

The German ground handling sector: Alignment of company level agreements to reach a sectoral agreement

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“These nationwide coordinated strikes in 2023 succeeded in completely shutting down the airports, this shows our power when we act together at all German airports at the same time” (Sven Bergelin 2023, Head of ver.di Civil Aviation)

Liberalisation, staff shortages and fierce competition have led to a serious deterioration in working conditions in the ground handling sector in Germany. Ver.di's analysis was clear: the solution was a **sectoral collective agreement** that would set a floor for working conditions at all airports across Germany. To achieve this, they devised a long-term strategy from 2014, focusing first on strengthening company agreements. This alone led to pay rises of up to 26% in 2022. But Ver.di went further and next **aligned company bargaining rounds** so that all negotiations take place at the same time. Simultaneous bargaining allows for simultaneous action, and so in 2023 there were synchronised strikes at 7 airports. This unseen action provoked a large-scale shutdown of air traffic and strengthened the negotiations for a sectoral agreement.

In this way, German ground handling workers were able to 'level up' their negotiations and establish sectoral bargaining. This example shows the importance of a long-term strategy, the establishment of an employers' organisation, a soft start to negotiations, linking issues to wider issues and, above all, good coordination across the sector to achieve a sectoral agreement. With nationwide coordinated action and the alignment of the 40 different company agreements, Ver.di made the decisive difference in building up pressure.

Groundhandling Sector in Germany – Why sectoral bargaining?

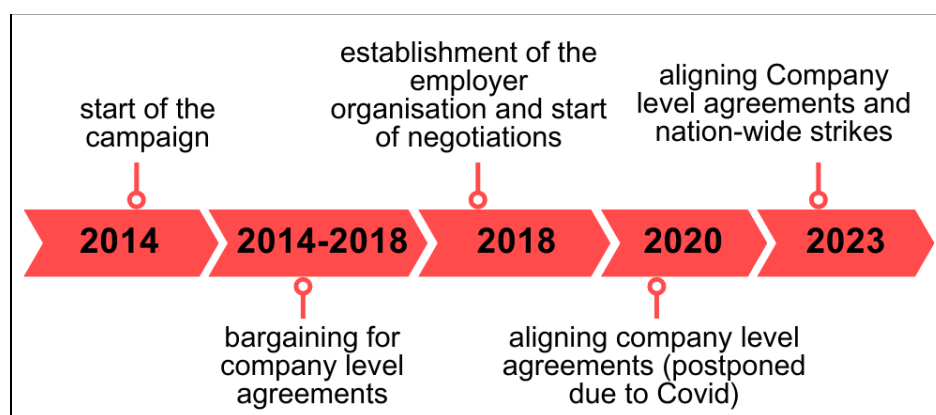
“A sectoral agreement is essential to put an end to the massive wage dumping in the sector and to achieve minimum agreements” (Robert Hengster, Ver.di, Head of ver.di Civil Aviation until 2019).

The ground handling sector includes various types of work such as baggage handling, refuelling, passenger check-in or boarding. There used to be a sectoral collective agreement, the Public Service Collective Agreement (TVöD). But in the 1990s, EU liberalisation and deregulation of the sector led to large parts being privatised and/or outsourced. Since then, the coverage of collective agreements has declined. Because of the fragmented corporate landscape, German airports can now be described as prototypes of fragmented work (Tullius and Wolf, 2023).

Today, there are around 30,000 workers in the German ground handling sector, most of whom are covered by company agreements. Although the number of passengers has increased significantly (about 42%) between 2006 and 2019, the number of workers has remained more or less the same. About 20% of the workforce lost their jobs during the pandemic and now that they're needed again, thousands of vacancies remain. About 30% of incomes are reported to be lower than in previous agreements, although profits are increasing. As a result, workers face overwork, work intensification and stress.

Faced with this situation of social dumping and poor working conditions, the bargaining committees and works council members discussed with Ver.di how to change it and agreed that the best way to improve working conditions for all was to merge the different company agreements. So when Ver.di launched the campaign "Damit Fliegen sicher bleibt" ("So that flying remains safe") in 2014, it was clear that the aim was to achieve a sectoral agreement. The campaign included four main stages: A nationwide survey in 2014, the implementation of company-level agreements between 2014 and 2018, the establishment of an employer organisation and the start of negotiations in 2018, and the alignment of the agreements in 2020 and 2023.

Step by Step: Building up the campaign "Damit Fliegen sicher bleibt"



Nation-wide Survey and Bargaining for Company Level Agreements

In 2014, Ver.di launched the "So that flying remains safe" campaign after organising a nationwide survey of almost all ground handling companies in Germany, collecting responses from around 2,000 workers. Of these, 83% complained about working in the ground handling sector and said that the pay was simply not enough to make a decent living. The campaign's first step was to strengthen local organising and collective bargaining. As a result, between 2014 and 2018, Ver.di negotiated company agreements in every company where there was no agreement. Through various organising campaigns, union density has risen to around 55% today. The plan was to first cover the whole sector with company agreements and then move on to the next level of bargaining for a sectoral agreement. Having achieved this important milestone over the years, Ver.di put pressure on all private employers to set up an employers'

organisation (the airports are members of the Association of Public Employers - VKA) - a prerequisite for sectoral bargaining.

Establishing a new employer organisation and beginning of negotiations

Without an employers' organisation, there's no sectoral bargaining. In the public sector, the VKA (*Vereinigung Kommunaler Arbeitgeber*) was the employers' organisation with which Ver.di could negotiate, but in the private sector there was no employers' organisation. That's why Ver.di focused on the employers' organisation once the company level agreements had been reached.

Ver.di used mass risk reports and coordinated the sending of these to the employers to make it clear that there were serious structural health and safety risks for both workers and passengers under these working conditions and that the demand for a sectoral collective agreement was therefore the logical response for both sides. Ver.di also used the risk reports to link working conditions to passenger safety.

For **Sven Bergelin**, these mass risk reports were an important reason for the employers to set up the employers' organisation of private ground handling companies, ABL (*Arbeitgeberverband der Bodenabfertigungsdienstleister im Luftverkehr e.V.*), and to start negotiations on a sectoral agreement:

"The campaign had a significant impact on the establishment of this employers' association, which enabled us to start negotiations in 2018." (**Sven Bergelin**)

As a result, Ver.di and the employers' organisations began negotiations. To this end, Ver.di and ground handling workers from across the country set up the structure for the negotiations, a national bargaining committee. In the negotiations, Ver.di started with the more consensual issues, such as notice periods, and then moved on to the more contentious issues, such as working hours. This was important because of the complexity of combining 40 different company agreements and to convince employers of the possibility and benefits of a sectoral agreement.

Aligning the company agreements and nation-wide strikes

But the real change came from outside the negotiating room. In order to put pressure on the negotiations, Ver.di coordinated the different (company-level) bargaining rounds and made them coincide with the ongoing sectoral bargaining. If only one company in the ground handling sector goes on strike, the airports can continue to operate relatively normally because they use other companies to carry out the work. **Sven Bergelin** gives an example from Munich airport *"In the past, Swissport Losch in Munich, for example, tried to handle flights via Aero Ground or other service providers at Munich Airport."*

Coordination is needed to create real pressure. The aim was therefore to organise a national strike covering all workers in different ground handling companies. But because of the existing

company agreements, Ver.di wasn't allowed to strike for a sectoral agreement¹. That's why they used the strategy of aligning the company agreements, i.e. letting them all expire/cancel at the same time, so that all workers could go on strike at the same time and use the time to fight for better working conditions in the collective agreements and at the same time put pressure on the employers for a sectoral collective agreement: *"All ground handling service collective agreements were terminable as of 31 August 2020, so that we could strike together with our colleagues at the airports."* (Sven Bergelin)

However, due to the pandemic and the enormous short-time working of ground handling staff, negotiations on a sectoral agreement were suspended and Ver.di postponed the planned joint strikes until spring 2023. This time, Ver.di again cancelled the company collective agreements. This meant that ground handling companies at different locations were ready to strike at the same time. They went even further, not only aligning the ground handling agreements, but also the TVöD and the air security collective agreement, which meant that airport firefighters and security staff could also strike, putting even more pressure on the airports. When Ver.di announced its intention to strike in the spring, the airports immediately announced the suspension of operations. Finally, on 17 February, ground handling workers stopped work at 7 airports simultaneously. This was a historic show of strength by the workers compared to previous strikes at individual locations. The success can also be measured in the increased interest of the employers to negotiate a general industry agreement that would standardise conditions and regulations. Negotiations are now close to a possible conclusion.

The coordinated airport strike even led to a more general transport infrastructure strike, as at the end of March Ver.di and the rail union EVG (Eisenbahn- und Verkehrsgewerkschaft) agreed to strike simultaneously on the railways, public transport and airports: *"The 27 March was historic. We managed to organise a complete infrastructure strike, including air traffic, ground handling, public transport and the railways."* (Sven Bergelin)

Results: High salary increases and the possibility of a sectoral collective agreement

The improved local bargaining, the coordinated strikes and the context of extreme staff shortages produced clear results. Workers won pay increases of up to 26% at several sites in the summer of 2022. The simultaneous cancellation of the collective agreements by Ver.di at the end of 2022 was the next important step for the progress of the sectoral negotiations, which could lead to the implementation of the sectoral collective agreement at the end of 2023.

The **key success** factor was clearly the coordination and alignment of the 40 company agreements. Only with a nationally coordinated strategy was Ver.di able to exert enough pressure on the employers to set up an employers' organisation in the first place and then to negotiate the industry agreement. The strikes in the spring of 2023 were the culmination of the campaign that Ver.di and ground handling workers had built up over years.

¹ According to German law, you're allowed to strike only within bargaining rounds. Because the company agreements existed, Ver.di wasn't allowed to go on strike for a sectoral agreement between the bargaining rounds for the company agreements.

Apart from that, we think there are at least five other lessons to be learnt from the campaign to (re)establish sectoral agreements:

- First, a long-term strategy is crucial, but must be combined with sufficient flexibility. After all, the campaign will last up to ten years, including a highly disruptive pandemic. Sectoral negotiations cannot be set up overnight.
- Secondly, in order to enter into negotiations, unions need a strong base, in this case a strong level of organisation and company agreements. Such a base requires organising and the patience to build it before moving on to the next stage.
- Thirdly, for sectoral bargaining you need a partner on the other side of the table, an employers' organisation. If this partner does not exist, it has to be created, if necessary with pressure from the trade union side.
- Fourthly, trust needs to be built between the negotiators in the negotiating room. This can be developed by focusing on consensual and softer issues first, before moving on to the more contentious ones.
- Last but not least, the campaign linked trade union issues to wider societal and consumer concerns about passenger safety, and backed up these claims with plenty of evidence and reports.

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