

Collective Agreement on securing employment signed in the Volkswagen AG in Germany on the 15th of February 2010

On the 15th of February 2010 IG Metall and Volkswagen management signed an agreement which is valid until the end of 2014 on securing employment. This was necessary as the old agreement guaranteeing employment ends in 2011. To begin the collective negotiations as early as possible was agreed in the collective negotiations of the 28th of September 2009 .

Consequently, for the 95,000 employees of the Volkswagen factories redundancies will not be permitted until the end of 2014 in Wolfsburg, Hannover, Kassel, Braunschweig, Emden, Salzgitter, Chemnitz, Zwickau, Dresden and the VW Financial Services in Braunschweig

Furthermore the agreement also includes the following issues:

Guaranteed number of apprenticeships

The guarantee of apprenticeship training positions will be prolonged until the end of December 2014. 1250 apprentices will be available in the VW AG every year of this period. This means in the five years of the agreement a total of 6250 apprenticeship positions will be created. In addition 40 apprenticeship positions in the VW Financial Services in Braunschweig will also be guaranteed.

The employment of workers on completion of their apprenticeship

All of the 6450 apprentices, who start in the next five years will be employed on completion of their apprenticeship in Volkswagen.

Guaranteed plant location

The guarantees of the plant locations in the 2006 agreement will expire at the end of 2011. Negotiations for the next period beginning in 2012, on products and components which will fully utilise capacity, will take place before the expiry of the current agreement. The special agreement for the Hannover plant will continue.

Innovation Fund

Volkswagen has signed a collective agreement to feed and stabilise the innovation fund for automotive production with an investment of tens of millions of Euro. In addition there will be another investment of tens of millions in an innovation fund to create new business areas. The money from this fund will be used to develop new products such as block heating stations which will, in turn, help to secure employment. The monies within the fund can only be used with the joint agreement of works council and management.

IG Metall and management have also agreed to start negotiations on

- working conditions for elder workers
- a framework agreement on "Good Work".

In exchange for this job guarantee, the workers should increase productivity. Job guarantee and competitiveness are of equal importance of the company's policy. According to the German newspaper Süddeutsche Zeitung (17.02.2010) Volkswagens target is to overtake Toyota.

This agreement on securing employment is not related to wages, as the agreement on wages in VW was signed at the end of September 2009. The September 2009 wage agreement includes the following elements:

- lump sum of 510 € in October 2009
- 4,2% wage increase in January 2010
- second lump sum end of February 2010
- and in 2011 an individual variable efficiency bonus with an average of 100 €

25th of February 2010

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