

## **Germany - Agreement reached in steel industry.**

### December 2023

On 16 December, G Metall concluded a new agreement after having had to fight hard with massive strikes. The first agreement in the North-West was followed by another one in the East on Monday 18 December. The collective agreements run until 30 September 2025.

### **Wages**

In January 2024, employees will receive an inflation compensation bonus of 1,500 euros net (apprentices 1,000 euros). A further 1,500 euros (apprentices 800 euros) is to be paid in instalments until the end of 2024. From February to November, there will be monthly payments totalling 150 euros net (trainees 80 euros). Part-time employees will receive the inflation adjustment bonus on a pro rata basis.

The monthly payments are not fixed. The employer and works councils can agree on deviations in the amount and the date of payment. Some companies have already paid out parts of the tax-free inflation bonus. The following applies to them: amounts above €3,000 are paid gross.

From 1 January 2025, wages and apprenticeship pay will increase by 5.5%.

### **Reduction in working hours with up to 50% wage compensation.**

The following was agreed on working hours in collective agreements to safeguard jobs as part of the transformation:

Collective reduction in working hours (in the company): If there is pressure on employment during the transformation, the company parties can reduce working time by three hours per week - based on the standard working time of 35 hours. For such a collective reduction in working hours, the parties must agree that the company is undergoing a transformation, and that employment is under pressure. The collective bargaining parties (employers' association and IG Metall) must confirm this.

In the event of a collective reduction in working hours, up to one hour more is paid on a staggered basis (the part wage compensation is half an hour more than in the old collective agreement on securing employment):

34 hours: 34.5 hours paid.

33 hours: 33.75 hours paid.

32 hours: 33 hours paid.

If a temporary increase in working hours is required for reasons of transformation - for example for the parallel operation of old and new technologies or for qualification purposes -

the working hours can also be increased by up to three hours by an agreement between management and works council. The overtime allowance that already applies, will be paid for work performed beyond 35 hours. This means that working longer is possible but cannot be ordered unilaterally by the employer. The works council has a say. And the employer must also pay more for overtime: a 25% premium for each hour of overtime.

Individual reduction in working hours: Workers' requests to reduce their individual working hours to 33.6 hours can be honoured, provided this does not conflict with operational interests. Special rules apply to older employees. Anyone who is at least 60 years old and works shifts can reduce their working hours to 33.6 hours from January 2025 without the employer being able to prevent this. There will also be partial wage compensation for this group of people. These employees will be paid 34.10 hours for 33.6 hours per week. The age limit will fall to 59 and 58 in the following two years. The scheme will be evaluated in 2027.

The fine-tuning of the working time regulations will be finalised by the end of June 2024 in a collective agreement on job security as part of the transformation process.

Furthermore, the collective agreements on part-time work for older workers, on the use of work contracts and on job security for the approximately 68,000 workers will be extended.

The collective bargaining parties agree also on a commitment to negotiate a "Future in Training" collective agreement.

Negotiations in the Saarland steel industry will begin at the start of 2024.

**Edited by industriAll Europe.**