



New Collective Agreement for the workers of the German Metal and Electrical Industries

The new agreement was reached in the sixth negotiation with the employers' association SÜDWESTMETALL in Baden Württemberg in the night of the 5th to the 6th of February after 13 hours of negotiations.

In the weeks before, the members of IG Metall had reinforced their demands with massive and powerful 24-hour strikes in all collective bargaining regions. Approximately 500,000 workers in about 280 companies participated.

The new agreement of the metal and electrical industries in Baden Württemberg – which is set to be the pilot agreement for the collective bargaining regions – includes the following elements:

Wages

- A wage increase of 4.3 per cent effective from 1st of April 2018 for all blue and white collar workers and apprentices.
- A one-off payment for the month January, February and March 2018 of 100 € for all blue and white collar workers and 70 € for all apprentices. (From 1st of January 2018 until 31th of March 2018 the wage tables of the old agreement are still valid. The former agreement expired 31st of December 2017.)
- A one-off payment in 2019 of 400 € for all blue and white collar workers and 200 € for all apprentices. Beginning in 2020 this lump sum will be made permanent and will be tariff-dynamic (will increase with further wage increases). It will be fixed as a percentage of the wage of a Facharbeiter (skilled worker) for all workers and employees and thus will retain its character as a lump sum that disproportionately benefits lower income employees.
- The wage agreement is valid until 31st of March 2020 (27 months).
- A second one-off payment will also be introduced in 2019 as a permanent tariff wage supplement adding to the total volume of the agreement (s. below).

Reduced full time

- From 2019 a right for all full-time workers with at least two years of job tenure to reduce their weekly working hours to a floor level of 28 hours in a period of time ranging from 6 months minimum to 24 months maximum. After this time period working time automatically returns to the previous working time – but workers have the right to repeat the process of lowering the working time, with a new application for reduction.
- In return the employers receive additional instruments to compensate for the reduced working hours. One instrument allows for more 40-hour contracts (currently fixed at 18%/13% of all contracts depending on the collective bargaining region), but works councils will have more and stronger rights to object in the case of exceedance of an



average of 35.9 hours weekly working time over all employees. If 10 percent of the workers already reduce their work time according to the new model, the employer do not have to approve new applications unless the worker applying for reduced full time is in shift work, is nursing relatives, has children (up to the age of 8 years).

Tariff wage supplement/tariff exemption days

- All workers will receive the tariff wage supplement of 27.5 % of a monthly wage. It will be paid for the first time in July 2019 together with the one-off payment of 400 €.
- Workers with children up to the age of 8 years or who are nursing relatives or are in unhealthy working time models like shift work can convert the tariff wage supplement in 8 free days (tariff exemption days) starting in 2019. 2 of these eight days are paid on top by the employer.
- Beneficiary shift work: For workers, who work in three or more shifts or in night shifts, with at least 5 years seniority, thereof 3 years in shift work. For workers in rotating shift (early and late shift) in the first year (2019) the requirement is 15 years seniority and 10 years in shift work. 2020 the requirement is reduced to 7 years seniority and 5 years in shift work.
- Beneficiary nursing relatives/children: The claim exists for the first time after at least 2 years of seniority. For each relatives requiring care (at least care level 1) and / or per child (under the age of 8), the exemption can be claimed for up to a maximum of 2 years.
- The right to grant free days instead of supplementary tariff wage can be extended on the whole company, certain groups of workers or departments of a company by a voluntary company agreement.
- The social partners agree to evaluate the effects of the tariff exemption days after 24 months and if necessary will talk about adjustments.
- This agreement on the tariff wage supplement cannot be cancelled before the 31st of December 2020 with a notice of cancellation period of 3 months.

Apprentices: Exemption before exams

Apprentices will receive 2 days off for preparation before their final exams

Working time convergence East and West Germany

Joint recommendation to the East German employers' organizations to start discussions on the harmonization of working time regulations with West Germany.

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