



Industrie✂Energie



INDUSTRIAL POLICY TODAY

REGIONAL EXAMPLES FROM IG METALL

PUBLICATION DETAILS

Published by: IG Metall Vorstand, VBo4, 60329 Frankfurt/Main

Responsible: Wolfgang Lemb

Editors: Astrid Ziegler, Ilka Grobe

Proofreaders: Sarah Menacher, Marén Rüger

Text editing, typesetting and layout: WAHLE & WOLF agency, 56479 Elsoff

Print: Druckerei Henrich Druck + Medien printing company, Schwanheimer Strasse 110, 60528 Frankfurt am Main

Order via IG Metall intranet/extranet, product number 29049-49844

Contact and ordering for non-members: sarah.menacher@igmetall.de

First edition: June 2014



70% PEFC zertifiziert
Das Papier stammt aus nachhaltig
bewirtschafteten Wäldern und kontrollierten
Quellen.
www.pefc.de





INDUSTRIAL POLICY TODAY

REGIONAL EXAMPLES FROM IG METALL

CONTENTS

| | |
|---------------|---|
| Preface | 4 |
|---------------|---|



| | |
|---|---|
| IG METALL BERLIN Knowing what companies need..... | 6 |
|---|---|



| | |
|--|----|
| IG METALL BREMERHAVEN From shipbuilding centre to climate city | 10 |
|--|----|



| | |
|---|----|
| IG METALL DÜSSELDORF-NEUSS An agreeable mix instead of just fairs, fashion and the fourth estate..... | 14 |
|---|----|



| | |
|--|----|
| IG METALL ERLANGEN Chair of project management launched..... | 18 |
|--|----|



| | |
|--|----|
| IG METALL FRANKFURT AM MAIN Renaissance of industrial policy with a master plan..... | 22 |
|--|----|



| | |
|---|----|
| IG METALL GAGGENAU Pragmatic industry – not showcase politics | 26 |
|---|----|



| | |
|---|----|
| IG METALL HEIDELBERG Future-proof with engineers and technicians..... | 30 |
|---|----|



| | |
|---|----|
| IG METALL HEILBRONN-NECKARSULM Effective industrial- and plant-policy networks..... | 34 |
|---|----|



| | |
|--|----|
| IG METALL HILDESHEIM Future viability with qualified employees | 38 |
|--|----|



IG METALL JENA-SAALFELD UND ERFURT

Stopping qualified staff shortages..... 42



IG METALL KOBLENZ

Industrial jobs achieved with "Decent Jobs 2020" 48



IG METALL LEIPZIG

Boom town with a wealth of regional potential..... 52



IG METALL MINDEN

Comprehensive structural policy and Industry 4.0 56



IG METALL ROSTOCK

No future for low wages 60



IG METALL SCHWEINFURT

Networks, protests and proactive solutions 64



IG METALL REGION STUTTGART

Reinforcing strengths, exploring new fields..... 68



IG METALL REGION VOGTLAND

"Green Tech" and Decent Work..... 72



IG METALL WOLFSBURG

Engineering Project for regional development..... 76

PREFACE

The importance of industry to the economic development of regions and countries has changed tremendously since the upheavals of the global financial and economic crisis of 2008/2009. Prior to the crisis, industry had been pretty much written off. “Modern knowledge societies” were understood to derive their wealth less from industrial production and more from knowledge and intellectual ability, and as a consequence, Europe’s politicians disregarded industry for a very long time, following the mantra: the market will take care of it. Instead, many countries began to rely on developing a service economy and on the financial sector.

Today we know that German enterprise was well advised to resist the abandonment of its ‘old economy’. Against all opposition, German industry continued to modernise and develop its locations. Germany’s economy has weathered the financial crisis very well, not least thanks to the system of co-determination and social partnerships maintained by the interaction of IG Metall, works councils and employers. One result of the financial crisis was that our politicians began to remember the value of industry.

The respect afforded to industry and industrial politics has been maintained to this day throughout the world. For example, the EU Commission speaks of re-industrialisation, and the current federal government is committed to Germany remaining an industrial location. In spite of the programmatic reorientation of industrial policy announced in 2014, many are still stumbling around in the fog, and the concrete realisation of their programme is lagging far behind. In spite of the positive view of industry, Germany’s industrialists still face significant challenges: excess capacity worldwide, new technological developments, looming social problems (climate change, the

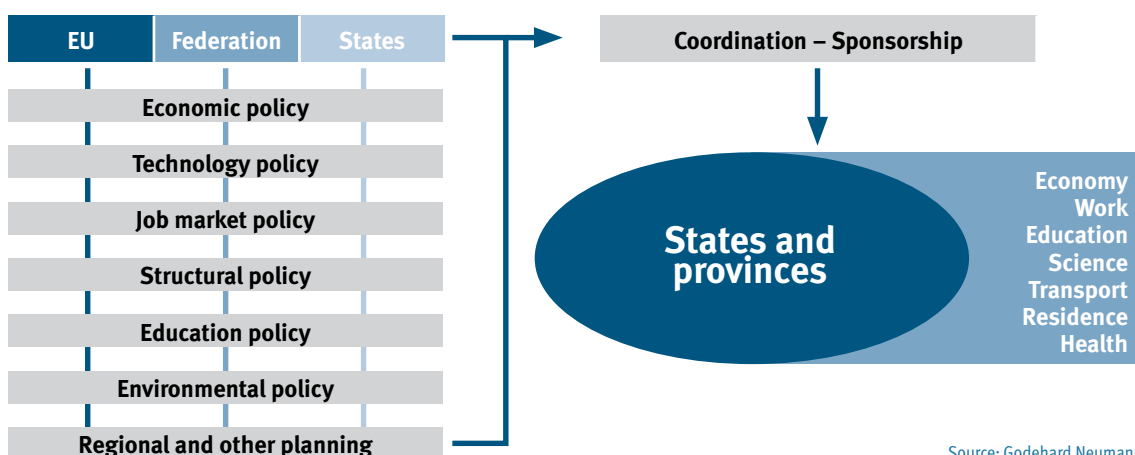
turnaround in energy policy, mobility, demographic developments, etc.), to name but a few, all call for solutions that too often fail to materialise.

But industrial policy is not only made in Brussels and Berlin. In a federal state such as Germany the sixteen Länder and numerous urban and rural districts also offer manifold opportunities for developing the country’s industry and industry-related services. Indeed, for some time the regions have been a particularly interesting field for new political economic and structural implementation strategies. There are many protagonists involved here, each with their own slant and each making a specific contribution towards improving conditions so as to encourage industry.

The German Metalworkers’ Union (IG Metall) contributes its own concepts and proposals to these industrial policy discussions and is often involved in regional networks. Local IG Metall branches provide valuable impetus to regional industrial politics, notably on significant questions regarding economic and urban development, the planning of infrastructure and the promotion of cluster, technological and innovative initiatives as well as regional job markets and educational, environmental and living conditions (see illustration).

The 18 examples documented here examine the regional level more closely and introduce a number of local union organisations, each with their own individual approach to actively shaping industrial development to promote employment. The individual regions are introduced in order from north to south.

Their contributions are as varied as the regions themselves, each shaped by their own individual historical context that necessarily affects local operational and



Source: Godehard Neumann



employment structures, the constellation of actors, and the topics and approaches that need to be addressed. In each case our remit is to ask what has been done and is being done in the region to prepare the industrial base for the future.

This brochure does not aspire to cover all the political activities and industrial experience accumulated by German Metalworkers' Union's local organisations. Firstly, it aims to take a look at regional diversity, the varying possibilities for action and introduce a number of examples, and secondly to encourage other colleagues in the union's local organisations, who have not previously been involved, to look into the matter for themselves.

The following examples make it clear that the German Metalworkers' Union's regional industrial policy is a crucial activity. The German Metalworkers' Union sees itself as a regional player that

- ✕ provides impetus and balance for regional initiatives,
- ✕ identifies problems and works towards solutions,
- ✕ introduces and asserts standpoints in regional policy debates,
- ✕ joins with works councils to introduce operational requirements into regional discussions,
- ✕ overcomes crises, prevents industry closures and fights for the preservation of jobs.

One thing is evident throughout these many activities: the door is wide open for a dialogue on the question of what industrial policies we should be initiating and promoting. The breadth and depth of this document make it an important contribution to the current debate on the increasing significance of industry and industrial policy in Germany's regions as well as an important contribution reflecting the German Metalworkers' Union's standing in local industrial politics.

Photo credits: fotolia



Wolfgang Lemb

Member of the Executive Committee of the German Metalworkers' Union (IG Metall)

IG METALL BERLIN

Knowing what companies need



Photo credits: MAN



Industrial policy is no longer a foreign concept for Berlin, but much remains to be done to promote further industrial development. The resources of the Federal capital – primarily the universities and research institutes – have so far been exploited only very slightly in the interests of dynamic industrial development. Changing this will be a central role for industrial policy in the coming years.

ARNO HAGER

First Representative IG Metall Berlin

Arno.Hager@igmetall.de

Ever since the late 1990s, Berlin's industrial enterprises have been threatened by relocations and job losses and even the fierce resistance of the local IG Metall branch and its members was only able to partially hold off this de-industrialisation. However, the last few years have seen a change in political and business strategy, at least in part as a result of the constructive industrial policy of IG Metall Berlin.

During the 1990s and the first half of the following decade, Berlin's metal and electrical industries were markedly affected by job losses, relocations and fierce battles to prevent them. The structural breakdown in Berlin cannot be said to have ended until 2005/2006, after Germany's reunification: By 2005, East Berlin's metal and electrical industries were left with only about 14 000 of the previous 120 000 jobs, while the former West Berlin had maintained about 50 000 of around 100 000.

Many people already saw Berlin purely as a service metropolis, but gradually, opportunities for industrial enterprises moved back into the focus of regional politicians and strategic areas such as R&D, engineering and sales were gradually re-integrated. One example: Siemens moved its worldwide gas turbine service and distribution to its Berlin factory.

Today there are numerous lead factories replacing the "extended workbenches" of significant companies in what was West Berlin and the combines of the former East Berlin. However, the core problem remains obvious: compared to other metropolitan areas, the industrial density in Berlin is far too low. Compared to Hamburg, Berlin's level of industrialisation is smaller by a quarter. This situation was the starting point for the industrial and political activities of IG Metall Berlin.

GO ON THE OFFENSIVE – BUT BE PRACTICAL!

In the mid-2000s, discussions in DGB Berlin-Brandenburg and IG Metall Berlin were far enough advanced that the unions could formulate an offensive strategy to lay before politicians and the public. The initial impetus came from the DGB's "Industrial Policy Memorandum", in which the DGB unions demanded an active industrial policy.

It was extremely fortuitous for the project that the head of the DGB at the time was the experienced IG Metall functionary, Dieter Scholz. The division of labour between DGB and IG Metall gave the union's approach to industrial policy a massive impact: the DGB had good contacts with political parties, relevant senators, the governing mayor and business associations. In addition to this, IG Metall focused on the task of making the politicians understand the practical aspects. The main question, here, was how to promote industry in Berlin by giving concrete support to companies and enterprises.

The big advantage of IG Metall: many of its members hold responsible positions on individual factory's works councils, general works councils and supervisory boards – and they can input their union insight into the situation in the factories. They have often

been in office for a considerable time, know the history of their "own" company like the back of their hand and have very good connections to the people in it. And they also make it their business to create and maintain as many stable, high-quality jobs as possible there.

Meanwhile, the employers' side is usually represented by managers who have been in the company for only a short time, sometimes as little as two or three years. They are heavily bound by their corporate hierarchy. Their reporting goes Manager→Local Chairman→Executive Board. In such a system it is entirely logical, but also quite disastrous, that for most managers their current position plays only a subsidiary role in their professional development. What is more, they are generally sworn to secrecy and their external work is heavily regulated by their company's communications department. It is not surprising, therefore, that IG Metall often possesses far more well-founded and detailed information about a company than – for example – the local employers' associations or the Chamber of Commerce and Industry.



Other advantages of IG Metall: Its areas of activity extend right into corporate policy. The locally elected works councils who cooperate with the union thus become "natural" industrial politicians. On the basis of this comprehensive company information, IG Metall eventually managed to combine a pan-enterprise political strategy with genuine improvements for the industrial concerns.

IG Metall's industrial policy approach was and remains emphatically practical. Our objective is clear: Berlin needs a strong industrial base! Industry and services are not in opposition.

More industry at a high technical level with high skill profiles creates high added value, which itself in turn attracts high-quality services. More industry therefore means a sustained increase in purchasing power per head. As a result tax revenues rise and funding becomes available for social urban development. The equation is thus quite simple: more industry = more opportunities for social urban development.

The union's approach, combining political strategy with practical work, came to fruition primarily in two industrial policy projects: On the one hand was the project "Innovation Network Berlin Metal and Electrical Industry", which was funded by Berlin's Senate Department for Economic Affairs, and on the other the project "New Growth Opportunities for Berlin", funded by the Hans Böckler Foundation.

THE "INNOVATION NETWORK" PROJECT

The initiative for "Innovation Network Berlin Metal and Electrical Industry", which was launched in early 2006, came from IG Metall Berlin, which then also made an initial financial contribution and made network management resources available.

Among other things, this project called for the appointment of two network managers, a third of whose costs were borne by six companies in the metal and electrical industry. The remaining two thirds were funded by government grants. These network managers had the task of helping the six participating companies to expand their business activities and develop new areas of employment. Each of the companies was asked the following question: "What does your company need in Berlin in order to grow and expand its workforce?" (see Figure 1).

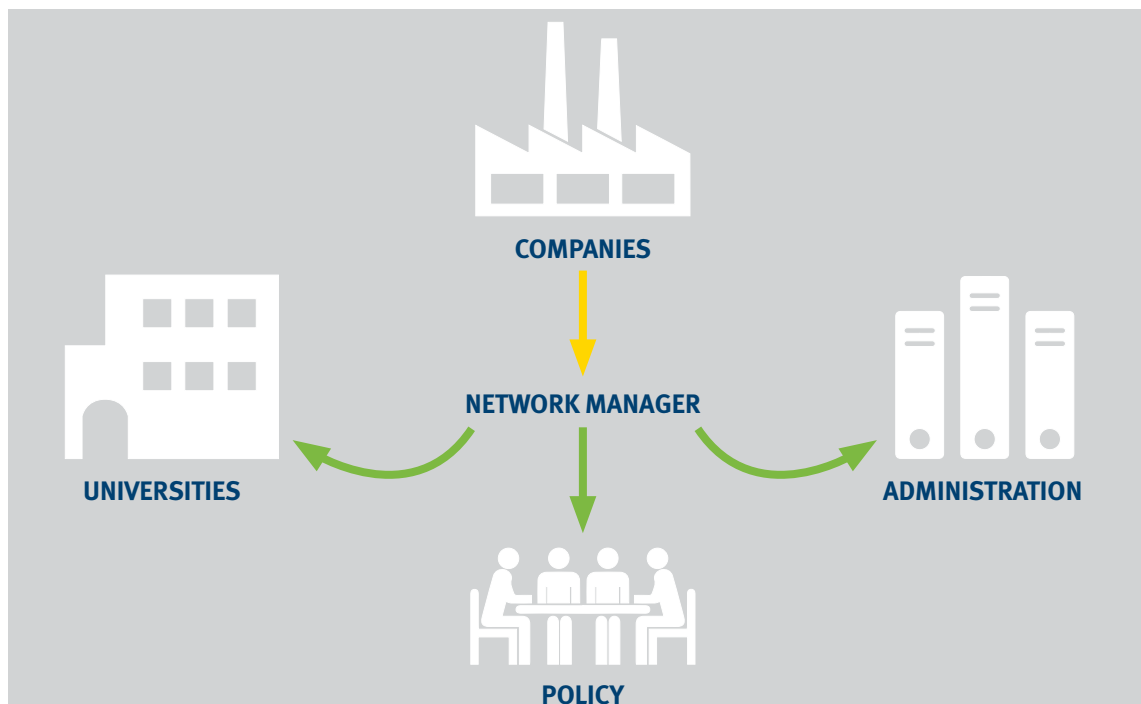
The project arose from the common interests of the participating companies, IG Metall and the public sector. The companies hoped the support of the two network managers would produce increased growth and good profits; IG Metall was looking for the creation of new and good jobs; and the City of Berlin was looking forward to additional tax revenues from these higher profits and extra employment to increase its political manoeuvrability. The project enabled the two network managers to work as neutral intermediaries between the participants. They were independent of the companies, politicians, public administration and the universities.

For IG Metall Berlin, industrial policy is primarily a means for solving practical local problems. For example, when we needed to obtain an exemption for large cargo transports, or to arrange a cooperative project between an industrial enterprise and the Technical University of Berlin, the "IG Metall" network management was able to promote understanding of industries' needs in public administration, in the university and in the Senate, and conversely to make the industrial companies understand the specific points of view and necessary procedures of public administration and universities.

As a result, it became possible to sever a number of seemingly Gordian knots. For the companies it meant the hiring of significantly more employees. The universities also benefited from the cooperation, and the reputation of the involved administrators as problem solvers was greatly enhanced. After six years the project was wound up. Today, IG Metall is in favour of a permanent institution that will continue to professionally oversee and expand the interaction between universities and businesses.

Figure 1: The neutral network manager conveys companies' requirements for increased employment to the universities, public administration and politicians.

Photo credits:
Own depiction/Wahle & Wolf





ONE STUDY, ONE STEERING COMMITTEE AND ONE MASTER PLAN

As well as this micro-project, there was also a macro-project that reflected IG Metall's successful approach to industrial policy. The project funded by the Hans Böckler Foundation was entitled "New Growth Opportunities for Berlin" and was intended to determine the importance of industry for the economic development of Berlin and what role it can play in the future. For the project's Central Committee the DGB Chairman was able to supplement representatives of IG Metall and IG BCE with leaders of business organisations: the chief executive of the Chamber of Commerce, the president of the Chamber of Craft Industries, chief executives of business organisations and the coordinating managers from the Senate Department for Economic Affairs. This had the advantage that the participants could all exchange views at close hand. This project set up a basis for unions and business associations to jointly request politicians and the public to initiate measures to expand their industry.

The study was published in March 2009 and was very well received by both public and politicians. In a way, it summarised and consolidated the work of recent years. This initiative particularly impressed the governing mayor, prompting him to set up the steering committee for industrial policy (SKIP) in March 2010. Since then, under his leadership, senators, leaders of trade associations plus DGB, IG Metall and IG BCE have been wrestling with specific industrial policy issues.

In June 2010, the then Senator for Economic Affairs laid a "master plan for industry" before the public. Its main message: Berlin needs stronger and more innovative industry as an engine for economic development. And just as important: the core growth strategy is not to attract new settlers, but to give targeted support to the innovative power of existing enterprises.



WITH "BETTER STRATEGIES" INTO THE FUTURE

The steering committee SKIP and the master plan are direct results of the discussions initiated by trade unions and employers' organisations about the importance of industry for Berlin. IG Metall is active on both platforms in order to bring forward its ideas on industrial policy and promote relevant activities. It was and remains important for IG Metall to refrain from any one-dimensional lobbying of industry, but rather, in the context of "Better Strategies", to constructively contribute to future-oriented industrial and urban development.

Industrial policy is no longer a foreign concept for Berlin, but much remains to be done to promote further industrial development. The resources of the Federal capital – primarily the universities and research institutes – have so far been exploited only very slightly in the interests of dynamic industrial development. Changing this will be a central role for industrial policy in the coming years.

The second major task will be to work out a unique selling feature for Berlin's industry. Rather than bemoaning the fact the automotive industry in Berlin is significantly under-represented in relation to Germany as a whole (50% lower), we should emphasise that energy technology is much larger here than the national average (60%).

An industrial policy that addresses economic strengths finds considerable potential. In Berlin there are about 350 companies in energy-related areas, 70% of them in manufacturing companies: power grids and power storage, turbo machinery and power generation technology, control and measurement engineering, lighting, energy efficiency technologies, solar energy and E-mobility (see Figures 2 and 3). IG Metall Berlin is working on getting the incisive messages "Berlin: Energy City" and "Berlin can do industry" across to the city's enterprises, politicians and inhabitants. Between them they will boost the further development of industry in Berlin. ✕

Figures 2 and 3:
IG Metall Berlin wants to reinforce regional strengths: for example, in energy-related companies such as MAN (left) and Alstom (right).

Photo credits: IG Metall Berlin

IG METALL BREMERHAVEN

From shipbuilding centre to climate city



Photo credits: PantherMedia



“Following the collapse of its maritime industry, the industrial centre Bremerhaven now, since 2006, again has its sights on a turnaround. The establishment of offshore wind-energy companies has already brought the region 1500 jobs. We are confident that we will be able to create and permanently secure more jobs in this industry. This does, however, call for a reliable political framework to facilitate predictable planning and end the uncertainty.”

KARSTEN BEHRENWALD

First Representative IG Metall Bremerhaven

Karsten.Behrenwald@igmetall.de

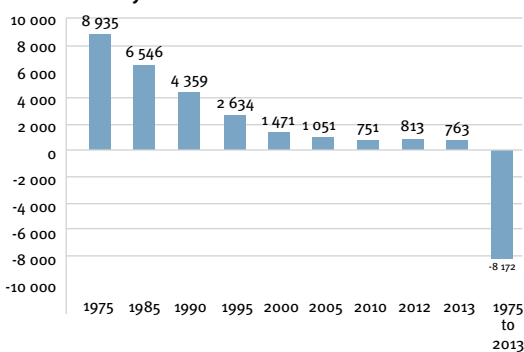
Several thousand metal workers lost their jobs after the collapse of the shipyard group “Bremer Vulkan” in 2005. At the time, the unemployment rate in Bremerhaven was 26%. IG Metall then issued the “Bremerhaven statement”, which was jointly approved with political and social groups, noting that there was an urgent need to secure industrial jobs in Bremerhaven and to attract new industries. Since then there has been an influx of several offshore wind enterprises, which are now gradually reversing the trend, also in the area of unemployment.

Since the mid-1990s, IG Metall Bremerhaven’s regional industrial policy has been of particular importance: the collapse of Bremerhaven’s shipbuilding industry – demonstrated most recently by the bankruptcy of Bremer Vulkan (see box) – resulted in thousands of job losses over the course of just a few years. The number of people in employment who were paying social insurance contributions declined between 1994 and 2005 by 17.6%. In 2005 the unemployment rate was 26%. That meant: 14 000 people were unemployed, with 10 000 drawing Hartz IV benefits. Many of them were metalworkers.

7 000 VULKAN WORKERS LOST THEIR JOBS

Bremer Vulkan AG was an important major shipyard and one of the most significant employers to the north of Bremen. It built all kinds of ships, and for decades was one of the largest shipyards in Europe. Without any sustainable investment concepts it was unable to withstand the competition from Asian shipyards. Due to insufficient capital and the lack of national objectives and investment activity in commercial shipbuilding, the company got into financial difficulties. In 1996, Vulkan AG was forced to declare bankruptcy, and finally ceased operations at its main shipyard in Bremen-Vegesack in August 1997 with the loss of 7 000 jobs.

Employment trends in Bremerhaven’s shipbuilding industry



At this time, Bremerhaven’s maritime industry was threatened by a complete collapse (see Figure 1). At an early stage, IG Metall, together with a number of the region’s works councils and workforces, held numerous rallies and demonstrations to call for the



maintenance of Bremerhaven’s economy and the establishment of new industries (see Figure 2 on page 13). At the same time, the union also applied sufficient pressure to get all the region’s relevant protagonists round a table. Eventually, IG Metall, Bremen’s Senate, Bremerhaven’s Magistrate and the Chamber of Commerce in a joint “Bremerhaven Declaration” all agreed that it was essential to retain Bremerhaven’s existing key industries while urgently recruiting new ones – especially offshore wind enterprises. Many other institutions and political and social forces also took a public stand in support of Bremerhaven’s industry and its expansion.

Figure 1: Final launch at SSW Shipyard GmbH (Seebeck Shipyard). The company closed in mid-2009.

Photo credits: IG Metall Bremerhaven

Works councils
Turnaround
Climate city
Predictability
Alliance for industry
Offshore wind energy
Bremerhaven
Only with a works council!
Workforce
Wind agency
Only with a tariff!
Bremerhaven Statement
Decline of the shipyards
Demos
Rallies

TURNAROUND THANKS TO THE OFFSHORE WIND INDUSTRY

The negative trend was not halted until 2006, which was the first year to record an increase in the number of industrial jobs. The restructuring at last began to bear fruit: a number of offshore wind enterprises moved into the area (see Figure 3).

Offshore wind energy is one of the key growth areas of the wind energy industry. Dozens of wind farms with up to 5 000 wind turbines are planned for the German North Sea and the Baltic. The manufacturers set up their production facilities for offshore wind turbines directly on the coast, to enable finished parts to be loaded straight onto ships and transported on the high seas to the construction sites. The “Wind Energy Agency” – which was founded in 2002 as a network for the wind energy industry in the Northwest region – expects the job market to continue to expand. For example, their long-term predictions for the servicing and maintenance of (offshore) wind turbines refer to a possible 20 000 new jobs along the coast.

Soon after its foundation, IG Metall Bremerhaven contacted the Wind Energy Agency for Bremen and Bremerhaven (WAB). The managing director of WAB is now a regular guest at works council meetings of wind power companies. This is where the industry’s developments, opportunities and problems are analysed and joint activities to maintain and promote employment and businesses are discussed.

Bremerhaven offers the industry excellent locations with very good conditions. Not only is there an available pool of skilled workers, above all the sites are close to the offshore wind farms, have access to ocean-deep water with large areas of usable land near the quays. Numerous well-known wind-energy companies such as Senvion, PowerBlades, WeserWind and AREVA have already settled here and form a network with research and service providers.

IG Metall’s local organisation in Bremerhaven was involved in their arrival at an early stage. There were a number of preliminary discussions together with local politicians and economic development bodies, and all parties signed the “Bremerhaven Agreement”, undertaking to consider the following criteria when establishing their operations:

- ✘ Guaranteed employment
- ✘ The setting up of works councils
- ✘ Recognition of existing tariff agreements in the metal and electrical industries

UNCLEAR POLICY LEADS TO STAGNANT INVESTMENT

Over the last few years vital investment in offshore wind farms in the North Sea and the Baltic has stalled. This was due to the difficult political environment – including a lack of commitment to the development goals and the dearth of feed-in tariffs and network connections to take up the generated power. This in turn led to the current under-employment at the production sites of WeserWind, Power Blades and AREVA Wind.

Reduced working hours have now been agreed at these sites. An initiative of IG Metall set up the “Business Alliance Wind Energy” together with affected companies and the city-state of Bremen, and this is currently making a real effort to avoid lay-offs at times of reduced working hours and to arrange qualification measures for affected employees during such periods. In spite of these problems, IG Metall Bremerhaven can still see prospects for additional industrial jobs of sufficient standing to generate social security contributions. However, the most important requirement is for a reliable framework that will facilitate predictable planning and end political uncertainty.

Uwe Beckmeyer, State Secretary at the Federal Ministry for Economic Affairs and Energy and Coordinator for the Maritime Industry, summed up the situation in an interview with the Wind Energy Agency: “The delays in network expansion and the political uncertainty in the previous legislature as to the future of the energy revolution were certainly not helpful. That is why the SPD made energy policy a priority in the election campaign. Now we need to make up for lost time – by extending the acceleration model, creating a binding development corridor for renewable energies and clear plans for network expansion.”

The metalworkers best response to this is the North German saying: “Then put some butter on the fish!” ✘



Figure 2: Industrial policy is possible only with the support of colleagues: Here is one of the many demonstrations for the preservation of jobs in the shipbuilding industry.

Photo credits:
IG Metall Bremerhaven

Figure 3: Offshore wind turbines: They provide the region with a great deal of potential for job creation. Condition: the politicians must provide us with a secure framework.

Photo credits: alpha ventus



IG METALL DÜSSELDORF-NEUSS

An agreeable mix instead of just fairs, fashion and the fourth estate



Photo credits: Wikipedia



“Our numerous initiatives and discussions, particularly the offensive work of the association ‘Future Through Industry’ that is supported by IG Metall Düsseldorf, have paid off. The new ‘Master Plan for Industrial Düsseldorf’ will markedly improve local conditions for industry. Even in and around the state capital, we were able to advance important industrial policy projects and leading to major new industrial investments.”

NIHAT ÖZTÜRK

First Representative IG Metall Düsseldorf-Neuss

Nihat.Oeztuerk@igmetall.de

From being a centre of heavy industry, over the last few decades Düsseldorf became the “desk of the Ruhr”. This immense structural change had fatal consequences for the diverse industries in the region and for jobs. That is why IG Metall modified its regional structural policy to give more weight to its battle against the massive reduction in industrial jobs since the 1980s. This perpetual defensive struggle has now – after many defeats – proved to have been worthwhile: New approaches to industrial policy are now gaining importance. A broad alliance and a master plan for industry, plus impressive industrial investment in the future, are the visible results of this commitment.

Recent decades have seen enormous structural changes in the Düsseldorf region, and these have had bitter consequences for many employees and IG Metall members. Since the late 1980s the region has lost some 50 000 jobs in the manufacturing sector. The reasons for this surge of de-industrialisation were primarily capacity adjustments, reduced production depth in many companies, complete plant closures and relocation of production facilities. And in the aftermath, this development also destroyed even skilled jobs in industry-related services.

Initially, some economists spoke of a “post-industrial age” becoming apparent in Düsseldorf. They perceived the displacement of industry as part of a new “urban strategy”. In doing so they misjudged the importance of the industry as the bearer of employment and innovation, as the basis of foreign trade, economic growth and regional development and as the source of prosperity.

Since the early 1990s, at a number of labour and industrial policy conferences and meetings of its co-founded Düsseldorf Citizens’ Committee “Life Needs Work – for Industry”, IG Metall had repeatedly pointed out the danger for the stability of regional economic structures from such a fixation on services, but these proved to be Cassandra prophecies that were initially scoffed at and ignored.

In the late 1990s, functionaries in the state capital finally began to draw up a mission statement depicting their view of themselves and their strategic direction. However, this statement – under the general title “Düsseldorf 2000” – dealt only with industrial fairs, the media and the fashion industry. And this although Düsseldorf – after Cologne – was and remains the second largest industrial centre in North Rhine-Westphalia. A number of the world’s market leaders are still at home here: Daimler’s Sprinter, premium steel tubes from Vallourec, mobile harbour cranes from Gottwald, ferritic stainless steel from Nirosta and giant excavators from Komatsu. Düsseldorf is also home to a number of the world’s top industry-related service providers and major IT, telecommunications and engineering companies.

YACHT CLUB AND YUPPIE MILE INSTEAD OF INDUSTRIAL PORT?

This ignorance culminated in the city of Düsseldorf’s “Vision 2002 Plus” proposal to transform the industrial port at Reisholz. Instead of industries and logistics companies, its future should be luxury

apartments, university-related services, a first-class hotel, modern offices, restaurants, a yacht club and a yuppie mile. This “vision” found broad support right across party lines, at times reaching the level of euphoric enthusiasm. The far-reaching consequences for the industrial belt to the south of Düsseldorf were overlooked: The very existence of established industrial companies in the port (including Demag Cranes, Komatsu, Hille & Müller and Henkel) as well as nearby businesses that rely on the port – altogether representing thousands of jobs – would have been threatened by a possible move. Several companies would be forced to relocate their production facilities or even close entirely. In view of this, managers of the affected industrial companies banded together to form a “South Düsseldorf Industrial Association”.



At the same time, on the initiative of IG Metall and the Citizens’ Committee “Life Needs Work”, a broad coalition was formed comprising works councils, industrial companies, the Chamber of Commerce and some political parties. Cooperation was encouraged by the fact that the envisaged transformation of the port area was incompatible with the very existence of local industry, and so, the first time, unions and industrialists joined together to take action against the city’s port project.

This produced a clash of two conflicting visions: on the one hand industrialists, trade unions and Düsseldorf’s Chamber of Commerce, who all wanted to prevent



Figure 1: The association “Future Through Industry” campaigns in the Düsseldorf region for greater acceptance of industry and technological progress. For example, each year it holds a “long night of industrial Rhine-Ruhr” that gives people interested in the factories a chance to look behind the scenes. IG Metall also supports this project.

Photo credits: www.zukunft-durch-industrie.de

further de-industrialisation, and on the other, the mayor, local politicians and architects, all dreaming of a “mile of living and leisure superlatives”. After much deliberation, discussion forums and debates, the project was wound up. And now – right now – a number of interested parties are working with city leaders to modernise and expand the Reisholz industrial port. A preliminary study supports this industrial and political approach: it exhibits a “high potential for a port in Reisholz”. The detailed feasibility study that is currently being prepared is expected to confirm this.

CREATE JOBS INSTEAD OF BUILDING LUXURY NEIGHBOURHOODS

What caused this change of heart? One major reason may be that the financial and economic crisis gave birth to a fundamentally new understanding of the importance of industry. This was primarily decided by four factors:

- ✖ The broad public solidarity against the proposed relocation of the stainless steel plant of ThyssenKrupp Nirosta from Benrath (immediately adjacent to the Reisholz district) to Krefeld. The works council, workforce and IG Metall were able to organise a broad alliance of citizens. Politicians and the administration then recognised the consequences closure of the plant would have for the south of Düsseldorf, and publicly came out against the relocation.

- ✖ The founding, in 2010, of the association “Future Through Industry”, which aims to convince politicians and the administration as well as citizens of the great importance of industry for the prosperity of a region (see Figure 1). This association runs information campaigns to promote the public’s acceptance of industry and industrial projects. It includes representatives of all the relevant industrial companies in the region plus numerous public figures and IG BCE regional organisation Northrhine, IG Metall Düsseldorf-Neuss and DGB regional organisation NRW.
- ✖ The exemplary fact that Germany’s economic crisis has been mastered with the help of a strong and competitive industry.
- ✖ The realisation that major societal challenges and future issues – such as climate change, environment-friendly mobility, medical progress and a sustainable energy supply – can be overcome only by means of industrial innovations.

Encouraged by the public pressure triggered by the activities of works councils IG Metall, the various political parties then also developed initial approaches for an industrial policy dialogue and a number of industrial policy initiatives. For example, SPD Düsseldorf, in close cooperation with IG Metall Düsseldorf-Neuss, organised a party conference that focused on “industrial policy. IG Metall also held discussions with other parties.

However, these initiatives were far from being enough to secure and develop the existing industrial sites and to promote new and innovative products, new production processes and the establishment of new industries. In April 2011, IG Metall Düsseldorf-Neuss therefore made a further attempt, holding an industrial policy conference with the following key questions (see Figure 2):

- ✖ How can the industrial region Düsseldorf-Neuss be made more attractive?
- ✖ What kind of “winner projects” does the region need to ensure that our industry continues to develop and the region’s industrial competence will still be at the top in 2020?
- ✖ How can the region’s additional industrial development be expedited?
- ✖ How can we prevent existing value chains from being weakened by the lack of skilled labour, migration, relocation, abuse of agency workers or disregard of the demographic situation?
- ✖ What can politicians and the administration do to develop the industrial region of Düsseldorf?
- ✖ What responsibilities do companies have for regional development?

These numerous initiatives and discussions, particularly the offensive work of “Future Through Industry” did pay off. Together with IG Metall and the DGB, the city administration and the Chamber of Commerce recently compiled a “Master Plan for Industrial Düsseldorf”. This aims to improve local conditions for industry with the help of the following measures:

- ✦ maintaining or developing industrial areas and infrastructure,
- ✦ technology and cluster policies,
- ✦ energy policy,
- ✦ securing the demand for labour by improving regional labour market and training policies
- ✦ systematically work on the location’s image and profile.

PIERBURG: A SUCCESS FOR INDUSTRIAL POLITICS!

If you drive past the first pier in Neuss, you will see the construction site of the impressive Pierburg complex (see Figure 3). This will incorporate a new valve factory, a modern foundry including mechanical processing and a logistics centre. Completion will be stage-wise from the spring of 2014.

How was this possible? Just a few years ago, the foundry at Pierburg’s location in Nettetal in the Lower Rhine was to be sold or brought up to date by means of modernisation investments. The company also considered entirely closing the Nettetal site including the foundry, or relocating its foundry work to Romania. The remaining production – without any foundry or machining facilities – was then to be continued in Neuss or in the Mönchengladbach area. By concluding a supplemental tariff agreement with Pierburg in June 2012, IG Metall put the seal on an entirely different plan that included a fundamental industrial policy decision and would influence the long-term future of the company. The core provisions of this agreement led Pierburg to expand its new location in Neuss. The binding agreement also covered products and projects that must be manufactured or implemented there, plus job security until 2022.

Although this was not sufficient to save the site in Nettetal, those jobs were secured for the long-term in nearby Neuss. Goods that were formerly manufactured in Nettetal and those from the previous site in Neuss are now all produced at the new, modern location at the Neuss pier. Eventually, the company’s central administration and its research, development and prototyping activities will all be concentrated there.

For the first time in decades, this agreement realised a new large-scale industrial investment in the region, which offered over 1,500 colleagues long-term prospects and significantly strengthened the industrial



Figure 2: IG Metall Düsseldorf-Neuss has advanced industrial policy dialogue at a number of conferences. For example, in 2011, under the motto “Quality of life through work and industry”. Discussions are held involving experts, responsible politicians and administrators, entrepreneurs, business associations and trade unions.

Photo credits:
Manfred Vollmer

location Düsseldorf-Neuss. It was indicative of the regional and structural significance and appreciation of this great investment that it was announced to the public jointly by the company Kolbenschmidt-Pierburg AG, IG Metall Düsseldorf-Neuss and the mayor of the city of Neuss. ✦

Figure 3: The new Pierburg building in Neuss: A valve factory and assembly plant, a modern foundry including mechanical processing and a logistics centre under one roof.

Photo credits: Pierburg GmbH



IG METALL ERLANGEN

Chair of project management launched



Photo credits: Siemens AG



“The initiative ‘Project Management in Plant Engineering’ has done a great deal for the image of IG Metall Erlangen. With our commitment to regional industrial policy we have opened up an important field of work – also with a view to representing the interests of highly qualified employees. This commitment is, however, extremely time-consuming for our full-time staff and needs decidedly more support from our volunteers.”

WOLFGANG NICLAS

First Representative IG Metall Erlangen (until 4/2014)

Wolfgang.Niclas@igmetall.de

Following a restructuring programme at Siemens Mobility (Verkehrstechnik) in Erlangen in 2006, IG Metall Erlangen and the works council feared that the entire development and planning division would be moved away from Erlangen. They collaborated with the workforce to analyse the situation, and found that large-scale projects always suffered from poor quality professional project management. After a number of consultations with various regional protagonists they found a solution: A new course at the local university is intended to address this lack of skills.

The employers' rationale behind the restructuring programme at Siemens Mobility (Verkehrstechnik) in 2006 was the company's relatively poor financial situation and, especially, the disappointing outcomes of large projects. However, the works council, IG Metall and the employees saw the reason for the unsatisfactory performance of many projects primarily in poor quality organisation and leadership. Against this background, they developed ideas for improving the quality of project management, which would also safeguard the site.

One important outcome of their deliberations was to set up an initiative group to establish a chair for a new master's course in "Project Management in Plant Engineering" at the Friedrich Alexander University. After a number of consultations with key regional protagonists, this was then realised in 2007. It is primarily company-funded and will run for ten years.

The master's programme offered by the University is based on several engineering courses. The course was first taught in the autumn-winter semester of 2013/2014 (see Figure 1).

BACKGROUND AND A MISSION STATEMENT FOR HIGHER GROWTH RATES AND INCREASING EMPLOYMENT

The failure of Grundig AG in the 1980s compelled IG Metall Nuremberg, Erlangen's neighbouring local organisation, to adopt new approaches in order to safeguard jobs. On the one hand, it exerted public pressure so as to force Grundig to commit substantial sums of money to helping employees gain new qualifications and finding them new jobs. On the other hand, it was also necessary to address the task of creating additional new jobs. IG Metall therefore established a raft of initiatives, working groups and facilities in order to drive such measures forward.

IG Metall's demands in relation to regional and structural policy in Middle Franconia were founded on the idea of strengthening areas of competence in industry policy so as to establish *Gute Arbeit* (Decent Work) in existing structures and new ones to be developed. For years, the Chamber of Commerce and Industry and the Employers' Association of the Bavarian Metal Industry had excluded trade unions from decision-making processes relating to regional policy (accusing them of commercial "dirigisme"). In the 1990s, the employers formulated a concept for developing regional fields of competence. At the same time, the Chamber of Commerce and Industry of Middle Franconia also created its first-ever regional mission statement.



However, the initial version of this mission statement was largely copied from the trade unions, who had already put forward their proposals:

in 1987 the DGB had carried out an extensive survey of the protagonists in the labour market in Erlangen. Its key question was as follows: How can we make industrial change socially acceptable? The results were presented at the round table “Employment and the Economy”, which was attended by representatives of both sides of industry, employers, employees, business associations and trade unions, under the leadership of the then mayor of Erlangen. The three key demands were to improve the structures of vocational training, to reinforce technology transfer and to create an initiative for the advancement of medical technology. The last of these later became the starting point for the very successful “Competence Initiative Medical Technology”.

Since 1993, the “Economic Forum Nuremberg, Fürth, Erlangen”, a group of business, scientific, political and trade union representatives, has met several times a year, as needed, to develop initiatives for successful structural change. This is also where the regional “Mission statement for sustainable growth and employment” came into being (see Figure 2 on the following page).

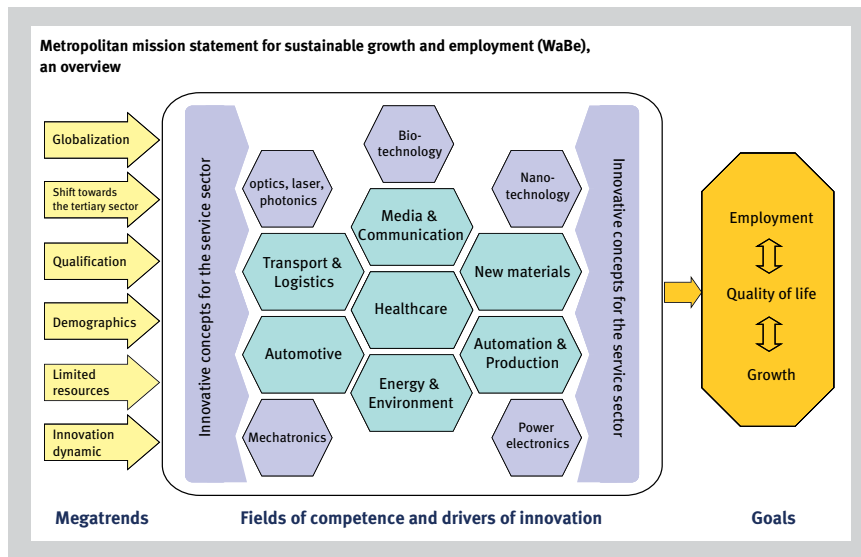
The unions, primarily IG Metall Nuremberg under Gerd Lobodda, now also became known as initiators and

Figure 1: The information brochure for the new course “International Project Management and Plant Engineering”. Once students have completed their course they can work, for example, in power plant engineering, the solar and wind energy sectors, industrial process engineering or on infrastructure projects.

Photo credits: FAU

Figure 2: The mission statement for sustainable growth and employment of the Economic Forum Nuremberg, Fürth, Germany. IG Metall Erlangen is also a member of this group of company, scientific, political and trade union representatives.

Photo credits: IHK Nuremberg



Industry, AREVA and in the area of industrial services). This extraordinary expertise simply had to be developed!

In 2007, in the document "Position Paper of the City Axis Nuremberg/Fürth/Erlangen/Schwabach to Implement the Bavarian Investment and Future Programme Bavaria 2020: Children – Education – Work" IG Metall reinforced its demand for a Plant Engineering Centre. But

designers of active industrial policy in the region. IG Metall Erlangen also had an active representative in the economic forum. It is also due to this long-term joint industrial policy work that we were able to establish a full professorship at the University in order to resolve a problem of company policy.

EUROPE'S LARGEST DENSITY OF LARGE-SCALE INDUSTRIAL PLANT

In 2005, rumours and preliminary information about a possible relocation of large areas of Siemens Mobility (Verkehrstechnik) prompted members of the IG Metall works council at the Siemens G site, led by works council chairman Klaus Hannemann, to hold numerous intensive discussions with employees. This time-consuming dialogue-oriented approach was the decisive prerequisite for all subsequent steps.

One of the questions that was put to employees was: Apart from our statutory and public mobilisation options, what else can we do to safeguard jobs in Erlangen? The answer: increase the attractiveness of the Erlangen site for Siemens AG, in particular by improving the quality of project management. Siemens' managers had already made some efforts to improve their project management, but from the employees' perspective this was not good enough, nor broad enough.

In 2005, an internal study group from IG Metall Erlangen (First Authorised Representative, works council chairman for Siemens G, Klaus Hannemann, and a student assistant, Sebastian Henn) carried out a systematic analysis of the question in the major plant engineering companies of Middle Franconia.

The result: The density of large-scale plant engineering companies is particularly high in and around Erlangen/Middle Franconia. Nowhere else in Europe (perhaps nowhere in the world) is there a comparable concentration of such specialist engineers (the survey covered all projects with more than 300 million euros in sales, particularly those at Siemens Energy, Siemens

the future programme "Bavaria 2020" of the Bavarian Ministry for Economic Affairs gave this demand no support. Starting in November 2009, IG Metall Erlangen therefore set up the project group "Project Management in Plant Engineering", which held a total of five meetings. In addition to works councils and IG Metall, several local Siemens' representatives, the Friedrich Alexander University of Erlangen-Nuremberg, the Association for Project Management, the Chamber of Commerce and Industry and – as patron – the mayor of the City of Erlangen were all represented.

Outstanding contributions to the design of the new course were made by Professor Eberhard Schlücker (Laboratory of Process Machinery and Plant Technology) who conceived the study programme, and Dr. Jürgen Castle (Siemens AG), who secured its initial partial funding. The result of this constructive cooperation is now the master's degree course "International Project Management in Plant Engineering" (for the content, see Figure 3).



| 1st SEMESTER | 2nd SEMESTER | 3rd SEMESTER | 4th SEMESTER |
|---|--|---|-----------------|
| Teambuilding/ Communication | Project management | Plant engineering | Master's thesis |
| Project management | Management methods | Simulation methods in plant engineering | |
| Project management | Business administration | 2 elective courses international project management | |
| Control systems technology | Process machinery and plant technology or electrical engineering | Supply chain | |
| Practical seminar | Practical seminar | Portfolio management | |
| Technical elective course | Elective course fields of application and innovation | Contract law/Compliance | |
| Elective course fields of application and innovation | Summerschool | Summerschool | |

Figure 3: The course covers management theory, technical studies, legal issues and practical modules.

Photo credits: IHK Nuremberg

CONCLUSIONS FROM THE TRADE UNIONS' PERSPECTIVE

IG Metall Erlangen drew a number of conclusions and consequences from this project:

- ✖ If we replace “university” by “apprentice workshop” or “vocational school” we can clearly see that this project is a classic union task. Trade-union work in any company enhances the awareness of skills shortages in individual areas. From this observation, the representatives of interested parties can formulate demands for training policies. With the growing importance of higher education for vocational education and industrial work, the apprentice workshop merely expands to include a university education. However, the route from identifying a problem to developing a university course is more complex and costly.
- ✖ In spite of the very large number of traditional apprenticeships, the number of “graduate apprentices” in the Erlangen region now markedly exceeds the number of students on three-year sandwich courses – and is continuing to rise.
- ✖ The “Project Management in Plant Engineering” initiative has done a great deal for IG Metall’s image. Particularly with a view to representing the interests of highly qualified employees, which it is increasingly important for IG Metall to attract, this project has enabled the union to gain entry into an important field of work.
- ✖ Our enhanced image is reflected in our increasing membership and our success in works council elections. Certainly there are only sporadic indications of a direct and demonstrable connection with the project, but those of our active members who belong to the highly qualified employee groups consider that connection to be obvious.
- ✖ In recent years we were able to attract more than 1,000 interns as members. A contributory factor here is the fact that only members of IG Metall receive its collectively agreed benefits. At regular internal information events, IG Metall’s having initiated the setting up of a university chair also makes a significant contribution to interns’ long-term identification with the demands and the work of IG Metall.
- ✖ With its commitment to (regional and national) industrial policy, IG Metall Erlangen has also gained considerable recognition as an advocate for groups of highly qualified employees. This especial commitment is, however, extremely time-consuming for our full-time staff and needs decidedly more support from our volunteers. The cooperation of a number of local organisations within the area in question is just as essential as an independent local presence.
- ✖ The joining of strategic company and group policies intended to further the interests of employees and regional and central industrial politics is a unique feature of our region’s trade unions. The task of enforcing stakeholder interests calls for both strong unions and an active workforce. The dangers of syndicalist co-management are manageable, provided IG Metall continues to make sociopolitical demands and develop them in accordance with its concept, “United for a Good Life”. ✖

IG METALL FRANKFURT AM MAIN

Renaissance of industrial policy with a master plan



Photo credits: Wikipedia



“Thanks to our industry-related activities over the past twenty years we have managed to make industrial policy a public issue again in the city and region of Frankfurt. At the same time we were able to make clear just how vital industry is to maintaining the social infrastructure of the municipalities: at present, industry contributes 34% of the tax revenues of the city of Frankfurt am Main.”

MICHAEL ERHARDT

First Representative IG Metall Frankfurt am Main
Michael.Erhardt@igmetall.de



“We have managed to replace the public’s traditional view of ‘industry’ with a new image of a more modern and cleaner industry that is not inconsistent with affordable housing in the neighbourhood. We will continue to stress the importance of decent work and a good income for a sustainable industry – in contrast to the often precarious and badly-paid jobs in the services and logistics sectors.”

HARALD FIEDLER

Regional Manager DGB Frankfurt-Rhine-Main
Harald.Fiedler@dgb.de

During the financial and economic crisis of 2008/2009, IG Metall Frankfurt increasingly contributed its views to the political debate and to various committees, building on its industrial policy mission statement of 1994. In cooperation with other regional protagonists, it offered the city two industrial policy declarations. These were also incorporated into a large-scale “Master Plan for Industry”, which was coordinated with local politicians and the administration. The goal: to sustainably strengthen the region’s industry. At present, in a structured process at regional level, a number of working groups are developing implementation-oriented measures for various fields of activity. There are trade union representatives involved in all of these.

Frankfurt-Rhine-Main is one of the economically most powerful regions in Europe. The city of Frankfurt – with around 700 000 inhabitants and 300 000 commuters from surrounding areas – is a commercial centre that not only shapes the region but also illuminates the wider world. Depending on how one defines the region, it is home to up to 5.3 million people and around 400 000 industrial jobs, but it is still primarily perceived as a centre for services and banking. In the central city of Frankfurt itself, only 7.9% of the jobs (about 60 000 in absolute figures) are markedly industrial in nature. Until the financial crisis of 2008, industry barely featured in the political debate, and when it did it was regarded as rather a nuisance and expendable.

LOOKING BACK

Until the early 1980s, Frankfurt was considered a strong industrial centre where many companies, such as VDM, Triumph Adler, Jade, Hoechst AG and others, also had their corporate headquarters. With the erosion of industry that took place from the mid-1980s until the late 1990s, more than 50 000 industrial jobs were destroyed in the city itself, and more than 100 000 in the region as a whole. The prevailing opinion in politics and society, that the expanding services sector would offset this loss, was confirmed at best statistically, and that after a considerable delay, because the quality of work performed and its remuneration were very different in the new service sectors. A large number of precarious, low-paying jobs were created, and at the same time some extremely highly paid ones – particularly in the financial services sector. These last came with working conditions that demanded an enormous amount of effort and achievement from their employees. Those who had lost their jobs in industrial companies generally found themselves in the first group, but many also remained unemployed.

INITIAL INITIATIVE: MAINTAINING KEY INDUSTRIES

In 1994, in response to this situation and these findings, IG Metall and DGB Frankfurt brought out an industrial policy initiative with the aim of safeguarding at least the few remaining industrial jobs. In response to the unions’ efforts, the city of Frankfurt set up an “Industry Working Group” chaired by the mayor. In 1995/96 this body was expanded to include

more members. It developed into a “Permanent Economic And Labour Market Conference” (SWAK, Ständige Wirtschafts- und Arbeitsmarktkonferenz), created under the auspices of the city’s Department of Economic Development and chaired by the mayor. This conference was associated with a committee that met twice a year and convened the larger SWAK group when necessary. A number of industrial maintenance projects had been initiated by SWAK and new industrial policy projects had also been launched – including the Frankfurt Innovation Centre for Biotechnology (FIZ), the business incubator “Compass” and business consultants for small and medium-sized enterprises.

In addition, in recent years IG Metall Frankfurt has strongly promoted social measures to mitigate job losses in the region, as for instance at Avaya, or most recently at Neckermann. A number of companies, such as the Binding brewery and the Kampfmeyer grain mill, who had already planned to relocate and abandon their Frankfurt site, were persuaded by the trade unions to remain. Also, when Continental AG in May 2013 threatened its employees with closure of the Karben factory unless the supplemental tariff agreement was extended until 2018 (Figure 1), IG Metall felt challenged to take regional-political action and organise resistance. The company demanded considerable concessions from its employees, otherwise, there would be no new orders.



Figure 1: Conti’s site in Karben near Frankfurt: In 2013, industrial policy here meant combating the threat of plant closure.

Photo credits:
IG Metall Frankfurt

COLLABORATIONS AND CONFERENCES

In early 2009, prompted by the financial and economic crisis, DGB Frankfurt-Rhine-Main – with the participation of IG Metall's local organisation in Frankfurt – compiled a labour market policy statement ("Declaration for coping with the crisis") and laid it before both SWAK and the city's committees. In this document, all the relevant regional-political protagonists pledged,



among other things, to avoid lay-offs, to use extended short-time working in order to retain staff and, where possible, to continue to employ and train apprentices. In addition, they agreed to extensively exploit economic stimulus programmes in order to retain jobs, particularly for skilled industrial workers.

This initiative, and hence also the local measures called for by IG Metall, did then finally help Frankfurt – in view of the loss of jobs due to the crisis – to come out of it relatively unscathed. This realisation then gave rise to discussions about the need for the continuation of industry in Frankfurt.

Here the trade unions benefited from their years of dealing with the region's increasing de-industrialisation. In 2009 they were already able to put forward a number of industrial policy concepts: Initially, industrial policy motions tabled by IG BCE and IG Metall at the DGB's regional delegates conference in the autumn of 2009 were the subject of controversial debate. IG Metall therefore pressed for an industrial policy conference in 2010, held jointly with the region's DGB, which would enable them subsequently to put forward their common positions to politicians and the public. This was successful: the discussions conducted there formed the basis of a multi-page policy paper setting out the trade unions' farther-reaching industrial and political strategy for the region.

In view of the positive results from the paper "Declaration for coping with the crisis" that they had submitted to SWAK in early 2009, IG Metall Frankfurt began pressing for an "Industrial Policy Statement" to be laid before SWAK and its 40 organisations. However, in order to carry this through they needed more supporters.

FROM AN INDUSTRIAL POLICY STATEMENT TO A MASTER PLAN

Eventually, after discussions with various regional political protagonists, IG Metall managed to interest the Association of Hessian Business Associations in Frankfurt, Frankfurt's Department of Economic Development and its Office of Commerce in the project. With their help, the declaration was made compatible for SWAK without losing sight of the unions' primary objective to safeguard and develop industrial employment (see box).

These activities alone were sufficient to persuade Frankfurt's black-green coalition to include the issue in their coalition agreement, forcing the opposition (SPD) to abandon its plans to schedule valuable industrial land for the construction of high quality up-market housing.

In 2011, the "Industrial Policy Statement" was then adopted by a meeting of SWAK under the chairmanship of the then mayor (see box). Soon after this, the Chamber of Commerce and Industry, which at that time was still quite openly hostile to the trade unions' initiative for the East Harbour and – like the SPD – strongly favoured a high quality residential development, publicly executed an about-face. This also brought them onto the unions' side.

PROACTIVE FOR THE INDUSTRIAL LOCATION FRANKFURT

Extract from the joint declaration of the standing economic and employment conference for the industry location Frankfurt-Rhine-Main in 2011:

„We are calling for a **restructuring of industrial policy**, including:

- ✕ reviewing of the industrial policy mission statement of 1994, in terms of both its analysis and its fields of action (with particular emphasis on coordination),
- ✕ regularly convening an industrial policy conference to discuss topics for a comprehensive industrial policy in both a local and a regional context,
- ✕ setting up and developing an industry network and
- ✕ providing the necessary financial and human resources.

The primary objectives of the concerted action of all the bodies represented in SWAK are to safeguard and modernise our industrial core, to preserve jobs and training opportunities and to offer employment to all groups of employees. Such a comprehensive reorganisation of industrial policy – including an understanding of systematic network management – will safeguard the future of the region.”

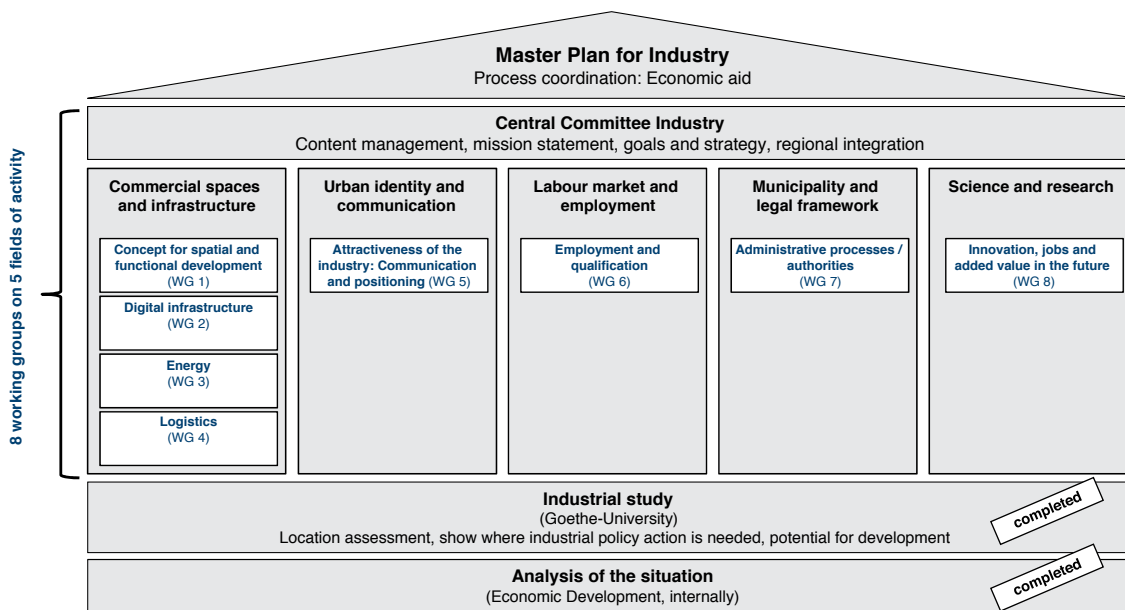


Figure 2: The “Master Plan for Industry” is a combination of long-term strategies aimed at reinforcing Frankfurt as an industrial location.

Source: Department of Economic Development for the city of Frankfurt am Main

Frankfurt’s magistrate instructed the city’s Department of Economic Development to create a “Master Plan for Industry” for the city (see Figure 2). A Central Committee was set up to this end, involving the trade unions (DGB, IG Metall, IG BCE) working closely together with the Association of Hessian Business Associations, the Chamber of Commerce and Industry, the Chamber of Crafts, the University of Frankfurt, the employment exchange, the City of Frankfurt, the Regional Association and a number of individual company representatives.

At the same time the university, on behalf of the Department of Economic Development, compiled a large-scale study of the needs of industry in Frankfurt (see Figure 3). One of their key findings was that dialogue between the protagonists is vital. Literally, the report says: “The needs and demands of Frankfurt’s industrial entrepreneurs are by no means homogeneous. It follows that identifying areas of action will involve formulating appropriate actions, options and approaches, which can then be decided on only by way of political consensus processes. Our next step in the formulation of a ‘Master Plan for Industry’ for the city of Frankfurt needs to be setting priorities and determining focuses.”

At present there are eight working groups discussing how the different fields of action can be concretised into a master plan. All these groups include representatives of the unions, who are expediting the process. The results are expected to be compiled in mid-2015.

CONCLUSION

Over the years, the industrial policy activities of IG Metall Frankfurt and other unions have had considerable success. They managed to make industrial policy a public issue again in the city and the region, and at the same time they were able to make clear just how vital industry is to maintaining the social infrastructure

of the municipalities: at present, industry contributes 34% of the tax revenue of the city of Frankfurt am Main. Together with other regional protagonists, the unions have surveyed existing industrial establishments and jobs and pointed out a number of forward-looking development opportunities. One important point was to create a new image of modern, cleaner industry in place of the public’s traditional view of “industry”, one that is not inconsistent with affordable housing in the neighbourhood.

Last but not least, we had to – and still must – emphasise the importance of decent work and a good income for sustainable industry, thereby distinguishing ourselves from the often precarious and badly-paid jobs in the services and logistics sectors. ✂

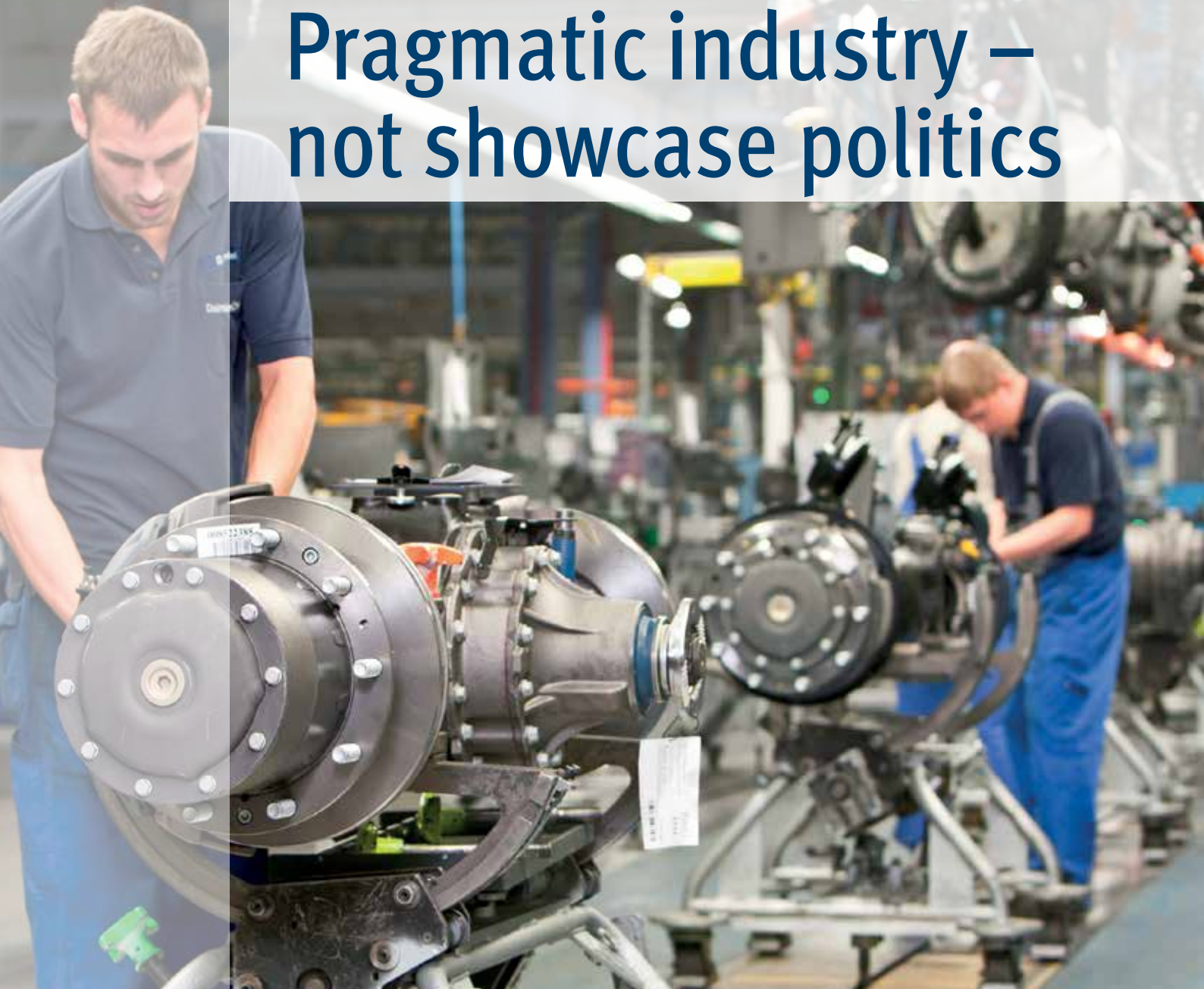


Figure 3: The Goethe University was commissioned by the Department of Economic Development to compile an industry study. From its comprehensive business surveys it was able to show where industrial policy action is needed, and this is the basis for the activities of a number of working groups.

Photo credits: Institute for Human Geography, Goethe University

IG METALL GAGGENAU

Pragmatic industry – not showcase politics



Picture credits: Daimler AG



"The livelihood of our region depends on automotive manufacturing and their suppliers. We desire and need future-proof manufacturing jobs. We are providing impulses and are actively working in regional networks to this purpose. Support from academia sharpens our vision for regional strengths."

CLAUDIA PETER

First Representative IG Metall Gaggenau

Claudia.Peter@igmetall.de

The car manufacturing industry and their suppliers, which represent a highly specialised industrial structure, dominate Gaggenau. The region is also home to future-proof technologies such as forming technology for manufacturing processes. Locally, IG Metall is part of the regional network and it pursues a pragmatic and constructive course in terms of industrial policies. It does not resort to manipulative politics by using its prominence to upgrade the image of the locality, nor does it build castles in the air; it intervenes, where necessary, with an astute, critical approach.

With 17,600 people in work, the Rastatt administrative district has the highest employment rate in the automotive sector in Baden-Württemberg after Böblingen, Stuttgart and Heilbronn. Its strong focus on automotive manufacturing singles it out as a highly specialised industrial region. However, during the crisis in 2009, this sophisticated and long-term specialisation with its one-sided structure emerged as a vulnerable factor. It is therefore necessary to counteract this risk with targeted further development of the economic structure.

Since IG Metall Gaggenau is firmly anchored in the regional structure, it is well positioned to influence regional decisions. Amongst other functions, it alternately acts as a member of the Federal Employment Agency's administrative board, where it drives forward regional development in collaboration with the Agency's networking platform. The transition from school to career, upgrading employee qualifications and issues relating to livelihood perspectives in the district are all part of its remit.

Initiated by IG Metall, Daimler, Gaggenau town council, the Rastatt administrative district and Südwestmetall, new on-the-job Bachelor and Master degrees were introduced at the Steinbeis Business Academy in March 2009. Designed to counteract the shortage of engineers, the new courses comprise business administration studies and technical subjects that are tailored to the needs of regional businesses.

IG Metall's extensive network includes administrative councils on a municipal and regional level where local board members and works council members provide input on structural and political labour market issues.

THE RASTATT DECLARATION DURING THE CRISIS

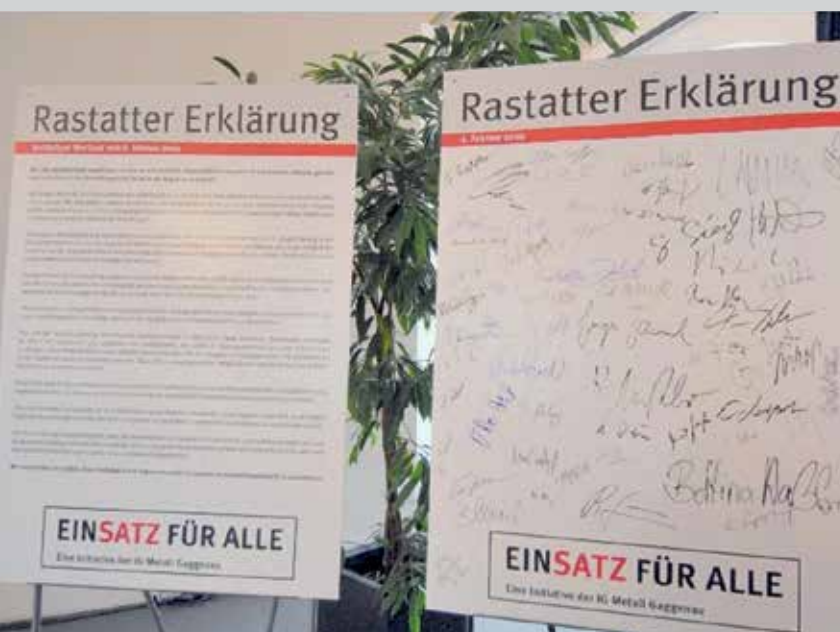
The particular influence of the long-standing regional network in which IG Metall is active was brought to bear during the financial and economic crisis. At the end of 2009, spurred on by the initiative of IG Metall Gaggenau, a broad spectrum of regional stakeholders united to organise a crisis management policy aimed at developing constructive solutions for the automotive-oriented region so hard hit by the crisis. Political instruments such as implementing short-time work in the affected companies played an important role. Other concerns including quality assurance in times of crisis, regional responsibility and appropriate action on the part of companies and politicians in the severely impacted region were on the agenda.

IG Metall's pioneering "Acting for all" initiative supported agency staff and those with insecure employment who had lost their jobs. Under the motto: "Learning is better than twiddling your thumbs" the common-interest partnership advocated using the short-time work periods constructively by investing the time in upgrading qualifications. IG Metall's primary concern was to opt for short-time work in hard times and to avoid involuntary lay-offs – without compromise.

The employers' association also concurred with this request which amounted to retaining qualified and in-house trained staff. The Federal Employment Agency supported the qualification measures financially as it saw this as a means whereby companies could weather the storm of the crisis and emerge stronger.



Both employee and employer representatives, local and cross-regional politicians, lay officers from health insurances, the Chamber of Industry and Commerce and trade associations as well as representatives from academia – a highly unusual constellation – came to a consensus on a joint referendum for the purposes of job retention: the "Rastatter Declaration" (see box on next page).



EXTRACT FROM THE RASTATTER DECLARATION

"We the undersigned, appeal to all stakeholders in society, commerce and politics, to take decisive, joint action to counteract the impact of the crisis in the region.

We call upon businesses and companies to retain jobs and to make active use of the instruments provided by politics and the labour market to do so. [...] At the same time, acting and thinking in the long term is of the essence. At this time, we need to offer more trainee positions, and not fewer, and employ those who qualify. [...] The time has come to introduce a structural and political initiative. Further development of the economic structure in the district must be addressed. Innovative structural policies will enable us to remedy weaknesses and strengthen the region.

Many schemes and circumstances will require the support of banks. We appeal to credit institutes to make available flexible and tolerant financing guidelines for both companies and individuals. [...] We pledge to support these schemes by our actions in our area of responsibility."

IG Metall conference "Acting for all" makes an impact: some 100 participants representing political entities, the business sector, banks and trade unions signed the Rastatter declaration pledging to manage the crisis in the region as a united front.

Picture credits: IG Metall Gaggenau

„Die entlang der Murg, die können was“

IG Metall präsentiert neue Studie zur Zukunftsfähigkeit von Betrieben der Umformtechnik

Murgtal (russ) - Metallverarbeitende Betriebe der Umformtechnik im Raum Gaggenau sind nach wie vor gut aufgestellt. Schimmernde Potenziale in Personalentwicklung oder überbetrieblicher Zusammenarbeit sollen allerdings stärker genutzt werden. Denn eine hohe Wettbewerbsfähigkeit im Bereich der Technologie sei elementar für den Wirtschaftsstandort. Zu diesem Ergebnis kommt eine Studie „Umformtechnik in der Region Gaggenau-Rastatt“. Ergebnisse wurden gestern im Umform-Museum vorgestellt.

Im Auftrag der IG Metall Gaggenau und der gewerkschaftsnahen Hans-Böckler-Stiftung hat das Fraunhofer-Institut für System- und Innovationsforschung (ISI) die Studie durchgeführt. Dabei wurden fünf Betriebe untersucht, um spezifische Handlungsansätze und Perspektiven einer nachhaltigen Technologieentwicklung innerhalb dieses hochentwickelten Wirtschaftszweigs aufzuzeigen. Es handelt sich dabei um:

- Daimler in Gaggenau
- Masquet/Medkamp in Rastatt
- KWH Automobiltechnik in Oetingen
- König Metall, Bad Rastatt
- Fritz Automation in Forbach

Die Wirtschaftslage habe großes, überzeitliches Zukunftspotenzial, der I. Bevölkerung der IG Metall Gaggenau.



Drücken, biegen, ziehen, weitere Umformtechnik nimmt auch bei König Metall heißen Raum ein.

Foto: Kiesel

bei der Präsentation der Studie. Dennoch habe es bislang in der Region keine betriebsbedingten Kündigungen in der Branche gegeben. „Dies ist ein Glücksfall, aber kein Zufall“, versichert er auf die Unternehmen, die mit ihren Investitionen auch in Krisenzeiten Weitblick beweisen würden. Weitblick und Interesse für die Perspektiven in der Umformtechnik wünsche er sich aber auch von anderen Akteuren: Zwickbeger kritisierte, dass bei der geringen Präsenz der IG Metall der einflussreiche Vertreter von IHK, Politik oder Wirtschaftsverbänden ausbleibe. Eine Ausnahme sei Thronen Hand, der Wirtschaftsverbände der Stadt Gaggenau.

Die Umformtechnik-Betriebe im Raum Rastatt/Gaggenau seien zukunftsfähig, so Zwickbeger. „Die entlang der Murg, die können was“, lobte der I.

Bevölkerung. Firmen und deren Mitarbeiter. Im Rahmen der Diskussion wurde deutlich, dass die derzeitige Wirtschaftslage die Unternehmen immer noch im Griff hat. Viele Investitionen seien noch „in der guten alten Zeit“ vor der Krise in Auftrag gegeben worden, erläuterte Dr. Omer Zwickbeger, geschäftsführender Geschäftsführer von König Metall. Er verwies auf den Prozess, das Daimler

in Kuppenheim baut. Ob dies unter heutigen Gesichtspunkten noch einmal in Angriff genommen würde, sei fraglich. Gleichwohl setzt auch Hochtief aus Forbach auf ein Anzeichen der Konjunktur. „Jedenfalls muss man jetzt mal wieder eine Wertschöpfung anstrengen.“ Im Murgtal sei man dank einer Offenheit neuer Technologien gegenüber auf einem guten Weg. „Denn da wird net so viel getobt.“

Zukunftsfähige Technologie- und Innovationsstrategien in hoch spezialisierten Industrieregionen

Eine exemplarische Studie am Beispiel der Umformtechnik in der Region Rastatt/Gaggenau

Oliver Kleine
Steffen Kinkel
Oliver Som
Hans Bräunlich
Verena Kräusel



FORMING TECHNOLOGY AS A STRATEGY FOR THE FUTURE

In order to assess important future developments in the region, IG Metall Gaggenau commissioned a number of research studies. These included expert opinions on "Temporary Work in the Mid-Upper Rhine Region," the "2006 Automobile Cluster Report" and the 2010 study: "Future-Proof Technology and Innovation Strategies in Highly Specialised Industrial Regions – Example: Forming Technology" (see Figures 1 and 2). IG Metall deployed this scientific basis to exert influence on regional decisions and to lay down key political concerns.

IG Metall Gaggenau used the most recent study conducted in 2010 to demonstrate that despite a dependency on the automotive sector and the crises it experienced in 2008/2009, the region has a viable future. Forming technology was used as the basis for an analysis of five important companies. In cooperation with business, plant and technical management, as well as hands-on oriented works councils, the Fraunhofer-Institut für System- und Innovationsforschung (ISI) conducted a survey to identify potentials for future success in addition to possible risk factors.

Notwithstanding the extensive technological expertise in forming technology in the region, the study sees further future-proof development possibilities in this field.

However, given increasing range and declining serial sizes, maintaining cost effectiveness in forming technology processes poses a considerable challenge. The study showed that synergizing staff development and

technology planning more effectively would greatly enhance the scope for optimization.

IG Metall Gaggenau immediately informed the regional commercial and political bodies of the recommended course of action derived from the analysis:

- ✖ Direct strategic focus on technology scouting
- ✖ Set up a central process development system and integrate it into product development activities
- ✖ Create future-proof core areas for qualifications.

SUMMARY AND OUTLOOK

The discourse on forming technology is important for IG Metall's regional industrial politics because companies are able to derive from it measures that can be implemented directly. An additional incentive for IG Metall is that there is great potential for development in the technology-oriented Gaggenau/Murgtal/Rastatt regions which ought to be exploited sooner rather than later. They do not regard this discourse as a flash in the pan; it lays the foundation for job retention in the region.

IG Metall Gaggenau's goal has always been and still is to exert an influence on the infrastructure and attract companies to settle in the region in order to actively contribute to its development instead of resorting to showcase politics. ✖

Figures 1 and 2:

A newspaper article on the study commissioned by IG Metall Gaggenau. The result of the study: forming-technology companies in the region have a viable future.

Picture credits:
Left: Badisches Tagblatt dated 19.11.2009; Right: Fraunhofer-Institut

IG METALL HEIDELBERG

Future-proof with engineers and technicians



Picture credits: dpa



"With ZIMT, IG Metall Heidelberg offers engineers, IT specialists and technical experts an interesting range of programmes to participate in. By cooperating with the metropolitan region, it was able to present its competence in technological matters to a wider audience. And by joining various regional networks, they secured broader access to information, thereby strengthening their sphere of influence in terms of structure and policies."

MIRKO GEIGER

First Representative IG Metall Heidelberg

Mirko.Geiger@igmetall.de



Contacts for questions relating to ZIMT:

Ulrike Zenke, project secretary of the Baden-Württemberg regional council:

Ulrike.Zenke@igmetall.de and

Welf Schröter, project partner and speaker for the "Shaping Social Technology" forum at the DGB: schroeter@talheimer.de

In 2008, IG Metall Heidelberg initiated an industrial political discourse on combining innovation strategies with the right to decent work. The political goal here encompasses both structure and organisation. In terms of structure, the aim is to determine both where to place specific jobs and the qualification requirements these jobs entail, and then to put measures in place to promote employment. On an organisational level, IG Metall desires to engage engineers and technical experts in the discussion to a greater degree.

"Future outlooks on social innovation in the world of work with human hands and new technologies" – in short, ZIMT (an acronym for the German equivalent, see Figure 1) which refers to the industrial political discourse of the trade unions in the Heidelberg region. It was initiated by the local IG Metall, the Baden-Württemberg IG Metall regional council and the "Shaping Social Technology" forum of the DGB in the Baden-Württemberg region.

Since 2008, within the framework of this discourse, some 50 evening events and a series of courses have been held for engineers seeking jobs and technical experts from a Employment and Qualification Company. Furthermore, the initiative compiled a recommended course of action for employee-oriented structural policies. This paved the way for the ZIMT initiators to gain access to the Rhein-Neckar metropolitan region.

INITIAL SITUATION: THREE BIG AND MANY SMALL PLAYERS

The structure of plants in the Heidelberg local administration's catchment area is shaped by three large companies: SAP, Heidelberger Druck and ABB Stotz. While trade-union work at SAP was still in its infancy, the others have been A-ranking companies for decades (i.e. highly organised and able to strike). Around 90 other companies fall under the local Heidelberg IG Metall organisation. These operate in disparate sectors and none has more than 1,000 employees.

In order to take proactive steps to counteract job losses, at the end of the first decade following 2000 IG Metall Heidelberg set out to assess which industrial sectors had future-proof job perspectives with a view to determining which fields of technology should be actively promoted in the region as well as the corresponding political framework. However, the Heidelberg region faced the next crisis as early as 2009.

PHASE I: COMPILING A RECOMMENDED COURSE OF ACTION

In the first phase (2009 to 2010) of its industrial political advance, IG Metall Heidelberg started ZIMT with open, structured discussions which culminated in recommended courses of action (see Figure 2). The evening events featured speakers from business, R&D and the working world. The lectures and discussions were aimed at assessing what effect the various technological developments could have on individual companies and on employment in the region. Most of the participants were works council members, engineers,



Figure 1: Zimtsterne biscuits served as both a symbol and refreshment. In Heidelberg the acronym ZIMT also stands for the German equivalent of "Future outlooks on social innovation in the world of work with human hands and new technologies."

Picture credits:
IG Metall Heidelberg

IT specialists and technicians. Representatives from institutions such as the Chamber of Commerce and Industry and the press attended sporadically. Both members and non-members of IG Metall took part in the discussions.

The debate was summarized as recommended courses of action, which were adopted as the "ZIMT Proposal" or the "Heidelberg Proposal" (see box).



Figure 2: The ZIMT event programme included input and discussions: How will technological developments impact on companies and jobs in the region?

Picture credits:
IG Metall Heidelberg

PHASE II: UPDATE WITH ENGINEERS

The second phase (2010/2011) comprised ZIMT updates for engineers and technical experts from the BGQ ("Employment and Qualification Company") (BQG, see Figure 3).

THE HEIDELBERG PROPOSALS

Core recommendations:

1. Raising the profile of technology politics

We recommend ratchet up the importance of technology politics in the work of trade unions and works councils. Especially in a crisis, social innovative policies can pave the way for new opportunities in the medium-term.

2. Active communication

We recommend implementing a targeted communication strategy for making the results (...) easily available to company employees, especially works councils and shop stewards, for the purposes of strengthening innovation networks in the region.

3. Driving forward skill enhancement

We recommend driving forward knowledge and competency in the field of technology politics. This can take the form of information, consulting, assistance, further education, training etc. for local staff.

4. Making use of "Transfer/Qualification companies"

We recommend that the experience and skills of employees who have joined or will join "Transfer" companies is put to use to build up a practical technology strategy.

5. Extending and modernising trade union communication

We recommend harmonising trade union activity and communication with members with new innovation- and technology-oriented policies. The trade union's organisation and organisation capabilities should be updated accordingly.

6. Win over highly qualified employees

We recommend speaking to experts (staff in engineering, R&D, IT, science) about topic networks and to encourage them to get involved in change management.

The background: the first wave of retrenchment at the largest IG-Metall member, Heidelberger Druck, began in the wake of the crisis in the printing industry in 2009. Some 1,000 employees including many engineers and technical experts left the company and joined Weitblick, an "Employment and Qualification Company". ZIMT contributed to their basic and advanced training programme by offering a comprehensive range of lectures. The lectures and seminars addressed the following topics:

- ✕ Work and Life
- ✕ Technology and Innovation
- ✕ Careers and Working Women

IG Metall used this platform to assist affected employees in their transition to a new field of work and to function as a competent partner even after employment had been terminated. This support also served to strengthen their relationship with their members and to encourage them to retain their trade-union membership. An opportunity to examine their own recommended courses of action constituted an added benefit.

PHASE III: COMMITMENT IN THE METROPOLITAN REGION

The third ZIMT phase (from 2011) is about networking. One of the major players in developing the region is "Metropolregion Rhein-Neckar GmbH." Other players in the smallest of Germany's metropolitan regions are the municipalities and well-known companies such as SAP, BASF, Roche, Bilfinger, ABB, John Deere, Heidelberger Druck, Freudenberg, MVV and Hornbach. They engage as partners and sponsors. Since the regional players collaborate in networks within the metropolitan region, it was expedient to integrate the ZIMT network into the other regional networks.





Since 2011, ZIMT and the metropolitan region's initiatives have a great many common concerns. In particular, the prominent issue of energy with related fields such as smart grids, energy efficiency and intelligent environmental technologies provide a platform where the numerous regional players ranging from the region's "Environment and Energy" cluster to ZIMT and works councils from Mannheim's large companies Alstom and ABB – can contribute their ideas and proposals in order to create new jobs in the region.

SUMMARY

With ZIMT, IG Metall Heidelberg offers engineers, IT specialists and technical experts an interesting range of programmes to participate in. By cooperating with the metropolitan region, it was able to present its competence in technological matters to a wider audience. And by joining various regional networks, they secured broader access to information, thereby strengthening their sphere of influence in terms of structure and policies.

No additional jobs were created as a result. And while IG Metall membership did not surge, there were isolated new trade union members. ZIMT enabled them to convince works councils that it is important to offer a broader product portfolio and to enrich company discourse with new ideas. ✕



Figures 3 and 4:
Most of the participants in the ZIMT events were works-council members, engineers, IT specialists and technicians from the printing industry affected by retrenchment.

Picture credits:
IG Metall Heidelberg

IG METALL HEILBRONN-NECKARSULM

Effective industrial- and plant-policy networks



Picture credits: dpa



"Industrial politics in the plants translates into maintaining production work and securing the requisite investments. If we succeed here, we shall be able to preserve industrial competence and core industries, and defy the threat of job cuts caused by transnational production networks."

RUDOLF LUZ

First Representative IG Metall Heilbronn-Neckarsulm
Rudolf.Luz@igmetall.de

The local Heilbronn-Neckarsulm IG Metall organisation is responsible for over 30,000 members. More than 45,000 people work in the metal industry in this industrial region dominated by the automotive sector and its associated suppliers. IG Metall has played an active role in terms of industrial policy there since the dire crisis in the mid 1990s. In the meantime, it has established good connections in the region and is a recognised player on a regional and industrial-policy level.

The crisis in 1993/94 gave rise to the first of IG Metall's activities in terms of industrial policy. At that time, over 10,000 jobs were lost in the industry. Whilst the situation has since stabilized, structural change continues unabated which results in the loss of many simple industry jobs. When there is retrenchment or relocation, it is always the employees in the industry who suffer.

Not least thanks to IG Metall involvement, the region coped well with the most recent economic and financial crisis. Nevertheless, the trade union has seen fit to introduce various new approaches in industrial policy in collaboration with the works councils. IG Metall Heilbronn-Neckarsulm plays a central role in regional and industrial policy.

ACTIVITIES DRIVEN BY IG METALL HEILBRONN-NECKARSULM'S INDUSTRIAL POLICIES

- ✦ Promoting the establishment of medium-sized industry and commercial enterprises by involvement in the Heilbronn region's economic development (co partners and supervisory board)
- ✦ "Hochschule 2020" working group to ensure that engineering studies are developed in regional tertiary institutions
- ✦ Cooperation with the "Lernende Region Heilbronn-Franken e.V." to foster learning among the educationally disadvantaged
- ✦ Collaboration with the Federal Employment Agency and with Südwestmetall to safeguard the demand for qualified employees in the region's metal and electrical industry
- ✦ Plant-oriented trade union policies to safeguard core industries and industrial work

WELL CONNECTED

Because isolated attempts to influence industrial policies are ineffective, IG Metall is well connected in the region. The trade union is recognised as a reliable and competent partner. The local organisation liaises directly with the town authorities and municipalities in the region via the business promotion association. There is good contact to the IHK, the Chamber of Trade and the Federal Employment Agency, for whom IG Metall alternately provides a member of the administrative board. Additionally, they have a relationship with employers, where

they act on a constructive basis and intervene in the event of conflict. Interaction takes place through the organisation and especially via numerous contacts to the individual employers, which arose as a result of the significant changes that have taken place in plant policies over the last ten years.

The political conclusion drawn after the 1993/94 crisis was to depart from the one-sided economic structure so dependent on the automotive industry. In the main, this was to emerge as a shift to alternative industry sectors, and in particular, the environment sector. However, this change brought only limited success. Today it is evident that the automotive sector has gained impetus in recent years. Ecological concerns have since been integrated into current industrial policy.

Although dependency on the automotive industry has grown, structures have changed. Research and development has seen an upward swing while value-add in industrial production has declined significantly. A rise in productivity has led to a reduction in industrial production work. But this was brought to a halt in the past few years.

INDUSTRIAL POLITICS ALSO TAKES PLACE IN COMPANIES AND PLANTS

Plant-oriented trade union work has two main goals: decent work and guaranteed employment (see Figure 1). To safeguard these, IG Metall Heilbronn-Neckarsulm and the works councils make an effort to help shape the strategic orientation of the companies. Industrial politics at plant level translates into safeguarding production jobs and securing the requisite investments. Success here means that the industrial competence and core industries can remain intact despite the trend toward transnational production networks.

Figure 1: No cutbacks on production work!
Pictured here at a works meeting, the employee representation takes a stand against de-industrialisation in the region.

Picture credits:
IG Metall Heilbronn-Neckarsulm



Some results achieved through IG Metall's activity:

- ✕ Audi: Future pact to secure company locations in the long term and to create jobs in production.
- ✕ Kaco: Location agreement to guarantee employment and safeguard industrial production.
- ✕ Kolbenschmidt: Agreement on investment in new, innovative products and job guarantees valid until 2020 (see Figure 2).
- ✕ Weber Hydraulik: Agreement on job retention in the industrial sector.
- ✕ Vishay: Location agreement with an employment guarantee valid until 2020.

Figure 2: IG Metall Heilbronn Neckarsulm secured an employment guarantee for Kolbenschmidt employees that is valid until 2020.

Picture credits: Kolbenschmidt



IG Metall countered the employers' demands to cut plant costs by insisting that industrial structures remain secure in the long term. Co-determination proved to be a key instrument in coercing the employers to think of alternatives. Instead of regulations relating to reconciliation-of-interests and redundancy payment schemes, IG Metall has increasingly succeeded in concluding more complex regulatory frameworks in recent years. Some of the provisions in the agreements and supplementary collective bargaining agreements are listed below:

- ✕ Medium and long-term employment guarantees
- ✕ Measures to promote basic and advanced training
- ✕ Regulations to secure training and subsequent employment of trainees and to safeguard skilled work
- ✕ Determination of investments, products and innovations
- ✕ Shifting the focus onto innovative products, managing resources efficiently and energy efficiency

The collaborative work of the supervisory board and the works council, close cooperation between IG Metall and works councils in addition to involving employees in decision-making processes are crucial to effective co-determination.

Industrial policy does not end at the plant gates, nor is it an abstract, aloof debate. On the contrary, it is clearly evident and the winds of change are noticeable in the plants. The strengths and competencies of trade union policies are to be found in the expert knowledge and experience of the works council and the employees.

However, it would be wrong to restrict industrial policies to plants alone. The right local decisions are made only when trends and developments in the region and the sectors are correctly assessed. This requires an industrial political dialogue that must be broken down into the sectors and regions. Deficient and problematic developments must be identified in good time in order to respond pro actively. From these were derived IG Metall's demands on politics and joint cooperation fields on the respective levels

SECURING CORE INDUSTRIES AND MEETING THE DEMAND FOR QUALIFIED EMPLOYEES

Qualified staff will be in short supply in the Heilbronn-Franken region in future due to the demographic development (see Figure 3). This forecast is the basis for the "Fachkräfteallianz" (Qualified Employees Alliance) initiative established jointly by the Federal Employment Agency, the Südwestmetall/Region Franken employers' association and IG Metall Heilbronn-Neckarsulm. All parties agree that an adequate number of qualified employees is imperative if the industrial structures are to remain in place.

Bearing this in mind, IG Metall contributed to the joint initiative a whole range of measures that have since been decided on. These include

- ✕ Securing a high ratio of trainees to permanent staff and on-the-job training measures to empower disadvantaged young people by enabling them to succeed in attaining career qualifications. To this purpose, there is to be targeted allocation of Federal Employment Agency funding.
- ✕ The underlying principle of the initiative is: "Responsible parties in the region are to ensure that each person is able to attain a qualification in their respective skills." Joint action will be based on this principle, which highlights the overarching importance of work. A panel of experts, which includes representatives from schools, meet on a regular basis to implement this course of action. All school leavers should be placed in a trainee programme. None should fall by the wayside. This represents a challenge. In 2000, nine percent of

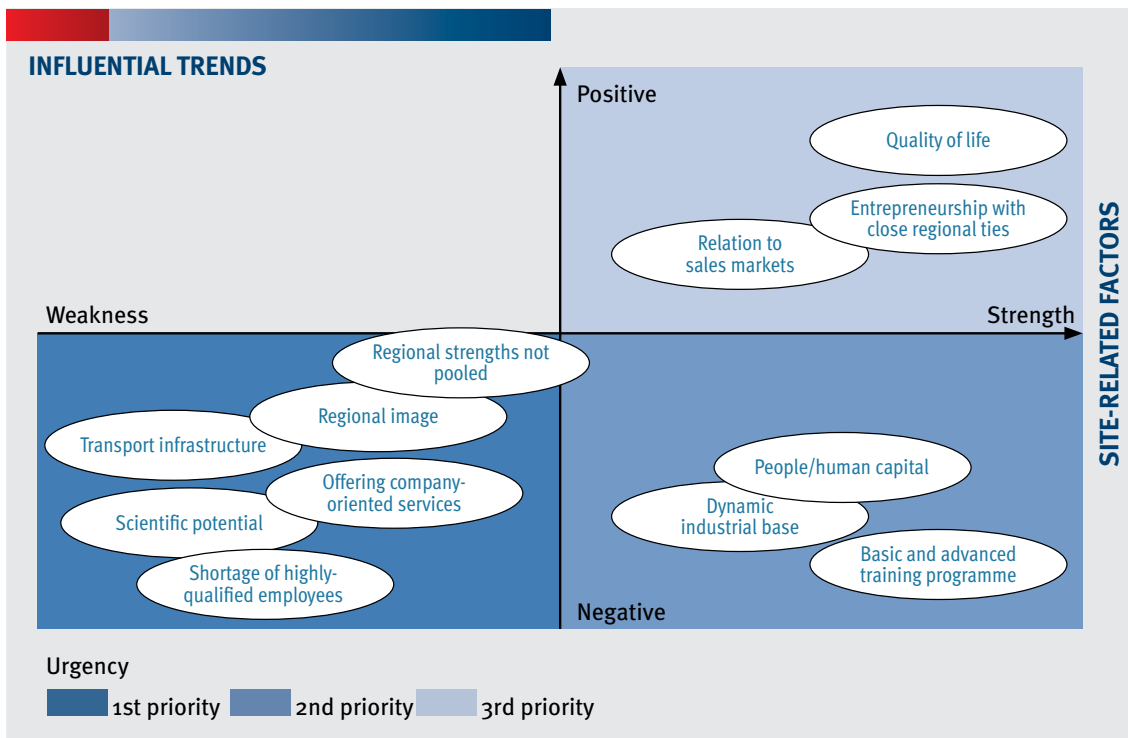


Figure 3: Future outlook. In cooperation with the Federal Employment Agency and the employers' association, the local organisation assessed strengths and weaknesses of the industry in the region. The main joint priority for industrial policy: guarantee the demand for qualified employees in the long term.

Picture credits: Qualified Employees Alliance initiative

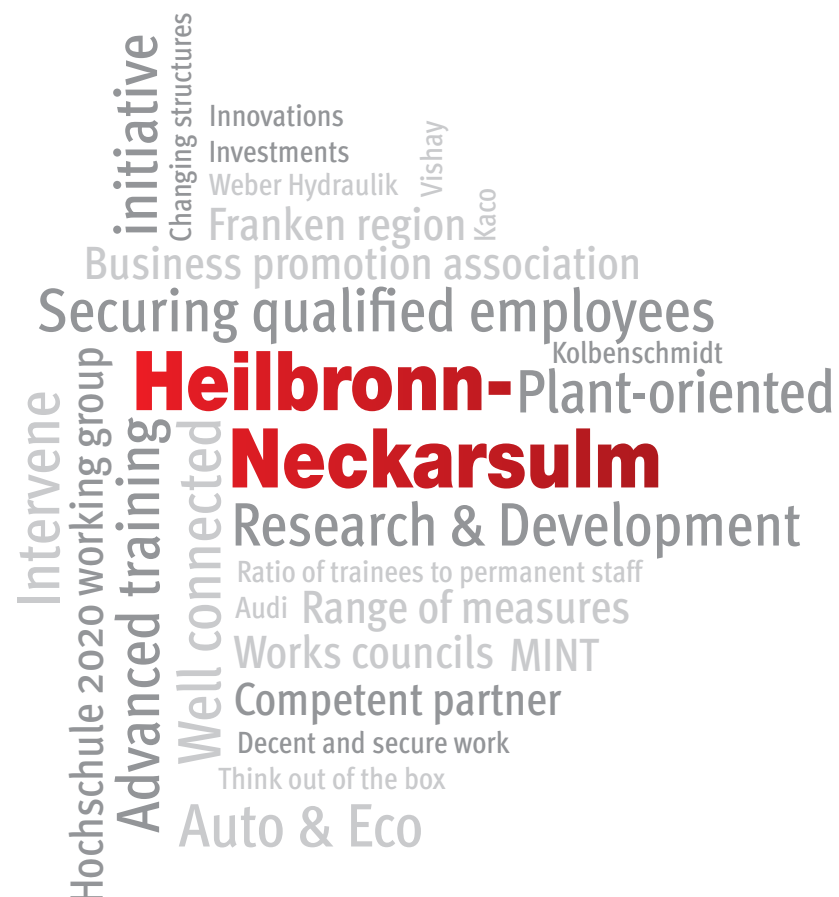
secondary school students left school without obtaining a certificate. In 2012 this figure had decreased to 4.5 percent. In the meantime, the number of available trainee positions exceeds demand.

- ✦ Strengthening "MINT" occupations (mathematics, IT, natural sciences and technology) as part of careers counselling. Following pressure exerted by IG Metall, this topic was included in the "Qualified Employees Alliance" agenda. The IG Metall youth also participated in the regional careers fair where they had a booth.
- ✦ Unqualified employees are developed by means of targeted measures to promote basic and advanced training. An Audi works-council initiative has already put such measures in place. At Kolbenschmidt too, the restructuring process is accompanied by qualification projects. The underlying principle is: Rather obtain a qualification with the help of a reconciliation-of-interests scheme than cushion dismissals with redundancy payments.

IG Metall succeeded in making qualified industrial jobs a focal point on the joint initiative's agenda. This became the decisive common denominator for the regional players.

According to IG Metall, safeguarding the demand for qualified employees and addressing important issues such as innovation and technology development are key to healthy economic development and decent work. Unlike twenty years ago when IG Metall's industrial policies centred on building up or attracting alternative industries to the region,

today the focus is on contributing toward retention of industrial jobs in an ever-changing economic climate by means of plant-political orientation. ✦



IG METALL HILDESHEIM REGION

Future viability with qualified employees



Picture credits: Christian von Polentz/
transifoto.de



"We want to help shape the future viability of industrial jobs in the region. Training employees is of the utmost importance. The time frame for transitioning from the combustion motor via hybrid drives and on to a purely electric drive creates an opportunity to exploit technological change in order to recalibrate industrial production in the region."

UWE MEBS

First Representative IG Metall Alfeld-Hameln-Hildesheim
Uwe.Mebs@igmetall.de

The Hildesheim region is dominated by the automotive-supplier industry. Several thousand people are still employed in this sector. But owing to the daunting competitive pressure that oppresses companies and technological change associated with Electro Mobility, the region faces new tasks. IG Metall's local Alfeld-Hameln-Hildesheim organisation desires to employ pro-active strategies to raise awareness among employees and employers that change management is necessary in companies in order to circumvent ominous job cuts. The purpose of the "Development of Qualified Employees in the Automotive Industry" project is to identify new technological challenges relating to industrial further development of the region in good time, to initiate relevant qualification measures and to implement them in collaboration with regional educational institutions.

REGIONAL INDUSTRY STRUCTURE

The prominent position occupied by the automotive-supplier industry in terms of the industrial development of the Hildesheim region puts many local companies and the employee structure at great risk. Electro Mobility is an enormous challenge faced by companies. Electrically driven cars will increasingly strengthen their position on the market. Starters and cast-steel components for combustion motors and gears will then no longer be needed. In Hildesheim alone this would jeopardize 2,000 jobs that depend on these products.

This is not the first time that the region has been shaken by far-reaching changes in the automotive industry. As a result of growing competitive pressure on the international automobile markets, a large number of local automotive suppliers have relocated jobs to other European countries and overseas on a large scale in the last 15 years. At the same time, technological changes swept over the entire production process at an ever-increasing pace as a result of modern IT and communication technology. In response, many suppliers cut jobs. Outsourcing and sales of business operations also weakened the industrial basis of the Hildesheim region.

This development can be illustrated using three companies in the Hildesheim region by way of example. Between 2000 and the present day, 2,500 jobs were cut at Robert Bosch GmbH (2000: 2,300 employees; 2013: 1,431 employees), at Robert Bosch Car Multimedia GmbH (2000: 2,803 employees; 2013: 1,322 employees) and at Delphi Deutschland GmbH (2000: 558 employees; 2013: 395 employees). The companies are currently planning to relocate individual projects elsewhere or to shut down production altogether, which means further cuts in industrial jobs in the area around Hildesheim. This will lead to a sharper decline in local buying power and adversely affect the well-being of the community.

Offers made by IG Metall Alfeld-Hameln-Hildesheim representatives to local automotive-supplier companies to join forces and develop ideas for future-proof products and production processes – within the framework of their discussion forums entitled "Telematic Competence Region" (2005), "Industrial Production in the Future" (2009) and "Automotive Suppliers Face New Challenges" (2011) – have not met with the desired response. Regional political players have not paid much attention to the potential

threat faced by the industry-based Hildesheim area. In response, the local IG Metall organisation set up a project for developing qualified employees in the automotive-supplier industry entitled "Fachkräfteentwicklung in der Automobilzulieferindustrie" in short, FAIR. In preparation, IG Metall had held many talks with company representatives, educational institutions and colleges in the region to make them aware of the upcoming technological changes in the automobile industry that are largely fuelled by Electro Mobility. A further aim pursued by IG Metall Alfeld-Hameln-Hildesheim was to get them on board in a joint effort to work on the future-oriented task of developing and training qualified employees.

The project, which began in 2012 and will be concluded at the end of 2014, has since become part of both the Hannover-Braunschweig-Göttingen-Wolfsburg metropolitan region's showcase theme "Electro Mobility" and the Federal Government's national "Electro Mobility" development plan that was set up in 2009.

THE IDEA – DEVELOPING DEMAND FOR QUALIFIED EMPLOYEES

IG Metall's underlying idea behind the project was the fear that given the emergence of Electro Mobility, today's products, such as components for drives





Figure 1: Electro Mobility presents great challenges to the region surrounding Hildesheim. 2,000 jobs are at risk.

Picture credits: PantherMedia

with combustion motors, could possibly be entirely abandoned or replaced with tomorrow's products, e.g. electrical drives. After deliberating the concern, they reached the conclusion that regardless of which eventuality transpired – complete abandonment of products or adjusting production to accommodate new products – grave consequences were to be expected for the region. In the first case, the basis for industrial production and the associated jobs in the economic region around Hildesheim would be wiped out. And in the second, more hopeful scenario, it

would be necessary to train the employees in future-oriented technologies on a grand scale and to ratchet up staff development in companies to a previously unheard of level.

The FAIR project builds on the latter. The first step involved working with various companies to define technological processes that are likely to change in future, and the qualification requirements these would entail. The second step was to initiate a broad advanced training spectrum with regional educational institutions and colleges.

It was evident that company awareness of the need for change with respect to e-Mobility is rather muted. Dominant topics tended to be employees' concerns regarding their life circumstances and career opportunities or issues relating to plant requirements and needs: specialist information on "Design of Experiments" or new computer systems; practical training in welding; training in methods (moderation, project management), or social competencies such as "Leadership knowledge for non-management staff)."

By the end of March 2014, 324 people in the seven large companies listed below had received training:

- ✦ Delphi Deutschland GmbH, Bad Salzdetfurth
- ✦ EM-motive GmbH, Hildesheim
- ✦ KSM Castings GmbH, Hildesheim
- ✦ Robert Bosch Car Multimedia GmbH, Hildesheim
- ✦ Robert Bosch GmbH HiP, Hildesheim
- ✦ WABCO Fahrzeugbremsen GmbH, Gronau (Leine)
- ✦ Waggonbau Graaff GmbH, Elze



Figure 2: The works council and IG Metall meeting: planning future training – getting ready to deal with technological change.

Picture credits: IG Metall

AIMS OF THE FAIR PROJECT

- ✧ Implementation, application and maintenance of an analysis system that determines available qualifications in the workforce.
- ✧ Development and introduction of a tool for training and recruitment planning.
- ✧ Development of basic and advanced training measures as well as recruitment initiatives taking plant requirements and the participants' qualifications and professional experience into account.
- ✧ Conveying and drawing up concepts for the systematic development of qualified employees in cooperation with the company management, the works council and the company's executive staff.
- ✧ Holding training events for various qualification levels that allow for targeted professional training during working hours i.e., are independent of life phases.
- ✧ Building up a network to involve the players active on the regional labour market and those involved in advanced training.
- ✧ Drawing up documentation, presentations and training documents so that the results can be made available to other companies and additional players.

TRAINING PROGRAMMES FOR ALL EMPLOYEES

All employees can take advantage of the range of seminars and the training programme set up by FAIR:

- ✧ employees trained on the job
- ✧ qualified employees
- ✧ technicians and expert technical staff
- ✧ engineers and academics

2014 saw the focus on "Works Council and Shop Stewards in the Development of Qualified Employees and Future-Based Management." Consequently, training programmes offered many courses on conflict management, strategic work and negotiation skills. The training series "Demographic Management at Plant Level" was very popular with employees and employers alike. This indicates that demographic change has struck a chord in the plants – especially in view of the concern to secure the demand for qualified employees in the long term. Works councils and shop stewards were able to attend relevant seminars held by experts over a period of six months, create their own demographic project and acquire a certificate. Practical forums provide a platform for those participating in the training events to network and exchange experiences and, in doing so, to promote either their own personal and professional development or the plant-related projects they are working on with representatives.

SUMMARY

The starting point for the project was: to prepare employees for the new challenges arising from E-Mobility with targeted training programmes; to promote regional cooperation in identifying training requirements and to implement an advanced training scheme. Although companies have not engaged with the topic of Electro Mobility to the expected extent as a result of the delay in the renewable energy law (EEG), the FAIR project initiated by IG Metall Alsfeld-Hameln-Hildesheim has created a basis for long-term cooperation with respect to professional training encompassing business and politics, educational institutions and colleges. It thereby supports the region in growing and exploiting its industrial potential.

In terms of perspective, it is facilitating collaboration aimed at safeguarding regional industrial structures and developing them in order to secure jobs. It offers the companies in the region the opportunity to engage with new technological changes in good time and to fuel development in their existing fields of business, or to tap into new ones. ✧



Figure 3: Delegates from the local Hildesheim organisation: Say yes to helping shape new drive technologies.

Picture credits: IG Metall

IG METALL JENA-SAALFELD AND ERFURT

Stopping qualified staff shortages



Picture credits: Jenoptik



"The region must continue to strengthen its industrial policies. We have created a solid foundation for innovative companies, high-tech production, guaranteed employment and qualified staff in Jena. Now we must focus our attention on weaknesses: demographic change, a shortage of trainee positions, jobs that lack appeal. We also see wage policies as a structural issue. We would therefore also like to fight for stronger collective bargaining agreements."

MICHAEL EBENAU

First Representative of local IG Metall Jena-Saalfeld organisation.

Michael.Ebenau@igmetall.de



"We want the region to have an economic future. Good working conditions are imperative for this to happen. The A 38 should be a highway for tourists and industrial development, but not a brain-drain route. Good, qualified people need decent work; they want to be included and to be paid fairly. We must make a concerted effort to strengthen the companies' collective bargaining agreements. We want young people to stay and attract them with appealing working and living conditions."

BERND SPITZBARTH

First Representative of local IG Metall Erfurt and Nordhausen organisation.

Bernd.Spitzbarth@igmetall.de

Every year around 13,000 employees leave Thuringia to seek work in Bavaria, Baden-Württemberg and Hessen, where they can earn more and enjoy better working conditions. Thuringia is still regarded as a low-wage federal state; while it has been able to safeguard and develop industrial structures in important areas, its working conditions are unattractive. A shortage of qualified employees attributable to demographic and also labour-policy conditions, which represents a new challenge, has not been given sufficient attention by politicians and the business sector. Decent work, collective bargaining agreements and demographic change are topics that IG Metall desires to promote, especially in the regions around Jena and Erfurt, in order to retain qualified employees and in so doing develop Thuringia's industrial politics.

IG METALL JENA-SAALEFELD: ADDRESSING PRACTICAL ISSUES

Industrial policies have been on the agenda of IG Metall's local organisation in Jena-Saalfeld for 25 years, or, since reunification, to be precise. At that time, the main concern was to safeguard industrial structures as far as possible and to prevent them from being restructured or sold by the Treuhandanstalt (Trust Agency). To this day, Jena has maintained its position as an important industrial location and has further developed a large range of industrial settlements. The time has now come to prepare for new challenges, especially demographic change.

At its peak, the then publicly owned, combined enterprise Carl Zeiss Jena employed around 70,000 people across former East Germany. Today there are 3,270 employees worldwide at Jenaoptik, of which about 1,200 work in and around Jena and well over 20,000 are employed at Carl Zeiss plants (of which over 2,000 are in Jena): the two largest companies that originally belonged to the combined enterprise. These figures alone bear witness to the radical change that Jena has undergone since reunification.

The fact that Jena managed to preserve its basic economic structures and develop into one of the most up-to-date industrial locations was a considerable achievement; one which would have been unthinkable without IG Metall and the efforts of the works councils and the employees.

The trade union succeeded in organising a broad protest movement that fought against the Treuhand's settlement policies and for the retention of thousands of jobs. In Jena it mobilised as many as 20,000 people at times to march on the streets. Additionally, IG Metall took concrete steps towards a targeted economic development policy in both the town and the federal state in order to attract new industrial enterprises to settle in the region, to support existing companies and to guarantee job security.

But thanks is surely also due to Lothar Späth, the former Baden-Württemberg premier, who in his capacity as managing director of Jenoptik GmbH from 1991 onwards, integrated the enterprise in the political debate to propel forward the regional economy and Jena. The state of Thuringia's special commitment to economic development particularly in the Jena-Saalfeld region is evident to this day. Financial support programmes on the one hand and generous exceptions to rulings such as work on Sundays and

public holidays were effective, even if they were not seen as serving the interests of the public and the employees.

"THE WONDER OF JENA"

The phrase "the wonder of Jena" has become commonplace in the media today. In fact the town has blossomed into a centre of precision-engineering and optics and electrical industries, with a broad range of existing and developing companies. The Jena technology companies form networks and clusters in the fields of optoelectronics, biotechnology and physics.

After reunification, the regions political players soon managed to emerge from the economic monostructure that the publicly owned Carl Zeiss Jena had left behind. IG Metall pursued a course of harnessing the expertise and the supplier structures of individually future-viable production areas that existed in the combined enterprise. This included the manufacture and optoelectronic processing of glass, biomedical engineering, as well as arms and military technology. Between 1991 and 1992, around 80 new companies emerged from former departments and units at the previously publicly owned company Carl Zeiss Jena. Many high-ranking start-ups with few jobs but high

Collective bargaining policy
Unionisation policy Cheap labour
Demographic change
Erfurt Shortage of qualified staff
Saalfeld **Jena** Working hours
Economic aid
Nordhausen
Demographic reconciliation of interests
"The wonder of Jena"
Decent work
Collective bargaining agreements

value add were created through close collaboration between the companies carved out from the combined enterprise, the local university and various scientific institutions. The associated high-tech image boosted Jena's popularity as a high-tech location.

Figure 1: Around 2,000 trainees and trainers obstructed the Jenoptik administrative building on October 16, 1991. Management had announced their dismissal and "transfer" to an independent educational institution.

Picture credits:
IG Metall Jena-Saalfeld



NEW CHALLENGES

But the "wonder of Jena" also had a negative side: In Gera, Saalfeld and other surrounding industrial locations, the field operations of the former Carl Zeiss combined enterprise were shut down. Privatization resulted in the carving out of many companies that did not survive for very long. Production was relocated elsewhere, often to Eastern Europe. IG Metall sought to soften the blow for employees through reconciliation-of-interests and redundancy payment schemes. And not all the start-ups were successful. The state financial support programmes were not geared toward sustainability, but were prone to deadweight losses. The struggles that have shaped the daily activities of IG Metall Jena-Saalfeld over the past two decades include retaining every company in the region, fighting monostructures and high unemployment as well as promoting collective agreements and social security. In January 1992 the Jena Employment Agency had registered 30,300 people out of work. The unemployment rate was 16.2 percent. Jenoptik had announced 17,000 dismissals in 1991 alone. At present (January 2014) the unemployment rate in Jena is 10.2 percent, which is relatively low compared with other regions

in Thuringia. In Gera/Altenburg it was 13.6 percent at that time.

The Jena-Saalfeld region will be confronted with new challenges in the years ahead. Notwithstanding the successful structural change, demographic change and the high demand for qualified employees must be dealt with. This is an important finding of the works council survey conducted by IG Metall in the Thuringian metal and electrical industries from 2005 to 2010 (see box on page 45). Wages and salaries in the region, as is the case for the whole of Thuringia, still remain far lower than in neighbouring federal states. This is clearly illustrated by unit labour costs: in Thuringian industry, they are currently still 13 percent lower than in Germany as a whole. This leads to an exodus, especially of young, qualified employees, to other regions where working conditions are better (see Figure 2).

Development is further thwarted by the fact that industrial sites and the infrastructure are largely town-centred, thus clearly indicating a lack of cooperation between the town and the administrative district.

SENDING POSITIVE SIGNALS INTO THE REGION

Aside from low remuneration and an acute shortage of qualified employees, Jena faces additional problems: the rest of the administrative district does not benefit nearly enough from the industrial zone. A far greater number of employees commute to Jena from the surrounding area than vice versa. Outside the town, unemployment is relatively high and efforts to offer people out of work financial assistance or training so that they are able to meet at least part of the demand for qualified staff have failed. In the area surrounding Jena, many potential commercial sites for new industrial plants remain vacant.

IG Metall Jena-Saalfeld wants to change this in future by means of active industrial policies. Growth needs

Exodus of 18 to 25 year-olds in Thuringia according to gender (1991–2006)

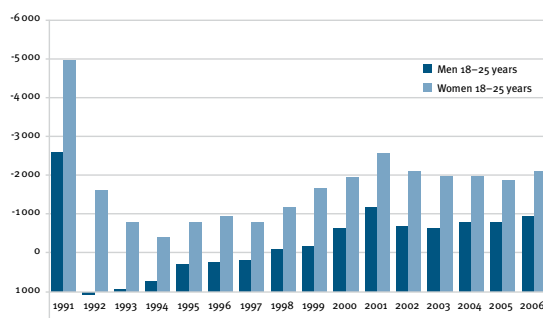


Figure 2: Almost 1.8 million Thuringian inhabitants have left the state since 1989. 2009 saw an exodus of 34 inhabitants a day.

Source: Thüringer Landesamt für Statistik

FINDINGS OF IG METALL'S WORKS COUNCIL SURVEY

The plant workers' representation view employee development in the Thuringian metal and electrical industry in a critical light, as outlined below.

They feel that:

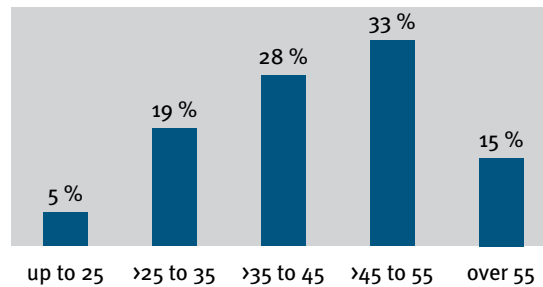
- ✗ Owing to the number of employees going into semi-retirement or retirement in the coming years, there will be a great shortage of staff
- ✗ Due to age constraints and the decline of school leavers, it will become increasingly more difficult to find suitable trainee applicants
- ✗ It raises the question as to whether there are sufficient qualified workers available on the temporary employment market. Additionally, from 2011 the number of trainee positions would have to be increased by three- or four-fold.
- ✗ Employees are needed in Production, Marketing, R & D
- ✗ Employees are needed, but employers want to cut jobs
- ✗ We will continue to suffer from staff shortages in future; the need for training is ubiquitous
- ✗ Trainees who qualify should be employed
- ✗ Staff shortages will increase
- ✗ Basic and advanced training are becoming more and more important as the required qualified staff are no longer to be found
- ✗ The number of trainees is dwindling and it is becoming increasingly more difficult to find suitable young people to train
- ✗ The shortage of qualified staff will continue to rise

to be promoted in the entire region by active economic development and financial support from the Federal State, the Federal Government and the EU, as well as collective and in-plant activities.

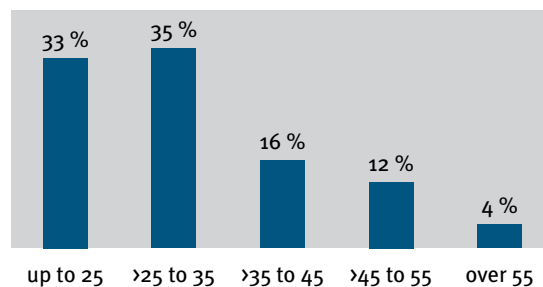
NEW SUBSIDY POLICIES

The good news is that Thuringia's new economic development programme has complied with some of the trade union's demands. The aim is to "bridge the productivity gap and take the stage with the most successful West German regions as a location where investment and employment are a given," stressed Uwe Höhn (SPD) at the end of May 2014. According to the Minister, economic aid must increasingly focus on the quality of jobs in order to enhance Thuringia's attractiveness as a business location." The plan is to favour small and medium-sized companies in future and make funds available for investments that will

Employees according to age groups (unlimited term)



Employees according to age groups (limited term)



safeguard jobs. Furthermore, wages and salaries in the companies receiving aid must increase to the extent that "the average wage increase of around 20 percent" is exceeded within the eligibility period. However, IG Metall criticised the fact that a company is only eligible for financial aid if the gross minimum wage for each newly created job is €25 000 Euro per year. The trade union deems this amount to be far too low.

Like the Minister for Economic Affairs, IG Metall Jena-Saalfeld views the fact that compared with other Federal States, Thuringia still lags far behind in terms of wages in the industry; this constitutes a great risk for the future viability of many companies based in the region. The trade union regards wages as a crucial aspect of their future-oriented industrial policies, because as long as employees in Baden-Württemberg or Bavaria earn far more than their counterparts in the Jena region for the same work, there is a risk of well qualified staff leaving after a short time or staying away from the start.

Consequently, IG Metall Jena-Saalfeld prioritises strengthening collective agreements in companies and establishing decent work in plants. To achieve this, classic instruments in trade union politics are deployed: collective bargaining policy, providing information and working to place concerns in the public arena in addition to intensifying dialogue with employees. "We believe that our main area of engagement is the plant since we are often able to achieve far more by direct confrontation with the employer than on a platform that is out of touch with the reality on the floor at the plant," says Michael Ebenau, principal authorized representative of IG Metall Jena-Saalfeld. The trade union also desires to put a concerted effort into basic and advanced training in the plants because

Figure 3

(top): The IG Metall's works council survey (June 2010) on employee development in the Thuringian metal and electrical industry from 2005 to 2010 shows a high rate of ageing in the plants. The ratio of unlimited-term employees over 45 is 48 %.

(Below): Two thirds of limited-term employees are between 25 and 45 years old.

Figure: IG Metall rally on October 12, 1993 in protest against job cuts at Carl Zeiss in Jena.

Picture credits:
IG Metall Jena-Saalfeld



companies based in the region have not invested enough in this area. This applies in particular to classical basic training. Another item on the agenda is achieving more attractive working conditions, which include a plant child-care centre with sensible working times that serve the interests of both the parents and the staff at the centre. Ideally, conditions should attract young, qualified employees who feel that their needs are taken care of.

Jena is a place characterised by small networks and a direct approach rather than institutional cooperation. IG Metall takes advantage of this fact: distances are short – the company, employer and employee representatives, as well as the university and independent research institutes, are all in close proximity. Everyone knows and respects each other. And communication channels fostering down-to-earth dialogue are open and, as past industrial development demonstrates, have borne fruit ever since reunification.

IG METALL ERFURT: PUTTING AN END TO CHEAP LABOUR

The Erfurt/Nordhausen region also faced serious difficulties after reunification. Economic structures had disintegrated and unemployment reached drastic proportions. Any company willing to establish itself there was welcomed with open arms: automotive suppliers, car manufacturing plants, Siemens-Generatorenwerk and especially the new, innovative companies in the solar sector such as Bosch Solar Energy, PV Crystallox Solar, Masdar PV, Asola, Solarworld Industries – or N3 Engine Overhaul Services, a Lufthansa-Rolls-Royce joint venture.

Now there is a balanced mix of sectors. However, the recent rapid decline of the solar sector has had a devastating effect. Bosch Solar Energy with a workforce of

2,000 in Erfurt exited the solar business in 2013. This year saw Erfurt-based Masdar, another solar company with 600 employees become insolvent. In both cases, the companies had state-of-the-art manufacturing facilities and a strong workforce, which makes it all the more regrettable that they lost their footing.

IG Metall Erfurt attributes this development to the failure of the local and Federal Government to put policies in place which would secure the future of the innovative renewable-energy sector. Nor has there been regional support to strengthen the sector in the Erfurt/Nordhausen area.

Yet there is still a ray of hope: following a lengthy search, a suitable investor was found for the modern plant and 800 Bosch Solar employees were taken on by SolarWork, a world leader in the solar industry. The company took over part of the production operations as well as the R&D section of Bosch Solar. IG Metall was also able to obtain collective bargaining agreements for the affected employees. Efforts are now underway to build up representation of trade union interests at plant level and to guarantee decent work with long-term collective bargaining agreements.

Like the Jena-Saalfeld region, the Erfurt/Nordhausen area also benefited from the generous public funding and low wage and labour costs that contributed toward companies establishing bases here. Additionally, the Erfurt business sector profited from extensive exceptions to rulings such as work on Sundays and public holidays, with which Thuringia attracted investors and employers. Today the biggest problem lies in the many companies who offer comparatively unfavourable working conditions and no collective bargaining agreements. In the long run they prevent further development in the region on an industrial and a political level.

ILL EQUIPPED

Whilst the number of industrial jobs in the Erfurt/Nordhausen area has stabilised in recent years, the region is ill equipped for the future. Especially newly established, highly modern plants are seeing a rising demand for qualified staff.

According to IG Metall, the main deterrent to industrial development in the region is "cheap labour," which is symptomatic of the plants' unwillingness to conclude collective bargaining agreements. In Erfurt only eleven plants are members of the employers' association and in Nordhausen, only seven.

Consequently, the local IG Metall organisation is currently concentrating on systematically unionising each and every plant so that works councils and collective bargaining agreements can be established. This unionisation policy is an important tool for rectifying the shortage of qualified staff, which constitutes the single most significant deterrent to development in the region. Improved standards for collective bargaining agreements are intended to serve as a means of linking up with wage developments and working conditions in other Federal States. The necessity for such improvements is rising in tandem with the effects demographic change leaves in its wake.

At this time, the main problems confronting the region are the heavily ageing workforce, the companies' resistance to offering basic and advanced training and steadily increasing performance pressure in the plants that lead to health problems. Even the local IHK noted:

"The biggest problems are still to come. The age structure is changing rapidly. Since many of the post-war generation will soon retire, many young people leave and birth rates are low, the shortage of qualified staff will get progressively worse. The brain drain of young qualified people that has reached drastic proportions is robbing Thuringia of important development potential. The Federal State is thus at a great disadvantage in terms of a offering competitive location. By 2030, the number of people in work in Thuringia may decline by a third to a mere 880,000."

In individual pilot companies, IG Metall is already fighting for working conditions that will enable more employees to reach retirement age in good health and maintain their productivity until they are legally entitled to retire. One of the greatest challenges at the moment is regulating working hours: shift systems, continuous shifts, work on Sundays and public holidays.

Additionally, IG Metall Erfurt/Nordhausen is in the process of negotiating a demographic reconciliation of interests in these pilot plants. The key issues here are:

- ✂ How can the performance conditions be adjusted to accommodate an ageing workforce?
- ✂ How can productivity be maintained as employees get older? and
- ✂ What can be done to conserve health in the workplace?

At N3 they were able to conclude exemplary collective bargaining agreements with respect to demographics: 55-year-olds are able to leave the three-shift system and are entitled to an equivalent job. Furthermore, the jobs are to be commensurate with age and age progression. The company has also agreed to employ more staff. By 2024 it plans on doubling its current workforce.

And last but not least, with a view to industrial development of the region, IG Metall is fighting for a better political framework. Initial success was attained a few weeks ago by limiting the plethora of approval procedures governing work on Sundays and public holidays. The principal authorized representative of IG Metall Erfurt and Nordhausen, Bernd Spitzbarth, welcomed the new regulation on special approvals put forward by the Thuringian Ministry for Social Affairs, Women and Health. When a company applies for approval for work on Sundays or public holidays, it must now obtain a statement from the relevant trade union in advance. Spitzbarth stated that the progressive list of criteria passed in May 2014 will give companies a competitive advantage in terms of health concerns. ✂



Figure: Further IG Metall demonstrations against job cuts at Carl Zeiss on November 10, 1994.

Picture credits:
IG Metall Jena-Saalfeldz

IG METALL KOBLENZ

Industrial jobs achieved with "Decent Jobs 2020"



Picture credits: fotolia



"We must shape the future. Particularly in the Koblenz region, the industrial core must be safeguarded and we have to rise to the challenges posed by Industry 4.0. Wine and tourism cannot create value add; decent industrial work can. The entire region will benefit if employees can develop secure and long-term professional perspectives and if they are given a fair share of the profits their work has yielded."

ALI YENER

First Representative IG Metall Koblenz

Ali.Yener@igmetall.de

Koblenz is generally known as a bureaucratic town with a German military base in a tourist area, rather than an industrial location. As a result, it is no easy task for the local IG Metall organisation to generate support for their vision in terms of industrial policies. Economic aid has been successful in attracting new service providers to the town such as Amazon and a new logistics centre. But the industrial cores, especially the automobile supplier industry, have remained marginalized. The difficulty lies in their heavy dependence on international markets. In response, IG Metall Koblenz has set up a political industrial initiative in order to secure decent, sustainable industrial jobs in the region.

Situated near the Rhine and Mosel rivers, the town in the Rhineland-Palatinate is surrounded by tourist attractions, vineyards and an appealing landscape. In terms of politics and media coverage, Koblenz is seen as a modern city that boasts new industrial service providers and technologies. However, Koblenz must also be viewed as a significant high-density, industrial area that offers decent industrial jobs, even though it is undergoing a period of transformation.

In Bendorf, a short distance away, Concordiahütte was shut down in the 1990s, resulting in the loss of several hundred jobs, thus heralding the end of the steelworks' 150-year history in the region. And the area around Koblenz has seen major transitions in the past few years, too. Traditional industrial plants have given way to new ones. At the end of the day, there were more job losses than gains.

Yet, it is the production structures rather than the production lines that have undergone the most notable changes. In many plants in the region, production transitioned from work-intensive, often manually produced goods to products manufactured by semi- or largely fully automated systems. Additionally, individual companies have increasingly tended to relocate in recent years.

IG Metall Koblenz has frequently been successful in opposing production relocations and achieving suitable solutions. Nevertheless, the pertinent question remains: how can decent industrial jobs with high value add be secured in the region in the long term? Seeking answers, the trade union set up their "Decent Work 2020" initiative in collaboration with two consultancies, the Technologieberatungsstelle Rheinland-Pfalz (TBS) in Mainz and the INFO-Institut Beratungs-GmbH Saarbrücken in 2014. The aim is to support works councils in working out and implementing innovative approaches for plants, and long-term company-specific strategies, in order to safeguard qualified industrial jobs and secure employment guarantees.

A series of seminars was organised by IG Metall Koblenz and TBS to equip works councils in the region with the requisite skills needed to identify and analyse potential risks – such as relocations to low-wage countries – at an early stage. Armed with these tools of the trade, they will, for example, be able to analyse strengths and weaknesses and utilize information to develop future scenarios and business management calculations. Some topics

dealt with are listed below:

- ✂ Demands and possible solutions for long-term staff planning and development.
- ✂ Flexibility and work – shift systems, service times, standby, agency work – flexibility demands and the future of working times.
- ✂ Energy and raw-material efficiency – managing energy and materials more efficiently,
- ✂ Demands relating to a health management system that is able to withstand demographic shifts and what this would involve.
- ✂ Future interrelations and connections between manufacturers, suppliers, service providers and customers within the framework of new mobility concepts.
- ✂ Product and technology innovations: new products and manufacturing processes.
- ✂ Current developments in holistic production systems.

All activities pertaining to the initiative should take the development of the whole region into account.



DECENT WORK INSTEAD OF DECIMATION

So far, the discussion regarding the retention and expansion of industrial jobs in and around Koblenz and at Stabilus and Eaton in particular, has seen the most progress.

The reason for IG Metall's activities at Stabilus in Koblenz was that in the management's view, the site

lacked a future perspective (new products and plants). Consequently, in the medium or long term, relocation abroad was on the cards and the survival of the site was jeopardized.

This was not the first time Stabilus had announced its intention to outsource jobs to low-wage countries. Although this time, IG Metall Koblenz succeeded in inducing the company (bound by collective agreements) to forgo involuntary lay-offs, the trade union was faced with the question as to what would happen in two to three years' time, when the the productivity scope in Koblenz and surrounds would peter out as existing work-intensive jobs would then no longer yield the required profit margins.

Eaton faces the same problems. In 2008, the American company had taken over Klöckner-Moeller, a struggling manufacturer of electrical swithgears. that employed a total of 530 people in the Koblenz area at its sites in Dausenau and Holzhausen, as well as just under 1,000 additional employees in Bonn-Rhein-Sieg, Gummersbach and Neuwied. Today Eaton sells electronic components and systems for energy distribution and automation in industry, infrastructure buildings and residential properties. And here too the question is raised: how future-proof are the sites and how can qualified industrial jobs be safeguarded in the long term?

EATON

A few years ago, the survival of the Eaton site in Dausenau was under threat. IG Metall Koblenz had prevented closure, and the task of developing both this plant and the one in neighbouring Holzhausen had to be tackled. The employer had put forward a "Vision 2020" strategy aimed at exploiting the development potential of both plants. Centred around the construction of an innovative model plant in Holzhausen called "Kompetenzzentrum Bäderstraße," the idea is to manufacture top-quality products using world-class manufacturing technology.

The works councils and IG Metall plan on committed involvement in the development process in future. A few weeks previously, the General Works Council had emphasized that it was to be included in the planning and development of the production strategy at an early stage. It desires to exert an influence over drawing up a strategy by means of a joint steering committee.

In collaboration with IG Metall and INFO-Institut Beratungs-GmbH Saarbrücken, the Eaton works council began to critically assess the employer's strategy and to work out their own demands in the interests of the employees (see Figure 1). They plan is to agree to the employer's strategy on condition that the latter is willing to agree to a future pact.

The works council and IG Metall insist that this pact will not only include investment in future-proof new plants and products; they are also keen on securing decent work, more co-determination and involvement,

employment-guarantee measures, environmental protection and energy efficiency (see "Model plant" box – employment guarantee/decent work/ecology). The "Baderstraße" showcase project should achieve more than simply exploiting new development potential for the Dausenau and Holzhausen sites; IG Metall and the works council are committed to determining possibilities for the new future-proof plants and products at other Eaton sites, too. They do not want to foster site rivalry, they wish to ensure that all plants across Germany get a fair and square share of the benefits brought about by investments.

The conditions for obtaining a future pact are good since Eaton is bound by a collective bargaining policy and the employees are extremely well organised within IG Metall. However, the American management is still reluctant to involve IG Metall, the works council and the employees in the development of the "Kompetenzzentrums Bäderstraße" on an equal footing. And many decisions are made in the USA or EMEA headquarters in Switzerland, and not in Germany.

STABILUS

IG Metall has achieved a degree of success with Stabilus. There is a distinct advantaged to be gained from the fact that the decision makers are headquartered in Koblenz.

With a 70 % market share, Stabilus is the leading producer of pneumatic springs for cars worldwide. The company intends to be listed on the stock exchange in the second quarter of 2014. The Group currently occupies a strong position. And times are good for the 1,700 employees in Koblenz too, at present. Yet given the company's dependence on the automobile industry, how long orders will keep coming in is a matter of debate. Another open question is what the new investors' plans will be after the company has been listed on the stock exchange. Will they focus on the strengths of the company they have acquired, or base decisions solely on comparative figures of international competitors?

Here too, the works council and IG Metall wish to influence the entire package encompassing investment, plants and products in addition to working conditions, so as to ensure high-quality industrial jobs ("Competencies in Koblenz") in the long term. Above all, they wish to reduce dependence on the automobile industry.

The company has not yet decided on the location or the scope of the new investment. This is why the works council and IG Metall are working on creating a framework aimed at winning new plants and the associated new future-proof production lines for Koblenz – and on bringing about the corresponding investment decisions. A benchmark paper with proposals has already been drafted. At present, they are currently setting out their demands with TBS and making them transparent. IG Metall's top priority is: the acquisition of new

"Model plant" Kompetenzzentrum Bäderstraße Works council demands



plants may not result in involuntary lay-offs. And since not all employees will be taken over in the new plants, appropriate measures must be put in place: qualification options for affected employees, flexible working hours and semi-retirement schemes. Additionally, the trade union insists on strict frameworks for decent work, jobs commensurate with age, agency work and contract work; schemes for promoting increased inclusion of employees in company profits and an initiative that fosters training programmes for disadvantaged young people.

IG Metall Koblenz places great value on ramping up member involvement in planned activities on site – both at Eaton and at Stabilus – and on strengthening networking among works council members, and encouraging them to and exchange experiences.

The industrial plants in and around Koblenz are important pillars of the Rhineland-Palatinate economy: this view was also expressed by the Federal State's Minister-President, Malu Dreyer, when she visited Stabilus at the beginning of April. The works councils in the region and IG Metall are

hoping to obtain more support from her in procuring new technologies and future-proof production lines for Koblenz and the surrounding area. The Federal State Government has already drawn up initial plans for an industrial initiative. IG Metall contributed a great deal toward this initiative, including direct talks on site, such as those held here at Stabilus. ✂

Figure 1: In September 2013, the EATON works council announced demands relating to the "Model plant": Employment guarantees for 500 people; decent work; participation not control and stipulations; less relocation = fewer truck fleets = reduced CO₂ emissions; co-determination + collective bargaining agreements + IG Metall!

IG METALL LEIPZIG

Boom town with a wealth of regional potential



Picture credit: Wikipedia



"Our approach is to come up with concepts, while ensuring cooperation and consistency. By developing intelligent strategies and at the same time exerting strong public pressure, we have been able to save many companies here in Leipzig. Our expertise and clout are widely recognized, including in the business community. We're a negotiating partner to be reckoned with, not just in matters concerning the preservation of jobs, but also when it comes to industrial policy decisions, with the aim of further developing Leipzig into a strong, attractive and innovative industrial location."

BERND KRUPPA

First Representative IG Metall Leipzig

Bernd.Kruppa@igmetall.de

Leipzig is booming. The idea of a city that is attractive for young people drawn to a lively cultural city, an enjoyable and liveable environment and state-of-the-art workplaces is not a distant dream but a near reality. More than twenty years after reunification, a successful sector mix has now built up. Within just ten years, unemployment statistics have halved. And IG Metall Leipzig has played a significant role in achieving this, with its two-pronged strategy of cooperation and consistent resistance. As for the new challenges it faces in industry policy, it has the advantage of being able to rely on experienced and assertive workers in a large number of companies - workers who do not shy away from conflict and are prepared to fight for their interests. This is particularly evident if we look at the approaches pursued to preserve switchgear construction activities at Siemens and avert insolvency at SIAG Tube & Power, a wind energy tower manufacturer.

After reunification, Leipzig started out like nearly every other industrial location in the former East Germany: First and foremost, it had to fend off the industrial cull pursued by the Trust Agency (*Treuhand*). In the Free State of Saxony, the Trust Agency's plans were to make Dresden the administrative centre, Chemnitz the industrial location and Leipzig the centre for retail, trade shows and services. Industry was only intended to play a minor role in Leipzig - and so began its industrial decline. Whereas before reunification, there were 100,000 jobs in manufacturing in Leipzig, at its lowest point in the 1990s there were only 14,000.

At this time, IG Metall fought fiercely for every single location – often without following any capital logic. The most important thing was to save jobs and core industrial activities! The message was also becoming clearer for local policy-makers, industry associations, chambers of trade and commerce, individual municipal offices and municipal business development departments: Once an industrial location is dismantled, others will not exactly be enticed to the area. This realization was gradually beginning to dawn.

"LEIPZIG MODEL"

The first regional networks thus began to emerge in the early 1990s. Regional forums subsequently started to form, gathering together representatives from the world of business, municipal authorities and the trade unions, who met twice a year to date. Bernd Kruppa, President of IG Metall in Leipzig, even refers to a "Leipzig model". These forms of collaboration have since developed into close and reliable contacts. The focus from the outset was to establish a balanced sector mix in Leipzig and support companies in handling insolvencies or carrying out the requisite restructuring measures.

The success of this cooperation is plain to see. For instance, within the scope of a regional foundry network, IG Metall Leipzig helped ensure that the twelve foundries based in the Leipzig area survived and were able to further develop - with the support of the Free State. Eleven of them made it through insolvency proceedings, some more than once.

The region is currently experiencing a massive upturn: Porsche and BMW and a network of suppliers active in the associated services sector in particular have set up a base here. Companies now boast state-of-the-art production technologies and working time systems.

The automotive cluster alone in Leipzig employs 15,000 people. And this trend is set to rise.

For instance, there is the Automotive Cluster of East Germany (ACOD) - a cross-state network of research institutes, original equipment manufacturers, suppliers and other institutions. Leipzig in particular is set to develop into a European centre for high-tech products in the automotive industry.

What's more, a large number of primarily medium-sized companies active in the areas of mechanical engineering, electrical engineering and telecommunications - often hived off from large corporations in the West - are of strategic significance for the economic region of Leipzig. These include Kirow, MIKROSA and Siemens. The industrial fabric in Leipzig today can be described as diverse and predominantly ultra-modern.

FORWARD-LOOKING COLLECTIVE BARGAINING POLICY

The principal task of IG Metall Leipzig is now to establish basic operational and collective bargaining conditions to help structure this industrial upturn. The aim in particular is to prevent skilled personnel from moving away, cover the growing demand from companies for qualified staff and create attractive career prospects for employees. The guiding principles of innovation are to promote Decent Work and establish

Attractive companies
Leipzig model
 Economic aid
 Siemens switchgear construction
 Regional forums
Leipzig
 Foundry network
 Automotive cluster
 Securing qualified employees
 Self-confident workforce
 Decent work
 Creative lunch break
 Diverse industrial landscape
 Forward-looking collective bargaining policy
 New product lines
 Hightech products
 SIAG Tube & Tower
 Insolvencies
 Publicity



Figure 1: Campaigns with a difference to raise public consciousness and intelligent participatory initiatives within the company helped step up pressure on the Siemens Managing Board to keep the switchgear construction plant in Leipzig.

Picture credit: IG Metall

a "better rather than cheaper" approach. At the same time, IG Metall has to incorporate and regulate greater flexibility in working conditions, as required by the new production methods and working time systems. Its key instrument in this process was and is to pursue a forward-looking plant-level policy and collective bargaining policy.

To this end, IG Metall has managed to set up collective bargaining and trade union structures in many newly established companies. This process was greatly aided by the organisational expertise of the many employees skilled in conflict management, who had lived through the transformation processes in the 1990s. This can be seen in particular in the battles to save the Siemens switchgear construction plant and SIAG (see below).

As in many industrial locations in East Germany, Leipzig was for a long time known as a low-wage area. Nevertheless, IG Metall has managed to place greater emphasis on collective bargaining policies over the last few years, not just at BMW and Porsche, but also in the associated services sector, and even in craft industries, for instance recently at VW and Audi. Many companies have since realized that attractiveness and quality come at a price. It is a different story in the logistics sectors. It is not without reason that IG Metall Leipzig has reached a record high in new members over the last few years in its area of activity.

OUTLOOK

The rapid expansion of the industrial landscape in and around Leipzig has brought about a significant shift in the core work of the local IG Metall organisation. Its activities currently focus on supporting operational and collective bargaining policies, to make the area attractive for skilled personnel. Issues such as demographic change, retention of skilled personnel, reconciliation of work and family life and – in the light

of growing numbers of commuters – more individual autonomy of time through flexible working time systems are becoming increasingly important.

THE FIGHT TO PRESERVE SIEMENS SWITCHGEAR CONSTRUCTION ACTIVITIES

In March 2013, the Managing Board of Siemens decided, without any prior warning, to relocate production activities at the Siemens switchgear construction plant in Leipzig to Portugal, as part of the "Siemens 2014" restructuring programme. This meant that 450 employees (90 of whom worked in Research and Development) and around 50 agency workers were at risk of losing their jobs. It also meant a possible end for a further 800 employees working for supplier firms and service-providers. Siemens justified its plan by citing the lack of competitiveness of the location.

IG Metall Leipzig decided to mobilize all levels, and to do so immediately - in other words, before the decision was made public. The Siemens combine works council and central works council, employee representatives on the Siemens Supervisory Board, the local works councils and the Siemens team at IG Metall, including members of the IG Metall Executive Committee, were all called to arms, to work out a proactive strategy against closure of the site. With the support of external organisational consultants from Gruppe 7, the first step involved examining the reasons on which the Managing Board's decision was based. This also meant calling upon internal expertise from middle management and former directors.

At the same time, IG Metall Leipzig consolidated its contacts with regional actors – in the political arena, the local business community, church organisations and the media. High-profile campaigns with a difference were launched outside the plant and intelligent participatory initiatives inside the plant, which all managed to generate a considerable amount of sympathy among citizens and employees alike (see Figure 1). For instance, campaigns on the sidelines of the Leipzig energy trade fair or at a Siemens AG press conference in Leipzig, creative lunch break initiatives and a "Food-Walk" with donated rolls for lunch: Many Siemens employees took active part in these forms of participation which were new and somewhat "unorthodox" for them. 15,000 Leipzig citizens gave their support to the employees at the switchgear construction plant by signing a petition. A valid contribution was also made by the many pupils in the partner school programme run by Siemens in Leipzig and apprentices from the Siemens Professional Education SPE scheme, who took part in the campaigns.

Above all, a large number of Siemens employees made a substantive contribution in terms of ideas and suggestions. They worked on concepts for new product lines, researched possible expenditure and costs, presented designs and results, and developed

striking and persuasive communication strategies. Innovation workshops were also held, which were used to generate ideas and suggestions.

The verdict in the end was that it makes more sense and, in the final analysis, it is more cost-effective to keep producing switchgear in Leipzig, and improve the plant's capacity through additional product lines, rather than to close the plant.

Once this alternative concept had been discussed with Management and further developed, it was ready to be implemented. Under pressure from its workforce, the public and IG Metall, Siemens relinquished its plans to carry out redundancies for operational reasons. It expanded the plant into a centre of competence for low voltage switchgear, and acquired new innovative products in the area of renewable energies.

INSOLVENCY PROCEEDINGS AT SIAG TUBE & TOWER

When SIAG Schaaf Industrie AG, a component manufacturer for offshore and nearshore wind turbines, announced on 19 March 2012 that it was filing for insolvency for the entire Group, the future of SIAG Tube & Tower GmbH (STT) in Leipzig hang in the balance. The SIAG Group was not able to implement its envisaged financing plans in view of the uncertain political prospects for expanding renewable energies. And so as a result, it ran into difficulties. Insolvency plan proceedings for the lead company based in Dernbach, the SIAG subsidiary in Leipzig and another subsidiary in Finsterwalde were filed on 1 June 2012 under the company's own administration. STT was given the opportunity to prepare a restructuring plan and – if this plan was approved by the creditors – continue its activities. The insolvency administrator gave STT exactly six months to produce this restructuring plan.

As a first step, IG Metall Leipzig contacted the "crisis intervention" task force for which the IG Metall Executive Committee is responsible. This task force quickly called in external expertise via management consultants Q&A Banner. After an initial meeting to discuss strategy, attended by all parties involved in the proceedings – insolvency administrator, management, works council – and IG Metall Leipzig, it became a race against time: The scenarios set out by the company's management had to be examined, contacts made with management and further experts, and possible courses of action outlined and then presented to the insolvency administrator and creditors.

It was evident from just looking through the facts and figures provided by the management, that many problems encountered by the company had to do with poor management decisions. Despite clearly fluctuating sales revenue since 2009, the company had not developed any sustainable strategy for the



future. Even the sales division had not prepared any offensive plan of action at the time. However, positive aspects were also identified, such as the location of the building, the open space and infrastructure. The existing portfolio and in particular operational know-how built up over many years were likewise considered to be assets

The consultants also identified the areas in which changes should be made, so that the company could successfully continue its activities: Core business should be handled more efficiently through wise investments, organisational structures should be systematically realigned and sales processes should be optimized, while focusing on new products and markets. After a phase of short-time working lasting a few months, the company managed to get back on its feet again and regain its customers' trust. In the medium term, a new business segment ("service and innovation centre") was set up.

As before, this approach to save STT called upon the two-pronged strategy of IG Metall Leipzig: Adopting constructive concepts combined with public campaigns to exert pressure on the decision-makers. A key motto guiding the initiative was: If investors and politicians refuse to go to work, the tables have to be turned. And so STT employees demonstrated with banners in front of the Sächsische Aufbaubank. They also unfurled banners at the Leipzig energy trade fair, with messages such as "Make the energy transition happen: Opt for wind power!" (see Figure 2), to send a clear signal to industrial policy-makers. These various activities finally brought the fight of SIAG colleagues to the attention of the media, which generated sympathy for them from the general public.

In the end, the decision-makers decided for the company to continue operating and for the agreed restructuring plan to be implemented. On 30 December 2013, SIAG Tube & Tower withdrew from its insolvency proceedings. After a longer phase of short-time working and under-utilization, the company recruited an additional 150 people - which they even did during the insolvency proceedings - to boost the existing 120 colleagues. It also managed to record a clearly positive result for 2013. STT even announced its close cooperation with IG Metall Leipzig in its job advertisements. ✂

Figure 2: SIAG employees demonstrating in front of the Sächsische Aufbaubank, to make policy-makers accountable.

Picture credit: IG Metall

IG METALL MINDEN

Comprehensive structural policy and Industry 4.0



Picture credit: dpa



"Our main task is to improve the coverage of collective bargaining agreements in companies. We are also campaigning to protect the interests of the younger generation, who are particularly affected by the number and quality of trainee positions, and the proportion of trainees ultimately hired. Other areas claiming our attention include "Industry 4.0", as our region wants to be at the vanguard of the fourth industrial revolution."

LUTZ SCHÄFFER

First Representative IG Metall Minden

Lutz.Schaeffer@igmetall.de

Over the last few decades of regional structural change, IG Metall Minden has targeted its activities towards cushioning employees from the negative impact of such changes through social security, and preserving industrial structures in the region. In a broader understanding of regional structural policy, its work currently involves helping to give a clearer shape to foreseeable industrial trends through forward-looking strategies, enhanced quality of working conditions and satisfactory number of jobs in industry.

Large industrial companies are the exception in the district of Minden-Lübbecke. The main players in the metalworking and electrical industry are small to medium-sized enterprises. In the past, growth in sales figures and employee numbers were primarily recorded in the electrical industry. Development in other sectors was unfortunately going in the other direction.

Just a few years ago, the district of Minden-Lübbecke was a centre for the furniture industry, especially the kitchen furniture industry, alongside the region of Herford/Bünde. There are now only a handful of companies remaining, as is also the case throughout the woodworking and plastics industry. The clothing industry has virtually disappeared from the scene, with a few exceptions. In the textile industry, there are only three manufacturers of car seats and technical textiles remaining.

IG Metall's area of activity also includes an extensive range of craft activities, with a large number of micro-businesses in automotive and metalworking, heating and plumbing, electrical engineering, agricultural machinery and woodworking. A particular feature of the region is that many members of IG Metall are also farmers, who are increasingly only running their farms on a part-time basis; they work primarily in the industrial and craft sectors.

COMPREHENSIVE STRUCTURAL POLICY WITH MANY INTERPLAYING FACTORS

Both now and in the past, IG Metall Minden wants to significantly increase its influence on future industrial trends. Together with the works councils and in dialogue with decision-makers from the world of politics, administration and business, it advocates a comprehensive approach in structural policy. On the one hand, it is all about enhancing the attractiveness of the region. On the other, its operational activities focus on identifying and helping to shape the challenges and development potential of "Industry and work 4.0" in good time.

IG Metall Minden believes that regional structural policy can only succeed if it takes as many aspects as possible into consideration. This prompted it to organize an initial specialist conference to discuss regional economic policy in Minden. The conference was held in September 2013 in collaboration with the regional German Trade Union Confederation (DGB) organisation. The relevant actors - district administrator (*Landrat*), regional employers' association and the Federal Employment Agency in Herford - met to exchange their ideas and requirements for further developing the region. All the parties involved have

since reached agreement that the following factors play a key role in guaranteeing and expanding employment in the region, and in encouraging companies to settle in the area:

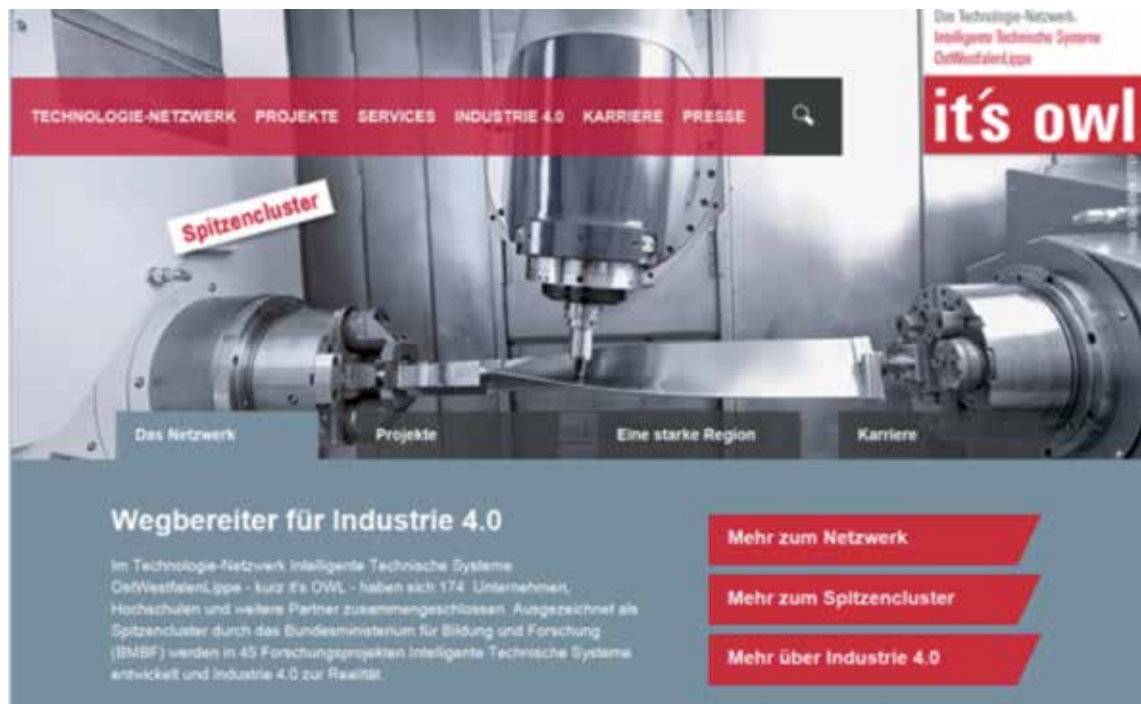
- ✂ **Qualified employees:** The region has to attract more skilled employees. To this end, it is firstly necessary for employees of companies in the region to be better qualified. To bring this about, IG Metall intends to use and develop its collective bargaining agreement instruments. Secondly, qualified workers from elsewhere have to be encouraged to move to the area. The region therefore has to make itself attractive.
- ✂ **Attractiveness of location:** On the one hand, this means that employers have to offer more attractive working conditions (for example with family-friendly policies and initiatives to improve the work-life balance). On the other, there has to be a varied array of cultural attractions in the region.
- ✂ **Networks:** The region should create optimum conditions to enable the requisite skilled workers to advance their qualifications and skills. For instance, a high-quality system of schools, combined work/training schemes, combined education/training programmes, technical colleges and universities should be accessible for them.
- ✂ **Industry 4.0:** It is particularly important for the region to attract more companies to relocate to the area - especially in association with "Industry 4.0".
- ✂ **Clusters and suppliers:** A further key factor is to retain and expand the existing supplier industry in the region.

In addition, IG Metall Minden aims to reinforce collective bargaining coverage within companies. It is also campaigning to protect the interests of the younger generation. Key aspects for these future workers are the number and quality of trainee positions, and the proportion of trainees who are ultimately hired. IG Metall presents these requirements to various bodies in the Minden area, and discusses them within the scope of workforce meetings, training activities and other local events.

The regional commuter statistics clearly show that there are a number of "magnets" drawing people to the region. For instance, there are companies and institutions in which new jobs have been created and further jobs are going to be created. IG Metall Minden intends to focus more attention on such companies in the future. After all, here too, it wants to establish working conditions safeguarded by collective bargaining agreements.

Figure 1: "It's OWL" stands for the technology network "Intelligent Technical Systems OstWestfalen-Lippe". Industry 4.0 systems are being developed in 45 applied research projects.

Picture credit: www.its-owl.de



INDUSTRY 4.0: ARMED FOR THE FUTURE

IG Metall Minden local organisation is also committed to a further important area of structural policy: Within the scope of the cross-sector leading-edge cluster "It's OWL" (see Figure 1), it aims to give intensive support to the development of industrial production in individual companies.

This cluster receives EUR 40 million in subsidies from the German Government. It is an alliance of around 175 businesses that are all involved in innovating and developing products and elements falling within the scope of "Industry 4.0". The companies themselves contribute a further EUR 60 million to the project.

A key feature of this cluster is that companies, universities and technical colleges within the region work closely together. "It's OWL" sees itself as the vanguard of the much discussed fourth industrial revolution.

And IG Metall Minden has various challenges to face as a result. Together with the local organisations of



Bielefeld, Paderborn and Gütersloh-Oelde, it has to date organized two 1-day training sessions for works councils. In the course of these events, it soon became apparent that the works councils knew practically nothing about the described projects in their companies. In response, IG Metall systematically captured and pooled the available relevant company plans, options for redesigning work-oriented policies and trade union initiatives.

It is a priority for all the local organisations involved to communicate their ideas and demands as part of these development processes by informing works councils, shop stewards and members, and including them in the discussions. The point is to identify and influence the risks and opportunities of "Industry 4.0" in good time, in dialogue with employees

For all regional actors involved in industrial policy, and particularly for workers, "Industry 4.0" presents a tremendous challenge entailing fundamental changes across the entire value chain. The core elements of these change processes should first be openly and flexibly assessed by those actually involved. IG Metall Minden is responsible for coordinating the collaboration between the local organisations.

Specialist conference
Structural change
Minden-Lübbecke
OWL cluster
Commercial space
Investment climate
Paderborn
Influence
Electrical industry
Checklists
Skilled employees
Promote the location
Bielefeld
OstWestfalen-Lippe
Minden
Industry 4.0
Working group
Gütersloh-Oelde
Craft industries
Works councils
Employees
Micro-enterprises
Comprehensive

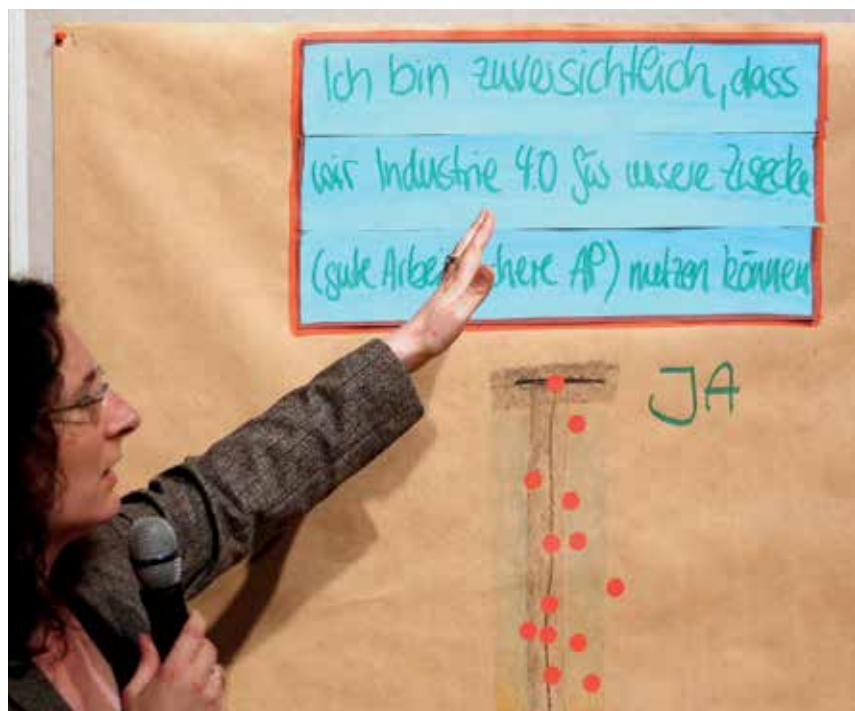
WORKING GROUP FOR INTERESTED PARTIES

The launch event for this collaboration was the specialist conference to discuss "Industrial work 4.0" within the scope of the ARIBERA project of IG Metall NRW, held in October 2013 in Paderborn (see Figures 2, 3 and 4). The event was attended by around 150 delegates to discuss the various issues with representatives from the world of business, science and trade unions.

IG Metall was represented at a high level with the President of IG Metall, Detlef Wetzels, and the regional director of NRW, Knut Giesler. Both made it clear that IG Metall supported the fourth industrial revolution, and that it would contribute its ideas and suggestions for the benefit of employees.

IG Metall is currently conducting a survey in various companies in the region on the basis of a checklist: "What will our company look like in the future?". The initial results are expected in summer 2014.

IG Metall Minden has set up a working group on the subject of "Industry 4.0". This working group is approaching interested employees to establish a basis for discussion and exchange of information which is as broad as possible. ✂



Figures 2, 3 and 4:

Industry 4.0 – what are we letting ourselves in for? An IG Metall conference was held in Paderborn in 2013 to discuss this very issue, with scientists, works council experts and trade union representatives.

Picture credit: IG Metall/Thomas Range

IG METALL ROSTOCK

No future for low wages



Picture credit: Wikipedia



"Thanks to unwavering pressure from our side, it is now recognized in politics and business that their 'low-wage state' strategy is not tenable. In the Alliance for Employment, Training and Competition set up in Rostock a number of years ago in partnership with representatives from politics, business and trade unions, we have consistently argued against the policy adopted by the state government with respect to granting subsidies and attracting companies to the area, and have pressed for subsidy regulations to be linked more stringently to minimum collective bargaining conditions. And this has since become a reality. For us, this means that in the future we will clarify in each individual case, in consultation with the respective works councils, what the existing pay conditions are and whether collectively agreed wages should be paid. These new subsidy regulations are a huge opportunity for us to gather new strength for collective bargaining policy."

PETER HLAWATY

First Representative IG Metall Rostock-Schwerin

Peter.Hlawaty@igmetall.de

Even though Mecklenburg-Vorpommern is one of the most popular states in which to go on holiday, in terms of economic development, it has been trailing behind the other states for years. To date, the state has been heavily subsidized with public funding. However, together with the German Trade Union Confederation (DGB), IG Metall Rostock has been fighting for the award criteria for industry to be linked to minimum standards. Their aim is to move away from being a low-wage state to becoming a competitive location. Fresh impetus has also been given to collective bargaining policy.

Although, based on statistical averages, the Eastern German states have since reached the level of around two-thirds of the Western German Gross Domestic Product (GDP), taken in isolation, Mecklenburg-Vorpommern is still lagging far behind. With a GDP of EUR 22,800 per inhabitant, the state has by far the lowest value (compared with Saxony = EUR 24,200). Only 10% of Mecklenburg-Vorpommern's economic output comes from industry. In terms of industrial activities, Rostock is the only booming region in the state, so it stands on its own. Thanks to an unwavering economic development policy, it has managed over the last decade to encourage companies from the mechanical engineering, automotive and aerospace sectors to establish a presence in the state. Generally speaking these are medium-sized subsidiaries of large Western German corporations, and are primarily just production facilities ("extended workshops") with relatively little room to manoeuvre when it comes to their own innovations or research & development. In other words, corporate policy is defined in the West.

At most, collective bargaining policy plays a minor role in these companies. So there was and continues to be a need to go over the trade union groundwork. For instance, drawing in members, forming works councils, getting these works councils to network with works councils from other companies, and providing training. IG Metall has since managed to establish a steady base of members and lay officer structure in many companies - a vital prerequisite before moving on to topics of collective bargaining policy (see Figure 1).

LITTLE INDUSTRY, LOW INCOME

While the average gross earnings in the manufacturing industry in 2012 were EUR 40,332 at national level, in Mecklenburg-Vorpommern they were just EUR 26,217. All too often, income has to be topped by the German government. Irrespective of the party configurations making up the government, the following principle generally applied in the first two decades after reunification: Industrial companies have to be enticed to the region primarily by making infrastructure available, but also through subsidies and low wages. This doctrine can now be seen as a spectacular failure: The region's economic productivity performance lags a long way behind the national average. And many skilled employees are continuing to move away. Not least thanks to the unwavering pressure exerted by IG Metall, it is now recognized in business and politics



that this "low wage state" strategy is not tenable. And so agreement was reached on a few core areas for action among representatives from politics, business and trade unions under the aegis of the Alliance for Employment Training and Competition, which has been in existence for a number of years now. With respect to conditions concerning pay, the following was set out in the joint declaration of January 2011:

"Attractive and marketable pay and working conditions are key factors in the growing competition for suitable trainees and qualified employees. Such conditions will contribute to attracting and retaining skilled employees. (...) The Alliance partners advocate increasing collective bargaining coverage and ensuring greater acceptance of collective pay agreements. This does not affect the responsibility of social partners to generally regulate the formulation of wage and work conditions within the scope of collective bargaining agreements. The parties to the collective bargaining agreements will further develop the regional collective agreements."

MINIMUM WAGE AND SUBSIDIES

Furthermore, in its coalition agreement set out in October 2011, the current SPD/CDU state government made a minimum wage of EUR 8.50 per hour a condition on companies in order to receive financial support for additional jobs or public contracts. These conditions follow the example set by other Western German states, but deviate from them on one important issue: In other Western German states, this rule applies for the award of public funding for the state as well as local authorities. However, in Mecklenburg-Vorpommern, the award of this funding is restricted to state level. The scope of the law is thus limited, as up to two-thirds of public contracts issued by a Western German state are awarded by the local authorities.

Figure 1: Steady base of members and lay officer structure: After many years of trade union development work, employees can now confidently present their demands. As can be seen here at the shipyards in Warnemünde.

Picture credit:
IG Metall Rostock-Schwerin



Figure 2: IG Metall is showing its colours. Not just at the Hanse Sail regatta, but also and above all through its influence in collective bargaining policy for the award of public funding: Subsidies are only awarded if a minimum wage is imposed. High funding rates are only granted if companies at least match the pay set in collective bargaining agreements. And temporary agency jobs are taboo.

Picture credit:
IG Metall Rostock-Schwerin

One of the most important measures of structural policy in Mecklenburg-Vorpommern is now the policy to attract industrial companies to the area. In 2013 alone, for example, within the scope of the joint scheme for improving regional economic structures (GRW), 155 new investment projects for industry were supported with around EUR 96 million. This boosted total investments to around EUR 370 million. According to the calculations of the Ministry for Economic Affairs in Mecklenburg-Vorpommern, nearly 1200 new jobs were supported with these funds and at least 5000 jobs were guaranteed (as at early December 2013). Mecklenburg-Vorpommern has since made further changes to its subsidy policy. Within the scope of the Alliance discussions, it was primarily the trade unions who pressed for subsidy regulations to be linked to minimum collective bargaining conditions. And they were successful too - the Directive on subsidizing industrial activities via the GRW scheme was amended in January 2013, such that the payment of (subsidized) work is generally not allowed below a minimum wage of EUR 8.50. Companies will only receive a higher financing rate if they at least match the pay set in collective bargaining agreements. In addition, temporary agency jobs are excluded from the public funding. As expected, these changes led to vehement protests from the industry associations. They voiced concerns in terms of legal and regulatory policy if minimum wages are set as an award criterion. Employers argued that linking criteria to pay under collective bargaining agreements would act as an additional barrier to promoting investment and would have a negative impact on the basic conditions for a number of sectors. In terms of practical trade union work, this means: If companies receive public financing or public contracts in the future, IG Metall will clarify in each individual case, in consultation with the respective works councils, what the existing pay conditions are and whether collectively agreed wages should be paid.

The new funding criteria were also a central point of discussion at a number of meetings between IG Metall and the SPD Parliamentary Group in January 2013, and at the joint conference with IG Metall works councils. Both sides agreed that the topic of "collective bargaining coverage" should be actively promoted and to keep exchanging information on an ongoing basis. Although neither the state government nor parties are tasked with running collective bargaining policy (it is the primary task of the trade unions), this new political momentum may help increase awareness among the workforces and actually put the topic of "collective bargaining coverage" on the agenda for discussion within companies.

(RE)BUILDING COLLECTIVE BARGAINING COVERAGE

In a number of companies, collective bargaining coverage has now become a prime topic for discussion at workforce meetings and IG Metall member assemblies. Preparations are already under way in a growing number of companies for collective bargaining negotiations. And this is placing increasing pressure on publicly funded employers.

Willingness and energy for a collective bargaining discussion are obviously still driven by unionized workforces (see Figures 3 and 4). However, public opinion should not be underestimated and acts as a boost, as evidenced by the various successes achieved by IG Metall Rostock over the last few years. For example, in the last two and a half years, it managed to incorporate a major mechanical engineering company in Rostock and Schwerin into the regional collective agreement. In two other companies - a supplier to the aerospace industry and a shipyard - it was able to conclude in-house collective bargaining agreements. In all cases, clearly tangible public pressure played a helpful role. Even in this year's works council elections, it was possible to take advantage of this positive atmosphere, with votes in favour of a works council in a few companies that had not previously had any.

Subsidies Competitiveness
Investments Skilled employees
Re-industrialization
Arrival of new companies
Alliance for Employment, Training and Competition
Rostock No low wages!
Minimum wage
Collective bargaining coverage
Collective bargaining policy
Mechanical engineering
Schwerin
GRW
1200 new jobs
Joint declaration
Retaining skilled employees

At first glance, this may seem like very modest progress. But for Rostock and Mecklenburg-Vorpommern, which are basically only just starting the pure industrialization process, it is a giant leap forward: Collective bargaining agreements now apply (again) for more than 2000 further employees.

SUMMARY AND OUTLOOK FOR THE FUTURE

The European Commission has re-set the maximum funding rates for regional aid in Germany for the funding period from 2014 to 2020. Mecklenburg-Vorpommern will receive nearly EUR 60 million less than in the previous period under the GRW scheme. It is thus assumed that funding will be allocated even more selectively.

In political discourse, IG Metall Rostock continues to argue for a sustainable industry policy in which priority must be given to strengthening the manufacturing industry. Its aim is for greater weight than before to be placed on collectively agreed wages when decisions are made on the award of corporate subsidies. This is primarily because the previous focus on minimum wages will largely become superfluous in view of the pending statutory minimum wage.

Considerable staying power is needed when it comes to introducing collective bargaining agreements in a de-industrialized Western German state with many years of enforcing a low-wage strategy. The paradigm shift in economic policy, i.e. moving away from wage dumping towards competitive pay, paves the way for opening collective bargaining negotiations. Laws on the award of public contracts linking funding measures to minimum collectively agreed conditions are part and parcel of a regional industry policy which could trigger and support collective bargaining discussions in many countries.

For IG Metall in Mecklenburg-Vorpommern, this is a historical opportunity to gather new strength for collective bargaining policy. It supports competitive companies with competitive wages and working conditions. This is also in the public interest, as collective bargaining coverage is an effective instrument for retaining skilled employees. Mecklenburg-Vorpommern is more than ever dependent on this. ✕



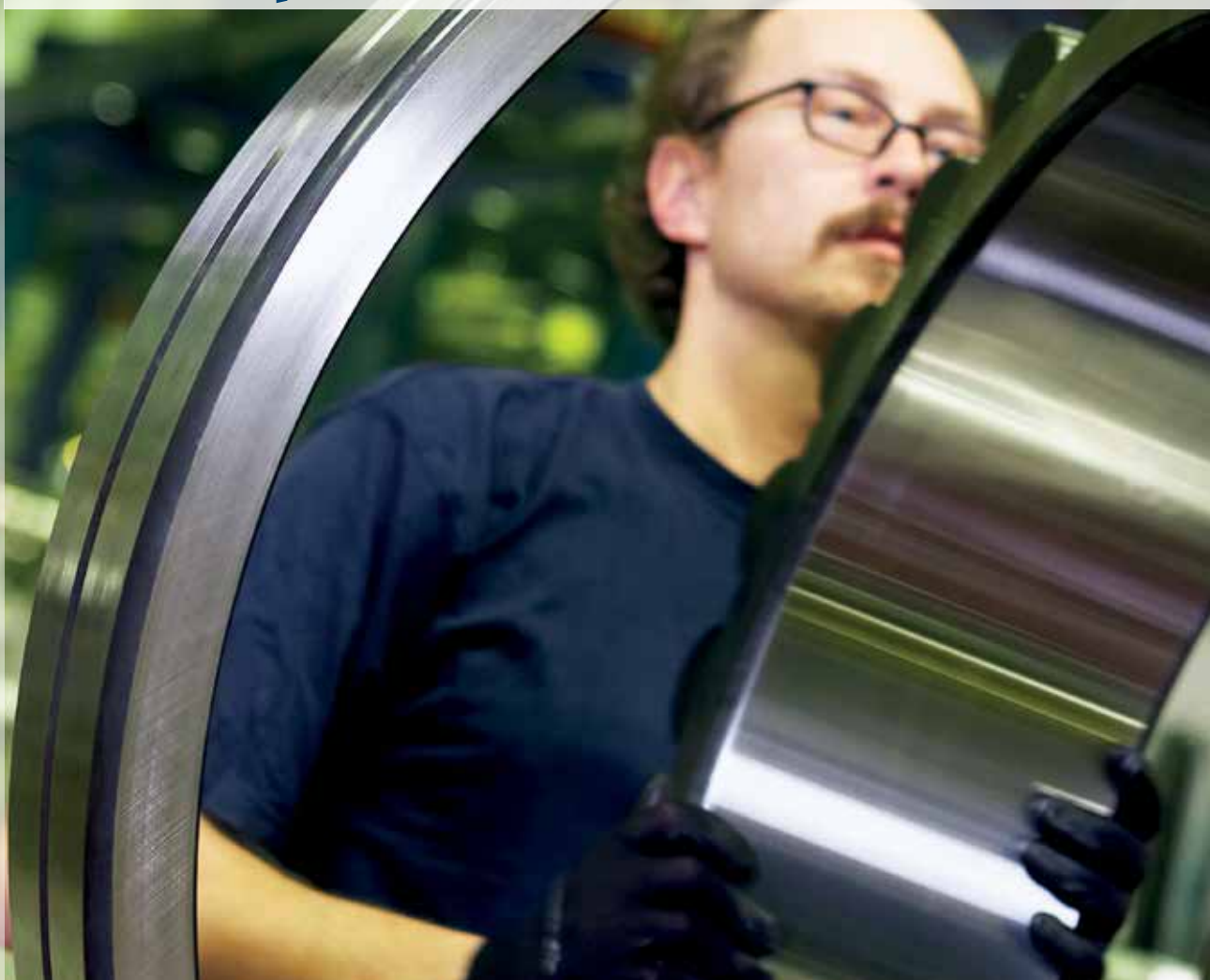
Figures 3 and 4: Warning strike at the Mercedes branch in May 2013. Outcome of the collectively bargaining negotiations: 2.8% (twice) plus Christmas bonus finally at 50%, i.e. at western levels.

Picture credit:
IG Metall Rostock-Schwerin



IG METALL SCHWEINFURT

Networks, protests and proactive solutions



Picture credit: SKF



"The activities of IG Metall Schweinfurt in the area of industry policy aren't so much about making strategic decisions as finding tangible solutions to problems. We are recognized in the region as a competent advocate that will provide assistance, solve structural problems and economic crises, based on formulae that are also viable for the future."

PETER KIPPES

First Representative IG Metall Schweinfurt
Peter.Kippes@igmetall.de

IG Metall Schweinfurt local organisation supports 66 companies in its area. In addition to actively participating in bodies, its various educational and PR activities also play a very important role in strengthening the effectiveness of trade union policy. Furthermore, it adopts a systematic structural policy taking into account the economic importance of the industries it supports.

The geographical area supported by the local organisation extends from the Steigerwald nature park in the south to the edge of the Rhön mountains in the north, and from the Hassberge hills in the east to the Spessart mountains in the west. Companies are mainly concentrated in two core areas: the cities of Schweinfurt and Bad Neustadt.

Schweinfurt is home to two major ball bearing manufacturers whose presence in the city dates back over 100 years. Around 4500 employees work at SKF and 6000 at Schaeffler Technologie Schweinfurt. ZF Friedrichshafen AG has a multi-division site in Schweinfurt with almost 9000 employees. Bosch Rexroth is also represented here with two sites.

Bad Neustadt is in the district of Rhön-Grabfeld, and is the second largest location in terms of the number of industrial jobs in the area covered by the Schweinfurt local organisation. Siemens has facilities in Bad Neustadt, where it employs more than 2000 people working in the production of electric motors for the mechanical engineering industry. Preh GmbH has 1500 employees and is a major automotive supplier. From this list, which does not include all the companies supported by IG Metall, it is not difficult to see that the industrial region plays a key role in the mechanical engineering and automotive sectors – with all the associated advantages and disadvantages. The manufacturing sector boasts an extraordinarily high proportion of skilled employees. Nearly all products produced in the specified companies can be classified to the premium segment. This means that the companies generate relatively high sales prices, but are subject to permanent pressure to reduce costs and innovate. IG Metall aims to counter this constant cost pressure by focusing on quality, which in turn means focusing on highly qualified and skilled employees. Things are happening in the area of innovation in the companies: Many have increased their share of investment in research and development activities over the last few years.

ROOTS OF INDUSTRY POLICY

In 2013, the IG Metall local organisation held an event highlighting developments in the industrial region of Schweinfurt over the last 20 years. In 1992 and 1993 there was a deplorable loss of over 10,000 jobs in just three companies: SKF, Schaeffler and ZF as a result of the crisis. At this time, IG Metall had started on the necessary groundwork to systematically establish industry policy. The basic conditions for the city and region had deteriorated to such an extent that the future of the region could not be guaranteed with "hope for growth" alone.

The city of Schweinfurt now has over 390 industry jobs for every 1000 inhabitants, and is one of the most important industrial cities in Bavaria. And IG Metall has made a significant contribution to this very encouraging situation. In the early 1990s, it organized protests for the first time extending beyond individual company boundaries, and has been fostering this culture of trade union resistance ever since. The result: Unlike before, it is now no longer possible for any employer to plan changes without taking the overall impact on the relevant industrial region into consideration. The open and dedicated cooperation in the trade union bodies has brought about an extremely high level of transparency when it comes to laying down trade union policy guidelines in company agreements. Employers can no longer - or only to a very limited extent - play one workforce off against another in the region.

SETTING UP AND MAINTAINING CONSTRUCTIVE NETWORKS

IG Metall Schweinfurt has analyzed theoretical as well as practical aspects of problems and changes in industry policy in the region. In 1994, it commissioned a study at the Hans Böckler Foundation, with support from IG Metall regional council in Bavaria. The study was on: "Integrated regional economic policy in rural areas – new approaches in industry, labour market and company policy and networking in the Schweinfurt area". The results of this study helped boost its role as a political player, putting forward its own substantive recommendations.

IG Metall Schweinfurt has since made its voice heard on a number of occasions, with contributions and publications that may at times be smaller-scale but are just as important. Together with the local business community and political parties, it formed the "Location offensive for innovation and business in



Figures 1, 2, and 3:
Siemens AG wanted to cut 1000 jobs at its site in Bad Neustadt. Not if IG Metall could help it: The Schweinfurt local organisation, works councils and employees protested with high-profile campaigns. Based on constructive cooperation, it was possible to introduce future technologies to the site, such as wind energy and electromobility. The city is now one of the two model regions for electromobility in Bavaria. What's more, it was possible to safeguard the jobs.

Picture credit:
IG Metall Schweinfurt



Schweinfurt" as a forum for dialogue between the various regional actors. It also maintains regular contacts with (potential) allies, such as church bodies, social organisations, political parties and local politicians. Although a few years ago, these contacts were almost exclusively used to jointly manage the crisis situation, but as cooperation has continued, they have developed into a trusting and effective working level, particularly in the peak phases of the crisis.

IG Metall Schweinfurt has since become known as a pragmatic and goal-oriented political player in the region, that does not shy away from conflict. By means of conferences, network meetings, press releases and specialist publications, it contributes to the process of initiating measures relating to technology and innovation. It is actively involved in issues of structural and labour market policy.

After IG Metall stated at the beginning of the 1990s that the only future for Schweinfurt would be in ensuring strong industry, it has been proved right! It is true that it has had to accept process changes and, as a result, entirely new standards of quality and flexibility in many companies. However, in the final analysis, it has been able to increase the number of jobs.

EXAMPLE OF SIEMENS: ENTIRE SITE SAVED

The concept of IG Metall Schweinfurt, on the one hand to adopt the role of moderator in political reform processes, and on the other, to drive the protest forward, recently achieved impressive results when the future of the Siemens facilities at Bad Neustadt was at risk.

In January 2010, in a short memo to employees, the corporate management of Siemens AG announced that the number of employees would be halved by 2012 and operations would completely cease at one of the two sites in Bad Neustadt. One thing was clear for IG Metall: all possible measures had to be taken

to stop this plan from being implemented and/or to mitigate the consequences thereof for the employees. In the weeks and months that followed, it managed to turn this dispute into a topic concerning the entire region (see Figures 1, 2 and 3). The public pressure exerted as a result forced Siemens and the local parties involved to back down.

✕ **Initial situation:** At the time, when Siemens announced its plans for redundancies and closure, there were about 2200 jobs at the electronics group's facilities in Bad Neustadt divided over two sites. Trade union membership was around 40%. The collective bargaining agreements concluded with IG Metall were and are generally adhered to by Siemens. Over the last few decades, there have not been any conflicts about preserving jobs.

✕ **The problem:** Local experts generally shared the view that the planned shedding of around 1000 jobs would affect the economic power of the region by a factor of 2.6. The region therefore risked suffering a historic economic downturn.

✕ **The outcome:** In the spring of 2014, the number of jobs at Siemens in Bad Neustadt was still at the same level as in 2010. What's more, it has been possible to introduce future technologies there (wind energy, electromobility). The city has been designated as one of the two model regions for electromobility in the Free State of Bavaria. The University of applied sciences in Schweinfurt is setting up an additional faculty for electromobility in Bad Neustadt. IG Metall is now recognized and accepted as a key player in the preservation of jobs, including in the region of Bad Neustadt. In 2010, it was able to gain and retain around 450 new members at Siemens.

TARGET GROUP WORK AND THINKING AHEAD IN SOCIO-ECOLOGICAL TERMS

IG Metall currently focuses on two key areas to exert influence on structural policy and further develop the entire region. The first is a structural project launched in 2012, supported by the IG Metall's regional council in Bavaria. The project aims to gear trade union policy in companies more specifically to target groups of indirectly employed persons, highly qualified employees and trainees. Now - half way through the term of the project - a number of tangible achievements have already been attained, and these have had a positive impact on works council elections, among other things. Experience has shown that by deploying a target group approach to address topics affecting individual groups of employees, IG Metall and the local organisation are clearly seen in a more positive light.

The second key area involves embedding a socio-ecological industry policy in the region of Schweinfurt. This initiative was launched with a joint letter sent in spring 2014 from the chair of BUND, Prof. Hubert Weiger, and the regional director of IG Metall in

Bavaria, Jürgen Wechsler, to the Bavarian Minister-President, on the turnaround in energy policy. The aim of the letter is to establish a flagship project.

In addition, over the next two years, IG Metall Schweinfurt will focus more specifically on three areas (see box). To this end, it intends to use the example of Schweinfurt and the region of Rhön-Grabfeld to identify the change requirements of the industrial companies based in the area. In collaboration with BUND, the aim is to show that there cannot be any successful solutions in terms of a forward-looking industry policy without taking ecological and social aspects into consideration. However, it is also true that environmental concerns will only gain sufficient support if they are discussed in an economic setting in which social justice plays an important role.

INDUSTRY POLICY FOR THE FUTURE: THREE AREAS OF FOCUS FOR SOCIO-ECOLOGICAL CHANGE

1.) Product

In the future, how will we be able to assess the reparability of products for example? Will it be possible to develop products based on less intensive use of resources? What impact will the turnaround in energy policy have on our economic area? How will the product portfolio of our companies be changed as a result of e-mobility?

2.) Process

At what cost will products be manufactured in the future? Will it be possible to introduce a participatory EMS (Energy Management System) to increase energy efficiency? What impact will Industry 4.0 have on processes and product innovations?

3.) People

How will our colleagues develop their own mobility concepts? What can we do to manage flows of commuters in an ecological and economic way? What qualifications will our people need in the future? How do we stand our ground in competition with the regions? What changes do we need in infrastructure to protect the quality of life and the environment?

Conclusion: The notions of industry policy presented by IG Metall Schweinfurt are not so much strategic decisions as tangible solutions to problems. The organisation was and is recognized in the region as a competent advocate to solve structural problems and economic crises, based on formulae that are also viable for the future. ✕

IG METALL STUTTGART REGION

Reinforcing strengths, exploring new fields



Picture credit: Daimler AG



KONRAD OTT

First Representative IG Metall Ludwigsburg
and spokesperson for IG Metall Stuttgart (left)
Konrad.Ott@igmetall.de

UWE MEINHARDT

First Representative IG Metall Stuttgart
and deputy spokesperson and co-editor of the structural report (right)
Uwe.Meinhardt@igmetall.de



"By continually supporting an employment-oriented industry policy, IG Metall Stuttgart Region has helped shape structural change significantly over the last 25 years. The political actors in the region are now agreed that corporate services - such as research and development - have to be embedded in a strong industrial setting, if they want to be successful."

CHRISTA LANG

Policy Officer of IG Metall Stuttgart Region for sector and structural policy
Christa.Lang@igmetall.de

IG Metall Stuttgart Region has been representing the industry policy interests in the region since 1995. It is formed of an association of the five independent local organisations of Esslingen, Göppingen-Geislingen, Ludwigsburg, Stuttgart and Waiblingen. For 25 years, it has been promoting and shaping aspects of structural change from an employment perspective. Its goals are to reinforce existing strengths in the core industrial areas and to tap into new fields which will be important in the future. This work is based on preparing structural reports for business and employment and then implementing them, for instance in the form of qualification projects.

The industrial face of the region has changed significantly over the last few decades. Many production areas, including simple production-related activities, have been relocated. At the same time, demand for highly qualified skilled employees has risen, in view of the plethora of company headquarters with their own research and development departments.

To be able to identify and manage the challenges of structural change in good time, IG Metall Stuttgart Region, the Stuttgart regional association (Verband Region Stuttgart), the Chamber of Industry and Commerce and the local chamber of craft trades have been regularly preparing joint reports analyzing the development of regional economy and employment. Specific issues are highlighted, such as demographic change, ability to innovate, transformation of the automotive region or potential working-age population, and the individual aspects of these issues are analyzed.

STRUCTURAL REPORTS ON ECONOMY AND EMPLOYMENT

The analyses are carried out by two well-known research institutes familiar with the regional structures. The results are then examined by the board of four editors, who draw up recommendations for the regional actors (regional assembly, regional economic development corporation, skilled personnel alliance, etc.). The necessary basis for consensus is ensured via the upstream coordination process by the editors.

The preliminary study carried out by the IMU Institute for IG Metall Stuttgart in 1988 on the future of the economic area of Stuttgart met with heavy criticism at the time. It anticipated the possible loss of 30,000 jobs in the automotive sector by the turn of the century ("Stuttgart: problem area of the 90s?"). The Chamber of Industry and Commerce, however, did not envisage any problems. On the contrary, it took the view that the decline in primarily unskilled and semi-skilled employment would be offset by the increase in highly qualified service activities. It is now agreed - and even underlined in the Region's mission statement - that the growing services sector will not manage without a strong industrial base.

Nevertheless, IG Metall Stuttgart Region effectively finds itself confronted with a dual shift towards the tertiary sector: rise in employment levels in services with jobs being lost in manufacturing, and an increase in highly qualified (service) activities in manufacturing. Fewer than half of industrial employees in the Stuttgart area are still working in traditional manufacturing

occupations. A response is therefore required in terms of organisational and industry policy.

MANAGING STRUCTURAL CHANGE THROUGH QUALIFICATION

Since the first structural report, the main aim has been to find answers to the question of how structural change can be brought about positively for employees. It is no coincidence that "qualification" has been a central theme running through all the structural reports. Although the initial impetus was about improving opportunities for unskilled and semi-skilled workers by means of further vocational training, attention has recently switched to finding suitable strategies to meet the growing demand for skilled employees, and in particular the increase in demand for more highly qualified employees.



Low-skilled women are disproportionately affected by structural change: In 1980, 80,000 low-skilled women were employed in manufacturing, whereas twenty or so years later the figure had dropped by half. At the same time, these women were under-represented in further education measures in the 1990s. The project "Mentoring for low-skilled women" launched by the Stuttgart Region Economic Development Corporation (Wirtschaftsförderung Region Stuttgart, or WRS) aimed to tackle precisely this situation. Operational mentors with similar backgrounds provided participants with support before and during the various measures by arranging courses (in numeracy, German, learning

techniques), helping to find childcare and exchanging experience. In this way, between 2001 and 2007, more than 320 women in the Stuttgart region and 600 in Baden-Württemberg were able to successfully complete adaptation and advancement programmes. Nearly 100 participants in the region have for example qualified as "systems operators" (see Figure 1).

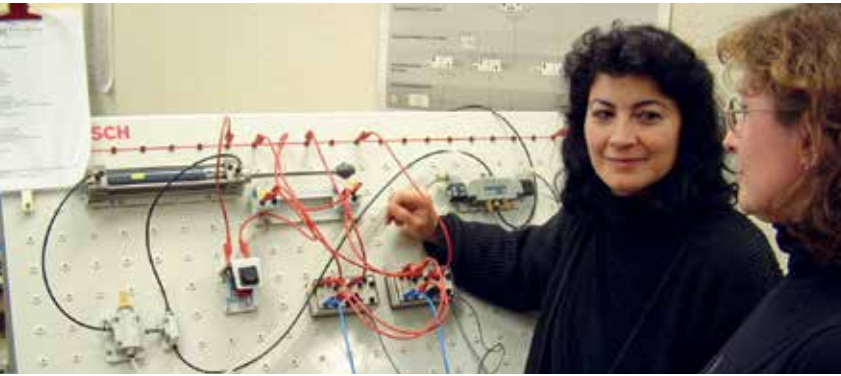


Figure 1: Further training to become a qualified systems operator under a project supported by IG Metall Stuttgart Region "Mentoring for low-skilled women".

Picture credit: Stuttgart Region Economic Development Corporation (WRS)

In 2013, the structural report envisaged that by 2030 there would be a shortfall of around 130,000 employees, 104,000 of whom with professional qualifications. Hence the idea of Quali-Lift evolved - a step-by-step system of attaining higher qualifications for everyone, whether they are unskilled workers or have qualified as skilled workers or as masters of their craft (see Figure 2). IG Metall presented this idea to the steering committee of the labour market monitor platform (Arbeitsmarktmonitor) in the Stuttgart region. This resulted in a project financed by the Federal Employment Agency with two posts (referred to as the Quali-Lift pilots). The project is intended to support qualification measures for a period of two years.

REGIONAL ALLIANCES

As a region strongly dependent on industry and exports, the Stuttgart area was hit very badly by the 2008/2009 economic crisis. The first warning signs came in autumn 2008 from the automotive-related mechanical engineering industry. Works councils in the industry network - set up in the crisis years at the

beginning of the 1990s as an early warning system - complained of a drop in orders as well as orders being postponed and cancelled. One month later, the same thing was being reported via the automotive suppliers. To mobilize people against the collective dismissals, IG Metall Stuttgart Region initiated a large number of campaigns and organized two large conferences on employment policy between February 2009 and April 2010. Together with the Employment Agency, the Stuttgart Region Economic Development Corporation and the IMU Institute, it promoted the introduction and use of instruments guaranteeing employment, so that jobs could be retained: Collective bargaining agreements, working time accounts, short-time working and ongoing professional development during under-utilization phases. At the same time, the Stuttgart Region Economic Development Corporation - with the support of IG Metall and regional actors - launched a joint declaration on the economic crisis. The aim of this initiative was to set up a task force with a view to supporting companies affected by the crisis - guided by the philosophy of qualifying employees rather than laying them off.

Several thousand IG Metall members supported the demands - for instance by holding regional campaign days or a one-week 24-hour picket in front of Landesbank Baden-Württemberg against the strict lending conditions in the mechanical engineering industry (see Figure 3). Unfortunately it was not possible to put the idea of a regional fund for safeguarding liquidity into practice.

After more than 25 years, IG Metall Stuttgart Region has established a firm place among the key industry policy structures thanks to its proximity to companies and pragmatic cooperation. It is represented by its Presidents and the joint regional officer on the editorial board of the structural report, the steering committee of the Skilled Personnel Alliance (Fachkräfteallianz), the Quali-Lift central

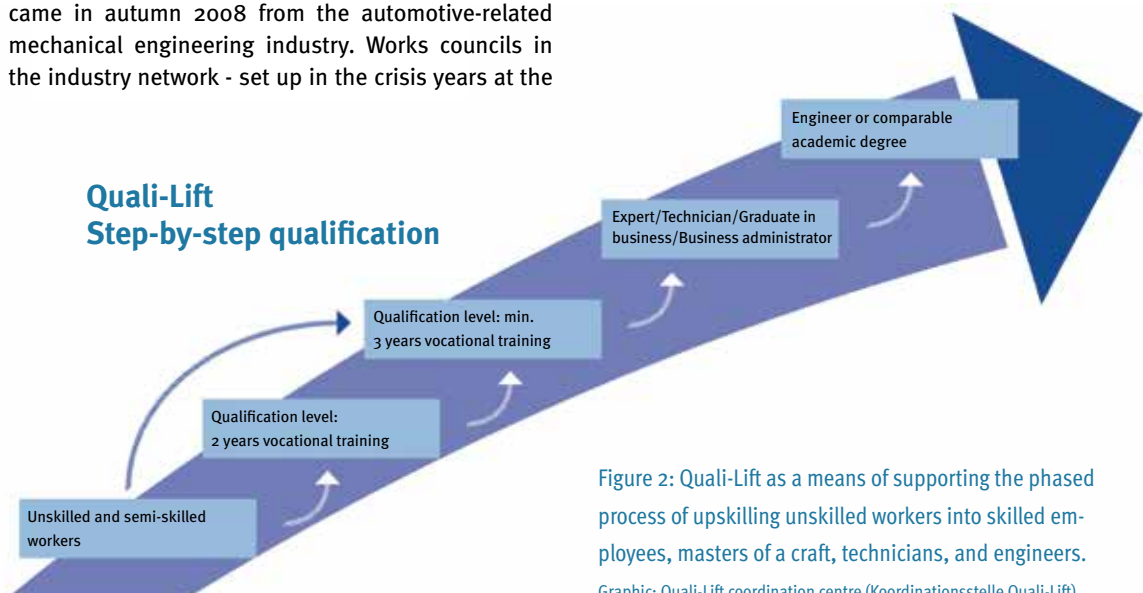


Figure 2: Quali-Lift as a means of supporting the phased process of upskilling unskilled workers into skilled employees, masters of a craft, technicians, and engineers.

Graphic: Quali-Lift coordination centre (Koordinationsstelle Quali-Lift)



committee, the working group on labour market and employment policy and the editorial team for the mission statement of Stuttgart Region, as well as in numerous further bodies.

With its initiative to set up a regional economic development corporation in 1993 and its financial participation as a partner, it made its position clear

INDUSTRIALIZED STRUCTURE

The region of Stuttgart covers 10% of the surface area of Baden-Wuerttemberg, accommodating 25% of the state's inhabitants, 29% of its economic power, 26% of its work working population and 29% of its IG Metall members. Despite the structural changes it has undergone in the last 20 years, it is still highly focused on industry and export business: 29% of the 1.09 million employees work in manufacturing:

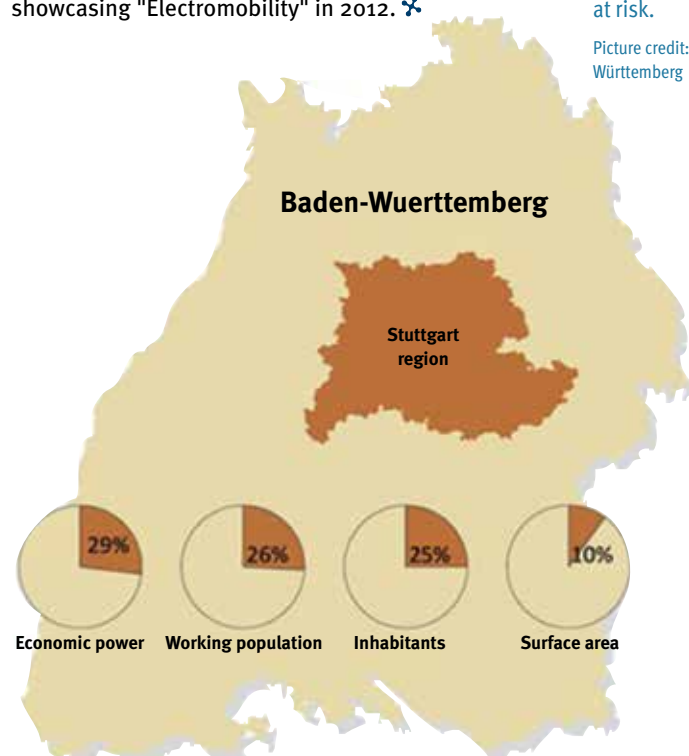
- ✦ Automotive industry (106,100 employees)
- ✦ Mechanical engineering industry (69,300 employees)
- ✦ Metal-working industry (39,200 employees)
- ✦ Electrical engineering industry (31,400 employees)

This industrial core is supplemented with industry-related crafts and a wealth of (application-oriented) research and development establishments. For instance, the automotive cluster in the Stuttgart region, encompassing manufacturers, suppliers, equipment suppliers, corporate service-providers - including temporary employment agencies - and craft businesses, employs more than 190,000 employees.

at an early stage in favour of a joint regional industry policy for all 179 municipalities of the Stuttgart region. IG Metall Stuttgart Region supports the Stuttgart Region Economic Development Corporation in its strategy to promote employment and competitiveness, for instance by converting research results into marketable products, through cluster management and regional networking or by setting up twelve regional centres of competence and innovation. Last but not least, thanks to the close interaction between the business community, scientists, trade unions and policy-makers, the region is developing influence beyond its borders, as can be seen from the state being selected as one of the four states in the country showcasing "Electromobility" in 2012. ✦

Figure 3: Week of action against collective dismissals in the mechanical engineering sector in autumn 2009. With the support of regional actors, metal-workers protested against the lending policies adopted by banks in Baden-Wuerttemberg, which were putting their jobs at risk.

Picture credit: IG Metall Baden-Württemberg



Graphic: Stuttgart regional association (Verband Region Stuttgart)

IG METALL VOGTLAND REGION

"Green Tech" and Decent Work



Picture credit: dpa



"We couldn't expect to receive any support from politicians, when we launched the joint initiative 'impuls.vogtland' in 2011. After all, activities supported by trade unions were and still are viewed suspiciously by the current state government. Yet we've tried to achieve a great deal for the region, through pooling a high level of expertise in the joint initiative. However, this doesn't mean we intend to release politicians from their responsibility. We've nevertheless been able to demonstrate that joint action, regional networking and reconciliation of varying interests in the dialogue on industry policy form the basis for change in the long term."

STEFAN KADEMANN

First Representative IG Metall Zwickau

Stefan.Kademmann@igmetall.de



"With Green Tech, environmental protection and energy efficiency, we have found a common platform uniting the interests of business community, public sector, researchers and scientists in the region of Vogtland. Our aim was to further develop the future viability of the regional economy. This meant not only saving costs by means of ecological innovations and increasing the competitiveness of companies. It also - and in particular - involved achieving sustainable social progress with a social and work strategy. In this way, we want to make "impuls.vogtland" a trademark for the region, with the aim of enhancing its sector competence and developing an adequate base of skilled employees."

GERHARD RICHTER

IMU Institute Berlin

The region of Vogtland reaches across Bavaria, Saxony and Thuringia, and also borders the Czech Republic. It faces a number of economic problems, such as demographic change, ageing workforce, and too few young and skilled workers. What's more, it has a small-scale economic structure lacking in research and development activities. Compared with the national average, the region lags behind in economic power and productivity. This overall situation prompted IG Metall Zwickau to launch a joint initiative in the region, with the aim of adopting a new industry policy approach for Vogtland in collaboration with the administrative district, the mayors of the individual municipalities, and the various companies and economists based here. Various successful approaches to boost the region's economy have since been initiated, but a severe setback is threatened with the planned closure of the Neoplan plant.

Various plant closures - sometimes involving the relocation of production activities abroad - and a comparatively high level of unemployment finally prompted IG Metall to campaign for a joint initiative for industry policy in Vogtland. The main aims of the initiative were to enhance the loyalty of existing companies to the region, improve regional expertise and tackle the (already tangible) lack of skilled employees in the area.

The core industries in the region are metal-working and textiles. The initiative also aimed to expand these industries into a cluster "me.tex" (metal.textile), to safeguard industrial locations and jobs in Vogtland in the long term. In addition, the companies involved in the initiative were to receive considerable support in recruiting new skilled employees, advancing ecological and social innovations, and networking more effectively with each other. The initiative also aimed to further the transfer of knowledge with universities and educational establishments in the wider surrounding area.

DIFFICULT BEGINNINGS

It was a difficult road to start out on. IG Metall Zwickau local organization and the IG Metall regional council of Berlin-Brandenburg-Saxony, who were the key drivers of the initiative, had a tough time battling the scepticism of individual regional actors, such as the Chamber of Industry and Commerce. However, they managed to gain the backing of experienced and knowledgeable specialists, leading representatives of the Vogtland economy, recognized institutes, such as the IMU Institute, and other university and non-university research establishments, so that in the end it was possible to launch the joint initiative "impulse.vogtland" ("impuls.vogtland") in October 2011. The IMU Institute prepared the strategy plan and ultimately coordinated the various activities.

The initiative is financed for a period of three years, primarily by the foundation of Eastern German states (Stiftung Neue Länder). A number of companies also contributed to the financing. However, the Saxony State Ministry of Economic Affairs, Employment and Transport has so far refrained from giving any funding to the joint initiative.

The instigators of the initiative started out by elaborating an economic profile for the region, with the aim of profiling Vogtland internally and externally as a promising and innovative region. In the many

discussions with company representatives, it became clear that future potential primarily lay in the growth markets of material and energy efficiency. It was found that companies were particularly interested in systematically expanding their expertise - for example in the field of lightweight construction materials - to include new (composite) materials, technical textiles, and refrigeration and air-conditioning technologies, so that they could exploit the turnaround in energy policy more effectively.

This gave rise to the creation of a joint regional platform, known as "Green Tech". This platform pools the wide-ranging expertise required to discuss and advance various green issues for the benefit of the Vogtland economy, such as active protection of the environment, climate and resources, reduction of CO₂ and sustainability in economy and society.



To stimulate corresponding innovations in the companies and explore the individual topics in more detail, the joint initiative set up working groups focusing on various innovative fields of application (see Figure 1 on page 74).

Recognized technical and scientific experts in these areas work closely together with company representatives within the scope of these working groups. The "Environmental Protection" working group is headed by a works council and environmental officer.



Strategy, goals and measures involved in the joint initiative

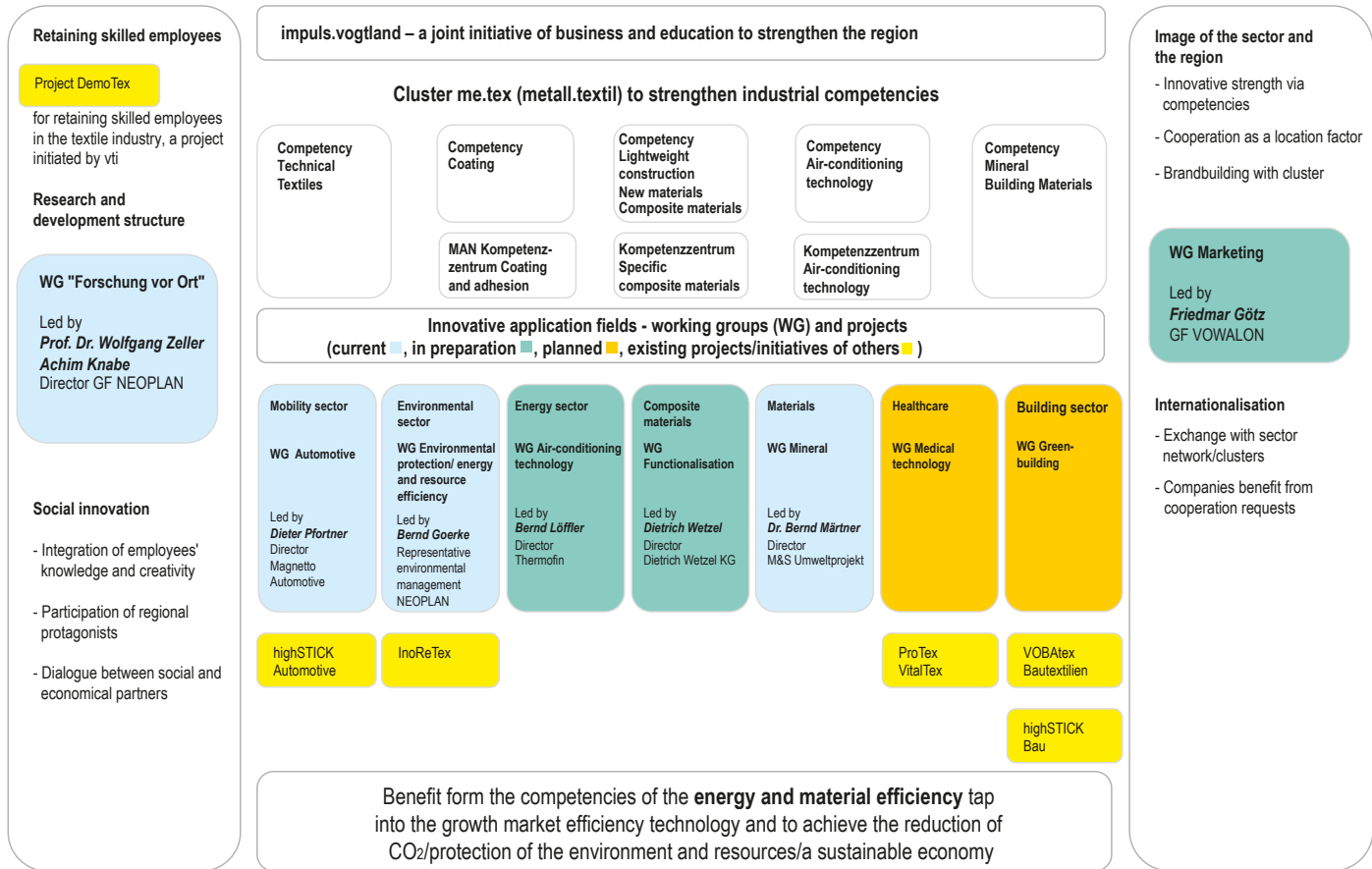


Figure 1: Strategy plan of the joint initiative "impuls.vogtland" in which the various working groups play a central role.

Picture credit: IMU Institute

SPECIFIC MEASURES

Discussions in the "Automotive" and "Environmental Protection" working groups have advanced the furthest. The "Environmental Protection" working group has already presented an initial action plan for a regional waste recycling scheme for companies in Vogtland. The "Automotive" working group has committed itself to improving the exchange of experience in a number of different fields.

The "On-site Research" working group is supporting efforts to develop the vocational academy (Berufsakademie) in Plauen into a university of cooperative education, with the aim of training highly qualified young professionals who are connected to the region. The "Mineral Building Materials" working group has already developed a curriculum for a dual programme of study. This working group also campaigns for the transfer of knowledge, by stepping up efforts to exchange know-how with universities in Zwickau, Mittweida, Chemnitz and Dresden.

An interesting point about the working groups is that they are usually headed by senior management or even managing directors of the companies involved. As a result, practical relevance is guaranteed in the selection of topics, and contributions to the debate are likewise geared to practical issues.

SOCIAL AND SECTOR STRATEGY

Given the acute shortage of skilled personnel in the region and the challenges of Industry 4.0, the joint initiative has since developed a number of fundamental ideas and reflections for a social and sector strategy, at the suggestion of the managing director of Magnetto Automotive in Treuen and Stefan Kademann, President of IG Metall Zwickau. This involves measures and projects to be incorporated in an overall strategy for the administrative district: "Vogtland 2020".

With respect to the sector strategy, focus is primarily placed on sales of regional goods and services, regional infrastructure and the more efficient use of resources. The corresponding discussions are still at a very early stage.

However, reflections on social strategy have reached a more concrete stage. They involve measures and projects for a personnel and work strategy. This includes developing and trying out approaches to help attract skilled people - particularly young engineers - to work in Vogtland, organizing further training and knowledge transfer opportunities, and arranging for young people to investigate professional options in the region more easily and on a more practical basis, or supporting them in their choice of studies. For

example, a regional campaign focused on the metal industry ("future.metal" ("zukunft.metall")) has the aim of facilitating the targeted recruitment of pupils and students, trainees, school-leavers and graduates. The campaign benefited from experience gained in Eisenhüttenstadt, where a similar initiative has been successfully carried out.

Further ideas for personnel strategy are: Systematically drawing up inventories of innovations and demand for further training and skilled employees in the companies, so that tailor-made solutions can be offered for the transfer of knowledge and qualification measures. Guest lectures, research and higher education days in the region, and in-depth training courses within the scope of summer study programmes could help give companies fresh impetus to integrate technical content more effectively and specifically for example into operational and vocational work processes.

Deliberations on a work strategy are mainly focused on the topics of "working (time) models suitable for family life and older workers", "lifelong learning", "employment and health protection" and "Decent Work as a location factor".

DECENT WORK AS A TRADEMARK FOR THE REGION

All in all, it is about embedding the concept of Decent Work as a trademark in Vogtland. This primarily means safe locations and jobs, fair pay and work and working time models that are tailored to the needs of employees. However, it also involves strictly limiting agency and contract work, to exclude the possibility of unstable employment, while enabling decent working conditions, creative working methods and innovations. For the joint initiative to succeed, it is essential for impetus to also come from individual companies. And there has been no shortage of such momentum. For instance, the company representatives of the Neoplan, the MAN truck & bus plant in Plauen, one of the most cutting-edge, environmentally-friendly and energy-efficient companies in Germany, set itself the goal of running a CO₂-neutral plant by 2005. The company also promoted working together with a number of neighbouring companies to realize shared schemes for recycling waste, generating their own energy and building the corresponding facilities.

Representatives of automotive supplier and sheet-metal manufacturer Magnetto Automotive in Treuen headed up the "Automotive" working group and helped develop the "social strategy". In doing so, it contributed its experiences for example from setting up a works daycare facility or passing orders on to other suppliers. It has also undertaken to cooperate closely with the university in Plauen - especially with respect to the challenges of Industry 4.0 that companies in Vogtland are going to face.

To date it has only been possible to partially achieve the cluster approach. However, this is not surprising

given that the overall project only runs for a term of three years. Based on the successes achieved to date, IG Metall hopes that financial support for the joint initiative will continue well beyond August 2014, so that companies in Vogtland network even more closely with each other, their loyalty to the region is enhanced, new supplier relationships are developed at local level, and research and development is promoted in the region, so that it also benefits the many small businesses in the area. The foundation of Eastern German states is interested in continuing the project from the viewpoint of sustainability.

SETBACK: THE END OF NEOPLAN

At the end of May, the managing board of MAN Truck & Bus announced that it intended to completely shut down its Neoplan plant in Plauen, which has a workforce of 420 people. It would be a catastrophe for these employees, who would find themselves out of work in an economically underdeveloped area. Through protests by IG Metall, the works council and employees, it has been possible to keep 140 colleagues working at the MAN site, with all other employees being offered employment with Volkswagen Saxony in Zwickau.

However, the closure of the Neoplan plant also presents a severe setback for the "impulse.vogtland" joint initiative. After all, the initiative has benefited from the very constructive ideas and contributions of the plant's managers and works councils within the scope of the working groups. Some of these contributions have already been put into operation.

Above all, the topics of "On-site Research" and "Environmental Management/Environmental Protection" have been effectively and competently progressed by Neoplan. The reduction of CO₂ presented Neoplan with a huge challenge, with the aim of saving costs in the long term. To achieve this target, the company invested not only in environmental protection, but also in the organization of work, to improve the logistics of processes and increase the quality of work. Neoplan also planned to introduce new concepts for recycling waste and generating energy, and - as mentioned above - to develop into a CO₂-neutral location. IG Metall intends to use the partial closure of the site, whose production activities are now going to be relocated to Turkey according to the plans of the MAN managing board, as an opportunity to step up discussions about the prerequisites for making industry in Vogtland future-proof.

IG Metall wants to keep pursuing the path adopted with the joint initiative, so that employees and companies alike are given an incentive to stay loyal to the region of Vogtland - through a cooperative network tasked with achieving the goal of energy efficiency, quality working practices and decent working conditions. ✖

IG METALL WOLFSBURG

Engineering Project for regional development



Picture credit: dpa



"Engineers, technicians, IT experts - white-collar workers also need strong employee representation. The Engineering Project of IG Metall Wolfsburg is tasked with bringing this about."

HARTWIG ERB

First Representative IG Metall Wolfsburg

Hartwig.Erb@igmetall.de

The value of research and development has clearly risen over the last few years in the automotive industry. A growing number of development service-providers of increasing size are setting up business in the vicinity of automotive sites. This inevitably has an effect on the character of a city such as Wolfsburg, which is known for its thriving automotive industry. The changes also come as a result of a targeted industry policy strategy adopted by IG Metall Wolfsburg. The proportion of engineers, technicians and IT experts who are now members of IG Metall Wolfsburg has likewise grown. The local organization has therefore committed itself to providing these professional groups with more targeted support to represent their interests - not only vis-à-vis the employer but also in the region. A cross-company Engineering Project in collaboration with the white-collar worker forum (Angestelltenforum) and an engineering steering committee of the IG Metall local organization have carried out some pioneering work in this respect. A cornerstone of the regional industry policy of IG Metall Wolfsburg is to increase cooperation with local universities, research institutes and educational establishments in developing new business fields and product lines. This would in turn improve employment prospects for the future.

The crisis in the 1980s hit the region of south-east Lower Saxony hard (Braunschweig, Salzgitter, Wolfsburg). Unemployment rose to 15-18% within a short period of time. The industrial monostructure, which centred on vehicles as a product and steel as a material, turned out to be a serious weakness for the entire region.

The initial plans of IG Metall at this time involved establishing a comprehensive regional and structural policy in south-east Lower Saxony to break down the established monostructure. Its ideas were also supported by other regional actors. As a result, development agencies started to appear in the large industrial sites in south-east Lower Saxony in the 1990s, and projects were launched with the aim of establishing new areas of activity. The goal was also to retain a diversified employment structure, which would be better protected from crises. Employees would enjoy the benefit of employment security and collective bargaining agreements.

The concept proved successful: Suppliers for Volkswagen AG were gradually setting up in the area covered by the Wolfsburg local organization, as well as other companies active in the field of commercial, IT and engineering services. The employee structure at Volkswagen has also undergone radical change over the last few years. Two-thirds of the more than 55,000 employees are employed in indirect areas as white-collar workers.

The Wolfsburg local organization concluded from this change that it should step up its activities aimed at white-collar workers. It wanted to go far beyond purely supporting works or interest groups. In 2012, it launched its Engineering Project via which it aims to address and support the target group of white-collar and highly qualified workers in particular, and pilot new forms of action and participation with them.

REVIEW: RECOVERY AND INDUSTRIAL MONOSTRUCTURE

After the Second World War, it was lucky for Lower Saxony that the British did not destroy the Volkswagen plant set up by the National Socialists. Instead, they helped convert it from an armament factory into an

automotive business. The idea of making the whole population mobile with a "Volkswagen" (literally, a people's car) was turned into reality in the period of the economic miracle. The first vehicle model to take the markets by storm was the VW 361 - otherwise known as the 'beetle' - which was followed by the Golf. As a result, the employment structure in the then primarily agricultural region underwent a huge transformation. More and more skilled employees were moving to the region to work at Volkswagen.

When the inner German border was sealed off in 1961, the new city of Wolfsburg became isolated from its surrounding area to the east. The VW plant now lay in the border zone. Under the 1965 German law on developing the border zone, the plant was therefore eligible to receive government aid. Bolstered with these funds, Volkswagen was able to offer attractive wages and salaries in order to cover the growing demand for workers for the growing company.

An aspect of key significance for IG Metall is that the British military government had set up co-determination structures back in 1945, which were subsequently laid down in the Volkswagen law of 1959/60. This meant that it was relatively easy for IG Metall to achieve

White-collar worker forum
Volkswagen AG Braunschweig
Monostructure Alliance for the region
Engineering Project Salzgitter
Wolfsburg Engineering steering committee
Networks of the IG Metall
Industry-related service providers
Regular purchases of services Wolfsburg AG
Strukturwandel New product lines
Regional development
Systematic support

Student-focused work

RESON

Figure 1+2:
The white-collar worker forum is aimed at white-collar workers of the IG Metall Wolfsburg local organization. The forum focuses on technical developments and innovations and their associated impact on work.

Picture credit: IG Metall Wolfsburg

a high level of membership among the dependent employees in the region. Together with these members, it could then assert trade union demands within the companies.

By the time of the oil crises in 1973 and 1979 until the 1980s, considerable weaknesses began to appear in this industrial monoculture centring on vehicles and steel. In Wolfsburg in particular, where the headquarters of Volkswagen are based, not to mention the many suppliers, service-providers and engineering firms working for the plant, it was becoming apparent that the industrial monostructure presented a high risk for the entire region, making it more vulnerable to crises. Although in fact over the last few years, this industrial monostructure has proven to be a tremendous advantage for Wolfsburg and the region, rather than the disadvantage predicted by many. The many regional actors have also played a role in this positive development, especially IG Metall and the works councils at VW.

NEW DEVELOPMENT PROSPECTS FOR THE REGION

For example, towards the end of the 1980s, the then works council of VW (Walter Hiller, then Klaus Volkert) started to carry out scientific studies of the development prospects of the region, in collaboration with IG Metall. With a view to retaining jobs, they challenged politicians and companies to devote more attention to the issue of jobs outside the automotive industry and the overall topic of "mobility".

In 1994, the three IG Metall local organizations in the region of Wolfsburg, Braunschweig and Salzgitter provided the key impetus to form the Regional Development Agency for South-East Lower Saxony (RESON). This was then also co-financed by IG Metall. The Agency was tasked with driving the discussion about regional structural change and implementing the corresponding projects. In 1999, the Volkswagen Group then formed a development company, Wolfsburg AG, which was intended to drive forward structural change especially for the city of Wolfsburg. It was a unique public private partnership covering the whole of Germany, run equally by the City and Volkswagen group. IG Metall occupied three seats on the supervisory board.

Wolfsburg AG is essentially a business promotion association with very ambitious goals. Its top priority was to halve the then very high level of unemployment of over 15%. Its activities ranged from the loaning of



employees and promotion of start-ups to location of companies and leisure industries.

The "Region Braunschweig GmbH" project, launched by RESON in 2005, pursued similar goals for the entire region IG Metall is a partner in this project too, alongside municipalities and companies. In 2013, the two partnerships were merged to form the "Alliance for the region".

IG Metall provided intensive support for the entire process, in collaboration with the three local organizations in the region, and was one of the key actors. The main focus of its commitment was to guarantee and build up employment. And some initial success has already been achieved.

For instance, the employment structure in the region has undergone significant change since the formation of RESON and subsequent formation of Wolfsburg AG. On the one hand, a wealth of engineering firms have set up in the region or at any rate have greatly extended their workforce. On the other, the actual fabric of the city in Wolfsburg has changed enormously through various initiatives by the VW group. New additions to the city include:

- ✕ Autostadt (car delivery centre and experiential theme park presenting the Group)
- ✕ Wolfsburg art museum
- ✕ Phaeno interactive science centre
- ✕ Stadium of VfL Wolfsburg and other sports and leisure facilities
- ✕ The redesign and development of Wolfsburg as a shopping metropolis, including outlet centres
- ✕ New commerce and trading centres
- ✕ Development of the technical college

From the outset, IG Metall was committed to ensuring that these fairly innovative sectors and new locations



were not left to become "empty spaces" of support, although structural change in the automotive industry left little opportunity to rest. This industry has undergone permanent changes, like no other: Globalization, ongoing streamlining and perpetual changes in vehicle design concepts in line with new requirements, for instance to meet the demand to reduce CO₂ emissions. But one thing is for sure: Time and again over the last few years and decades, the available co-determination structures at VW have enabled IG Metall to significantly influence decisions by the Group with respect to corporate strategy and location policy. For example, VW holds annual site symposiums providing management and works councils with the opportunity to discuss important topics, such as future product and production concepts.

Thanks to the strong presence of IG Metall in the company and the co-determination structures, it has also been possible not only to keep the component plants at Braunschweig and Salzgitter in the Group, but also to establish them as leading plants for key future technological developments (including battery systems). The Group research and development activities in Wolfsburg have been further extended. The Innovation Funds give the Works Council the opportunity to prepare and mobilize investments in new product lines or even new areas of business.

OUTLOOK

For IG Metall in Wolfsburg, structural change means having an influence on the company's decisions particularly with respect to investments in promising new areas of business within the Group, and adopting a successful industrial policy elsewhere in the region. This also involves safeguarding employee groups that have been adversely affected by these changes,

or working out alternatives to the concepts devised by the company, with a view to preserving jobs. In addition, structural change requires it to establish itself as a competent partner in the new companies and workforces - particularly within the rapidly expanding business areas of commercial, IT and engineering services. Already around 18,000 members of the IG Metall Wolfsburg local organization are engineers, technicians and IT experts.

The Engineering Project launched by the IG Metall Wolfsburg local organization in 2012 is a key component of the trade union's regional industry policy. It is intended to make a significant contribution in this area. Its initial aim is to gain and support

new members in the white-collar worker group. In a further step, co-determination structures are to be set up locally and then throughout Germany in companies that have not yet been unionized and primarily employ skilled and high-skilled white-collar workers (for example, engineering service-providers). In the long term, the aim is also to identify changes in technology and the political arena in good time to ensure that jobs can be preserved and further developed. This will be done by cooperating at a regional level with universities, research institutes and educational establishments, among others.

Students at the technical college of Ostfalia Wolfsburg-Wolfenbüttel and technical university of Braunschweig as well as works councils, shop stewards and white-collar workers from various large, medium-sized and small enterprises in the region are involved in the project.

THE ENGINEERING PROJECT

The project is aimed at members - in particular engineers, technicians and IT experts - within the organizational area of the IG Metall Wolfsburg local organization. It aims to promote the mutual exchange of information between employees from the Volkswagen Group - in particular from the areas of technical development and procurement - and colleagues primarily working in the associated services companies based in the region, who frequently work together with Volkswagen on an intensive basis. The main focus is on gaining members, setting up and expanding co-determination structures, supporting local employees, and concluding collective bargaining agreements and company agreements. Building on these achievements, it should then be possible to tackle specific topics concerning white-collar workers and engineering.

Figure 3: The IG Metall Wolfsburg local organization plans to use the Engineering Project for regional development.

Picture credit: IG Metall

A political secretary within the local organization manages the project and coordinates the transfer of knowledge and white-collar work at Volkswagen and other companies involved. This political secretary is available as a contact for white-collar workers to support them in their everyday work. This applies not only for individual problems and aspects of social law, but also interests concerning the residential area or company bodies - works council, shop stewards, supervisory board - in which white-collar workers who are members of IG Metall are involved. In addition to providing this support, the local organization has a forum for white-collar workers (www.igmetall-wob.de/gruppengremien/angestellte), which meets once a quarter. Speakers at the forum are usually guest lecturers from the world of business, politics and trade unions. Topics covered to date include: "Decent Work in offices - employee survey", "Staff dialogue and comparative reviews - theory and practice", "Collective bargaining policy of the future" and "Academic courses for employees" (see Figures 1 and 2).

Furthermore, the IG Metall local organization has also set up an engineering steering committee within the scope of the Engineering Project. The committee is made up of voluntary members from the various companies who specifically want to further their white-collar activities.

In the medium term, the Engineering Project aims for the topics discussed in the work-collar worker

forum to lead to company agreements or even collective bargaining demands. The intention is also to increasingly develop new service-providing companies that have a presence in the area covered by the Wolfsburg local organization. To this end, it is necessary to cooperate inten-

sively with other local organizations of IG Metall in the regional organization of Lower Saxony-Saxony-Anhalt, and also with the Executive Committee of IG Metall as well as at the level of international trade union work. After all, there are very few companies working in the area of engineering services that do not have more than one site in Germany, or even various sites abroad. These tasks will also be tackled by the project to tap new development services companies ("E-DL-Betr."), which is currently in the planning stages.



This project is required to focus more specifically on the topic of "work and service agreements". The plan is to set up an engineering services and contract work platform for a large company such as Volkswagen AG, which relies on regular purchases of services, as well as suppliers of such services, whose business model is based on this cooperation with VW. Focus should therefore be placed on issues of long-term employment guarantees, in particular for the younger generation.

In addition, the Engineering Project was committed to giving more attention to students than before. IG Metall intends to step up its efforts in the future to gain students as members. The Project aims to give them the opportunity of seeing at an early stage what their future working conditions would be, via the networks of IG Metall (including the IG Metall university information office, see Figure 4). They would also be provided with assistance in organizing internships and places on degree and master's programmes within companies. The project would also invite students to cooperate in the process of identifying technical developments and their corresponding impact on work and employment at an early stage.

The long-term goal of IG Metall Wolfsburg's Engineering Project is to be able to act more competently in the field of policy and strategy. This would in turn make it possible to initiate new legislative proposals, influence the implementation of regulations or even stimulate forward-looking products or product lines. Such a long-term industry policy of IG Metall, in which white-collar work is firmly incorporated, requires IG Metall to bring about even more intensive cooperation between the technical research and development departments within companies, universities and their research institutes, as well as politicians and educational establishments, and international trade union work. ✕

hib

Hochschulinformationsbüro
der IG Metall



Figure 4: Student-focused work is gaining in importance for IG Metall.

Picture credit: IG Metall

Industrie✕Energie