

Auto supplier IAV to shutter Berlin site: Form an action committee to defend every job!

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“Anyone seeking to slash 1,400 jobs, close an entire site, erode collective bargaining standards and pressure employees with mandatory testing is not presenting a concept for the future. This is a declaration of war against the workforce.”

This was the response of Thilo Reusch, the IG Metall union lawyer responsible for collective bargaining policy at Volkswagen and its subsidiaries, to the May 6 announcement by automotive engineering firm IAV (Ingenieurgesellschaft Auto und Verkehr). Management has revealed plans to eliminate 1,400 jobs and close the company’s Berlin-Charlottenburg headquarters, wiping out 1,250 jobs there, by mid-2027.

But more than a month has passed since then, and nothing has happened! At least, nothing resembling a genuine response from IG Metall on behalf of the workers. A protest rally held outside the factory gates on May 12 served merely as an opportunity for the union to “let off steam”—cushioning workers’ anger while the union bureaucrats continue their backroom negotiations with management.

A global engineering giant

Founded in 1983 as a spin-off from the Technical University of Berlin, IAV rapidly evolved into a globally expanding engineering firm. In Germany, IAV operates five main hubs employing around 5,500 people; worldwide, its workforce numbers 6,600 across 25 locations. The largest development centre is in Gifhorn, Lower Saxony, currently employing 2,500 workers. Additional centres are located in Stollberg, Heimsheim, Munich, Chemnitz, Ingolstadt, Nuremberg and Sindelfingen.

The Volkswagen Group holds a 50 percent stake, with other major shareholders, including massive suppliers like Continental and Schaeffler. Roughly 4,000 engineers develop vehicle and system solutions ranging from hardware to software, with a primary focus on drive systems (combustion engines, hybrids, electric and fuel cells). Their clientele includes nearly all major auto manufacturers and suppliers.

Originally focused strictly on the automotive sector, IAV has since diversified into agriculture, energy and defence—with a particular emphasis placed on expanding its military operations.

Draconian cuts and complicity

One thousand four hundred jobs are now slated for destruction, and

according to the union, the remaining employees will be forced to work more for less pay. IAV management’s restructuring plans include increasing the workweek to 40 hours, freezing wages until at least 2028, implementing cuts across salary brackets and reducing annual leave to just 25 days. They also intend to introduce “mandatory qualification measures involving testing, with potential labour law sanctions for failing to pass.”

When CEO Jörg Astalosch detailed these plans on May 6, union officials feigned their usual surprise and outrage, hastily organizing the demonstration outside the factory gates. Yet they were nowhere near as blindsided as they claimed.

As early as December 2025, IAV management had announced its intention to eliminate roughly 1,500 jobs this year, following the loss of around 600 jobs in 2024. Since then, IG Metall officials, led by Thilo Reusch, have engaged in seven rounds of negotiations with management. During these talks, the union voluntarily conceded to the sweeping staff reductions that have now been made public. They also capitulated to a wage freeze for 2026 and worsened working hour regulations.

“IG Metall responded constructively, signalling a readiness for substantial concessions—including on scheduling and a wage freeze for 2026. An agreement seemed within reach,” wrote IG Metall Wolfsburg. The sole sticking point was the financing of the 1,500 job cuts through a voluntary redundancy program. “A personnel reduction of this magnitude requires a financially supported concept,” Reusch explained.

The “key points” over which chief negotiator Thilo Reusch is now expressing artificial outrage actually contain core provisions that he himself negotiated. It is also blatantly obvious that the plans for devastating cuts at IAV were discussed within the supervisory board of its majority shareholder, VW.

Ten representatives of the IG Metall apparatus sit on the 20-member supervisory board, led by IG Metall Chairwoman Christiane Benner (Social Democrat, SPD) and VW General Works Council Chairwoman Daniela Cavallo. Alongside the heads of the billionaire Porsche and Piëch families, as well as Lower Saxony’s SPD State Premiere Olaf Lies and his Green Party deputy Julia Willie Hamburg, they dictate the austerity measures that are subsequently ruthlessly enforced on the shop floor.

The “good cop, bad cop” routine

The modus operandi at IAV is a textbook example of the “good cop, bad cop” routine. The managing director announces draconian cuts that both sides have already agreed upon behind closed doors. The IG Metall chief negotiator and works council representatives then make a public show,

feign outrage and hastily organize a loud protest—only to retreat into secret negotiations immediately afterward.

Simultaneously, the union provides a platform for politicians who champion social cuts. In March, the IG Metall invited Berlin Mayor Kai Wegner and Saxony's State Premier Michael Kretschmer (both Christian Democrats, CDU) to speak in Stollberg. Now, they are offering a stage to the SPD and the Left Party. Steffen Krach, the SPD's lead candidate for the Berlin state elections in September, and State Minister for Economic Affairs Franziska Giffey (SPD) felt compelled to express their regret over the closure plans, lamenting it as a "heavy blow for Berlin as a supply industry hub."

The Left Party's lead candidate, Elif Eralp, appealed to the "conscience and responsibility" of IAV shareholders. She noted that the VW Group, alongside the billionaire Schaeffler family, hold shares and have "profited handsomely." Consequently, they must bear responsibility for the future of the Berlin site, "and the Senate must demand this."

With friends like these—billionaires and the very politicians dismantling the welfare state on their behalf—who needs enemies?

A record of betrayal

IAV workers should oppose these machinations and strip the IG Metall leadership of its negotiating mandate. As a vital first step, workers must demand the full disclosure of all agreements and transcripts from the past seven rounds of negotiations. No further talks should be permitted without the explicit consent of the workforce!

The union apparatus and its affiliated works council reps are seasoned professionals when it comes to enforcing the destruction of jobs and wage cuts to serve corporate profit interests. Amid the global capitalist crisis, where auto conglomerates are ruthlessly defending their margins at the expense of the working class, the IG Metall bureaucracy views its role as standing shoulder to shoulder with the company—invoking the "defence of the location," the "region" and the "national interest." This is the exact same rationale driving their support for the German government's massive military rearmament.

In the face of trade wars, cutthroat competition, tariff barriers, protectionism and imperialist wars for the redivision of the globe, the IG Metall apparatus operates as a co-manager and corporate consultant, tasked with drafting "viable future concepts" and executing "orderly restructurings."

Can anyone even remember the last time IG Metall led an effective strike for the principled defence of all jobs?

This paralysis is not due to a lack of militancy among the workers, nor is it due to depleted strike funds. Experts estimate IG Metall's wealth at a staggering 2 to 2.5 billion euros, supplemented by vast real estate holdings. As the world's largest trade union by membership, it pulls in record annual revenues, with membership dues alone exceeding 600 million euros. Fully half of this—300 million euros—is squandered on maintaining the bureaucratic apparatus itself.

An objective balance sheet of trade union policies, particularly those of IG Metall, over the past two to three years reveals an unbroken trail of job destruction and endless cuts programs. This onslaught was only made possible because the IG Metall apparatus functions everywhere as an extended arm of corporate management.

At VW, the IG Metall and works council justified their capitulation to job cuts and painful wage reductions by claiming it would take plant closures off the table. Yet, management is now planning exactly that. Following the scheduled cessation of production at the Osnabrück VW plant at the end of 2027, plants in Emden and Zwickau, the commercial

vehicle plant in Hanover, and the Audi plant in Neckarsulm are all under threat of closure.

This same union apparatus is currently enforcing corporate assaults against workforces at Bosch and Mahle. Financed by the very rank and file it betrays, this bloated union officialdom, managing billions in assets, deliberately sabotages industrial action and strikes aimed at defending all jobs.

A new strategy for the working class

To halt the downward spiral driven by the IG Metall apparatus, workers urgently need a new strategy based on three fundamental principles:

- **Total independence from the trade union bureaucracy:** The struggle must be organized independently of the union apparatus, which operates in lockstep with the corporations and the state, functioning as an industrial police force against the workers.

- **An internationalist strategy:** The struggle must be waged internationally to overcome the divisions artificially imposed by the trade unions. The VW Group alone employs nearly 700,000 workers globally, with almost 300,000 in Germany. Factoring in supply chains and service providers, millions are bound together in a single integrated production process. Only by fighting as a unified force—and refusing to be pitted against one another—can these attacks be repelled and living standards improved for all. This must serve as the launching pad for a broader working class offensive against war and austerity.

- **Prioritizing human need over corporate profit:** The struggle must reject the profits above all else logic of the corporations and the geopolitical interests of the nation-state promoted by the unions. The needs of the working class must take absolute priority. Immense technological advancements, especially artificial intelligence, hold the potential to elevate the standard of living for everyone to unprecedented heights. Yet under capitalism, this same technology is weaponized to inflict mass layoffs, war and devastation. This cannot be accepted.

To organize the resistance along these principles, independent rank-and-file action committees must be established in every plant and department. These committees must operate completely free from the influence of union bureaucrats, network internationally and build a centre of counter-power against both the government and corporate management.



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