom of the press.

The strike at Audi in Györ contains important lessons for all workers. First, it made clear that workers have tremendous power due to their role in the production process. Above all, it revealed that the strike had an immediate international impact. Developing international cooperation is now the most important task. In the fight against multinational corporations, which play workers against each other, workers need their own international strategy.

Second, the strike has shown that any successful struggle requires a political break with the unions. The trade unions are desperately seeking to suppress this development of the class struggle and limit it to individual factory conflicts.

This underlines the necessity for autoworkers at different factories and in different countries throughout the world to organise independently of the trade unions, build action committees, and contact one other. Autoworkers can only fight against job losses in Western European plants and cheap wages in Eastern Europe if they do not permit themselves to be divided, but align themselves on the basis of an international, socialist perspective.



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