

German Rail workers contract: Do not be intimidated by the union bosses—prepare an all out strike!

A response to the threats of the EVG executive

Ulrich Rippert
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At the start of last week and following massive pressure from rail workers the executive of Germany's Rail and Transport Union, EVG, released the full text of a 140-page conciliation statement. Since the release, resistance to the agreement has been growing. There has been a veritable outburst of protest in social media and networks.

The cuts to wages involved in the deal are huge and hit all workers. In addition, there are major attacks on incomes and working conditions hidden in the small print. Many local and factory EVG groups have expressed their opposition, are calling for rejection of the deal and demanding an all-out strike.

In response, the EVG leadership is trying to intimidate opponents of the agreement, threatening: "In the event of an indefinite strike, we will lose everything and start from scratch." Everything that has been achieved so far "would then be gone. Even the inflation compensation bonus." Everyone must be aware of the consequences of their decision, says a five-page newsletter signed by the EVG negotiators Cosima Ingenschay and Kristian Loroch.

The EVG conciliation commission, its executive, and the majority of the EVG national board had recommended acceptance, "Because on the credit side there is 410 euros more, plus a 2,850 euro one-off payment." Of course, it was also "legitimate," they added, to reject and end up with nothing.

EVG board member Holger Herzog has circulated an open letter to all EVG members. In it he stresses that although it is not a result to "be jubilant about," it is a "compromise that one can live with." The aim of collective bargaining "was and always is compromise." What has now been achieved, "which in some cases has been heavily criticised," are "the compromises German Rail was prepared to accept." More for workers was not possible, "not one cent more, nor one more month of running time."

Herzog is appalled that EVG members are seriously calling for an all-out strike and threatens that all will be lost. His list of horrors is long: "The pay increase as well as the payment date and duration uncertain! Inflation premium—payment uncertain! Holiday choice schemes to be abolished!" The special part-time arrangement in old age, social security fund and the company pension subsidy (TV) would also be gone with "starvation wages" left for employees of DB subsidiary services such as security, communications and hospitality!

In addition, strikes would mean a "loss of working time and wages." Strike pay cannot "compensate for loss of wages." Non-members

would not take part. The general population would turn against what would be described as "money-grubbing railway workers." Relatives and acquaintances would be horrified by excessive demands, etc.

In fact, Herzog speaks solely for the inflated bureaucratic layer at the top of the EVG, who sit on DB supervisory boards and collect fat bonuses and expenses on top of their high incomes and privileges. They have lost all touch with the reality of the working world. For them, price inflation is not an issue. They have never organised an industrial dispute in their lives, are part of management and cannot imagine anything other than loyal service to company executives, who regularly drastically increase their multi-million salaries and collect fat bonuses.

The arbitrator's ruling—a huge cut in real wages

The claim by Herzog and the EVG leadership that the arbitration award is a "fair compromise" is both false and mendacious. The deal represents a massive attack on wages, social benefits and working conditions.

Here are the facts: according to the Federal Statistical Office's consumer price index, overall consumer prices in Germany in July 2023 were 17.1 per cent higher than at the end of 2020, with food prices rising by 30.1 percent and energy by 50.4 percent.

In the same period the wages of rail workers increased effectively by just 1.5 percent—the amount agreed by the EVG in September 2020 in its "Corona" contract, which has now expired.

To compensate for the loss of real wages, an immediate increase of at least 15.6 percent would therefore be necessary—plus the expected price increase during the term of the new contract, which is likely to be in double-digits. But with food and energy prices having a disproportionate impact on lower incomes, a real wage increase would have to be even higher.

It is clear that the arbitration proposal means a massive reduction in real wages. For the first eight months workers receive no wage increase. The first money to be available is the 2,850-euro inflation compensation for full-time workers. After that, wages are due to increase by 200 euros a month from December 2023 and then by 210

euros only in August 2024. The running term of the contract is 25 months, i.e., up until the end of March 2025.

In view of the low settlements agreed in 2020 as well as continuing inflation, this represents a cut in real wages. Taking into account that most workers spend most of their income on food, energy and rent, they will have lost about 20 percent or around a fifth of their real income by the beginning of 2025.

The EVG's claim that a rejection of the arbitration agreement and an all-out strike would harm workers is grotesque. Exactly the opposite is the case. If this wage cut is accepted, it will have devastating consequences—not only for rail workers, but for the working class as a whole.

Behind the rail management and its arrogant stance is the German government which owns the railways. An example is to be made of rail workers. Without any hesitation, the federal government coughed up 100 billion euros for the German army and its war in Ukraine, and this funding for the military is being continuously increased. At the same time any corporation claiming losses due to high energy costs or supply chain bottlenecks and every bank in trouble can rely on billions in the form of government support.

Now the massive outlays on armaments and the mega-rich financial elite are to be squeezed out of the working people through wage cuts, austerity measures and social cuts.

Worldwide attack on the working class

The auto companies are using the shift to e-mobility to triple profits and drastically increase exploitation. Volkswagen in Wolfsburg has announced a jobs massacre with 30,000 jobs on the line, using the threat of dismissal as a crowbar to enforce wage cuts, the extension of working hours and increased exploitation. Not a week goes by without new announcements of plant closures and mass layoffs in supply and other industries.

The same development is taking place worldwide. In France, President Macron is using brutal police tactics to enforce massive pension cuts, although millions of workers have protested and gone on strike for months. Macron was able to push through his plans only because the unions refused to organise a general strike.

In Italy, the government of Mussolini admirer Giorgia Meloni has declared war on the working class and the unemployed. At the end of July, her government informed 169,000 households by text message that they would lose their income four days later. From August 1 they would lose all entitlement to the state's basic income support. Meloni wants to use the unemployed as a battering ram to lower wages and social standards.

The rail deal in Germany is part of this international offensive of the ruling class and governments against workers. At the same time, the struggle against the arbitration award and the organisation of an all-out strike must be seen as part of a growing international strike and protest movement.

Workers in the auto industry are part of a vast global network of production and division of labour. In the US and Canada, the contracts of 170,000 workers of the Big Three (GM, Ford and Stellantis) expire in mid-September; ushering in the biggest wage dispute in decades. Also in the US, 76,000 actors and screenwriters have been on strike for months.

In Turkey, 150,000 auto and engineering workers want to prevent wage cuts in contract negotiations this autumn. These and other struggles must be united and made the starting point of a working class offensive.

The trade unions stand on the opposite side

Transport workers are closely united with all other workers worldwide. Everywhere they are confronted with unions standing on the opposite side, colluding with management and governments and sabotaging any serious struggle. The most important and urgent task of workers is to break the dictatorship of the unions and take the preparation of industrial action into their own hands.

The EVG's claim that the arbitration award is all that can be obtained is a declaration of bankruptcy. The union has forfeited any right to speak on behalf of workers.

If it were up to these smug, bought-off bureaucrats, there would never have been an eight-hour day, guaranteed wages, or sick pay. Such achievements were only won by long and determined industrial action. For the introduction of sick pay alone, metalworkers in Schleswig-Holstein went on strike for sixteen weeks (114 days) in the autumn of 1956. The striking workers rejected a conciliation agreement on two occasions and finally won their demand.

It is necessary to build on this experience of struggle and recognise the great strength and power of workers who produce everything and keep society running. This is why the building of independent action committees, led by trusted workers and over which the trade union apparatus has no control, is so important. The International Committee of the Fourth International and the Socialist Equality Party founded the International Workers Alliance of Rank-and-File Committees (IWA-RFC) to advance the building of action committees and coordinate them internationally.

The first task of rail action committees is to prevent a sell-out by the EVG and fight for an indefinite strike. The inflation and income losses of the past years must be fully compensated.

The action committees must become the starting point for the struggle for a society in which the working class—the overwhelming majority of the population—is in charge and places human need above the profit interests of the rich, i.e., a society organised according to socialist principles.

We call on railway workers to get in touch with us.

Join the online meeting on, August 15, 7 p.m. central European time, to constitute an action committee and take further steps in the struggle against the EVG sell-out. Get in touch via Whatsapp at this number +49-163-337 8340 or register with the form at the end of this article.



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