



Collective bargaining 2008 in the Austrian energy supply sector concluded

During the night hours from January 28 to 29 2008 a new collective agreement, covering about 16.000 employees (blue and white collar workers, apprentices) in the Austrian energy supply sector, was reached after intense and at times difficult negotiations. The unions involved were the Austrian Union of Metalworking-Textiles-Food-Processing Workers (GMTN) and the Austrian Union of Salaried Employees, Graphical Workers and Journalists (GPA-DJP).

Negotiations had started on 16 January 2008 with an exchange of basic positions of both employers and unions, followed by an ample discussion on the positive economic situation and the increasing inflation rate.

The second round of negotiation focused on a discussion on the percentage increase of effectively paid and collectively agreed wages and the demand of the employers to include a distribution option, allowing for an individual distribution of the increase in effectively paid wages.

After 12 hours, the following results were achieved.

Provisions of the agreement:

- Increase in collectively agreed minimum wages by 3,7% (the new minimum wage thus stands at € 1.424,73)

New minimum wages as of 1 February 2008

seniority	Wage group V	Wage group IV	Wage group III	Wage group II	Wage group I	Wage group T
1 and 2 year of seniority	1.424,73	1.517,86	1.668,84	1.915,75	2.159,86	2.356,69
After 2 nd year of seniority	1.450,66	1.545,34	1.703,58	1.955,67	2.218,97	2.442,24
After 4 th year of seniority	1.476,59	1.572,82	1.738,32	1.995,59	2.278,08	2.527,79
After 6 th year of seniority	1.502,52	1.600,30	1.773,06	2.035,51	2.337,19	2.613,34
After 9 th year of seniority	1.528,45	1.627,78	1.807,80	2.075,43	2.396,30	2.698,89
After 12 th year of seniority	1.554,38	1.655,26	1.842,54	2.115,35	2.455,41	2.784,44
Automatic pay increase	25,93	27,48	34,74	39,92	59,11	85,55

- Increase in effectively paid wages by 3,7%

While 3, 2% are a fixed part of the pay increase; the additional 0,5% can be distributed flexibly among employee groups in accordance with certain criteria as performance, promotion of gender equality, etc by the individual employer on the basis of a works agreement with the works council. These agreements can be concluded till 31 March 2008 with retroactive effect of 1 February 2008. All effectively paid wages will increase by 3,7 % on mutual consent of both employer and works council and also in non organized enterprises without a works council. In contrast to previous years the current collective agreement provides for a mediation by the social partners upon request of individual employer and works council. Even in case of a failure of the mediation, a general pay increase of 3, 5% falls due.

- Additional one-off payment of 250€
With exception of apprentices and those on parental leave or in military/alternative service all workers on employ on 1 February 2008 will receive an extra 250€ one-off payment.
- Increase in apprentices' remuneration by 3,7%;
- Increase in additional allowances, including a special allowance for children, by 3,7%;
- As of 1 March 2008 working groups will be set up, focusing on flexible working time and improvements of legal framework conditions
- The new collective agreement will take effect on 1 February 2008