

Germany: Take action to reject and stop the steelworkers contract!

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12 October 2025

The IG Metall bargaining committee intends to approve the wage contract it negotiated last week for 60,000 employees employed in metal and steel companies in northern and western Germany. In doing so, the union wants to create the conditions for another wave of job cuts.

The contract has caused outrage and anger among steelworkers. The deal once again reduces real wages. Spread over its entire 15-month term, the increase amounts to a miserly 1.4 percent, according to the employers' association, Stahl.

For the company and union, reaching into the pockets of employees once again in the interests of shareholders—as bitter as this is for each individual employee—remains the lesser evil. With this agreement, the IGM apparatus is attempting to initiate a far-reaching restructuring of the steel industry. The Thyssenkrupp company has announced it will cut almost half of its 27,000 jobs, a total of 11,000. Salzgitter, Arcelor and other corporations are also tightening up their austerity measures.

Industrial action to defend jobs and wages has never been more urgent. The contract reached on September 30 between IG Metall and the employers' association is expressly intended to prevent such action taking place. Outside of collective bargaining disputes, strikes are prohibited by law in Germany; where a so-called industrial peace obligation prevails. IG Metall officials and their pseudo-left supporters use this argument to reject any call for a strike against job cuts and wage reductions.

At midnight on September 30, the peace obligation in the collective bargaining negotiations would have expired. Warning strikes and strikes could then have taken place—and IG Metall had threatened to carry out such actions, but then, just a few minutes before midnight, it concluded the negotiations. With friends like these, who needs enemies?

Now further job losses and wage cuts are looming. This is because the steel industry is at the center of the escalating capitalist crisis. The US government under President Donald Trump, who is establishing a presidential dictatorship, is seeking a military redivision of the world in response to the

economic decline of the United States, just as Germany had attempted to carry out on two occasions in the 20th century.

The other imperialist nations, led by Germany, are responding with massive rearmament and a political shift to the right. The costs of rearmament are to be recouped by attacks on the working population. This is incompatible with democratic forms of government.

The US is plunging the world into trade war and open warfare. Its main targets are Russia and China, but even former allies are not spared under Trump. European steel is subject to a 50 percent tariff, and almost all other goods are subject to a 15 percent tariff.

Trade wars and increased competition are putting pressure on production and sales in important steel-consuming industries such as construction, mechanical engineering and the auto industry. Domestic crude steel production fell by almost 12 percent to 17.1 million tonnes in the first half of the year, according to the German Steel Association.

The emissions trading scheme introduced by the European Union was intended to protect energy-intensive European industry, including the steel industry as one of the largest emitters, from global competition. The EU member states issue corresponding emissions certificates for a state-set upper limit on all permitted emissions of the greenhouse gas CO₂. Each certificate entitles the holder to emit one tonne of greenhouse gas. Open trading with a simultaneous gradual reduction of these certificates was intended to create an incentive to reduce CO₂ emissions.

Most European steel manufacturers have therefore begun to switch to the production of “green steel,” i.e., away from CO₂-intensive steel production using coal and coke, to gas and hydrogen produced from renewable energies.

To this end, Thyssenkrupp is building a new direct reduction (DR) plant in Duisburg, which is set to replace two existing blast furnaces by the end of 2027. By the end of 2027, a large DR plant will also be built at Salzgitter AG's main plant, where pig iron will be melted down in an electric furnace, as well as an electrolyser that uses green electricity to split water into oxygen and hydrogen. The federal and

state governments are supporting the companies, with Thyssenkrupp receiving €2 billion and Salzgitter €1 billion.

Europe's largest steel producer, Arcelor Mittal, has now halted its billion-euro plans to convert its plants in the German cities of Bremen and Eisenhüttenstadt to green steel due to a "lack of economic viability." The €1.3 billion in subsidies that the federal government and the state of Bremen had promised the company were not enough for Arcelor Mittal to offset high gas and electricity prices and limited hydrogen production options.

So while the transformation in Europe is stalling, the Chinese state-owned steel group HBIS has announced plans to sell 10,000 tonnes of green steel to Italy.

In this situation, the IG Metall trade union is seeking to join forces with the corporations and federal government. The union is demanding that the government led by Chancellor Friedrich Merz (Christian Democrats, CDU) and Federal Finance Minister Lars Klingbeil (Social Democrats, SPD) provide corporations with reduced industrial electricity prices, funds from the €500 billion investment fund to "strengthen competitiveness," and counter-tariffs on steel from China and other non-European countries.

It is concluding agreements with corporations that include the elimination of tens of thousands of jobs and wage cuts in order to reduce costs and secure profits. The elimination of almost half of the jobs and 8 percent income cuts at Thyssenkrupp are only the beginning.

Like all trade unions, IG Metall supports the war policy of the federal government. A recurring argument used by IG Metall in its defence of the steel industry is "security of supply in emergencies"—in other words, war. The steel companies must be preserved so that they can produce high-quality steel for tanks, weapons and artillery. That is why the union has placed the collective bargaining negotiations under the slogan "Collective bargaining round of responsibility." In this way, it shares responsibility for Germany's imperialist interests pursued on the backs of the workforce.

This development must be stopped before it is too late. Preventing the current collective contract must be a first step in this direction. On October 17 in Düsseldorf, 100 works council members and full-time trade union officials, whose jobs are secure, want to enshrine the downward spiral into unemployment, poverty and war in the collective bargaining commission. These are some of the officials:

- Knut Giesler, chief negotiator, district manager IG Metall NRW
- Ali Güzel, works council chairman Thyssenkrupp Stahl, Duisburg/Beeckerwerth
- Helmut Renk, works council chairman at Thyssenkrupp Stahl, Kreuztal-Eichen

- Wolfgang Kleber, works council chairman at Arcelor Mittal, Duisburg-Ruhrort

- Mike Böhlken, works council chairman at Arcelor Mittal, Bremen

- Ralf Heppenstiel, works council chairman at Outokumpu, Dillenburg

- Dirk Riedel, shop steward, Thyssenkrupp Steel, Hamborn/Beeckerwerth

- Nils Knierim, shop steward, Salzgitter Flachstahl
- Markus Beckmann, shop steward, Georgsmarienhütte

- Murat Develioglu, shop steward, Arcelor Mittal, Bremen

- Selin Cakir, JAV chairwoman, Salzgitter Flachstahl

We call on steelworkers and trainees: Prepare to stand up for your interests independently and against the trade union apparatus.

The collective contract must be rejected and the IG Metall bargaining committee must have its negotiating mandate revoked. To this end, it is necessary to establish action committees that are independent of the trade union, are accountable only to the rank and file, and network across the industry and internationally.

The struggle to defend jobs must also be directed against the government's trade war and war policies, which are being waged on the backs of workers. The focus must be on the rights and needs of workers, not on maximising profits.

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