

German newspapers call for pay cuts

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The Federal Association of German Newspaper Publishers (BDVZ) is calling for massive pay cuts in the new contract covering 14,000 journalists and editorial staff. Under the publishers' proposal, existing staff would face wage cuts, and new-hires would receive about 30 percent less pay than current employees.

In response, the trade union Verdi and the German Association of Journalists (DJV) have announced joint strikes in Berlin by journalists, administrative staff and printers. Unions representing some 160,000 printers are also negotiating new contracts, with print company owners and publishers demanding similar cuts to those demanded by the publishers.

In recent weeks over 1000 journalists have participated in warning strikes. On Thursday last week, hundreds of printers and editorial staff from the *Weser Kurier* and *Bremen News* took strike action. CEO Ulrich Hack Mack had the protesting workers thrown off company property.

On Tuesday last week there were strikes at 30 newspapers nationwide. On Wednesday, there were stoppages at the *Süddeutsche Zeitung* and the WAZ media group (*Westdeutsche Allgemeine*, *Neue Ruhr/Neue Rhein Zeitung*). On Thursday, the unions and employers met in Dortmund for a fourth round of negotiations, which broke down.

After the expiration of the old contract in July 2010, Verdi and the DJV called for a four percent pay rise. The employers responded by calling for wage cuts.

The 14,000 journalists and editorial staff face the loss of holiday pay. Moreover, the employers are demanding an increase in work hours from 36.5 to 40 hours per week without any corresponding rise in pay.

The new contract would run for three years. In the first two years, wages would be frozen, with a one-time payment. In the third year there would be a "moderate" increase.

In order to significantly reduce wages in the long term, the employers are demanding cuts for all new-hires. New staff would receive only €2,650 per month in gross pay in their first year, rather than the current sum of about €3,000. Gross salary would rise to €3,100 only by the seventh year of employment, €900 less than today.

The employers also propose to slash by half the journalists' supplementary pension scheme for new-hires. According to the DJV, the cuts amount to 30 percent for future journalists.

In negotiations in recent years the unions have agreed to small wage increases and long contract periods, resulting in a significant decrease in real wages. According to DJV leader Kajo Döhring, journalists have seen a cut in inflation-adjusted pay of 15 percent.

At the workplace level in almost all sectors, local agreements have further undermined the national contract. Lower wages have also resulted from the outsourcing of whole areas of the industry. The conditions being demanded by the publishers—with new-hires receiving lower pay—already exist in many businesses.

The scale of pay cuts called for by the newspaper employers has not previously been seen in Germany. In the US, the United Auto Workers union has agreed to a halving of wages for newly hired workers. The Italian unions have agreed similar conditions at the Fiat factories. Now the employers in the German newspaper industry are seeking to impose similar cuts.

They insist that German contracts must reflect the realities of the international economic crisis. They point to a decline in advertising. "We would like to draw your attention to the fact that ad revenue for German newspapers is 43 percent lower today than in 2000," BDZV President Helmut Heinen told the *Stuttgarter Zeitung*.

More and more publishers are circumventing the

nationally agreed contract, writes the DJV. “The escape routes employed include the outsourcing of journalists and other editorial staff, using independent, non-contract companies; the use of temporary workers in the newsroom; and refusing to join the nationally agreed contract.”

For its newspapers—the *Kölner Stadtanzeiger*, *Mitteldeutsche Zeitung*, *Frankfurter Rundschau* and *Berliner Zeitung*—the DuMont Redaktionsgemeinschaft GmbH has established a 25-strong pool of editorial staff not covered by the national contract. The *Frankfurter Rundschau* uses a subsidiary to pay staff working on its literary supplement and other supplements at sub-contract rates. The same applies to the local reporting of the *Stuttgarter Zeitung* and the *Stuttgarter Nachrichten*.

Since 2007, the *Westfälische Nachrichten* has used a subsidiary to contract out its editorial staff and trainees, all of whom are paid below the rates stipulated in the national contract.

Newspaper publishers no longer directly hire trainees, but instead have them enroll at journalism schools, thereby bypassing collective agreements. This applies to trainees at the Springer group (including *Bild* and *Welt*) as well as the WAZ Group and many other newspapers. *Der Tagesspiegel* has left the BDZV altogether.

As a result, despite the loss of advertisers to the Internet, profits are increasing. According to the unions, the increase in profits amounts to an average of six to eight percent. In the first quarter of 2011 alone, the Springer group has seen its profits rise by 18 percent to €73 million (after taxes).

The wage cuts in the newspaper industry are part of a general attack on wages and social conditions in all areas of the private and public sectors. The trillions that were paid out of state coffers to the banks and corporations following the collapse of the financial system in 2008 are now deducted from the living standards of working people.

The defence of wages requires a socialist programme that challenges the subordination of society to the profit interests of the banks and corporations. The unions oppose such a fight.

In recent years, Verdi has played a key role in helping to reduce jobs and wages in the public sector. In the publishing industry, the well-paid union officials, who

are linked by numerous threads with the employers, play the same role. If strikes are launched and not called off after a quick sellout, they will merely serve as a means to blow off steam as long as they remain under the control of Verdi and DJV.



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