

Volkswagen CEO seeks to cool dispute over plant jobs

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Volkswagen Group CEO Herbert Diess, pictured speaking at an event in Spain in March this year, rejected claims of planned job cuts on November 10, 2021.

Volkswagen's CEO has firmly rejected claims of planned job cuts at its flagship plant, with the auto giant instead unveiling plans for a new electric car factory to rival Tesla.

There was "no plan to close 30,000 posts" in Wolfsburg and "every site has a future", chief executive Herbert Diess said in a video shared internally with Volkswagen employees on Tuesday and seen by AFP on Wednesday.

"Nobody should be scared," Diess said in response to the uproar created since he alluded to a scenario in which thousands of jobs could be lost at a meeting of the group supervisory board in September.

The fierce backlash set off internal discussions about Diess's position, while the chairwoman of the Volkswagen works council, which represents workers on the shop floor, publicly criticised Diess for his failure to support the Wolfsburg plant.

The role of the Wolfsburg site in the group's shift towards [electric vehicles](#) has become the subject of intense debate, as the German carmaker faces new competition from Tesla, whose soon-to-open plant near Berlin promises "impressive productivity", according to Diess.

The rival US carmaker plans to build a single unit within 10 hours, while at Volkswagen's top electric factory in Zwickau the same work requires "more than 30 hours", Diess told employees at a meeting last week.

Matching these productivity figures requires a "revolution" at Wolfsburg, Diess said, coming under the guise of the "Trinity" project, a new electric car to be built at Wolfsburg from 2026.

Volkswagen is currently "evaluating" the possibility of building a completely new facility next to Wolfsburg to house the project, VW brand director Ralf Brandstaetter said in a LinkedIn post Wednesday.

The supervisory board has yet to approve the plan, but "the company and the works council agree that the proposition can create a long-term future for Wolfsburg", Volkswagen said in a statement.

Works council chairwoman Daniela Cavallo adopted a more conciliatory tone in an interview with German on press on Tuesday, praising "courageous" plans to "secure employment".

The works council continues to demand the production of another electric car at the Wolfsburg works before Trinity in 2026, a subject which ought to be debated ahead of a meeting of the [supervisory board](#), planned for December 9.

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