

Train drivers' union agrees to massive cut in real wages for railway workers in Germany

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The German Train Drivers' Union (GDL) has agreed on massive cuts in real wages for its members at two railway companies in Baden-Württemberg. It has agreed to a pay increase of 4.8 percent, in contracts that run for 20 and 22 months respectively. The GDL is acting no differently than national rail corporation Deutsche Bahn's in-house union, the Gewerkschaft der Eisenbahner (EVG).

The wrangling between the GDL and Südwestdeutsche Landesverkehrs-GmbH (SWEG) lasted eight months. SWEG, which is 95 percent owned by the state of Baden-Württemberg, was concerned with securing its profits and the GDL with extending its control over the workforce. It was never about the interests of the workers.

SWEG had taken over Abellio Rail Baden-Württemberg GmbH, a subsidiary of the Dutch state railway, on January 1, 2022, after the latter had run into financial difficulties due to pandemic-related revenue shortfalls. Abellio went through insolvency proceedings and was initially taken over by SWEG for two years at the insistence of the state government. Since then, it has been trading as SWEG Bahn Stuttgart (SBS).

The majority of union members among SWEG's 1,300 employees belong to the public service union Verdi, while the majority of the 500 SBS employees belong to the GDL. Both are trying to wrest the respective majority away from the other in order to be recognised as the collective bargaining partner in both companies.

In September 2022, Verdi, with the support of the EVG, concluded a contract for SWEG and SBS which applies from January 2022 until the end of June 2023 (18 months duration) and which, with a wage increase of 4.8 percent, in fact means a severe reduction in real

wages. At that time the possibility of tax-free one-off payments (so-called "inflation compensation") to make up for the cuts in real wages did not exist.

But even this low wage increase was not low enough for the owners of SWEG—i.e., the state government led by the Greens and the Christian Democrats (CDU). The company's supervisory board decided on October 14, 2022, not to participate in the new tender for the former Abellio network and to sell off the SBS subsidiary at the end of 2023. This means that even this low-wage agreement for the 500 workers of SBS could still be cancelled.

At the same time, SWEG refused to recognise the GDL as a negotiating partner. The GDL's aim was to force the company to recognise it as a bargaining partner through sporadic warning strikes.

Since the adoption of the Collective Bargaining Unity Act in 2015, this scramble for a seat at the negotiating table has been taking place at workers' expense. Instead of waging a joint struggle to defend living standards, the union bureaucracies fight each other to secure their own sinecures and push through fierce attacks.

The contract agreed by the GDL does not secure the livelihoods of railway workers but will further worsen them.

- The GDL also agreed a pay increase of 4.8 percent for the approximately 500 SBS workers it represents, with retroactive effect from January 1, 2022, for 22 months until the end of October 2023.

- The same increase is to apply to the staff of SWEG who are organised in the GDL from the start of the collective agreement on May 1, 2023. The term here is 20 months until the end of December 2024.

- GDL members in both companies are to receive a one-off bonus of €1,000 in May to compensate for inflation.

- Both unions also claim to have achieved small increases in pay for night shifts, Sundays and holidays.

• In future, GDL members at SWEG will be given the choice between two working time models, the previous “flexible” model, where shifts could be rescheduled at short notice, and a rigidly fixed schedule.

In view of the horrendous inflation rate, especially for food and energy, the wage increase of 4.8 percent means a massive reduction in real wages. Nevertheless, the GDL and transport companies alike praised the negotiation result.

If one looks at the background of the eight-month collective bargaining struggle, it becomes clear what kind of opponent the workers face.

In the final analysis, this contract conflict was a bidding war between the unions Verdi and EVG on the one side and the GDL on the other. Both sides were vying for recognition as bargaining partners at SWEG and SBS and wanted to prove that they could push through tough real wage cuts. The one-day strike, with which the EVG recently paralysed almost all German rail traffic, was described by GDL leader Claus Weselsky (CDU) in an interview with *Der Spiegel* as an “organised spectacle” arranged by the railway companies and the EVG.

The collective agreement with the GDL was announced after two months of arbitration, in which Rezzo Schlauch, former parliamentary secretary of state for the Greens and now a lobbyist for big business, and Matthias Platzeck (Social Democrat, SPD), former state prime minister of Brandenburg, acted as arbitrators. Platzeck had already acted as a mediator and to suppress wages before.

The strike movements of the past months at Deutsche Post as well as in the public service, health and education sectors have shown that workers are willing to fight for adequate wage increases and compensation for inflation. But the unions are using all the levers at their disposal to isolate, weaken and finally end the strikes.

They defend the austerity policies of the federal and state governments and play a key role in saddling the working class with the costs of the Ukraine war and the massive handouts to the banks and corporations through imposing cuts in real wages. All over the world, workers are facing the same attacks. In France, millions are rebelling against the Macron government.

Incomes and jobs must be defended as part of this European-wide movement of the working class. The trade union apparatuses must be deprived of the power to decide on wage demands and fighting measures. There must be no more secret negotiations on wage demands. Workers must be able to decide for themselves on all matters that affect them—wage demands, negotiations, strategy and tactics of industrial action. This requires rank-and-file action committees independent of the unions, democratically formed and controlled by the workers themselves.

The WSWS and the Sozialistische Gleichheitspartei (Socialist Equality Party, SGP) advocate the establishment of such action committees, which would also network at an international level and coordinate workers’ struggles across sectoral and national borders.



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