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Factsheet for case **DE-2020-14/420**

## Metal and electrical sector: social partners settle crisis agreement

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|              |   |
|--------------|---|
| Country      | Germany, applies nationwide   |
| Time period  | Temporary, 01 April 2020 - 31 December 2020   |
| Type         | Bipartite collective agreement  |
| Category     | Employment protection and retention<br>– Income support for people in employment (e.g. short-time work) |
| Case created | 09 April 2020 (updated 05 May 2020)   |

### Background information

The metal and electrical sector faces enormous challenges due to digitalisation, the transformation to mobility and growing global competition; the risk of major job losses became an issue already in 2019. In face of the COVID-19 pandemic, the collective bargaining partners interrupted the ongoing bargaining round and settled an agreement aimed at supporting the companies and workers in getting through the crisis by an extensive use of short time work.

The so-called 'Solidarity collective agreement' was first concluded by the collective bargaining partners in North-Rhine Westfalia and subsequently copied by the partners in all other regions.

It is noteworthy that the collective bargaining partners build on experiences in the economic crisis 2009/2010 when they also cooperated in campaigning against direct dismissals and for short time working.

### Content of measure

The agreement settles:

- that annual bonus payment shall be cut in twelve and used for raising the short time working allowance from 60% of the net monthly wage (standard) to 80% of the net monthly wage;
- in case an annual bonus payment is not in place, a solidarity fund shall be established and the employer shall pay €350 per full-time equivalent into this solidarity funds. The funds shall be used for workers facing

particular hardships. In case the money is not used up by the end of the year, it shall be distributed to the workers;

- parents with children up to 12 years get 5 extra days of care leave. Also, they may choose between the annual bonus payment (resp. the extra on the short time allowance) or extra days of leave.

Wage negotiations are postponed until the end of the pandemic

## Use of measure

No information yet available.

## Actors, target groups and funding

| Actors                  | Target groups                                 | Funding                    |
|-------------------------|---|----------------------------|
| Social partners jointly | Employees<br>Sector specific set of companies | Employer<br>National funds |

## Social partners

|                         |                  |
|-------------------------|------------------|
| Role of social partners | Agreed (outcome) |
| Form of involvement     | Other            |

Agreement of the metalworkers union IG Metall and the regional affiliate of the employer organisation Gesamtmetall

## Sectors and occupations

This case is sector-specific (only private sector).

| Economic area     | Sector (NACE level 2)  |
|-------------------|--|
| C - Manufacturing | C25 Manufacture of fabricated metal products, except machinery and equipment |
|                   | C26 Manufacture of computer, electronic and optical products                 |
|                   | C27 Manufacture of electrical equipment                                      |
|                   | C28 Manufacture of machinery and equipment n.e.c.                            |

|  |   |
|--|---|
|  | C29 Manufacture of motor vehicles, trailers and semi-trailers |
|  | C30 Manufacture of other transport equipment                  |

This case is not occupation-specific.

## Sources

- 27 March 2020: Solidar-Tarifvertrag ([www.igmetall-nrw.de](http://www.igmetall-nrw.de))