

German public sector workers contract: No to the arbitration recommendation!

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Millions of workers in Germany are expected to pay with their jobs and wages for the €1 trillion agreed by the government for new spending on armaments and war. Nowhere is this more evident than in the country's public sector. The United Services Union (Verdi) wants to codify this policy for almost 3 million federal and municipal employees on April 5.

On Saturday, the contract bargaining parties will meet to approve the arbitration commission's recommendation. The arbitration process was called by the federal government's negotiator, Federal Interior Minister Nancy Faeser (Social Democratic Party, SPD).

Faeser named the notoriously right-wing Christian Democratic Union (CDU) politician Roland Koch, a long-time friend of incoming Chancellor Friedrich Merz (also CDU), as mediator. Koch was prime minister of the state of Hesse for 11 years until 2010, before moving into the private sector, like Merz formerly. Koch then received millions from the construction company Bilfinger Berger and he is also a protégé of national-conservative CDU leaders Alfred Dregger and Manfred Kanther.

Together with Hans-Henning Lühr, a former SPD state secretary from Bremen nominated by Verdi as a mediator, Koch has proposed a settlement that would severely reduce workers' real wages over a period of 27 months.

There is no wage increase for the first three months of this year; then on April 1, an increase of just 3 percent or at least €110 more per month. Wages and salaries are not scheduled to rise again until May of next year and then by only 2.8 percent. Shift and alternating shift allowances are to be increased to €100 and €200, respectively, as of July 1, 2026; and from 2027 there is to be an additional day off. The contract runs until March 31, 2027.

Not a shred remains of the union's original demand for an 8 percent wage increase over a period of 12 months plus three additional vacation days. On the contrary, Verdi and the Bundestag (German parliament) parties, which are responsible for the arbitration recommendation, have introduced mechanisms that will further reduce wages and increase working hours. The existing special annual payment is to be increased from 2026, but can be converted into a total of three days off. This back-handed job cut does not apply to employees

in hospitals and nursing homes.

After years of financial pressure due to real wage cuts, employees are expected to increase their weekly working hours to up to 42 hours on a temporary basis from 2026.

The contract deal in the public sector confirms once again that public sector employees confront not only their employers—in this case, politicians at a federal and municipal level—but the Verdi union as well.

Verdi's top brass never intended to fight for an 8 percent wage increase and a reduction in working hours. This demand was only raised to maintain peace and quiet during the recent federal election campaign. This in turn ensured a government majority to impose massive attacks on workers in order to retrieve the billions allocated for rearmament and war.

The German parliamentary parties and the trade unions closely linked to them did everything to prevent strikes and protests during the election campaign, fearing a mass movement against the entire political establishment and against war and social cuts.

Opposition to the official war policy and anger over the continuing decline in living standards is widespread. That is why the trade unions reluctantly organized limited protests and strikes, making sure to isolate them one from the other before ultimately selling them out.

This was already the case at Deutsche Bahn (German Rail), Volkswagen, Deutsche Post (German Post) and the confectionery industry, as well as the transport and logistics sector and paper, cardboard and plastics processing industry. In addition, numerous contract negotiations are ongoing and have been conducted at a regional and local level, particularly in privatized former public companies and businesses.

For example, an important labor conflict is currently taking place at the Berlin Transport Company (BVG). Verdi is trying to end this dispute, as well as the contract bargaining for postal and public sector workers with arbitration negotiations. Verdi has gone to great lengths to ensure that all these labor conflicts do not overlap.

This is because the Verdi leadership unreservedly supports the war policy of the incoming federal government. Verdi leaders Frank Werneke and Christine Behle are both long-standing SPD members. Their party colleague Faeser is a

member of the SPD delegation conducting the current coalition negotiations with the CDU/CSU. Also taking part in the coalition negotiations is SPD chairperson and Verdi member Saskia Esken, while SPD leader Lars Klingbeil is a former member of Verdi.

The gigantic €1 trillion war program adopted by the SPD, CDU/CSU and Greens in the Bundestag (the Left Party also voted in favor in the second chamber, the Bundesrat) will inevitably result in massive cuts in other spheres of government spending.

The Verdi leaders know this and are seeking to carry out these cuts. Werneke justifies the largest armaments package since the Nazi era with the words: “The Bundeswehr must be operational.” The special fund for infrastructure, amounting to €500 billion, which in fact also serves to prepare for war, is played down by Werneke, who like all trade union leaders, describes it as a “real opportunity to resolve the investment backlog in our country.”

The SPD and the CDU, however, have no plans to use the €500 billion infrastructure fund for dilapidated schools, hospitals and day care centers, or for the reopening and expanding libraries, swimming pools, youth centers and nursing homes, or the repair and build-up of public transportation. When they talk about strengthening infrastructure, they have in mind the capacity of highways, bridges and railways to transport weapons, military equipment and troops, and the expansion of communication and surveillance systems for war purposes.

The leaked coalition text states, for example:

As part of the infrastructure special fund, we are creating a program for co-financing the defence-related infrastructure projects of third parties, particularly in the areas of logistics, mobility and transport routes, to strengthen Germany as a hub of energy, public services and critical infrastructure.

Just as the economy is being converted to a war economy, society as a whole is to be made “fit for war”:

Overall defence and in particular the implementation of OPLAN Germany will be jointly managed and coordinated as a military and civilian task at federal government level. We are expanding cooperation between security and civil defense authorities and the German army (Bundeswehr).

The Bundeswehr’s more than 1,000-page secret “Operationsplan Deutschland” (OPLAN DEU) defines the

close cooperation between the military and civilian authorities in the event of war.

So while a trillion euros are available for rearmament, war and the development of a “war-ready” infrastructure, not a single additional cent is to be provided for adequate wages and salaries. This situation must be prevented. Verdi is dividing the millions of employees who are currently involved in contract bargaining disputes in order to lead them to the slaughterhouse one at a time.

A few days ago, after arbitration, Verdi pushed through a miserable deal at the Post Office against the will of the majority of its members. Now public sector workers are to be fleeced in a similar way. And next week, with the help of arbitration, BVG employees are to be deterred from going on strike, which almost all BVG employees want to do.

Public sector, postal and transit workers must therefore withdraw the bargaining mandate from Verdi. They must organize themselves independently into action committees to organize an all-out unlimited strike to fight the wage cuts and armaments policy they are being asked to pay for.

These struggles must be linked internationally because workers in every country face the same problems. In the US, a fascist is already in the highest political office, working to smash everything the labor movement has fought for over the last 150 years and eliminating basic democratic rights. The gigantic military buildup here sets the same dynamic in motion.

The social devastation and unceasing attacks on jobs and wages, the suppression of opposition to war and the dismantling of social programs and democracy require fascist methods. This is the reason for the growth of the far-right Alternative for Germany (AfD), which is being systematically promoted by the state and its parties.

Only the independent intervention of the working class can stop these dangers. Therefore, the urgent appeal:

Get in touch with the independent action committee in Germany, register via WhatsApp to the mobile number +49 163-3378 340 and register using the form below!



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