German trade union chief agrees to €1 an hour jobs for refugees

Dietmar Henning 29 December 2015

Rainer Hoffmann, the chairman of the German Confederation of Trade Unions (DGB), has backed the announcement by Labour Minister Andrea Nahles that refugees will be pressed to accept work at €1 per hour in the coming year.

Nahles, a member of the Social Democratic Party (SPD), presented figures from her ministry according to which between 300,000 and 350,000 refugees, among them 70,000 children, will receive Hartz IV benefits for the first time next year. Asylum seekers whose applications have been accepted as well as refugees who are allowed to remain, together with their children, have a right to claim Hartz IV aid.

Along with the Rhineland-Palatinate premier Manu Dreyer, federal government representative for immigration Aydan Özoguz, federal minister for families Manuela Schwesig, and Environment Minister Barbara Hendricks (all SPD members), Hoffmann announced, as part of a twelve-point programme for "sustainability and integration in Germany," the creation of 100,000 new "labour opportunity" positions, i.e., €1 jobs.

In an interview with *Die Welt*, Hoffmann said, "I can imagine that for a certain period of time we would create a social labour market for socially necessary activities that otherwise would not be carried out."

The €1 jobs are anything but a "social labour market." They do not involve a labour relationship. No wages are paid. Instead, in addition to Hartz IV social welfare benefits, claimants receive compensation up to the equivalent of €1, or, occasionally, €2 per hour for a thirty-hour work week. The claimants have to use the additional compensation to cover costs such as transportation. If they become sick and are forced to stay at home, they receive no additional compensation.

The unemployed rarely accept these jobs voluntarily.

They are compelled to do so with the threat of benefit cuts if they do not.

Forced community service is a better description of the €1 jobs than the euphemistic term "social labour market." Academic studies have compared these jobs to "welfare-to-work" programmes and the underlying concept of workfare, referred to in Germany as "working for the bare essentials" and "the duty to work in exchange for state provision of the basic necessities of life."

Hoffmann, who is also an SPD member, suggested that, as with the unemployed, the unions would demand "a minimum wage and social insurance for the employees." However, since the €1 jobs do not amount to a "labour relation" in the legal sense, they are not covered by social insurance.

Hoffmann nonetheless supports this form of coerced community service. "We will have to see whether the refugees are suited to that," he said, adding that "there should be projects in which we try out different things."

Like the local authorities that employ €1 workers to carry out "socially necessary work," refugees are to be made responsible for the integration of new refugees. The SPD politicians' twelve-point programme states that local authorities offering labour opportunities will profit "from their support for refugees."

The ≤ 1 positions do not result in real jobs. Fewer than one in ten people holding such positions move to regular employment. Most unemployed people become further removed from the labour market while working at a ≤ 1 job.

In a 2011 study of such jobs in Munich, the Institute for Labour Market and Career Research, a branch of the federal labour ministry, wrote, "Employment in a minijob curtails the employment prospects of participants by an average of 40 percent." The negative impact in

regions with high unemployment, such as eastern Germany and the Ruhr, is even more severe.

Although the DGB officially calls for minimum wage jobs to provide social insurance, Hoffmann knows full well there is virtually no chance that people out of work for more than a year will receive such benefits. Moreover, for six months, the unemployed can be hired for less than the minimum wage of €8.50 per hour.

Since more refugees are arriving than companies require, restrictions on immigration are being strengthened and expanded, in the first place in the form of the "acceleration of asylum law." Language courses and assistance in finding work are available only to refugees with "strong prospects of being permitted to stay."

The distinction between refugees with "high" and "low" prospects of being allowed to stay is a euphemism for distinguishing between refugees who, in the words of Christian Social Union official Günther Beckstein, "are useful to us" and those "who exploit us."

The federal and state governments, corporations and trade unions are working together to deport the majority of refugees, while exploiting the rest as a cheap labour force.



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