

# How Volkswagen plays off temporary workers against each other and the permanent workforce

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The Volkswagen Group, its contract labour subsidiary Autovison, and its service subsidiary Volkswagen Group Services (VGS) employ a treacherous and sophisticated system to divide workers amongst themselves. Like a three-card Monte player, they push workers from one company to another in order to better dismiss and exploit them.

For the soon-to-be-launched production of the electric ID.4 model in Emden in northwestern Germany, the company plans to hire almost 1,500 new workers through Autovision by April. Volkswagen currently employs almost 9,000 workers in Emden.

At the end of last year, 148 temporary contract workers lost their jobs in Emden. Employees report that VW had already hired 160 new workers at the same time. The former temporary workers are now to be offered a two-year employment contract with the VW parent company. Another 200 are to come from Volkswagen Group Services, which was planning to cut jobs anyway.

Since VGS employees are usually not used in production, they receive lower wages than the contract workers from Autovision, who will be used in the production of the ID.4. At Autovision, wages for production workers are at lower levels than at Volkswagen itself.

For some VGS workers this is still attractive, as they sometimes come from jobs where they earn €10 to €12 per hour less. They are being lured with the higher wages at Autovision. Therefore, even VGS workers with permanent contracts are likely to give up their jobs to move to a better-paid temp job. They hope, of course, that they will be hired as full timers by Volkswagen after two or three years at the latest.

By hiring workers through VGS, Volkswagen thus saves itself both severance pay and exposure to potential

labour court proceedings, as would be the case for laid-off permanent workers.

VW left the job of announcing the hiring of 1,500 workers in Emden to the union bureaucrats in the works council. Manfred Wulff, chairman of the Emden works council, announced the board's decision, which it had already taken on Monday, at an IG Metall union press briefing on Thursday. Also according to the works council, the start of production of the ID.4, originally announced for March, will be postponed somewhat, but will take place "in the spring of this year."

The announcement also serves to support the IG Metall slate in the next month's elections for works council representatives. Leaving it to the works council to make the announcement allows the unions to save face after their approval of the dismissal of around 1,150 temporary contract workers at all VW locations late last year, which stirred anger against the union among the workforce.

In the meantime, Autovision has announced that beginning in March an additional 570 temporary workers will lose their jobs at the Baunatal plant, near Kassel. At the end of November, the contracts of more than 440 temporary workers had only been extended by three months, to the end of February. Another 150 workers have their contracts set to expire at the end of February, meaning a total of 600 contract workers will lose their jobs in the coming months. It is not yet clear whether they will be offered jobs in Emden, almost 400 kilometres away.

In addition to the production of the ID.4, production of Passat and Arteon models with combustion engines will continue in Emden. Works council leader Wulff did not say whether workers from other VW factories—for example, from the main plant in Wolfsburg, 250 kilometres away—could be temporarily transferred to

Emden in addition to the temporary workers.

There were rumours among workers in Wolfsburg that they might be transferred to northern Germany in the course of the year. Last week, VW's top management announced it would cut almost all night shifts in Wolfsburg from mid-April.

For the Tiguan, Touran and SEAT Tarraco vehicles, the shortage of microchips and other electronic components has forced VW to reduce production on these models to only one assembly line in three shifts after the Easter holidays. Everywhere else, a two-shift system will be enforced. This affects different versions of the best-selling model, the Golf. For workers, this means a severe drop in wages, as shift bonuses will be abolished.

The chairperson of the VW general works council, Daniela Cavallo, who also chairs the works council at Wolfsburg, tacitly agreed to the move, declaring only: "We have taken note of these plans of the company."

In the upcoming works council elections in March, Cavallo faces opposition from within the company. Former Wolfsburg IG Metall secretary and VW works council member Frank Patta accuses Cavallo—as do other candidate slates—of not consistently representing the interests of the 60,000 workers in Wolfsburg. By refusing to produce an electric model at the site, he says, Wolfsburg has fallen behind.

But Patta and the other candidate slates are not concerned with the interests of the workforce. They can only be defended if workers at all sites—including internationally—unite and fight together. But Patta and the other works council candidates, like Cavallo, divide workers from one plant to another. Identifying with the perspective of CEO Herbert Diess and his management team, the main issues for them are sales, capacity utilisation, cost reduction, profitability, profit and dividends—never jobs, working conditions and wages.

Cavallo and Patta worked closely with the previous works council chairman Bernd Osterloh for many years. Cavallo was systematically built up by him as his successor, Patta was brought onto the VW works council by Osterloh in 2012 to ensure peace and order as general secretary and chair of the world and European group works council until 2018.

The dispute between these two long-time bureaucrats is not about who better represents workers' interests, but who better enforces the interests of the company against the workers.

With decades in the leadership of the works council, and now on the company supervisory board, Cavallo is far

removed from rank-and-file workers. When she speaks in public, she speaks like a member of the board. She always talks about "we," meaning Volkswagen. The shop floor workers hardly feature in the thoughts of this co-manager.

In an extensive interview last week in the *Frankfurter Allgemeine Zeitung*, she answered a question about how many jobs will be eliminated in the switch to electric vehicle production by declaring, "no one can say exactly today." But what was clear, she said, was that "overall, there will be fewer jobs, in a socially acceptable way and along the demographic curve. Productivity will increase, digitalisation and new production technologies are advancing. We cannot and will not close our eyes to this."

Patta is a works council member covering production and is more directly aware of the mood in the factory than Cavallo. He told the *Wolfsburger Allgemeine Zeitung* last November that the reason for his candidacy was "concern about jobs here in Wolfsburg, especially in production." In spite of the industry-wide shift to electric vehicles, only internal combustion engines were being built in Wolfsburg, except for a few hybrids, Patta said.

The electric model being developed under project name Trinity will not arrive until 2026, and will then be built in a completely new factory building, probably on undeveloped land in a district of Wolfsburg. Workers are therefore justifiably worried about their jobs.

In November, the WSWS had written that Patta's "talk about the 'non-transparent' nature of the works council under Osterloh and now Cavallo, who see themselves as co-managers instead of controllers of the management board, and about their hanky-panky in 'back rooms or company planes' serves only to try and stifle the growing opposition in the plant and lead workers' resistance into a dead end."

The defence of jobs, wages and working conditions is only possible in irreconcilable opposition to IG Metall and completely independent of it. To this end, rank-and-file committees must be built to organise the struggle against the board, union and works council and the planned attacks on jobs and wages.



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