Autumn Collective bargaining round in Austria: PRO-GE and GPA unions in Metal industry are demanding a 11.6 percent pay rise; easier access to six weeks of annual leave and improvements for young skilled workers.

The PRO-GE and GPA unions kicked off the autumn wage round on Monday, 25 September by handing over their demands to the employers' associations in all six subsectors of the Austrian metal sector.

Demand for a pay rise of 11.6 percent

The core demand of this year's autumn bargaining round is an increase of minimum wages/salaries as well as actually paid out wages/salaries of 11,6 percent.

As the negotiations of the metal industry set the pace for the subsequent negotiations in other sectors (for example commerce) of the autumn bargaining round for 500,000 workers in total in all sectors, high public attention is placed on the course of our negotiations that are expected to be tougher than in previous years.

Record high inflation without dampening price interventions.

Given an inflation rate of 9,6 percent over the last 12 months, the need to secure purchasing power of the 200,000 workers in the metal industry will be more than justified. Due to a continuously rising consumer price inflation rate, reaching in 8.6 percent in 2022 and is forecast to drop only slightly to 7.4 percent this year, our workers have suffered massive real wage losses. According to estimations of the renowned Momentum Institute, since 2019 prices increased by 22.3 percent while wages lagged with an increase of 16.2 percent.

One of the reasons is that the Austrian government responded to the high inflation by higher transfer payments and less direct price interventions to dampen energy prices.

Economists support the demand for a 11.6 percent and even find a higher demand of 14.6 or 15 percent justified, given the overall economic performance of metal industry during the last 12 months and a productivity rate of 3 percent.

Working time on the agenda

The union negotiating team also wants to discuss the issue of working hours with the employers' associations and seek improvements. As has been agreed in previous collective agreements, individual workers should have the possibility to decide if they want to have their additional wage increase paid out in cash or in extra days off.

Easier accessibility for the sixth week of annual leave is also on the agenda. Since almost no one has worked for the same employer for 25 years or more, the sixth week of vacation is out of reach for most workers.

Revaluation of dual vocational training

Further demands concern improvements regarding income for approximately 8,000 apprentices in the metal industry. After completing their apprenticeship, they should in future be placed on an equal footing with graduates of higher vocational schools when it comes to classification in the collective agreement wage and salary scheme. The income difference of entrance wages is currently 390 euros gross. To close the income gap should make apprenticeship more attractive for young school leavers and contribute to meet the demand for skilled workers in metal industry.

First bargaining round in earnest with employers of individual subsectors

The first bargaining round with the employers 'association of the largest subsector, the Metal technical industry (FMTI) is set for 2 October 2023.

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