3,000 VW workers in Germany protest against cutbacks

Our reporters 26 September 2024

On Tuesday, October 1, the online meeting of the Volkswagen Action Committee will take place at 7 p.m. to discuss the announced attacks on plants and wages. To take part, send a message via Whatsapp to +491633378340 or register using the form below.

Around 3,000 workers from German Volkswagen sites, including Emden, Zwickau, Braunschweig, Kassel-Baunatal, Wolfsburg, Salzgitter and Hanover, demonstrated in Hanover on Wednesday morning against the cutbacks recently announced by VW CEO Oliver Blume.

The IG Metall trade union and the works council had called for the protest in front of Herrenhausen Palace, where negotiations with the management on a new contract and the announced mass layoffs began Wednesday morning.

At the beginning of September, Blume had announced he would cut a large number of jobs and close at least two of the ten VW plants in Germany. To this end, the company has terminated the "employment security agreement," which has been in force for 30 years and is supposed to prevent compulsory redundancies and site closures, effective the end of the year. Since that announcement, Blume has repeatedly stated that he will stick to his plan and implement the rigorous attacks on behalf of the shareholders.

The works council, IG Metall and VW management immediately set about coordinating behind the scenes how they should proceed in order to implement these savings at the expense of the workforce. They are all pulling in the same direction.

The report by the usually well-informed *Manager Magazine* that the VW board was discussing cutting 30,000 of the 130,000 jobs in Germany was first denied by Cavallo and the works council and then by the company's top management. At no time did Cavallo and her colleagues say that they did not know what the board

was discussing. The works council in Wolfsburg only said: "This figure has no basis in reality and is just nonsense." The works council did not reveal what figures are being discussed and on what basis.

This already shows that the wage negotiations between VW management, the works council and IG Metall, which have been brought forward by a month because of the cuts announced by Blume, are pursuing a different goal from that of the protesting workers and apprentices, who on Wednesday made up a large proportion of the 3,000 participants who had travelled to Hanover.

While Cavallo and her entourage, and IG Metall are negotiating how best to implement the savings, many of the employees are not willing to make any further concessions.

Benni has been working at the Braunschweig plant since 2010. "If the company's top management gets its way with its demands, it will be very, very difficult for me," he said. Benni is part of the team for the battery cell and, along with many of his colleagues, has just spent nine months in China. He explained, "None of us did it because we said, China is the country we really wanted to see. We did it for Volkswagen to get ahead because we realised that a transformation was taking place here and we could be part of it. Now we come back and hear, "Oh by the way, your jobs are in jeopardy."

The mood among the workers is not the best right now, reports Benni. He took part in the demonstration because he wanted to fight for "keeping our jobs ... and to continue to work for fair wages. And, of course, to be able to counteract the job cuts worldwide in solidarity."

Many VW workers were visibly angry about the audacity with which management unilaterally demanded cuts from them, instead of saving where there really is something to save.

"VW made a profit of over 22 billion euros last year," said **Nazim**, who works at the commercial vehicles plant

in Hanover. Now they were acting as if VW were destitute. "But the money that is supposed to be saved will not benefit us, only the shareholders." The billionaires wanted more money, said Nazim, and he was not alone in this opinion.

"We always have to foot the bill, the bill for billions or millions that they [shareholders and managers] earn," said **Tino**, who works at the VW plant in Zwickau. "I've been with the company for 33 years, but we've never had a situation like this before."

This statement was underlined by a letter from the company via the internal communication platform 360°. In it, the 130,000 employees are once again informed why they are facing the closure of their plants and the loss of their jobs: "Ten years ago—in 2013—the VW brand generated a margin of 2.9 percent, Stellantis 2.0 percent and Renault 1.3 percent." While VW was currently at a margin of 4.1 percent, "Renault is now operating at a level of 6.9 percent, and Stellantis at 11.8 percent."

This is the main reason why the board is announcing the jobs massacre. The return or margin goes exclusively to the shareholders in the form of dividends. All the talk about investing in the transformation to EVs and the production of low-priced affordable vehicles for a population hit by real wage cuts, is intended to distract from this. The shareholders—mainly the Porsche/Piëch families (fortune: €42 billion), then the sheikdom of Qatar and the state of Lower Saxony led by Minister President Stephan Weil (Social Democrat, SPD), as well as, to a lesser extent, the large funds and stock corporations—are demanding more and more money.

IG Metall and its VW works council are not proposing cutting the dividend, amounting to €4.5 billion this year. They have already suggested that costs could be reduced by introducing a four-day work week with corresponding wage cuts and various forms of "socially acceptable" job cuts. Similar cuts, for example in holiday and Christmas bonuses, were already part of the old employment security agreement, which has now been terminated by VW. As a result, the old collective bargaining conditions would apply at the beginning of 2025 and personnel costs would then even increase.

The first meeting on Wednesday morning at the luxurious Herrenhausen Palace conference centre, the former residence of the Electors and Kings of Hanover and rebuilt by the VW Foundation, was aimed at preventing this. Hardly anything was said about it in public afterwards. Thorsten Gröger, IG Metall's chief negotiator, said afterwards that possible plant closures and

layoffs were "not substantiated, but remained in general terms." The VW board rejected the demand of IG Metall for a 7 percent wage increase. "Instead of cost pressure, we need cost relief," said VW negotiator Arne Meiswinkel.

A new negotiation date has not yet been agreed. Gröger hopes that this will take place before the end of November.

By then it may be too late for one or another of the plants. Investment decisions, which are mostly made for a period of five years, will already have been taken. VW's financial director, Arno Antlitz, has already announced that investments will be cut by €10 billion, to €160 billion, in order to increase profit margins.

All this shows that it is urgently necessary for the VW workforce to take action itself. IG Metall and its works council under Cavallo stand on the side of the company. They both share the view that savings must be made at the expense of the workforce.

Members of the Sozialistische Gleichheitspartei (Socialist Equality Party) distributed the founding appeal of the Volkswagen Action Committee to the VW workers. It begins with the urgent statement: "Preparations must be made immediately to avert the threat of cutbacks at VW!" Waiting is not an option. The call is addressed to all workers, whether union members or not, and urges them to join the rank-and-file action committee to organise independently of the IG Metall bureaucracy. The statement declares: "All jobs at all locations must be defended in principle! No concessions on wages, pensions or other gains!"

The next online meeting of the action committee, at which these questions will be discussed, will take place on Tuesday, October 1 at 7 p.m. We call on all VW employees and their supporters to attend. Register via Whatsapp at +491633378340 and fill out the form below!



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