



## Collective bargaining round in Austria started

The 2022 autumn collective bargaining round in Austria started on September 19<sup>th</sup> with the presentation of demands for collective bargaining in the metal industry to all sub sectoral employers' associations.

The demands, put forward by the joint negotiating team from the PRO-GE and GPA trade unions include:

- substantial wage and salary increase for the approximately 200,000 employees and apprentices,
  - Increase in minimum wages/salaries by **10,6 percent**
  - **Increase in actually paid out wages/salaries by 10,6 percent**
- a significant increase in apprentice remuneration,
- the introduction of an extra surcharge for work on Saturdays,
- an increase in overtime surcharge for the 10th working hour and easier access to six week paid annual leave (entitlement currently only after 25 years' of service with the same employer).
- The new collective agreement shall take effect on November 1<sup>st</sup>, 2022

## Positive economic background-record year in industry, High inflation

After a significant recovery in the previous year (+4,8 percent), GDP is expected to rise by 4.3 percent this year thanks to a buoyant industry with full order books. Production value increased by five billion euros in 2021 compared to the pre-Corona year 2019. The first half of 2022 was still marked by a strong upswing and even better than in the previous year.

## Demand for a 10, 6 percent pay rise

The inflation rate referred to in the current collective bargaining round is 6.3 percent, the average inflation rate over the last 12 months. However, recent monthly inflation rates were higher, in July the inflation increased to 9,3 percent due to soaring energy prices. Should the trend of rising inflation still continue, consumption threatens to collapse. In order to sustain purchasing power, PRO-GE and GPA tabled a demand for a 10, 6 percent increase in wages.

## Increase in apprentices' remunerations

Some 7,900 apprentices are currently being trained in the metal industry. An apprentice in the first year receives 800 euros in the metal industry, while in the electrical and electronics industry, for example, it is already 1,000 euros. Given the lack of skilled workers in metal industry, the trade unions are therefore demanding an above-average increase in apprentices' remunerations as an incentive to attract more young people. Apprentice remunerations in the metal industry should increase to EUR 1,000 (1st year), EUR 1,300 (2nd), EUR 1,600 (3rd) and EUR 2,000 (4th year). In addition, period of theoretical training should be recognized as

working time to make apprenticeships with a secondary university -track school certificate more attractive.

### Extra charge for Saturday work and higher overtime surcharge for 10th hour

More than 70,000 workers in the metal industry work in shifts. This not only means changing working hours or working late in the evening or at night, but also at weekends. While there is a collectively agreed surcharge of 100 percent for Sunday work (within the normal working time of 38.5 hours), work performed on Saturdays is without a surcharge. Therefore, PRO-GE and GPA demand the introduction of a Saturday surcharge of 50 percent for work performed during normal working hours. The unions are also demanding that the overtime premium for the 10th working hour on a day be increased from 50 to 75 percent and that negotiations be started to start adapting the more than 20 years' old remuneration scheme and business travel regulations.

Negotiations will be continued today with the employers' association of the foundry subsector.

We will keep you updated about the development of our bargaining round that will more challenging than ever before.

### Demonstration "Preise runter!"

On Saturday 17<sup>th</sup> September, before the start of the bargaining round on Monday, more than 30.000 people took to the streets in several cities all over Austria to join the demonstration by the Austrian trade unions, calling for higher wages and the Austrian government to implement overdue anti-crisis measures to stop the spiralling living cost prices.