Germany

Country facts Germany	
Population	81 501 000
GDP per capita (2006, US Dollar)	31 950
Employees in Agricultural Machinery	24 250
Trade unions in the EU Agri-Tech Network	IG Metall
Proportion of employees in unions (general)	22%
Workplace representation	Works council
Main level of collective bargaining	Industry
Collective bargaining coverage	64%

Source OECD, Eurostat, und ETUI-REHS (www.workers-participation.eu).

Sectoral data: Size and structure of agricultural engineering industry

Employment: In 2007, 24,250 people were employed in the German agricultural engineering industry (in companies with more than 50 employees). The employment rate indicates a rise of 6 % in comparison to 2006. During the last years, employment has shown a steady yearly increase, with the exception of 2004 (decrease of 3 %) and a stagnation in 2005.

Sales and production volume:

Whereas the production output had stagnating figures or even a slight decrease between 2000 and 2003/2004, production output was rapidly rising from 2004 onwards.

Production volume: production of agricultural tractors demonstrated a significantly rise of around 60 % from 2003 onwards and a rise of around 32 % of other agricultural machinery from 2004 onwards.

Agricultural tractors: The production volume reached a peak with a sales volume of 3.7 billion € in 2007 (a rise of 17.5 % compared to 2006). Particularly the foreign sales volume increased rapidly (+ 23 %) and has a percentage of ¾ of the total sales volume.

Agricultural machinery: Also sales volume of other agricultural machinery demonstrated an important upward trend of 12.8 % in 2007 and reached a number of 4.9 billion €. Particularly the foreign trade increased rapidly (+ 17 %) and has a percentage of 1/3 of the total sales volume.

Primarily after 2003, companies of this industry profited from enormous winnings, because of an increasing gap between decreasing unit labour costs and increasing productivity. For example does the case of agricultural machinery in 2007 show that production volume increased at 12.1 %, while unit labour costs decreased at 5.8 %.

Export:

Export Surplus: In 2006, export of products with a value of 5.7 billion € (plus of 11.9% compared to 2005) and import of 1.8 billion € (plus of 12,6%).

With financial support of the European Commission

Major exporting countries: (according to importance) are France (876 Mio.), USA (525 Mio.), Russia (490 Mio.), GB (358 Mio.), Spain (253 Mio.), Netherlands (250 Mio.), Austria (247 Mio.), Italy (228 Mio.), Belarus (182 Mio.) and Poland (172 Mio.)

Major importing countries: Italy (260 Mio.), France (249 Mio.), USA (231 Mio.), Austria (136 Mio.), Hungary (127 Mio.), Netherlands, Sweden, Czech Republic, Belgium, Finland (60 – 85 Mio. each).

Main Product groups and Companies

Tractors	▪ John Deere ▪ Fendt (Agco-Group) ▪ Same Deutz-Fahr ▪ Renault	**Production of round balers**	▪ Welger ▪ Claas ▪ Krone ▪ Kverneland
Machinery for soil cultivation	▪ John Deere ▪ Amazone-Werke ▪ Lemken ▪ Raabe ▪ Kverneland	**Combines**	▪ Claas ▪ John Deere
Seeding, planting and fertilising machinery	▪ Amazonen-Werke ▪ Kverneland ▪ Lemken	**Harvesters for potatoes and beetroot**	▪ Grimme ▪ Stoll
Machinery for hay and forage	▪ Claas ▪ Fella ▪ Krone ▪ Stoll ▪ John Deere	**Production of agricultural trailers and transporters**	▪ Annaburger ▪ Claas ▪ Krone ▪ Krempe ▪ Pöttinger ▪ Strautmann

Restructuring of the agricultural engineering sector

Foreign investors play an important role and have taken-over a number of German companies during the 90s (Accord GmbH taken-over through Kverneland 1996, Fendt through AGCO 1997, Stoll through Freudendahl Invest A/S 1999). However, middle-sized enterprises and family-owned companies are still the dominant actor of the industry.

Closures: Kverneland Gottmarding (2006), CNH Neustadt (former Erntefortschritt 2004)

Mergers and Acquisitions: foreign companies: Claas took over the tractor production of Renault in 2003 and is increasingly investing in Eastern Europe.

Main challenges and problems from the trade unions' and works councils' point of view:

- Regulation of working hours (35 hours-week)
- Collective labour agreements (ERA)
- Training/Qualification/lack of skilled workforce
- Age pattern of staff
- Temporary employment
- Work intensification
- Rationalisation and reorganisation of jobs

Trade Unions, Labour Conditions and Labour Relations

There is a well-developed structure within the agricultural engineering industry with a rather high level of union density at 50 %. With only very few exceptions, trade unions and works councils are present in the entire industry.
Works councils, trade union representatives and to a certain extend employee representatives in supervisory bodies serve as the main level of interest-representation.

Most of the companies are represented in an employers’ association. There is no collective labour agreement for the sector, but the agricultural engineering industry is part of the collective labour agreement *(Flächentarifvertrag)* for the metal- and electrical industry.

There is a “partial” social dialogue with the employers’ umbrella organisation VDMA.

General demands on industry and initiatives of trade unions:

- Reduction of temporary employment/Equal Pay
- To intensify measures for training and job qualifications
- To achieve competitiveness through quality and not over prices
- Networks and initiatives, for example Network Agricultural Technology of works councils

Trade union links

- IG Metall Vorstand
- IG Metall Bezirk NRW

Project partners in the European Agri-Tech Network (including links to project partner- and company profiles):

IGM	AGCO	AMAZONE	CASE IH AGRICULTURE	CLAAS
CNH	FENDT	GERINGHOFF	GRIMME	HORSCH
JOHN DEERE	kemper	KRONE	kverneland group	LEMKEN
NEW HOLLAND AGRICULTURE	RABE	STEYR	STOLL	strautmann
WALTERSCHEID	WELGER			

Additional materials and information:

- Sector Report IG Metall
- „Declaration of Muenster“ of the Works Council Network
- Information on workers’ participation and collective bargaining in Germany of ETUI-REHS:

ETUI-REHS WORKER-PARTICIPATION.EU THE GATEWAY TO INFORMATION ON WORKER PARTICIPATION ISSUES IN EUROPE