

This salary schedule contains an overview of the specific collective agreement conditions for the metal and electrical industry in North Rhine-Westphalia in those companies where the Framework Agreement on Pay (in German: Entgeltrahmenabkommen, hereafter referred to as ERA,) applies.

As from 1st March 2009 the ERA is strictly binding on all companies. A postponement of the terms and conditions of the ERA until October 1st 2010 is permitted, but only in cases where a specific communication to that effect has been submitted not later than 1st March 2010 to the parties to this agreement.

An overview of the material working conditions which apply in companies **prior to the introduction of the ERA** is now available for downloading from our homepage at www.metallnrw.de.

All wage tables for the metal and electrical industry of North Rhine-Westphalia as well as this salary schedule are listed there as a file (also available in **English and French**).

Overview of the Collective Wages Agreement of 18th February 2010

Collective Agreement on Pay

The duration of the remuneration agreement extends from **1st May 2010 to 31st March 2012** (23 months).

The salary tables applicable since 1st May 2009 will continue to apply between May 2010 and 31st March 2011 inclusive. These tables are therefore shown again alongside the new rates.

For the eleven months of May 2010 to March 2011, full-time workers receive a **one-time payment of 320 euros** payable in two instalments of 160 euros, one instalment in May 2010 and one in December 2010. Part-time workers receive a payment proportionate to their agreed working time. Payments will also be lower in proportion to any period of time for which there is no claim to full or part-time pay. Excess payments can be offset against subsequent payments. Trainees receive a one-time payment of 120 euros, payable in instalments of half the total, each instalment on the above mentioned dates.

The salary table rates will be raised by 2.7%, effective as from **1st April 2011**. The introduction of the new rates can be rescheduled on the basis of a voluntary internal company agreement to either 1st February 2011 or 1st June 2011, depending on the economic situation of the company. In such cases the currently existing salary tables are applicable until the date named in the internal company agreement.

Collective Salary Contract Future in Work (Zukunft in Arbeit, henceforth referred to as TV ZiA)

This new salary contract has a temporary application, from **1st March 2010 until 30th June 2012**.

Its purpose is to offer job security in times of crisis, and includes the option of **sinking residual costs through part-time work**. On the basis of a voluntary internal company agreement, special payments which cannot be reduced for part-time work may be discontinued and current payments raised commensurately, leading to a reduction in part-time work costs for the employer and a higher part-time work rate for the employee. **No termination of employment for operational reasons may be implemented** for the duration of this internal company agreement.

There is an additional option to reduce the collectively agreed working hours on the basis of an internal company agreement. A noteworthy new feature of such an agreement is part payment compensation offered in cases where the working week is reduced to 31 hours and as low as 26 hours.

The introduction of the TV ZiA is **voluntary** for companies. Already existing rules laid down in collective salary agreements, for instance, the salary agreement on job security and part-time work provisions, are not affected by this contract.

ERA -PAYMENT SCHEDULE

ERA basic monthly rates ¹⁾ valid from already in force since 1st May 2009 *)

	Euro	Euro	
			For information only: 110 % ⁴⁾
			For information only: Hourly rates ⁵⁾
	Euro	Euro	Euro
Payment group EG 1	1,906.50	2,097.15	12.52
Payment group EG 2	1,929.50	2,122.45	12.67
Payment group EG 3	1,952.50	2,147.75	12.82
Payment group EG 4	1,982.50	2,180.75	13.02
Payment group EG 5	2,023.50	2,225.85	13.29
Payment group EG 6	2,076.50	2,284.15	13.64
Payment group EG 7	2,141.50	2,355.65	14.07
Payment group EG 8	2,252.50	2,477.75	14.79
Payment group EG 9	2,435.00	2,678.50	15.99
Payment group EG 10	2,676.00	2,943.60	17.58
Payment group EG 11	3,000.00	3,300.00	19.70
Payment group EG 12			
Up to 36 th Month ²⁾	3,091.50	3,400.65	20.31
After 36 th Month ²⁾	3,435.00	3,778.50	22.56
Payment group EG 13			
Up to 18 th Month ²⁾	3,455.00	3,800.50	22.69
After 18 th Month ²⁾	3,658.00	4,023.80	24.03
After 36 th Month ²⁾	4,064.50	4,470.95	26.70
Payment group EG 14			
Up to 12 th Month ^{2) 3)}	3,925.00	4,317.50	25.78
After 12 th Month ²⁾	4,170.50	4,587.55	27.39
After 24 th Month ²⁾	4,416.00	4,857.60	29.00
After 36 th Month ²⁾	4,907.50	5,398.25	32.23

*) This salary table, representing the last pay agreement, continues to apply **until the end of March 2011**.

Full-time employees receive a **one-time payment of 320 euros** covering the period **May 2010 to March 2011**, payable in two instalments of half the sum, one instalment with their payment in **May 2010** and one with their payment in **December 2010**. The introduction of the new rates (see following page) can be rescheduled on the basis of a voluntary internal company agreement to either 1st February 2011 or 1st June 2011.

- ¹⁾ Owing to the legal rules of the ERA introduction agreement to ensure against "overshooting the mark" and any tendency to "undershoot it", within the framework of cost neutrality for the company on this point, actual remuneration may deviate to a significant degree from the amounts listed in the ERA table.
- ²⁾ The months indicated in the table refer to the months employed in the wage or salary group.
- ³⁾ Employees who have already been in the EG 13 wage or salary group for at least 36 months with the same employer are considered to have completed their first 12 months in EG 14.
- ⁴⁾ All employees receive an average across-the-board performance bonus of approximately 10% or as the case may be, a performance based pay of at least 10%, and the 110% totals are thus shown in this overview. These 110% totals are comparable to an earlier collective pay scale (assuming an average performance bonus of 16% for blue-collar workers and 4% for white-collar workers).

- ⁵⁾ Monthly wage calculations have been mandatory since April 1992. Hourly wages are no longer itemized in collective bargaining agreements and are permissible only in exceptional circumstances. The basic monthly wage can be converted into hourly wages using the following formula:

$$\frac{\text{Agreed basic monthly wages in wage group}}{35 \times 4.35}$$

The column shows the figures arrived at by using this formula in order to calculate ERA base salaries.

ERA -PAYMENT SCHEDULE

ERA basic monthly rates ¹⁾ valid from 1st April 2011 *)

	Euro	Euro For information only: 110 % ⁴⁾	Euro For information only: Hourly rates ⁵⁾
Payment group EG 1	1,958.00	2,153.80	12.86
Payment group EG 2	1,981.50	2,179.65	13.01
Payment group EG 3	2,005.00	2,205.50	13.17
Payment group EG 4	2,036.00	2,239.60	13.37
Payment group EG 5	2,078.00	2,285.80	13.65
Payment group EG 6	2,132.50	2,345.75	14.01
Payment group EG 7	2,199.50	2,419.45	14.45
Payment group EG 8	2,313.50	2,544.85	15.20
Payment group EG 9	2,500.50	2,750.55	16.42
Payment group EG 10	2,748.50	3,023.35	18.05
Payment group EG 11	3,081.00	3,389.10	20.24
Payment group EG 12			
Up to 36 th Month ²⁾	3,175.00	3,492.50	20.85
After 36 th Month ²⁾	3,527.50	3,880.25	23.17
Payment group EG 13			
Up to 18 th Month ²⁾	3,548.50	3,903.35	23.31
After 18 th Month ²⁾	3,757.00	4,132.70	24.68
After 36 th Month ²⁾	4,174.00	4,591.40	27.42
Payment group EG 14			
Up to 12 th Month ^{2) 3)}	4,031.00	4,434.10	26.48
After 12 th Month ²⁾	4,283.00	4,711.30	28.13
After 24 th Month ²⁾	4,535.00	4,988.50	29.79
After 36 th Month ²⁾	5,040.00	5,544.00	33.10

*) The introduction of the new rates can be rescheduled on the basis of a voluntary internal company agreement to either 1st February 2011 or 1st June 2011.

¹⁾ Owing to the legal rules of the ERA introduction agreement to ensure against "overshooting the mark" and any tendency to "undershoot it", within the framework of cost neutrality for the company on this point, actual remuneration may deviate to a significant degree from the amounts listed in the ERA table.

²⁾ The months indicated in the table refer to the months employed in the wage or salary group.

³⁾ Employees who have already been in the EG 13 wage or salary group for at least 36 months with the same employer are considered to have completed their first 12 months in EG 14.

⁴⁾ All employees receive an average across the board performance bonus of approx. 10% or as the case may be, a performance based pay of at least 10%; thus the 110% totals are shown in this overview. These 110% totals are comparable to an earlier collective pay scale (assuming an average performance bonus of 16% for blue-collar workers and 4% for white-collar workers).

- ⁵⁾ Monthly wage calculations have been mandatory since April 1992. Hourly wages are no longer itemized in collective bargaining agreements and are permissible only in exceptional circumstances. The basic monthly wage can be converted into hourly wages using the following formula:

$$\frac{\text{Agreed basic monthly wages in wage group}}{35 \times 4.35}$$

The column shows the figures arrived at by using this formula in order to calculate ERA base salaries.

Agreed basic monthly wages for employees whose regular weekly working time deviates from the agreed weekly working time (35 hours / week) are calculated by using the following formula:

$$\frac{\text{Agreed monthly wage laid down in the relevant table} \times \text{Individual regular working time per week}}{35}$$

Individual Performance bonus	Employees paid a salary based on the time they have worked receive from their fourth month in employment an individual performance bonus 0-20 % in accordance with § 10 ERA. The company average of performance bonuses, which is based on a point system, should lie between 9 and 11 %, failing which, the employer can / should use factors to effect a correction.
Performance-linked pay	Based on company agreement, performance-based pay can replace salaries based on working time, i.e., piecework, premium wage or a performance-objective system (§§ 7 -9 ERA). Combinations of these forms are possible. Performance-based components should be at least 10 % of the agreed monthly wages and salaries total (§§ 5 and 6 ERA).
Hardship supplement	The hardship supplement is 6 % of basic hourly wages (EG 7) (§ 11 ERA) per hour of work under hardship conditions.
Additional allowance for foundry workers	The additional allowance for foundry workers at ERA introduction is 4 % of basic hourly wages for EG 7, to be increased within 10 years toward the hardship supplement of 6 % (§ 6 ERA-ETV).

Training Allowance
monthly

	In euros, valid from 1 st Mai 2009 *)	In euros, valid from 1 st April 2011 **)
In First Training Year	766.04	786.72
In Second Training Year	804.18	825.89
In Third Training Year	860.84	884.08
In Fourth Training Year	935.27	960.52

*) This salary table, representing the last pay agreement, continues to apply until the end of March 2011. Trainees receive a **one-time payment of 120 euros** covering the period May 2010 to March 2011 payable in the case of full-time work in two instalments of half the sum, one instalment with their payment in May 2010 and one with their payment in December 2010.

**) The introduction of the new training allowance rates can be rescheduled on the basis of a voluntary internal company agreement to either 1st February 2011 or 1st June 2011.

Trainees pursuing certain specialist jobs in foundry and metalworking will receive an additional **bonus allowance** of 20.45 euros per month.

Trainees are normally offered **at least twelve months' employment** after successful completion of their training (§3 TV Besch. § 8 TV BB).

Point system for evaluating job functions

Responsibility:	Task No.	
Dept./Cost center:	Date	Evaluator:

Task description		Evaluation levels for work-related functions			Point value	
Skills ¹⁾	Manual Skills	1	Duties require skills which can be learned in up to one week.		6	
		2	Duties require skills which can be learned in less than four weeks .		12	
		3	Duties require skills which can be learned in four or more weeks .		18	
		4	Duties require skills which can be learned in three months or more .		25	
		5	Duties require skills which can be learned in six months or more .		32	
		6	Duties require skills which can be learned in one year or more .		40	
	Professional Skills	7	Duties require skills which as a rule are acquired by completing a certified training program of at least two years .		48	
		8	Duties require skills which as a rule are acquired by completing a certified training program of at least three years .		58	
		9	Duties require skills which as a rule are acquired by completing a certified training program and an additional 1-year professional qualification .		69	
		1	Duties require skills which as a rule are acquired by completing a certified training program and an additional 2-year professional qualification .		81	
		1	Duties require skills which as a rule are acquired by completion of a vocational college degree .		94	
	Professional Experience	1	Duties require skills which as a rule require a university degree .		108	
		1	Duties, which in addition to professional knowledge, also require professional experience of at least one to three years .		6	
		2	Duties, which in addition to professional knowledge, also require professional experience of more than three years .		12	
Initiative and decision-making ²⁾		1	Fulfilment of duties is specified in detail .	2		
		2	Fulfilment of duties is partly specified .	10		
		3	Fulfilment of duties is partly specified .	18		
		4	Duties are fulfilled mostly without specifications largely independently .	30		
		5	Duties are fulfilled largely without specifications independently .	40		
Cooperation		1	Fulfilment of duties requires minimal communication and teamwork .	2		
		2	Fulfilment of duties requires regular communication and teamwork .	4		
		3	Fulfilment of duties requires regular communication and teamwork as well as occasional coordination .	10		
		4	Fulfilment of duties requires regular communication and teamwork as well as coordination .	15		
		5	Fulfilment of duties requires a high degree of communication and teamwork as well as coordination .	20		
Team-leadership		1	Fulfilment of duties does not require leadership .	0		
		2	Fulfilment of duties requires giving employees professional instruction, guidance and support .	5		
		3	Fulfilment of duties requires delegating tasks to employees in order to meet objectives as well as giving employees support and motivation .	10		
		4	Fulfilment of duties requires goal-setting and delegating tasks to employees for attaining objectives and also support and motivation of employees .	20		
Total point score						

¹⁾ Professional skills and expertise, abilities and competence can also be attained by other means.

Professional skills can either be attained by consecutive enrolment or by non-consecutive periods of study / training leading up to a degree or qualification. In the latter case, the duration of study / training is determined by the total amount of time enrolled in all programs.

²⁾ "Duties" in the sense of initiative and decision-making are to be understood as instructions and guidelines. Generally speaking, initiative and decision-making are more restricted for those working under instructions than for those working under guidelines.

Instructions describe in detail how a task is to be completed.

Guidelines describe what should be observed in the completion of a task.

Wage Group	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Point Range	10-15	16-21	22-28	29-35	36-43	44-54	55-68	69-77	78-88	89-101	102-112	113-128	129-142	143-170

OTHER CONDITIONS OF EMPLOYMENT

Working time (§ 3 EMTV)

Agreed working time: 35 hours / week for those in full time employment.

There is the possibility of individual contracts **extending** the regular individual weekly working time up to 40 hours / week for up to 18 % of the workforce.

In companies with a large number of highly skilled employees (over 50 % of all employees are either paid on scales outside the agreed rates or are in the top two salary brackets, the foreman's categories or – in the ERA – the highest wage or salary groups) a plant agreement may fix a higher quota (up to 50 % of all staff employed under the terms of the collective agreement, not including those paid on scales outside the agreed rates).

To promote innovation or counter the effects of a lack of skilled workers, the parties to the collective agreement should, as a rule, extend the quota for a company to up to 100 % if requested to do so by the company and its employees. It is possible to make extending working times binding by means of a plant agreement by extending the quota in a company.

Possibility of a collectively agreed **reduction** of the individual regular weekly working time to 30 hours a week, (or down to 26 hours a week where the new collective salary agreement Future in Work is in force with part payment compensation in the case of working weeks of 31 hours and under) in return for protection against dismissal for the entire company, specific business units or specific groups of employees.

Part-time work can be agreed upon on the basis of individual contracts within the framework of existing regulations.

Age-related part-time work is an option for employees who have reached the age of 55. In the first half of the period of part-time work the employee continues almost exactly as before; then in the second half, is released completely from employment ("Blockmodell"). The extra hours thus built up guarantee that the employee will receive 82 % of his/her previous net wage throughout the entire period of age-related part-time work, and the employer will pay higher retirement insurance contributions (95 % of the contribution level reached up to that time are guaranteed). The right to claim part-time work for those in partial retirement is applicable from 2010 in accordance with the new Collective Agreement on Flexible Transition to Retirement (TV FlexÜ). The TV FlexÜ has laid down fundamental new rules effective from 2010, in relation to the right of employees over 57 or 61 to claim part-time work, employer's top-up payments as well as the calculation methods for new instances of age-related part-time work, since even where a former position is taken up again, no reimbursement will be provided by the German Federal Employment Agency.

Duration of Training (§ 3 EMTV)

Agreed duration of training: 35 hours / week

The Flexible Spreading of Working Time (§ 4 EMTV)

On the basis of an internal company agreement and within the framework of the prevailing legal provisions, collectively agreed working hours are spread over a period of days/weeks/months. Assuming a commensurate compensation within a maximum of 16 months, an allocation of a maximum of 10 hours in a day and 60 hours in a six day week is possible; Saturday working hours are paid at the normal hourly rate.

Overtime (§ 5 EMTV)

There is the option of a voluntary workers' council agreement whereby overtime can be fully or partly compensated by taking time off, in which case the employer's obligation to pay for the overtime work within the next two months is waived (§ 5 TV Besch).

Agreed additional payments / allowances per hour (§ 6 EMTV)

a) For the first two daily hours of overtime	25 %	} of agreed wage for skilled workers (time rate) standard rate EG 7 per hour of work
starting on the third daily hour of overtime	50 %	
b) Late work	15 %	
c) Night shift (as long as it is not night work as (d) below)	25 %	
d) Night work (as long as it is additional work)	50 %	
e) Sunday work	70 %	
f) Work on New Year's Day, Easter Sunday, 1 May, Whitsun and Christmas Day	150 %	
g) Work on all other official public holidays	100 %	
h) Late work on 24 th December from 5 p.m. To 8 p.m. as well as night work on Christmas Day and on New Year's Eve	150 %	

Continued payment of wages (§ 9 EMTV)

As of the beginning of the employment relationship, employees are entitled to continued payment of their wages for a period of six weeks in the event of incapacity to work or attendance at a cure.

The percentage of wages that continues to be paid is 100 %, excluding overtime pay or overtime bonuses (§ 16 EMTV).

Leave / Holiday entitlement (§ 13 EMTV)

The leave / holiday entitlement for employees and trainees is 30 working / training days on the basis of 5 working days / week. Employees who take their full leave /holiday entitlement between 1st October and 31st March will be granted one additional day of leave.

Leave / Holiday Allowance (§ 14 EMTV)

In addition to regular wages or the regular training allowance (= 100 %), a leave / holiday allowance of 50 % will be paid for each day of leave. The calculation is carried out in accordance with § 16 EMTV, excluding overtime pay and overtime bonuses.

Contributions to employee pension capital formation (TV AVWL) Contributions to employee capital formation (TV VL)

The Contributions to Employee Capital Formation (TV VL) scheme was replaced in 2006 by the Contributions to Employee Pension Capital Formation (TV AVWL). According to the transition provisions as laid down in § 5 TV AVWL, under certain conditions (existing VL contract, the right to a renewed contract, employee's reaching the age of 58) instead of providing employees with bonus provisions for old age in the form of Employee Pension Capital Formation (TV AVWL), the employer may continue to provide employee capital formation (TV VL) provided that the employee does not opt for pension capital formation based on TV AVWL.

The agreed contributions are:

for employees (full-time) 26.59 euros for trainees 13.29 euros

The agreed annual retirement payment is as follows

for employees (full-time) 319.08 euros for trainees 159.48 euros.

Entitlement starts at the beginning of the seventh calendar month of uninterrupted employment within the group.

Pay conversion (TV EUW)

Employees have the right to pay up to 4 % of the income threshold for pension schemes (Note: 2,640 euros per year in 2010) into a pension scheme. They choose for at least one full year the amount and type of their pay that is to be used for this purpose. The employer decides on how this money is to be invested. The parties to the collective agreement have set up an industry-wide retirement agency ("MetallRente") for this purpose, that offers the alternatives of "MetallDirektversicherung" (direct insurance), "MetallPensionskasse" (pension bank) and "MetallPensionsfonds" (pension fund) and the "Unterstützungskasse" (relief fund) (for details, visit www.metallrente.de)

Special payments (ETV 13. ME)

Employees or trainees who have been working or undergoing training without interruption for six months have the right to receive an agreed special payment on the relevant day (usually 1stDecember).

The amount of special payments can be determined by a voluntary company agreement according to the sickness ratio.

Should there be no agreement on that amount, the special payments are as follows:

after 6 months of employment	25 %
after 12 months of employment	35 %
after 24 months of employment	45 %
after 36 months of employment	55 %

of the monthly wage excluding overtime pay and overtime bonuses

Benefits paid by the employer, such as financial incentives, shares in profits (bonuses, annual premiums), Christmas allowance, and similar payments are considered special payments and can be counted against agreed pay entitlements.

Note:

The agreed payment schedules listed here are binding in work agreements in the metal and electronic industry of the German state of North Rhine-Westphalia in all companies that are subject to the salary schedule agreement (ERA) under the provisions laid down in § 2 ERA-ETV.

The collective agreements are not considered generally binding.

Editor:

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