

VW management, IG Metall union and works council escalate attacks on auto workers

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Management and the leaders of the IG Metall union and the works council at carmaker Volkswagen are escalating the attacks on jobs, wages and working conditions. The company's current all-out assault goes far beyond the so-called "Christmas miracle" deal of December 2024. At that time, the IG Metall apparatus agreed with the company to cut 35,000 jobs and reduce wages by up to 20 percent at the core VW brand.

For IG Metall, there is no lower limit to its collaboration with management. One attack follows another until every gain and every right has been smashed—unless and until workers intervene, strip IG Metall of its mandate and defend their rights themselves.

IG Metall is following the same pro-corporate script as two years ago. Back then, in September, Volkswagen CEO Oliver Blume terminated the job security agreement, in place since 1994, along with other regulations and contracts.

This time, VW has given timely notice on 10 of 13 collective agreements, which expire at the end of the year. The agreements govern holiday entitlement, protections for older employees, the retention of apprentices after they complete training, allowances and supplementary pay, and working conditions. The central framework collective agreement also sets the rules on working hours.

In the coming weeks, Blume, together with Thorsten Gröger, the IG Metall district manager and chief negotiator for the VW in-house collective agreement, and General Works Council chair Daniela Cavallo, among others, intends to force through a regime in which employees work more for less money.

In an interview with The Pioneer, the media service of Gabor Steingart, former editor-in-chief of business daily *Handelsblatt*, Blume announced that VW would have to increase annual working hours by cutting the 36 days of holiday its workers currently enjoy. "But it is also about increasing weekly working hours, in that case without maintaining wages," Blume declared. At Mercedes, CEO Ola Källenius had already demanded that weekly working hours rise from 35 to 40, without wage compensation.

IG Metall and the VW works council feigned outrage. They seized on some simplifications Blume had made about annual leave to claim that the VW chief was making "false statements." IG Metall and the works council said VW in principle provides 30 days of holiday. In addition, they said, about half the workforce used the option, which the collective agreement guarantees, of forgoing pay in return for six additional days of holiday. Nevertheless, it is clear that Blume, the union and the works

council will, as in 2024, jointly work out how to increase weekly and annual working hours in practice.

This cooperation, however, is to continue behind closed doors. Blume's candid words about their broad agreement therefore particularly outraged IG Metall and the works council. In a statement, IG Metall wrote that Blume had "claimed the employee side and management board were currently in cosy harmony, sweeping aside the collective bargaining compromise laboriously won in 2024 in order to make new cuts at the expense of the workforce by mutual agreement." This, the union said, was an "outrageous misrepresentation that is far removed from reality."

But that is precisely what is going on.

In 2024, IG Metall and the works council agreed to wage cuts and the elimination of 35,000 jobs at VW. Meanwhile, the Porsche and Audi subsidiaries have cut a further 15,000 jobs.

In a secret overnight operation at the beginning of last month, the VW supervisory board, led by IG Metall chair Christiane Benner and General Works Council chair Daniela Cavallo, then unanimously agreed with Blume on a further 50,000 job cuts, 25,000 in Germany. The highly paid officials also "took note" of the possible closure of the VW plants in Emden, Zwickau and Hanover and the Audi plant in Neckarsulm.

Blume and the management board cite changed framework conditions as the reason. A lot had changed over the past two years, Blume said, noting that IG Metall and the works council had expressly agreed a "review clause" in the 2024 "Future Collective Agreement" for precisely this eventuality.

The relevant Clause 7 of the contract sets out the procedure in the event of "significant changes in the basic assumptions or the economic framework conditions." In that case, "review meetings" are to take place. "The aim of the review meeting is a consensual solution," it states. "The parties to the collective agreement will discuss the necessary measures, including socio-political instruments."

Cavallo and Gröger claim that in the review meetings, which they initiated, they wanted to force Blume to state whether VW is complying with the 2024 contract. This is obviously a pretext. In fact, in the "review meetings" that IG Metall and the works council convened, the delegations led by Gröger, Cavallo and Arne Meiswinkel, personnel director of the VW core brand, are discussing further attacks, which the contract euphemistically calls "socio-political instruments."

Cavallo and Gröger try to reassure the workforce by pointing out

that the “job security until 2030” they agreed in 2024 remains in place. That is a joke. What is secure is not employment but the job cuts; the elimination of 50,000 and now a further 25,000 jobs at the VW Group is already a done deal. “Job security” merely rules out compulsory redundancies, so the company is destroying jobs through severance payments and partial retirement schemes.

According to VW, 30,000 Group employees, most of them at VW, have already taken up severance or partial retirement deals since the end of 2024. The job cuts cost an estimated €10 billion. But the wage cuts and the savings from the job losses amount to many times that. The workforce is thus paying for its own job cuts while also boosting returns.

Now the next round looms, in which workers at the VW, Porsche and Audi plants are to pay for the hunt for higher profit rates. This year, the rate of profit is expected to reach just 1 percent instead of the anticipated 4 to 5.5 percent. This is almost entirely due to “special items” of €10 billion, including a write-down of around €6 billion on Porsche’s goodwill. The shareholders, and the Porsche and Piëch owner families, are demanding a return of at least 10 percent. To achieve it, nothing is to be left intact when it comes to jobs and working conditions.

Gröger knows exactly what is going on—“While profits are privatised, business costs and risks are now to be shifted onto the workforce.” And he and Cavallo are organising that shift. That is the whole point of “co-determination” (so-called employee representation on company committees), which they defend tooth and nail. That is also why the two criticised Blume’s remarks about “cosy harmony” most of all. These words, they argued, would discredit co-determination—the legalised corruption of the union and works council leaders—among the workforce. Yet every attack on employees has gone, and continues to go, through co-determination.

Not only Blume but the German ruling class as a whole knows full well that it can rely on Gröger, Cavallo and Co. Business weekly *WirtschaftsWoche* writes that many more escalations will follow the current one. “Because a few concessions by the workforce on pay or working hours alone will not make the group competitive.”

The management board, it said, had set out why in the Future Plan, which the supervisory board approved in early September with the votes of IG Metall and the works council representatives. IG Metall leaders are aware of “the precarious situation” and know “that they, just like the management board, have their backs to the wall.”

Cavallo’s tough talk of “fierce confrontations” and even “strikes” is a fraud. As in 2024, she will go along with every attack on the workforce, because that is what she is paid for. A fight to defend the plants, jobs, wages and working conditions is possible only against Cavallo and the union apparatus she represents, not with them.

For IG Metall’s September 21 “Day of Action” in the auto industry, the VW Action Committee put forward a fighting programme, which workers must now discuss and implement in all plants of the VW Group—and beyond. At stake are the livelihoods of millions and the social gains fought for by generations.

First, the fighting programme demands the defence of every job.

The right to work and a decent wage take precedence over the shareholders’ right to profit. Workers create society’s wealth; when billionaires declare layoffs indispensable, they merely prove that capitalism is at an end. This is particularly evident at VW: the fortune of the Porsche and Piëch families (around €40 billion) rests on Nazi terror, expropriated trade union assets and forced labour under Hitler.

Second, workers must break free from the control of the IG Metall apparatus that blocks any action to defend jobs. The union leadership and works council reps stand exposed as accomplices of management. That is why workers must strip the apparatus of its mandate and place production under workers’ control. Workers must stop the secret negotiations; instead of layoffs and longer working hours, they must enforce shorter working hours with no loss of wages—at the expense of shareholders and the owner families.

Third, no war production. The auto crisis stems from the historic crisis of capitalism on a global scale, not merely a cyclical or transformation crisis. The fight against job cuts and the fight against rearmament belong together—for instance, in the planned sale of VW’s Osnabrück plant to the Israeli arms company Rafael.

Fourth, it is now urgent to build independent rank-and-file action committees, elected by workers and free of full-time officials. They must overcome the isolation of the plants and unite the workforces internationally—against chauvinist calls to “defend national production.” The model is the campaign of US autoworker Will Lehman. The VW Action Committee is being built as part of the International Workers Alliance of Rank-and-File Committees (IWA-RFC). Waiting is not an option—action is required.

We call on all employees of the VW Group, including its subsidiaries, to contact us. Use the form below or send a message via WhatsApp to +491633378340.



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Socialist Equality Party visit:

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