

Unions agree on sell-out contract for German public sector workers

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On March 10, trade unions representing 600,000 public sector workers employed by state governments around Germany signed a new contract containing a miserly wage increase that is not even expected to keep pace with the rate of inflation.

In a third round of negotiations, the unions—Verdi (public service), GEW (teachers), DGP (police) and DBB (civil servants)—agreed on a one-time payment of €360, or €120 for trainees, for January to March of this year. In April, salaries will increase by 1.5 percent, and from January 2012 by another 1.9 percent, plus a basic sum of €17 (€6 for trainees). The contract will be valid until the end of 2012.

The one-time payment is a much-favored instrument of employers because it is not included in the calculations used to evaluate subsequent wage increases. For their part, the trade unions use the bonuses to make it appear as if the contract is a victory for the membership. According to Verdi, salaries rose this year by an average of 2.3 percent and will rise in 2012 by 2.55 percent.

The unions had originally demanded a one-time payment of €50 and a pay increase of 3 percent over 14 months. They had also called for the automatic employment of trainees for two years. This demand was dropped completely in the deal struck between the unions and the state employers.

Frank Bsirske, the negotiator for Verdi, the largest trade union participating in the contract talks, claimed ludicrously, “This is a very good result which from today’s perspective guarantees the real wages of employees.”

However, in February, inflation in Germany was 2.1 percent. For 2011, the Rhine-Westphalia Institute for Economic Research (RWI) expects an average inflation rate of 2.5 percent. In 2012, it is predicted to be 2.4

percent. The minuscule wage increase secured by the unions barely keeps pace with the rising cost of living. Furthermore, even these estimates do not take into account additional contributions employees will have to make to their health insurance.

An especially bad deal was struck by Verdi and the Union for Education and Science (GEW) on behalf of 200,000 salaried teachers, who had demanded compensation comparable to that of their colleagues doing the same work, but with “civil servant” status. Based on the agreement, no change is to be made to the existing regulation that allows state employers to pay teachers whatever they see fit. In recent years, German states have increasingly refused to accord teachers “civil service” status in order to save money. According to the GEW, this means that the starting pay of salaried teachers is around €650 less than their colleagues with “civil service” status.

In the negotiations, state ministers rejected equal treatment for teachers, arguing it would result in annual costs of €280 million. The leaders of both Verdi and the GEW engaged in a good deal of bluster, objecting to the decision, but still put their signatures on the final document. GEW representatives reportedly prevented the negotiations from collapsing altogether by dropping the demand for an equal classification scheme for all teachers.

Union members have responded to the contract with hostility. “I am so disappointed,” “Shame on you!” And “I wonder why I am a union member” were some of the comments by GEW members cited in the *Süddeutsche Zeitung*.

In reality, the outcome of the contract negotiations was a done deal from the very start. The union officials

have much closer links to public sector employers than to the employees they supposedly represent. They are often members of the same party (predominantly the Social Democratic Party or the Greens) and switch positions regularly; many union chiefs go on to become public sector bosses and vice versa. While serving as the head of personnel affairs for the city of Hannover, Frank Bsirske was responsible for axing 1,000 jobs, before going on to take over the top job at Verdi in 2000.

The unions share the objective of the states—reducing high levels of government debt through drastic reductions in staffing costs. To this end, they put forward a miserably low pay demand and invariably agree to a deal, at the latest by the third round of negotiations. The few isolated and completely ineffective token strikes organised by the union are solely to allow it to save face and give members a chance to let off steam.

Despite the fact that the unions had done all they could to demobilise workers' opposition, union leaders still had the effrontery to blame ordinary employees for the final contract result. After the latest deal was struck, the GEW argued that it would not have been possible to insist on equal pay for teachers because only 80,000 of the country's total 1.7 million state public sector workers had participated in token strikes prior to the decisive round of negotiations.

Verdi argued along similar lines, claiming that what was necessary for the 2011 contract round was not merely "better arguments." "When the employers play stubborn, then only strength and mobilisation counts," they cynically claimed.

In reality, the workers in this and previous rounds of negotiations have repeatedly proven their willingness to fight. One day before the third round of negotiations, tens of thousands of teachers took to the streets in order to put pressure on the employers. They were stabbed in the back by the unions, with the Verdi and GEW contract commissions accepting the contract almost unanimously.

In the coming weeks, union members will be asked to vote on the contract package. The WSWS and the Socialist Equality Party call on all Verdi and GEW members to reject the union sellout and vote "no."

At the same time it is necessary to build new rank-and-file organisations in factories, schools and offices,

which function completely independently of the trade unions and their works councils. This is the only basis upon which a genuine struggle to secure workers' interests can be waged. As long as Verdi and GEW maintain their grip on the workers, the bureaucrats will continue to sell out employees using the argument that "the coffers are empty". Workers must entirely reject this claim. There is plenty of money to pay working people decent salaries and put an end to austerity policies nationwide. But this wealth is in the hands of big business and the wealthy, whose control over society must be opposed in order to secure a future for the great majority.



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