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The ambiguity of flexibilisation:

collective bargaining and union crisis management in the German metalworking industries during the Great Recession

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M+E industries – Key figures

- 12 % of GDP in 2008
- 60 % of German export volume in 2010
- 3.7 million employees (2008 and again 2012)
  (establishments with at least 20 employees)
- 244,000 agency workers in 2008 (184,000 in 2012)

IR in M+E

- Sectoral collective bargaining
- Strong employers‘ associations
- High union density and disruptive potential of workers in core companies

But:

- Erosion at the fringes and down the value chain

The argument

- The ‘German job miracle’ is based on a corporatist crisis management favoured by
  - a still powerful union
  - a tradition of company level crisis management
  - overlapping interests of employers, union and government
  - and a favourable economic environment

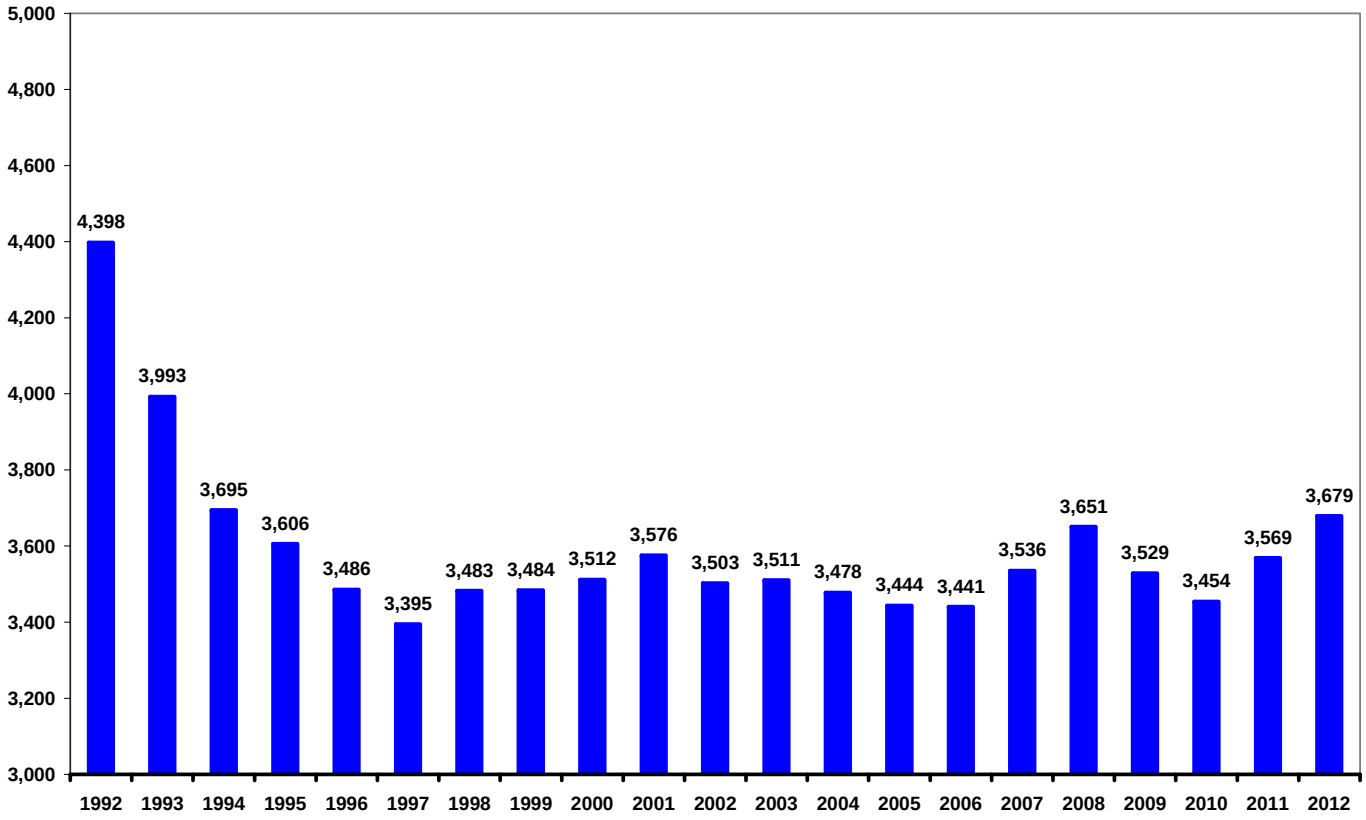
- Internal and external flexibility were instrumental to safeguard employment during the crisis

- Flexibility was and is a contested issue
- Much of it resulted
  - from bargaining compromises in the context of shorter working weeks since the 1980s
  - concession bargaining at company level since the 1990s

- ‘No dismissal‘ was top union priority during crisis
  - joint interest of members, works councils, and union
- The crisis management is considered by union as a success
  - but its acknowledged that it came at a cost

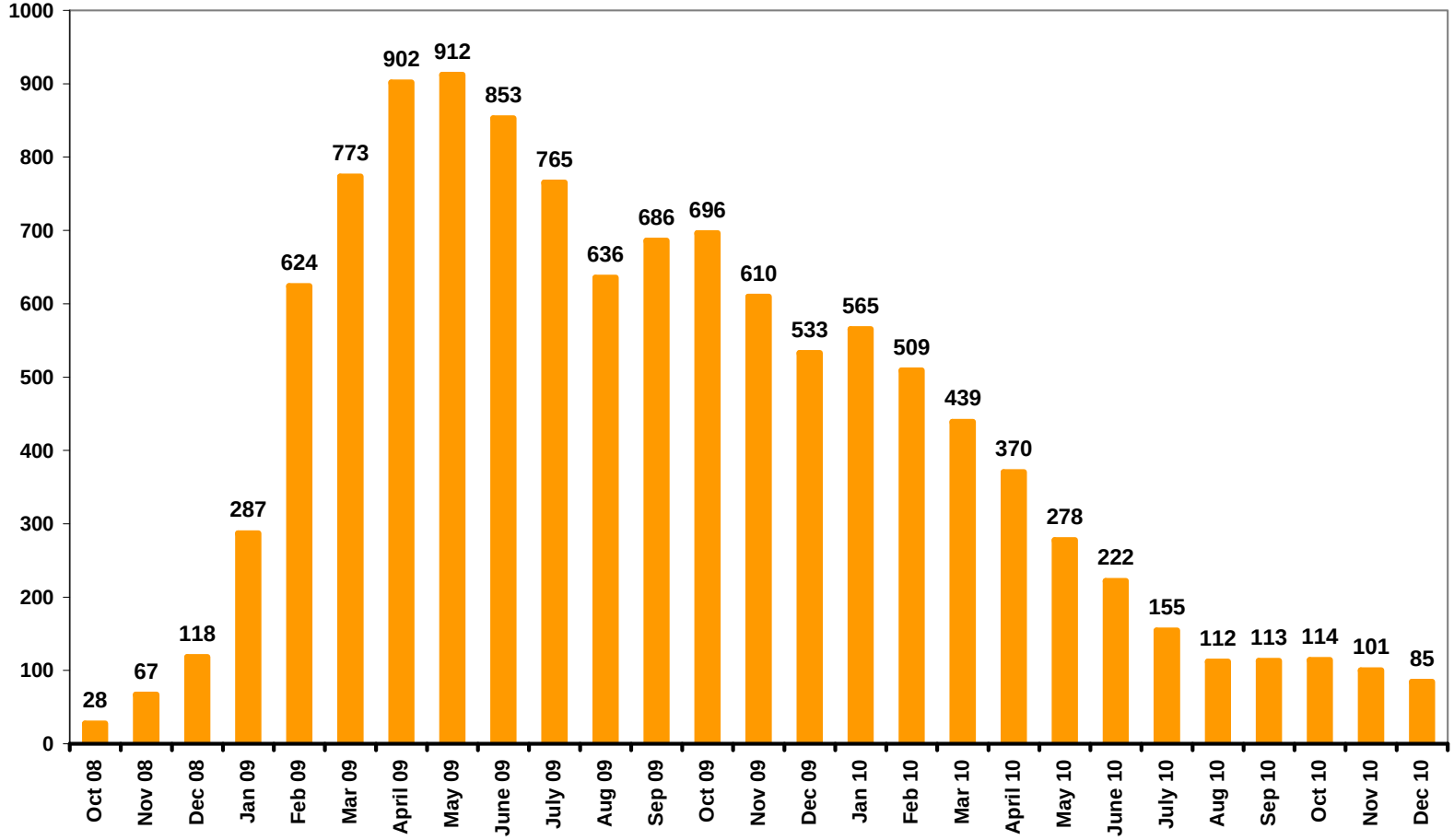
Some data

M+E industries: Overall employment (in thousands) 1991 – 2012 (establishments with 20 and more employees)



Source: Gesamtmetall based on Federal Statistical Office (destatis)

Short time workers in M+E, in 1,000; Oct 2008 - Dec 2010



Source: Federal Employment Agency, own calculation

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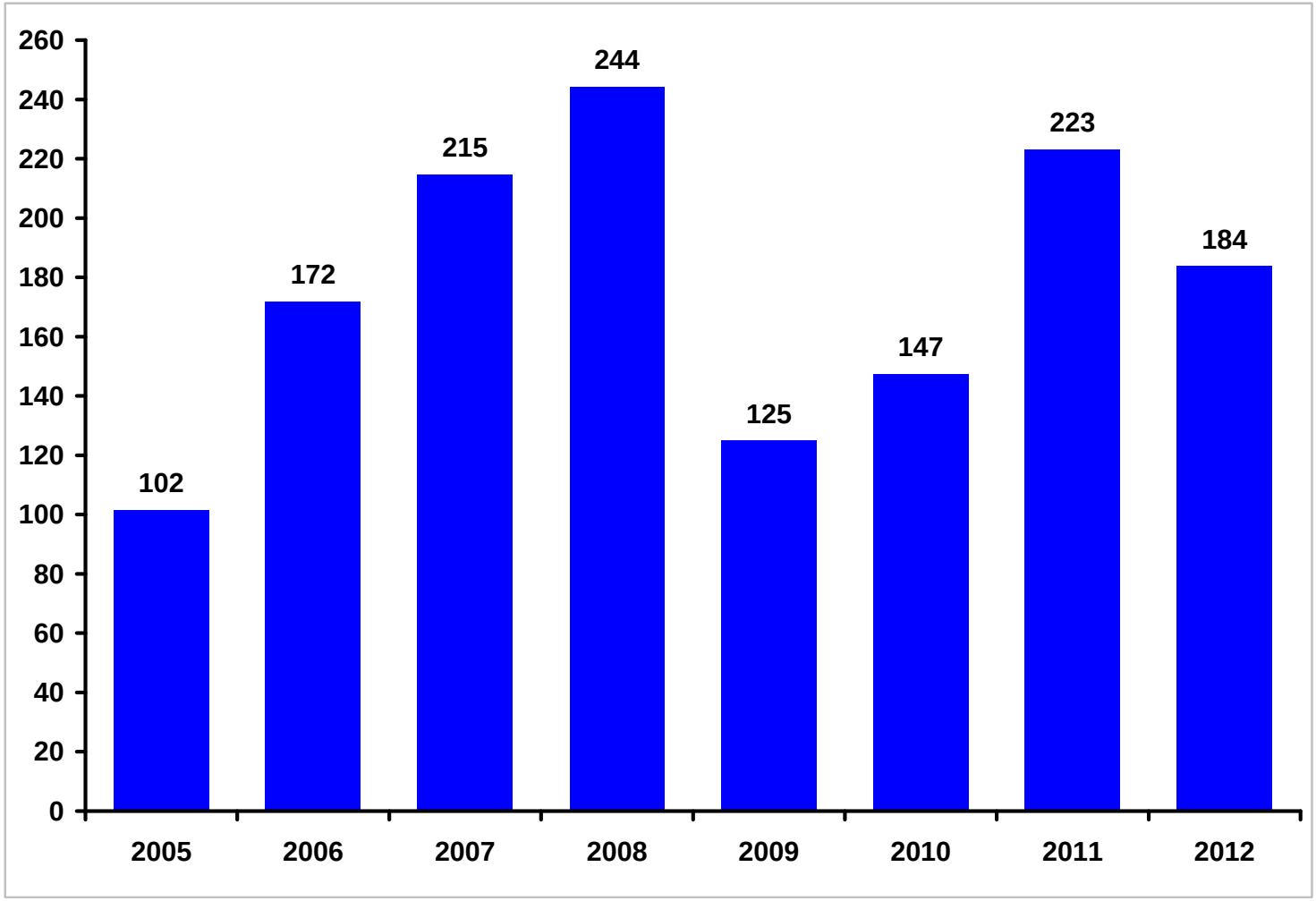
Agency workers in M+E, in 1,000
2005 – 2012 (annual average)



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Outlook

- External and internal flexibility are likely to be expanded
- Internal flexibility is a wide spread reality
  - its effects will remain ambigious
- External flexibility is a contested terrain – recently discussions on contract work

Thank you for listening!

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