

Agreement reached in North Rhine-Westphalia

With the collective agreement "Future in work" (Zukunft in Arbeit ZiA) IG Metall North Rhine-Westphalia (NRW) improved protection against redundancies and the employment of young workers on completion of their apprenticeship. Furthermore an agreement on wage increase was reached.

After negotiating for 12 hours the agreement was achieved in the early morning of the 18th of February.

This agreement is an excellent instrument to bridge both the decrease in production and to avoid redundancies until the middle of 2012.

The reasons for the new agreement are:

- Statutory short-time working is the best option for the affected workers in terms of payment, but with a limited duration, so that a lot of the affected companies could reach the end of the use of this instrument in the second half of 2010.
- The use of statutory short-time working could push companies to their financial limit due to the residual costs.
- Reduction of working time without wage compensation (old collective agreement for secure employment) causes extreme difficulties for the workers.
- Need for new instruments to get us through the crisis.

The elements of this agreement are as follows:

The new collective agreement "Future in work" can be adopted by a voluntarily company agreement in companies which have been in short-time working for at least 12 months. When a company is in statutory short-time working redundancies are not allowed.

In the first phase of the so called "ZiA Short-time working", which lasts at least six months the Christmas and holiday bonuses will be divided into twelve parts and added to the monthly income. The short-time allowance increases in this way and at the same time the residual costs for the employers decrease, because they then only pay the share of the bonuses relative to number of hours worked

In the second phase of a further six months, a reduction of working time with a part compensation of the reduced wage (relative to hours worked). The working week can be reduced from 35 to 28 hours. In the case of a reduction to 31 hours, progressive part compensation must be paid. For example with reduction to 28 hours as compensation must be paid 1,5 hours extra to the wage for 28 hours. A reduction to 28 hours is enforceable only with an arbitration committee. The further reduction to 26 hours is possible (with compensation of a wage-equivalent of 2 extra hours) but only by a voluntarily agreement at company level.

The agreement also includes instruments to improve the possibility for young workers to be employed on completion of their apprenticeship. The demand of 12 months of employment after the apprenticeship is now more binding in the new collective agreement.

If a company has adopted the collective agreement "Future in work" redundancies are not allowed!

The duration of the collective agreement "Future in work" is from the 1st of March 2010 till the 30th of June 2012.

The collective agreement "Future in Qualification" (Zukunft in Bildung ZiB) on part time work and qualification is completely new. It is similar to the partial retirement agreement in that it is possible to participate in a qualification in a block time whilst receiving a (partially reduced) wage in the linked qualification and working phase.

Agreement on wages

From the 01st of May 2010 till the 31st of March 2011 the pay scale tables of the former agreement have been extended. From the 01st of May 2010 until the 31st of March 2011 a lump sum of 320 € (120 € for apprentices) has to be paid in two steps. The first on the 01st of May 2010 and the second on the 01st of December 2010.

On the 01st of April 2011 the wages will increase by 2,7 %. This date can be altered by agreements at company level, either two months earlier or later. The agreement on wages ends after 23 months on the 31st of March 2012.

The bargaining partners agreed also that the funding for partial retirement (collective agreement FlexÜ from 12th of January 2009) is guaranteed from the 01st of May till 31st of March 2012. So this collective agreement can be used in this period.

The collective bargaining commission of NRW will decide on the 8th of March 2010 on the adoption of this agreement.

This agreement will also be used as a model for other regions and take into consideration existing regional preconditions.

In parallel negotiations the IG Metall region of Baden Württemberg (Ba Wü) basically followed this model in the agreement of 18th of February 2010. The agreement which is valid until 30th of June 2012 is called "Short working time, Qualifikation and Employment" ("Kurzarbeit, Qualifizierung und Beschäftigung") The collective agreement "Short working time, Qualifikation and Employment" reflects the current regional conditions.

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