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Germany

A disappointing agreement on engineering wages in Germany

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With the help of the federal government, German capital in engineering and electricity concluded in late 2022 a two-year wage agreement for nearly 4 million employees... which, however, will not compensate for the price increases anticipated.

The core of the Baden-Württemberg pilot agreement stipulates that payments will be increased in two stages (on 1 June 2023 by 5.2% and on 1 May 2024 by 3.3%); an inflation compensation premium is paid (€1,500 in the first quarter of 2023 and an additional €1,500 one year later; the duration is 24 months). The increase in additional remuneration (ZUB) goes from 12.3% to 18.5%, i.e., an increase from €400 to €600 for remuneration group 7 (base salary in the region).

However, the real wage loss in these two years will be at least 7%, depending on the real inflation rate, but more likely 11 to 13% if prices continue to rise by 10% or more. In addition, the rise in prices, which is decisive for most employees, is already well above the official 10%.

With such a price development, at least one opening clause should have been applied, which stipulates that if the inflation rate exceeds 4.25%, the two-year social truce ends and renegotiations must take place. Better still, a sliding scale of wages could be demanded, but with IG Metall's collective bargaining policy we are experiencing exactly the opposite.

Differentiations by company

Despite all the assurances of IG Metall's negotiators, capital has once again succeeded in pushing through differentiations with which the works councils then have to contend. Payment of inflation compensation can be postponed by company agreement. So, if management complains (and the works council is not strong enough), postponements will take occur in many places.

In addition, the payment of additional remuneration (ZUB) can be postponed until April of the following year if the company is in a "difficult economic situation". Particularly scandalous! For IG Metall, the definition of economic difficulty is a profitability on sales of less than 2.3%. An opening of the accounting books is not even provided for in the negotiations.

The result is not only below what is needed to maintain standards of living, but also below concrete possibilities, because mobilizations were clearly on the rise. Hundreds of thousands participated. There was no obligation for these bureaucrats to conclude at this time.

As bitter as it is, it is clear that there is unlikely to be an outcry in the workplaces (or in the collective bargaining committees, which are heavily controlled by the apparatus). It is all the more important now to highlight the inadequacy of this agreement and to mentally prepare for the fact that we must therefore act ourselves, that this is the most effective way of imposing higher wages and salaries. Without the development of a left class struggle current, nothing can be changed in the general (collective bargaining) policy of our unions.

*Translated by **International Viewpoint** from [l'Anticapitaliste](#).*

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