

## National Report Austria

### ROUNDTABLE ON NATIONAL DEVELOPMENTS - By IER experts

#### 1 Collective agreements in the MET industries: recent outcomes

For the first time, a 2-year agreement was able to be reached in the metal industry. Actual wages and salaries will increase by 10 percent from November 1, 2023, but by a maximum of 400 euros per month. This results in an average increase of 8.6%. The minimum wages and salaries were increased by 8.5%. For personnel-intensive companies, a competitiveness and employment protection clause was negotiated to improve competitiveness. Depending on the respective personnel cost burden, the company is able to agree compensation with employees at company level in the form of one-off payments, time off etc. instead of part of the increase (1.5% or 3%).

As of November 1, 2024 the following increase has been agreed:

- Increase in actual wages & salaries by the average consumer price index in the period 10/23 to 9/24, plus one percentage point.
- Increase in minimum wages & salaries by the average consumer price index in the period 10/23 to 9/24.

Due to the higher inflation in Austria, wage increases in Austria were significantly higher than in other countries. As a result unit labor costs grew faster than in the EU. The competition safeguard clause is intended to reduce price disadvantages for the export-oriented metal technology industry.

#### 2 Recent trends in collective bargaining - increasing decentralization

The collective agreement is an irreplaceable instrument for wage setting in Austria. The provisions are directly legally binding for the individual employment relationship. Uniform framework conditions are defined, which represent minimum requirements that may not be undercut by company agreements and individual agreements. In Austria, there is no statutory minimum wage due to the high level of coverage by collective agreements.

Despite the difficult last few years, social partnership is a top priority in Austria. No turning away from collective agreements, no decentralization and weakening of the collective agreement system noticeable.

Opening clauses (collective agreement clauses that delegate the competence to regulate individual matters to the company) (§ 29 ArbVG) for companies that cannot afford the wage increase were and are under discussion. It is still up for debate whether the competitiveness and employment protection clause is an opening clause. The opening clause does not contradict mandatory collective bargaining law. Difference: With the opening clause, the parties to the collective agreement specify the framework and the conditions under which there should be scope for company regulations to a certain extent.

#### 3 Green clauses in collective bargaining

Not yet an issue at collective agreement level.

#### 4 AI management in the workplace

Despite its many potential areas of application, artificial intelligence is still rarely used in many areas. AI is already being used here and there in production, logistics and customer service.

## **REMOTE WORK - THE NATIONAL AND THE EU LEVEL**

### **1 Latest developments at national level**

In Austria, the new Teleworking Act comes into force on January 1, 2025. Home office will be extended to remote working outside the home. The current regulation covers private residences and second homes. The regulations apply to new teleworking agreements concluded from this date onwards. Previous home office agreements remain valid. Locations that are exemplary for remote working: places chosen by the employee (such as internet cafés, library, beach etc.).

### **2 Remote work and the right to disconnect in collective bargaining**

There is a regulation on teleworking in the collective agreement for white-collar workers in the metal industry. However, this is a simple replica of the legal requirements.