

Austria: Bargaining Round in Metal Sector concluded

Collective agreements should provide job and income security during crisis affecting metal industry

Economic background

Austria has been struggling with the longest economic slump for the last 80 years. The export-oriented metal industry in particular is affected by recession. Many companies in the industry are experiencing difficulties and have been confronted with production declines. 10.000 well-paid industrial jobs have been already lost. At the same time, inflation is not slowing down significantly, and cost of living crisis continues. The rolling inflation over the last twelve months is 2,8 percent. Against this background, the trade unions PRO-GE and GPA have therefore focused on a swift conclusion of this year's collective agreement negotiations for the approximately 190.000 employees in the Austrian metal industry. This has been successful. The trade unions were able to reach a wage and salary agreement with all employers' associations in the six subsectors of metal industry right at the kick off of the bargaining round on 22 September.

With the conclusion of the crisis deal for the coming two years, we were able to prevent zero wage rounds and secure the purchasing power of the workers in the metal sector. In view of the dramatic situation, we have taken responsibility together with our social partners from the employers' side and found a compromise. Predictability and security for employees and companies are now the most important things to create trust for the future to overcome the crisis affecting the metal sector.

Details of the agreement

From 1 November 2025, minimum wages and salaries as well as apprentice incomes will increase by 2 percent.

Actual wages/salaries will be increased by 1.41 percent.

The allowances will increase by 2 percent. The bonus for night work or for the third shift will even be increased by 7.54 percent.

In addition, the employees will receive two one off payments as a "purchasing power bonus", totalling 1,000 euros.

The payment of these bonuses will be made in two tranches of 500 euros each in December 2025 and July 2026. Apprentices will generally receive a one-off payment of 250 euros. If apprentices switch to employment by the end of June, a second bonus of 250 euros will be paid out.

Option to have one-off payment paid out in extra time off

Instead of the purchasing power securing bonus, companies can also agree on a conversion the bonus into up to four days of extra fully paid free time.

Pay increases in 2026

From November 1, 2026, collective bargaining wages and salaries will increase by 2.1 percent. Actual wages/salaries will be increased by 1.9 percent. Apprentice incomes and allowances will increase by 2.1 percent. Expense allowances will increase by 2.1 percent. The allowance for night work or for the third shift will be increased by 7.01 percent.