## Nationwide construction strike begins in Germany

Marianne Arens 15 May 2024

A nationwide construction strike has begun this week in Germany. It is the first strike in this sector for 17 years and the first nationwide strike for 22 years. It began early on Monday morning when several construction crews in Lower Saxony stopped work. By Tuesday morning, construction workers in Osnabrück and Hanover-Langenhagen, in Flensburg and Kiel, in Jena and Mannheim had joined the strike.

The Industrial Union for Construction, Agriculture and the Environment (IG BAU) is demanding a monthly increase of €500 in collectively agreed wages in the main construction sector. This is in response to the strong pressure from rank-and-file construction workers. At the same time, it is doing everything it can to keep the dispute under control. The head of IG BAU, Robert Feiger, has announced: "There will now be a strike, and a massive one at that." However, he has not actually ordered an allout strike, but only regional and sporadic "spot strikes."

The reason for the strike is the refusal of the building contractors to accept an arbitration ruling from the end of April. IG BAU would have accepted this arbitrator's award, although it would have been far from sufficient to compensate for the chronically below-average collectively agreed wages, let alone to make up for losses due to inflation over the last three years.

The last collective agreement for construction workers was reached in autumn 2021, before inflation exploded because of the government's pro-war policy and the energy crisis. The contract expired on March 31.

In the 33 months, from July 2021 to March 2024, construction workers in the west of Germany received a 6.2 percent wage increase and in the east an 8.5 percent increase. However, consumer prices rose by 14.7 percent during this period. The reduction in real wages is marked. If one considers that workers and all low-income earners suffer particularly from the price explosion for petrol, heating and rents, then the disparity is even greater.

Workers bear the full burden of the pro-war policy, the energy crisis and inflation.

The disparity in the construction industry has also been confirmed by the head of collective bargaining policy at the trade union-backed Hans Böckler Foundation, Prof. Dr Thorsten Schulten. According to him, in February 2024, the construction industry was one of the "sectors with significantly below-average pay increases" and a "considerable need to catch up." In this sector, "the most recently concluded collective wage agreements date back to the time before the significant increase in inflation rates." wrote Schulten.

At the same time, the construction industry has been booming over the last seven years. The Federal Chairman BAU. Robert Feiger, told business weekly WirtschaftsWoche, "Construction companies have made excellent profits in the last six or seven years. And the construction industry as a whole is also doing well now. Yes, there is a small dip in new residential construction, but we have an excellent economic situation in transport infrastructure construction and bridge building, for example. What's more, new residential construction only accounts for 30 percent of residential construction."

At the end of April, after three failed rounds of negotiations, an arbitration settlement for a new collective agreement was presented. The arbitrator was Dr. Rainer Schlegel, a judge and former president of the Federal Social Court. His arbitration award provided for a monthly increase of €250 in collective wages for all employees from May. After eleven months, 4.15 percent was to be added in the west and 4.95 percent in the east.

IG BAU accepted this decision, although it would not have come close to compensating for the years of real wage reductions in the construction industry.

Most building contractors had also already accepted the decision. But on May 3, the Federation of the German

Construction Industry and the Central Association of the German Construction Industry (ZDB) nevertheless rejected it. While the construction industry accepted the result, the building trade failed to agree. The ZDB had set itself a quota of 85 percent, but only 82 percent of the building trade and craft businesses agreed. The arbitration was therefore declared a failure.

The current strike is a reaction to this situation and contains huge social explosiveness. The construction industry currently employs up to one million people, 800,000 in western Germany and 200,000 in eastern Germany, and the mood is ready for a fight.

Many large construction sites are characterised by confusing subcontractor arrangements. Time and again, immigrant workers from Eastern Europe, Turkey or other countries are cheated out of wages that are already far too low. If they try take legal action, it often emerges that the subsidiaries or subcontractors that hired them are now insolvent or have disappeared completely.

Construction workers are immensely dissatisfied. They have not received any wage increase for the whole of the last year 2023, even though they undertake hard physical labour in all weathers. In the main construction industry, more than 80 per cent of workers toil for well over 40 hours a week, despite a contractually agreed working week of 39.8 hours. In summer, daily working time of 10 hours are not uncommon, the six-day week is also commonplace and overtime bonuses are not always paid.

This section of the working class has an important role to play in the fight against wage theft, speed-ups and exploitation. They are not only confronted with the building conglomerates and the property speculators and shareholders behind them. They are also confronted with a coalition government in Berlin, which is placing everything on a war footing. In its 2024 budget, the government has initiated a social reversal: While defence spending is exploding, funding for the Ministry of Housing, Urban Development and Construction has been cut by 5 percent despite the catastrophic situation on the housing market.

Construction workers can count on the sympathy of the entire working class in their struggle, and especially on the support of workers in other European countries with whom they have many personal connections. This is because construction crews are often international in composition. To do this, however, construction workers must unite in action committees that act independently of the IG BAU apparatus.

The entire leadership of IG BAU is closely linked to the

government and the construction companies. IG BAU boss Robert Feiger is a member of the Social Democrats (SPD), as was his predecessor Klaus Wiesehügel. Today, IG BAU has around 220,000 members, including not only construction workers, but also those in building cleaning and waste collection, disposal and recycling.

In the last 30 years, the construction union has lost over two thirds of its members. Its predecessor organisation, Bau-Steine-Erden, had over 720,000 members in the west alone. IG BAU is not only seen as conservative and loyal to the government, but its leaders also support its pro-war policies. Many IG BAU executive committee members are respectable supervisory board members of large construction companies, such as Carsten Burckhardt, who sits on the supervisory board of Hochtief AG together with his fellow board member Nicole Simons, or Ulrike Laux, deputy chairwoman of the supervisory board of the WISAG holding company Aveco.

IG BAU agreed to the arbitrator's decision out of consideration for the economy. "The compromise would have demanded a lot from us too," admitted IG BAU boss Feiger, "but we were aware of our responsibility to society as a whole. Now it is not us, IG BAU, who are responsible for the strike, but the construction companies themselves." However, IG BAU is still not initiating a ballot to organise a nationwide wage strike but has only expressly called for "selective warning strikes."

IG BAU will do everything in its power to avoid an allout strike. It will grasp at the first opportunity to stall the strike. As reported by *Der Spiegel*, several employers now want to voluntarily increase workers' wages: "The German Construction Industry Federation (HDB) and the ZDB have proposed a five percent increase in the west and a six per cent increase in the east," it says. If the strike is left to IG BAU, the union will utilise such an opportunity as quickly as possible and sell out the strike.



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