

The contract at Thyssenkrupp: Management and union agree to massive attack on jobs and working conditions

Philipp Frisch
17 July 2025

The “social” contract at Thyssenkrupp, agreed last weekend by the IG Metall union and the company’s top management, represents a historic attack on workers. The union has agreed to plans that largely correspond to the “poison list” recently presented by the company, and in some cases go beyond it. After many months of threats from the executive and reassurances from the union offices, the full extent of the planned social devastation is now becoming clear.

An immediate key conclusion: all employees who are still members of IG Metall should reject the agreement in the scheduled vote and use their “no” vote as the beginning of a rebellion against the union bureaucracy. At the same time, workers should immediately begin building action committees to prepare militant measures to defend wages, social standards and all jobs.

The social contract agreement is not only highly antisocial, but also marks the start of a plan to dismantle social achievements fought for by previous generations of workers, often in long and bitter disputes. The money saved is to be tossed into the mouths of shareholders. The total cuts amount to approximately €120 billion.

- The working hours of employees covered by contract agreements will be reduced by 1.5 hours, from 34 to 32.5 hours per week. The corresponding wage reduction is to be fixed for four years. Salaries will fall drastically, particularly in administration, where 35 hours are still often worked. For employees not covered by the contract, working hours will be reduced from 41 to 39 hours.

- Abolition of vacation pay of €1,123 until 2029; Reduction of Christmas bonuses from 110 to 100 percent of gross salary—between €300 and €600 depending on salary bracket.

- Halving of on-call pay.

- Elimination of the so-called “special payment to secure employment,” which stood at €633 (February).

- Reduction of special bonuses for long-term employees: Those who have worked for Thyssenkrupp for 25 years will now receive only €1,000 instead of a full month’s salary. For those who have worked for Thyssenkrupp for 35 years, it will be €2,000 instead of 1.5 monthly salaries, and for those who have worked for 45 years, it will be €3,000 instead of 2.25 monthly salaries. For a gross salary of €3,000, the reductions will then amount to between €2,000 and €3,750, depending on the length of employment.

According to media reports, these cuts will reduce employees’

wages by an average of 8 percent. This alone makes it clear that management and the union are shifting the company’s restructuring entirely onto the backs of the workers in order to award billions more to shareholders.

In addition, IG Metall has now finally given its blessing to the 11,000 job cuts and the dismantling of entire sites, announced at the end of last year.

The production facilities in Bochum are at the center of the attack. The closure of the electrical steel plant (BNO) on Castropor Strasse, which employs 600 people, has now been decided ahead of schedule, for the end of September 2028. The 520 workers at hot strip mill 3 on Essener Strasse will be laid off at the end of this year. A further 120 employees will lose their jobs due to the agreed closure of two additional plants (Beitze II and the tandem plant) at the same site at the end of 2026.

The main Duisburg site is also affected by the cuts. There, two of a total of four furnaces, blast furnaces 8 and 9, are scheduled to be shut down, with furnace 9 to be shut at the beginning of the next fiscal year in autumn.

IG Metall has thereby approved the elimination of around 1,600 production jobs by the end of September 2029. In addition, the elimination of 3,700 positions in all other areas of the group was sealed, with the commercial departments and administration expected to be particularly affected. A further 6,000 jobs are expected to be lost through outsourcing, including Thyssenkrupp’s exit from the Krupp Mannesmann (HKM) steelworks in southern Duisburg.

In the case of the plant in Kreuztal-Eichen in Siegerland (North Rhine-Westphalia), IG Metall is celebrating that the planned closure is “off the table for now.” The company had already announced a concept for “optimizing the site” in May, on the basis of which “economic operation could be guaranteed.” In their leaflet on the restructuring contract, the IG Metall bureaucrats enthuse: “A standstill agreement protects the company, while a working group with IG Metall participation develops a realistic business model.”

This means that before the closure—which is “off the table” for now, but will be served up again at the end of the “standstill agreement”—employees are to be subjected to a drastic program developed by the union and exploited to the maximum. Only then will they be thrown out.

Taking all of this together, it becomes clear how false is the claim of IG Metall and its works councils that the “poison list” presented by the company has largely been rejected.

Far from it! The union bureaucrats, who still call themselves “worker representatives,” have given their blessing to most of the “poison list” without organizing the semblance of a fight against it. The protests called by IG Metall last week were purely token events and part of the rigged game. They served to feign resistance on the part of the union officials and silence a shocked and angry workforce by handing out toy whistles.

Numerous comments in the press make clear the extent of workers’ outrage.

Christa R. writes: “The union has never been on the side of the employees. They’ve always worked with those on the top floors.” Lothar V. explains: “Negotiations? Does anyone really believe in real negotiations? So far, the IGM and the works council have gone along with every mess the company has made and sold the job cuts as a success.”

IG Metall, however, has achieved its main goal. The “planned efficiency measures,” its officials write, will “only be implemented with the involvement of employee representatives.” Their well-paid positions are therefore to be retained so that they can act as company police until the end of the restructuring to ensure that everything runs smoothly.

IG Metall and the works councils are very aware of their role as a force for order. “They’ll storm our place on Monday,” Engin Karakurt, the works council chairman of the particularly hard-hit Bochum site, told the WAZ newspaper over the weekend. “It won’t be pretty,” he said, but now at least everyone knows what’s going on.

And then comes the cynical slogan that everyone in the Ruhr region knows and no one wants to hear anymore. “None of the affected colleagues will be left behind,” explains Karakurt. The downsizing will be carried out in a “socially acceptable” manner via a “good social plan.”

“Whatever we give them. It’s like Opel,” the WAZ quotes a worker at the Bochum hot-rolled strip plant.

Indeed, the parallels to the closure of the Opel plant in Bochum a good 10 years ago are unmistakable. Before IG Metall finally agreed on a “social contract agreement” with Opel management, the plant’s workforce had been gradually reduced from 20,000 to around 3,000 workers—all accompanied by occasional protest rallies in which the employees were exposed to the hot air of the works councils and were supposed to let off steam. The “perspectives” after Opel, which are also being discussed today for Thyssen, were a “bridge” to retirement, severance pay, or a transfer company with significant wage cuts.

It is important to revisit the history of the Opel closure and learn from it so as not to go down the same path.

It is by no means certain that the company’s CEOs, in alliance with IG Metall, will prevail against the employees. However, in order to unleash the power inherent in a workforce of many thousands, the following steps are essential.

First, the social contract must be rejected in the vote. Let all colleagues know that you will vote against it and call on them to do the same!

Second, it is necessary to organize independently to break the dominance—not to mention the dictatorship—of the IG Metall apparatus. By signing the agreement, the IGM officials and works councils have once again made it clear that they are neither “worker representatives” nor “worker organizations,” but rather enforce the shareholders’ demands as representatives of management (as “co-managers,” as they call themselves) in the company.

The establishment of an independent action committee is so important because it makes it possible to counter the entire reactionary policy of so-called social partnership, which means nothing other than the constant subordination of workers’ interests to the profit interests of shareholders and capital owners.

When IG Metall officials repeat the dictates of the corporate bosses and claim that, given the economic situation, growing international competition, the US tariff war, etc., the demanded job cuts, wage reductions and social cuts are unavoidable, they are simply admitting that the vital interests of the working class are no longer compatible with capitalism and its profit system.

In other words: The principled defense of all jobs, wages and social standards must be combined with a struggle for the expropriation of the corporation and the establishment of workers’ control over production.

The WSWS editorial board and the Socialist Equality Party (SGP) support the establishment of action committees and fight to organize their national and international networking and cooperation.

We reiterate the call of SGP deputy chairman Dietmar Gaisenkersting, who emphasized several weeks ago that the principled struggle to defend jobs and wages must be linked to the fight against rearmament and war.

We call on Thyssenkrupp steelworkers—not only in northern Duisburg—to participate in establishing action committees. Break out of the narrow-minded remit of industrial disputes set by IG Metall. Think outside the box and contact us! Now is the time to take action, otherwise the steel industry faces the threat of step by step dismantlement, leaving just a remnant vital to the war effort. Send a WhatsApp message to the mobile number +491633378340 and register now using the form below.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact