



Collective bargaining round in Austrian metalworking and mining industry broken off after second meeting

As already reported earlier, the annual wage bargaining round in the “lead” Austrian metalworking and mining industry formally opened with an exchange of basic bargaining positions on 28 September 2007; negotiations started in earnest on 4 October 2007.

Second negotiation round

In the late afternoon hours on 11 October 2007 the second meeting of the social partners, the joint negotiating team of the blue collar Metalworking-Textiles-Food Workers’ Union (GMTN) and the white-collar Union of Salaried Employees-Printing-Journalism and Paper (GPA-DJP) on the unions’ side with the employers of the sector, took place. The negotiations were broken off in the early morning hours on 12 October at 2.30 a.m.

After twelve hours of negotiations the positions of our negotiating team and the employers remained far apart, in particular as far as wage increases were concerned. While the employers still insist on one-off payments, depending on the profitability of individual enterprises, we contend that only collectively agreed wage increases will have a lasting effect on future pay.

Given the excellent economic situation, notably in metalworking industry with an increase in productivity by 5, 8 percent compared to previous year and an inflation rate almost reaching 2 percent, we expected an earlier conclusion. The employers’ last offer - 2, 9 percent collectively agreed wage increase plus one off payment depending on company profitability- clearly did not reflect the overall good economic situation.

Information of works councils

In the coming weeks we will keep informing our representatives at company level (works councils) about the current state of play in work assemblies and meetings all over Austria. Such a first meeting of representative works council of the sector will take place on 15 October in order to decide on further action to be taken.

Next negotiation round

Negotiations will be resumed in a third meeting on 29 October 2007. We do hope that we will then have the opportunity to report a successful conclusion of this year’s bargaining round.