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

Metal and electrical sector: Social partners settle crisis agreement

Factsheet generated on 04 May 2020, 07:40

Country	Germany, applies nationwide
Time period	Temporary, 01 April 2020 - 31 December 2020
Type	Bipartite collective agreement
Category	Employment protection and retention – Income support for people in employment (e.g. short-time work)
Case created	09 April 2020 (updated 18 April 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 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 Covid 19 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 twelve years get five 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

Actors, target groups and funding

Actors	Target groups	Funding
Social partners jointly	Employees Sector specific set of companies	Employer 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)