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
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 ambiguous
• External flexibility is a contested terrain – recently discussions on contract work
Thank you for listening!

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