The Impacts of Women’s Linkage on Trade Unions in Germany

Actions by Women to Tackle the Gender Pay Gap

by

Masako YUKI*

Abstract

This study explores new possibilities and future issues of union movements, shedding light on women’s linkages within and outside trade unions. By documenting a case of the Women’s Department within a national center in Germany, the German Trade Union Federation (DGB), we can see how the “gender pay gap” issue was tackled in Germany in 2008 and 2009.

Women, in a concerted effort took various actions that can be assessed as a success, particularly in the sense that it rendered the gender pay gap issue visible and appealed to the general public. This paper investigates the implications such collective action had on women’s movements and on trade unions: 1) a series of challenging actions to confront head on the gender pay gap certainly motivated women themselves to raise their voices in their pursuit for their own rights as the main agents, 2) it remains to be vital for the DGB Women’s Department to join hands with women’s groups outside unions, and also to exert pressure on male unionists to change their way of thinking, 3) Trade unions’ measures for the closing of the gender pay gap is to realize gender-equal collective agreements.

Gender mainstreaming in Germany should be implemented as soon as possible as part of the measures for collective agreements in order to remove the stigma as a nation with the third widest gender pay gap.

Key Words: trade unions, women’s movements, Germany, gender pay gap, DGB

1. INTRODUCTION

The study aims to explore new possibilities and future issues of union movements, shedding
light on women’s linkages within and outside existing trade unions and their organic networking. Given the on-going drop in union membership and the quiescence of women’s movements, it is of prime significance for women’s organizations having relatively large memberships to join hands to further women’s movements in a way that raises the visibility of women’s issues in German society. Noting a previous lack of integration between women’s movements and labor movements in the U.S., D. S. Cobble reiterates the importance of labor feminism, the term she uses to refer to this integration (Cobble 2004; Yuki 2009).

Today the title of my presentation is “A New Movement to Regenerate Trade Unions in Germany—The Impacts of Women’s Linkage on Trade Unions.” Before going into the main topic, I will first present background information on the situation of German unions and women; then I will describe German women’s effort-making to tackle this “gender pay gap” issue, particularly in 2008 and 2009. On this basis, I will explore the impacts of women’s movements upon trade unions. Finally I will conclude my talk with roadmaps for the revival of German trade unions.

The study centers on the German Trade Union Federation, or DGB, Germany’s largest national center and umbrella organization comprised of eight individual unions organized by the industry; it draws on the first-hand materials published by the DGB and women’s groups in Germany, as well as my face-to-face interviews with some members of women’s organizations.

2. THE CURRENT SITUATION IN GERMANY

As is well-known, in Germany, following the principle of collective bargaining autonomy, collective agreements, which are inherent in the German industrial relations, are concluded between employers’ associations and trade unions. However, union membership rates are on the constant decline. As of 2008, the union membership was 6.4 billion, a loss of 46% over the figure after the German reunification. While the union membership rate for women is extremely low at approximately 15% of all female employees, DGB women members account for 32% of all DGB members. As more companies are withdrawing from employers’ associations and more workers fail to be covered by collective agreements, the number of both business
The Impacts of Women’s Linkage on Trade Unions in Germany

Establishments and workers where collective agreements may be applied tend to decline. Collective agreements, which had been the basis for instrumental Germany’s industrial relations and thus instrumental in ensuring workers’ protection, are now in the state of dysfunction. There have been criticisms of German trade unions and industrial relations from diverse viewpoints, including the demise of the “German model” of industrial relations (Schroeder and Weßels 2003; Hoffman 2006), which have stoked the present intense discussion on the possible introduction of regulations on minimum wages.

Within EU, since the mid-1990s, the fiscal stringency in terms of social security-related expenditures covering unemployment benefits and social aid stemming from a growth of the unemployed has been dramatically turning the course of EU’s welfare nations that had hitherto been characterized by protection of workers and welfare expansion ascribed as social Europe into the one that puts emphasis on employment. The catchphrases “From welfare to work” and “Making work pay” express the essence of this policy turnaround. The EES, which had been in effect since 1998, can be deemed as the EU’s employment policy that mirrors this major turnaround. In March 2003, the Commission declared “full employment” and set the relevant numerical targets for the employment rate overall at 70% and for women at 60% to be achieved by 2010 (EU 2003). Subsequently, in July 2003 amid the second phase of the EES, new employment guidelines to be achieved by the target year 2010 were formulated with the three overall objectives in mind: sustainable economic growth, improvement in the quality and productivity at work, and reinforcement of social cohesion. The guidelines provide that Member States are to encourage female labor market participation and achieve a substantial reduction in gender gaps in employment rates, unemployment rates, and pay by 2010. In particular, the elimination of the gender pay gap is stressed, which may be achieved by addressing sectoral and occupational segregation, education and training, job classifications and pay systems. The guidelines again point out the crucial role of social partners, as they are directly involved in these factors (EU Council 2003).

Now, let us overview the present situation of German women. In 2005, German women’s employment rate surpassed 60%, which is the numerical target set by the European Employment Strategy (EES). Yet in reality, the employment relationships women are in remain “precarious”
and insecure, and their deleterious aspects are shown up in the form of gender pay gaps.

Among all the 30 OECD member countries, the gender pay gap in the median earnings of full-time employees in Germany is the third largest following Korea and Japan (OECD 2007: 62) (Fig.1). The 22% of the gender pay gap in Germany is greater than the EU average (estimate) of 15% (Commission of the European Communities 2007: 18–19). As such, the gender pay gap came to be highlighted as one of the top-priority issues.

Among the principal factors of the gender wage gap often cited in the literature are vertical and horizontal segregation which represents women’s generally low educational standards and the resulting difficulty in finding a job requiring high qualifications as well as the concentration of women workers in typically low-wage traditional “women’s jobs” and hence limited chances of promotion; a growing number of women in non-regular employment, including part-time work and more recently mini-jobs; and more frequent career breaks taken by women than men to balance work and family life. So far the German government and social partners have adopted...
The Impacts of Women’s Linkage on Trade Unions in Germany

wide-ranging measures: facilitating women’s promotion to managerial positions; launching the “Girls’ Day” campaign with the objective of expanding the spectrum of school girls’ career options especially in technical fields; and expanding childcare leave programs to men. Despite such efforts and the outstanding improvement of women’s educational attainment almost level with men’s, the gender pay gap issue continues to afflict German society as an intractable issue.

One main factor of the gender pay gap often cited in the literature is vertical and horizontal segregation. Another major factor of the pay gap is that a growing number of women are in non-regular employment, including part-time work and more recently “mini-jobs.” This point needs some explanation. During the 2nd term Schröder administration (SPD) between fall 2002 and fall 2005, Germany reformed the labor market to speedily incorporate the unemployed and downgraded workers’ safety nets through the remodeling of the social security system, commonly referred to as the “Hartz Reform.” (the Hartz I–IV Laws) The “Hartz Reform” came under sharp attack, including the fact that it resulted in the expansion of a new form of non-regular employment called “mini-jobs,” low-wage jobs with salaries below EUR 400 per month. Hartz II took advantage of mini-jobs, which had previously been available but very small in number, as a means of enforcing the employment policy to raise employment rates and thereby promote social cohesion. Because of “exemptions” from social security and pension contributions, mini-jobs are easily “accessible” to workers, which in turn expanded employment opportunities. However, the policy manipulation to attract the working population to such precarious and insecure mini-jobs forced women to take on low-wage jobs, in which workers would likely face difficulties in sustaining their standard of living. In this respect, the concepts behind the Hartz Laws run counter to those of gender mainstreaming as long as they seek to preserve the image of the traditional family consisting of a “husband as the main male breadwinner” plus a “wife working to supplement the family budget” (Kurz-Sherf 2002: 88–89). They are also fraught with problems from the viewpoint of reduction of the gender pay gap, since most of these low-wage jobs are not covered by collective agreements.

This “Hartz Reform” led to negative consequences for female workers by increasing the already high rate of non-regular workers among women, as you can see in this table showing the number of part-timers (Tab. 1) and this graph showing the number of mini-jobs (Fig. 2).
Masako YUKI

Tab. 1 Incidence and Composition of Part-time Employment

Percentages

<table>
<thead>
<tr>
<th></th>
<th>Part-time employment as a proportion of total employment</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>3.0</td>
<td>6.3</td>
<td>7.4</td>
<td>7.6</td>
<td>7.9</td>
<td>28.0</td>
<td>37.0</td>
<td>39.4</td>
<td>39.1</td>
<td>39.2</td>
<td></td>
</tr>
<tr>
<td>Total OECD</td>
<td>5.7</td>
<td>7.3</td>
<td>7.3</td>
<td>7.4</td>
<td>7.5</td>
<td>21.5</td>
<td>25.4</td>
<td>25.4</td>
<td>25.1</td>
<td>25.3</td>
<td></td>
</tr>
</tbody>
</table>

Source: OECD 2008: 351

Fig. 2 Growth of Mini-Jobs in Germany

True that these reforms did help Germany to achieve the EU’s target for women’s employment rate, but we should also say they also had led to negative repercussions for female workers by increasing the already high rate of non-regular workers among women and lowering the quality of female labor considerably.

Previously, trade unions had not paid much attention to the issue of non-regular employment (Yuki 2000), which is predominantly held by women and hence is one of the causes for the gender pay gap. The issues of non-regular employment and the gender pay gap had been addressed only by the DGB Women’s Department, but because of the lack of women’s power within the DGB and the lack of concern with gender issues within the main body of the DGB,
The Impacts of Women’s Linkage on Trade Unions in Germany

the issue had never been put on the top-priority agenda of the DGB as a whole (Yuki 2008).

Similarly, social situations surrounding the gender pay gap were not favorable. There was overall lack of sufficient interests in the issue. For one thing, the government officials and employers took it for granted that if effective measures were to be implemented as part of family support programs, the problems of lack of women’s career chances and the gender pay gap would be automatically solved. Meanwhile, both unions and employers tended to avoid the issue of the gender pay gap, each claiming that it should be handled by the other.

In this background, women unionists and women outside unions began to raise their voices. My talk today will focus on a campaign initiated in 2008 by the DGB Women’s Department to tackle the gender pay gap.

A drop in unionization rates as I mentioned previously suggests that unions have completely lost their luster for the majority of workers in Germany. But it is also true that German trade unions still exert considerable influences upon the German industrial relations and the protection of workers. With this in mind, I will attempt to seek alternative ways for German trade unions to regenerate themselves by attaching importance to the impact of women’s movements on trade unions, specifically linkages of women inside and outside unions.

3. WOMEN’S EFFORT-MAKING — Women’s Diverse Activism

3-1 Women’s activities in 2008

Deeply concerned over the critical situation surrounding women, women stood up to raise their voice against the “gender pay gap” in the spring of 2008, which took shape as two campaigns, namely the “Equal Pay Day” and “Ich bin mehr wert” (I am more valuable). I will focus on the latter one.

3-1-1 “Equal Pay Day” and the “Red Purse Campaign”: BPW

The Equal Pay Day campaign was led by Business and Professional Women-Germany (BPW)—a national organization of professional women established in 1951 consisting of 38 clubs and 1,759 members—with the objective of exposing the “gender pay gap” issue to the general
Reflecting on overall lack of sufficient interests in the issue in Germany in the past despite the public’s awareness of the problem, BPW staged action to provide a space for open-end discussions through the mobilization of women. BPW introduced the “Equal Pay Day” campaign into Germany already in 2007 as one of the events of the European year of equal opportunities, importing the idea from the “Red Purse Campaign” initiated by the American Business and Professional Women in 1988. The official “first” “Equal Pay Day” Campaign was conducted in the following year on April 15, 2008, with supports by the Federal Ministry for Families, Seniors, Women and Youth (BMFSFJ) and the German Women’s Council (Deutscher Frauenrat, DF), a national council organized in 1951 of more than fifty nationwide women’s associations and organizations with a membership of 1.1 million, and other women’s groups.

In one of the biggest events known as the “Red Purse Campaign”, which originated from the campaign initiated by the American Business and Professional Women in 1988, the organizers distributed red bags in 31 cities within Germany to the participants to raise the awareness of the problem among the general public. In particular, this campaign sought to call the following facts to attention: Women in Germany on the “Equal Pay Day” earned as much as men on December 31, 2007; the income difference is a national economic disaster; less wage also means less money for families, social protection, pension, investments and less tax revenue; and women often work part time, in badly paid industries, in small companies and are even paid worse in the same company; and due to family breaks, women have worse career chances and miss out on promotion (Schleicher 2008: 2). Incidentally, the color red served as a means to take note of the “red figures” in the purses of women.

3-1-2 “Ich Bin Mehr Wert”: DGB Women’s Dept.

Another campaign “Ich bin mehr wert” (I am more valuable) was launched in Munich under the initiatives of the DGB Women’s Department, together with the DGB’s eight umbrella industrial unions on March 8, 2008, which is celebrated as the International Women’s Day. Apparently, this campaign is not attributed to the sole effort of the DGB Women’s Department. In response to their call for action, a total of six women’s groups joined the move and united themselves to be known as “Frauenbündnis”. They include DF, BPW, and other groups of women professionals, like journalists, medical practitioners, and scholars.
According to the Director of the DGB Women’s Department, all these women’s groups are the member associations of DF, but until then, they had been addressing the gender pay gap issue independently from other women’s groups. They realized the importance of building linkages in order to bring a huge surge of concern within Germany. During this campaign, which lasted one year, and was fully funded by the DGB (which totaled 2,000 euro), the DGB Women’s Department under its own initiatives carried out various activities across Germany, receiving support from women’s groups in each venue.

The campaign was aimed at appealing to the public: 1) the necessity of work-life balance and 2) more career chances for women, and 3) the closing of the gender pay gap (DGB 2008a: 10–11). In the view of the DGB Women’s Department, closing the gender pay gap was and is one of the most important pillars of gender equality policies. The Department placed the gender pay gap issue on the top-priority agenda because in politics, emphasis was more on family policies, whereas gender equality policies were relegated to the background and, more importantly, labor issues had been insufficiently discussed. In November 2005, Angela Merkel (CDU) took office as Germany’s first female Chancellor. “With the emergence of a female chancellor, people heightened expectations for progress in gender equality policies. But Chancellor Merkel was not necessarily committed to implementing gender equality policies. BMFSFJ Minister Ursula von der Leyen put greater emphasis on family policies and expanded programs to support work-life balance but not necessarily integrated the perspective of gender equality.” “Measures for balancing work and family are undoubtedly essential. The problem is that government officials and employers take it for granted that if those measures are effectively implemented as part of family support programs, the problems of lack of women’s career chances and the gender pay gap are automatically solved.” An increase in the employment rates for women after the Hartz Reform was offset by the downgrade of women’s labor, thereby triggering an increase in the number of women in precarious employment relationships. The gender pay gap is rather avoided by both unions and employers, each claiming that it should be handled by the other. So it was the Department’s mission to politicize the gender pay gap issue and to exert political pressure on employers and more importantly on unions from all sides to tackle the issue through the linkages of women.
The main activities for this campaign included dissemination of flyers, launching of a new website, and holding of events to increase women's activism. The event organizers utilized a variety of image-driven strategies. Here I will take up two events as examples. One is the 78 euro action, in which the organizers printed “78-euro bills” imitating 100-euro bills as campaign goods to underline the fact that on average, women’s wage was 22% less than that of men’s (Fig. 3).

Then in what they called the “moustache action”, the participants put on false moustaches and marched in the city, distributing postcards which are printed with such messages: “With this moustache on, am I able to earn 22% more?”, “With this moustache on, am I able to build my career while raising my kids?”, and “With this moustache on, am I allowed to sit in the bosses’ chair?” (Fig. 4)
Women’s Activities in 2009

Now let me move on to women’s activities in 2009. Women’s activities in March 2009 onwards developed into another big surge which gained the involvement of economic organizations known as Germany’s “national united action of the Equal Pay Day.” DF and BPW are again participating in this action, with the following first-time participants: One is the Association of Women in Local Governments. Two economic organizations also participated. One is a group of female entrepreneurs named vdu, and the other is the Confederation of German Employers’ Associations (BDA), which functions as a representative body of German employers. This time, the DGB is not participating in the action as a body but instead merely supporting it, since the Director of the DGB Women’s Department also serves a double role as the DF’s vice president.

Another reason for DGB’s non-participation, according to the Director of the DGB Women’s Dept., is that the DGB and BDA have different views toward discrimination against women. The DGB realizes that women are being discriminated in their working life, whereas the BDA contends that there exists no discrimination against women in the field of employment. In such a case, the DGB Women’s Department, having keenly perceived the need to “retain its unique status as a trade union and its mission to independently address the closing of the gender pay gap,” is publicizing its views at its newly launched website “Entgeltsgleichheit,” meaning pay equity.

4. THE IMPACTS OF WOMEN’S MOVEMENTS UPON TRADE UNIONS

4-1 Implications for Women and Trade Unions

From what we have discussed so far, the campaign “I am more valuable,” in which women in their concerted efforts moved into action, can be assessed as a success, particularly in the sense that it rendered the gender pay gap issue visible and appealed to the general public through its wide exposure to the media.

4-1-1 Implications for Women

Now what implications did such women’s collective action have on women’s movements and, furthermore, on trade unions? I would say that at this point it is too early to answer this
question. What I can do here is to provide my vision for linkages among women in and outside unions, that is, collaboration of labor movements and women’s movements, which is suggestive of a new wave of women’s movements soon to be coming to upturn the present ebb tide. A series of women’s challenging actions to confront head on the gender pay gap, which had not shown any sign of reduction for a long time. This series of actions certainly motivated women themselves to raise their voices in their pursuit for their own rights as the main agents. These actions aroused working women’s consciousness of their rights and made women unionists a visible presence in society, which would certainly encourage more women to join unions to actively work together to solve the problems they are facing.

4-1-2 Implications for Trade Unions
My second question is: how would the achievements of the campaign be reflected in the policies of trade unions? In my view, such women’s movements in Germany have potentials to change. That is, they could generate a positive impact not only upon the government and employers but also on trade unions in a significant way. Male unionists still espouse the outdated image of gender. It used to be said that men should protect men themselves as breadwinners so women’s work should be just enough to supplement the family budget. To refute such men’s belief is no mean feat. According to the Director of the DGB Women’s Dept., the reality is that male unionists, including the members of the collective bargaining commission, “believe” that collective agreements are free from discriminatory elements, let alone the gender pay gap. Therefore, it remains to be vital for the DGB Women’s Department to join hands with women’s groups outside unions, such as DF, and also to exert pressure on those men to change their way of thinking.

4-2 Trade Unions’ Measures for the Closing of the Gender Pay Gap
The next question I would like to consider is this. What would be the feasible plan of action that trade unions could carry out now to minimize the gender pay gap? One is to overhaul collective agreements, which constitute the foundations of trade unions. The second is to lobby for the legislation of the Equal Treatment Law for the elimination of discrimination at private companies, as well as the Minimum Wage Law. In the rest of this section, I will concentrate on the first point and examine trade unions’ measures and the remaining issues, particularly with
The Impacts of Women’s Linkage on Trade Unions in Germany

respect to collective agreements.

As early as in the beginning of the 1950s, trade unions abolished the women-only category “Leichtlohngruppe” categorized under the wage system. However, the issue was left intact until the 2000s when the trade unions began the reform of collective agreements. Even then, since the collective agreements had not been reviewed from the perspectives of gender equality “for decades,” it was only a handful of industrial unions, like IG-Metall and ver.di, that did embark on the development and adoption of gender discrimination-free collective agreements and as a matter of fact, there has been no major progress in this move.

As a first step to realize gender-equal collective agreements, the DGB Women’s Department is determined to check the elements that constitute collective agreements, to identify those jobs which are not evaluated by these collective agreements, and to re-examine how women are categorized within the wage system at the level of business establishments. It is essential to appoint more women as collective bargaining commission members to take part in collective bargaining and to garner extensive support from the Women’s Department and the Collective Agreements Department within each industrial union (DGB 2008b).

5. CONCLUSION

While the DGB Women’s Department is playing a pivotal role as a department in charge of women’s/gender policies to narrow the gender pay gap, it is all too evident that the reform of a system of collective agreements cannot be achieved by the sole efforts of the Department. Although there have been no remarkable improvements in spite of the introduction of gender mainstreaming through the reform of DGB’s basic principles in 1997 and then its Bylaws in 2002 (Yuki 2008), gender mainstreaming should be implemented as soon as possible as part of the measures for collective agreements in order to remove the stigma as a nation with the third widest gender pay gap. Not only the Women’s Department, but also the main body of the DGB should proactively get involved in this move, as the DGB is not participating in the on-going “united action” in 2009 and is determined to follow its independent path.
Masako YUKI

Trade unions can no longer avoid the problems of non-regular employment as well as gender issues; without the ability to properly handle these problems, trade unions will certainly end up representing only male regular workers. By earnestly committing itself to gender issues, the DGB would very likely exert beneficial influences on member unions in the European Trade Union Confederation (ETUC), because the DGB continues to show a strong presence in ETUC.

Notes

2 http://www.dgb.de/dgb/mitgliederzahlen/index_html
3 http://ec.europa.eu/employment_social/employment_strategy/index_en.htm
4 http://www.bpw-germany.de/
6 Based on the author’s interview with the director of the DGB Women’s Department (henceforth, Director W) in Berlin on Feb. 26, 2009.
7 Based on the author’s interview with Director W in Berlin on Sept. 9, 2008.
8 Based on the author’s interview with Director W in Berlin on March 11, 2008.
9 Based on the author’s interview with Director W in Berlin on Sept. 9, 2008.
11 Bundesarbeitsgemeinschaft kommunaler frauen Büros
12 Verband Deutscher Unternehmerinnen
13 http://www.englertaehlichkeit.de/
14 Based on the author’s interview with Director W in Berlin on Feb. 26, 2009.
15 Based on the author’s interview with Director W in Berlin on Sept. 9, 2008.
16 Based on the author’s interview with Director W in Berlin on Sept. 9, 2008.
17 Based on the author’s interview with Director W in Berlin on March 11, 2008.

References

Commission of the European Communities (2007) “Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the
The Impacts of Women’s Linkage on Trade Unions in Germany

Regions, Tackling the pay gap between women and men”, Brussels: Commission of the European Communities.

Deutsche Rentenversicherung Knappschaft-Bahn-See / Minijob-Zentrale, 2003–2009
DGB 2008a, Frau Gehst Vor, Info-Brief 1/08, Berlin: DGB Bundesvorstand, Gleichstellungs- und Frauenpolitik.
DGB 2008b, Positionspapier zur Entgeltdifferenz zwischen Frauen und Männern, Gender Pay Gap, Beschlossen vom Bundesfrauenausschuss am 17.04.08, Berlin, DGB Bundesvorstand, Bereich Gleichstellungs- und Frauenpolitik.


Schleicher, Bettina. 2008, “In pursuit of more fairness of remuneration in Germany”, BPW Germany e.V.


Remarks

This paper is based on the oral Presentation, titled “A New Movement to Regenerate Trade Unions in Germany—The Impacts of Women’s Linkage on Trade Unions—” at the IIRA 2009, Track 2: “Voice and Representation at Work” in Sydney on August 28, 2009.
Acknowledgments

This study is supported by the Grants-in-Aid for Scientific Research (C) 20510253 in charge of the Ministry of Education, Culture, Sports, Science and Technology, Japan. I would like to express my sincere gratitude to my interviewee for providing me with her insightful comments along with detailed information.