

Sweden: IF Metall Agreement Saves Jobs

IF Metall has signed a new agreement with its employer counterpart, which also includes the government's support for short-time working schemes. Workers will be paid 92.5% of their wages at the same time as companies will be receiving financial support to be able to retain both production and employment, says IF Metall's President Marie Nilsson.

Many of the companies where IF Metall's members work, find themselves under severe pressure right now. The concerns are naturally serious among those who are employed in the manufacturing sector. That is why the agreement on short-time work together with the government's support package is so important. The agreement ensures that workers retain large parts of their wages, even if their hours are reduced.

The support from the government, which covers three quarters of the costs, is a powerful package. This enables companies to retain their operations and workers to keep their jobs, says Veli-Pekka Säikkälä, responsible for collective bargaining in IF Metall.

The agreement applies from 16 March 2020 and will be valid throughout 2020. It is without prejudice to other collective agreements between the social partners regarding the permissibility of reducing wages or other types of remuneration. The regulations of insurances and pensions will remain in the regular collective agreements. Holidays and holiday money are also unaffected.

The most wide-ranging agreement was signed with The Association of Swedish Engineering Industries. Similar agreements have been concluded in all sectors where IF Metall organises the workers.

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