

Race to the bottom at Ford in Europe: IG Metall offers 18 percent wage cut for German auto workers

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On 15 January the Spanish newspaper *Economia Digital* reported that the Ford Motors general works council headed by Benjamin Gruschka has offered to slash wages in Germany in order to undercut the Ford plant in Almussafes in Valencia, Spain. According to the report, the German union IG Metall has promised wage cuts of 18 percent and additional unpaid overtime amounting to 20 days per year.

The offer affects not only the 4,600 workers in Saarlouis, Germany, whose plant is threatened with closure, but also all German Ford factories with a total staff of around 22,000. Workers at Ford's main plant in Cologne and its development site in Aachen are also expected to take cuts. The general works council had already announced in December 2021 that everyone would have to make "sacrifices," calling the move "Solidarity for Saarlouis—a future for everyone." The union remained silent, however, about the extent of its offer to the company.

When the Ford group announced a few months earlier that its two plants in Saarland and Valencia, Spain, would have to compete against one another for the contract to produce electric vehicles, the respective workforces were shocked and spoke out against this policy of divide and rule on the part of management. Defying the workforces, the works councils and union bureaucrats in Germany and Spain took on the task of organising a competitive bidding process.

In January 2022, both works councils submitted their bids, and since then have repeatedly undercut one another. IG Metall and its works councils remained absolutely firm on their offer to management submitted together with the Saarland state government headed by premier Anke Rehlinger (SPD).

When Ford first announced in June last year that the group's next electric model would be built in Almussafes and that the site in Saarlouis would be closed, the works council chair in Saarlouis, Markus Thal, expressed his surprise. Since then, Thal has complained about the company's decision, arguing that the IG Metall offer was allegedly 1.4 billion euros better for the company than the one from Almussafes. In Almussafes, the works council led by José Luís Parra of the trade union Unión General de Trabajadores (UGT) led the bidding competition.

The Spanish works councils have now disclosed some information about the offer made in Germany. The Ford plant in Almussafes is due to hold works council elections. In preparation, the social democratic trade union UGT, which has a majority on the works council, assembled 1,200 members at the plant. The UGT works councillors led by Parra had to justify the cuts they had agreed to in the bidding competition and which they are now in the process of implementing.

These cuts include freezing wages for the next four years, wage increases of just 1.6 percent from 2026, as well as an extension of daily working times by 15 minutes and the cancellation of some holidays. This adds up to a total of eleven days extra that each worker will have to work each year.

In this context, the UGT revealed the IGM offer, which included even more cuts. According to the German offer, the 22,000 workers in Cologne, Aachen and Saarlouis are to receive 18 percent less pay and work an extra 20 days per year.

The exact terms of the offer remain unclear; 15 percent of the wage reduction was supposedly to come from cuts in contractually agreed wage components.

Currently, Ford employees are paid according to the North Rhine-Westphalian state contract for the metal and electrical industry. Non-contractual wage components have not existed for a long time.

Did Gruschka, Thal and IG Metall offer cuts in these wage levels? Or have they offered to forego future increases?

The remaining 3 percent of the 18 percent wage cut was apparently to be added by cutting the so-called “transformation pay” (T-train) first agreed in 2021, which allowed workers to choose between extra pay or up to eight additional days off.

In addition, the workforce in Saarlouis was expected to sacrifice 20 days off. At the moment, workers can save up 14 to 15 free shifts per year based on their current daily half-hour of extra work. These 14 free shifts plus another six free days—presumably subtracted from the T-train agreement—would then add up to the total of 20 days.

This massive attack on workers’ pay and conditions was apparently worked out behind closed doors by a small cabal led by Gruschka, Thal and regional IGM officials.

Ford workers must demand that the scandalous offer made by the German works councils and union be fully disclosed. The extraordinary factory meeting on January 23 in Cologne is a good opportunity to do so. At the factory meeting held last December, the workforce at the Cologne main plant were informed that their jobs would also be cut.

From the start the Ford Action Committee, in which workers have united against the policy of the works council and IG Metall, demanded that the IGM offer be made public, but Thal and Gruschka have vehemently rejected this.

Once again it can be seen that the Ford Action Committee was absolutely right in rejecting the entire bidding process. The committee warned from the beginning that the winner of the bidding competition was a foregone conclusion—the company and the works council leaders. The workforces in Saarlouis, Almussafes and all other sites, on the other hand, only stood to lose out.

Now, production in Saarlouis is due to cease in two and a half years at the latest, and several thousand workers will lose their livelihoods.

In Almussafes, too, the workforce not only faces

wage cuts and extra work, but also job cuts and even the possible closure of the plant. Several Ford models are currently being phased out—the Mondeo already last year, and the S-Max and the Galaxy this April, i.e., earlier than planned. All that remains is production of the Ford Kuga and part of the Transit Connect production.

The start of production of the new electric vehicle, for which wages will be reduced and working hours made more flexible, has not yet been scheduled and could only commence in 2030, if at all. At the Spanish plant, workers expect that several hundred will lose their jobs this year. Already 700 workers are on short-time work every day.

In 1937, Leon Trotsky wrote that the character of a trade union is expressed “by its relation to the distribution of the national income.” If the trade union officials “defend the income of the bourgeoisie from attacks on the part of the workers, should they conduct a struggle against strikes, against the raising of wages, against help to the unemployed, then we would have an organization of scabs and not a trade union.”

Today, IG Metall is not only conducting a struggle against wage increases. It is actively advocating and implementing wage cuts and cheap labour in an industry where workers were once among the best paid. It is an anti-worker organisation that enforces the company’s attacks on the workforce.

There is considerable disquiet amongst the Saarlouis workforce. Workers are asking how they can get rid of this corrupt works council once and for all and defend their jobs. The current calm—sickness leave is up to 20 percent in some departments and just a few hundred workers still come to the works meetings—heralds a new wave of open opposition. It is the calm before the storm.

The important thing now is to prepare for what is coming. Contact the Ford Action Committee and discuss a common policy for struggle.

Contact us and send a Whatsapp message to the following number: +491633378340



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