

# Role of the trade unions in the protection and interest representation of employees in Europe

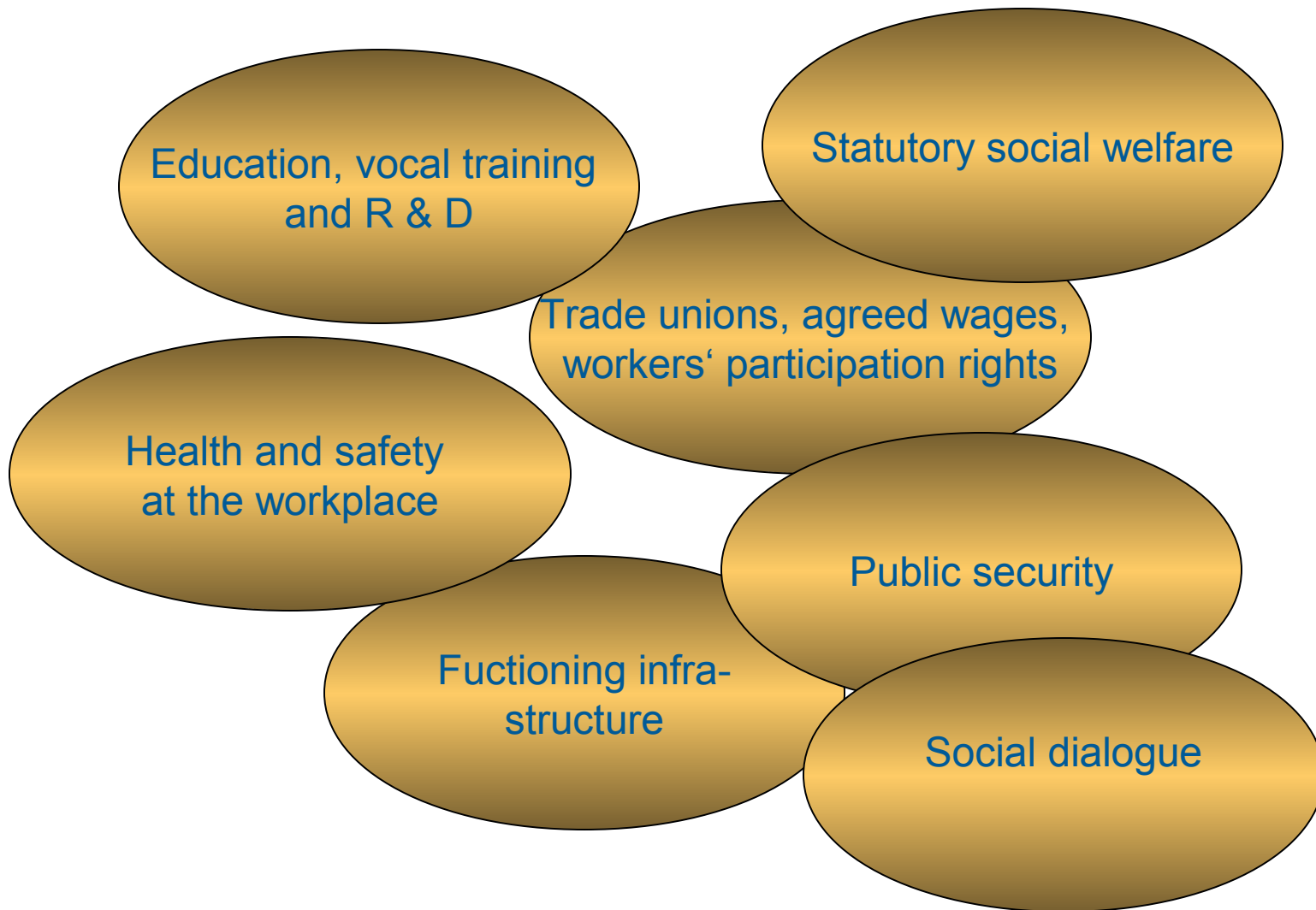
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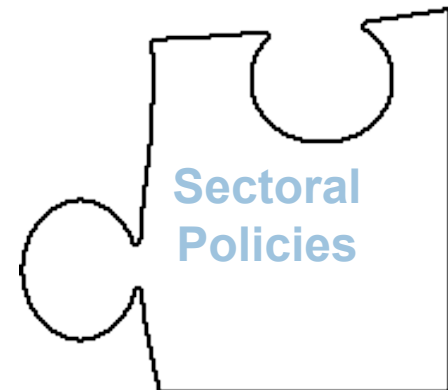
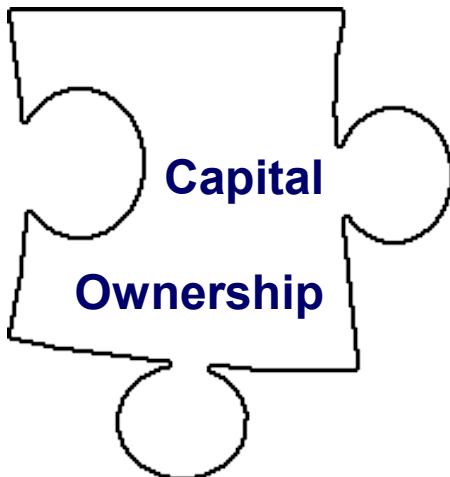
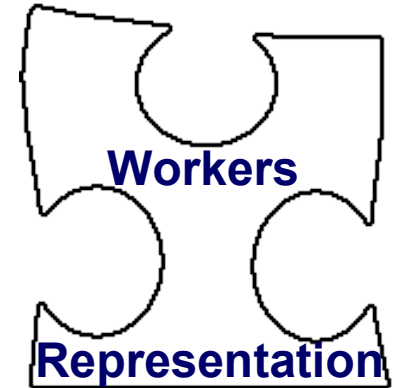
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# European social model: Guaranteed fundamental rights – social cohesion – education and knowledge for the future



# Workers Involvement – Pieces of a Puzzle



# Workers Involvement – European Framework

**Information & Consultation**

**European Works Councils**

**SE-Directive**

**Financial Participation**

# European social dialogue: An instrument to address issues with a European dimension

- **Interprofessional level:** Involvement of social partners in regulatory initiatives of the Commission & ,autonomous‘ social partner agreements;

- **Sectoral level:**

35 committees,

Aim to address **issues with ,European dimension‘:**

- **Health & safety**
- To address **regulatory initiatives** of the **Commission!!** e.g. REACH regulation – chemical sector; telecom sector, Directive Temp. agency work
- **Training & re-skilling** → increasing competitiveness of the sector!
- **Restructuring:** e.g. ,Best practice guide‘ electricity sector (2008); Study Social dialogue in the public sector (2008), etc.

# The European Multi-level System of IR – transnational arenas of action for SECTORAL Social Partners (SP)

## INSTITUTIONAL SETTING SOCIAL DIALOGUE & TRANSNATIONAL CB

Multi-sectoral	Institution	EUROP. SECTOR Dialogue
	Result	e.g. ‚Silica‘ Agreement (2006)
	Actors	EIF, Europ. Employers‘ Assoc.
Sectoral	Institution	EUROP. SECTOR Dialogue
	Result	‚Autonomous‘ SP-Agreem., Recommendations, J.Positions
	Actors	EIF, Europ. Employers‘ Assoc.
MNC	Institution	TRANSNATIONAL CB
	Result	‚Autonomous‘ TNC Agreements, inform. exchange
	Actors	Nation. unions., EIF, Management, EWC

## Unions role on the national level: multi-employer (MEB) vs. single-employer bargaining (SEB)

- **MEB:** Negotiations between union(s) and employer association(s) → predominant level in **EU15** – except UK, + **CY**
- **SEB:** Negotiations between union(s) and a company → **CEEC** – except **SI (SK)**, + **UK, MT**
- **Individual contracting:** Negotiations between employee and employer → predominant in **UK**, most of the **CEECs**;

## Similarities with regard to IR: Country clusters

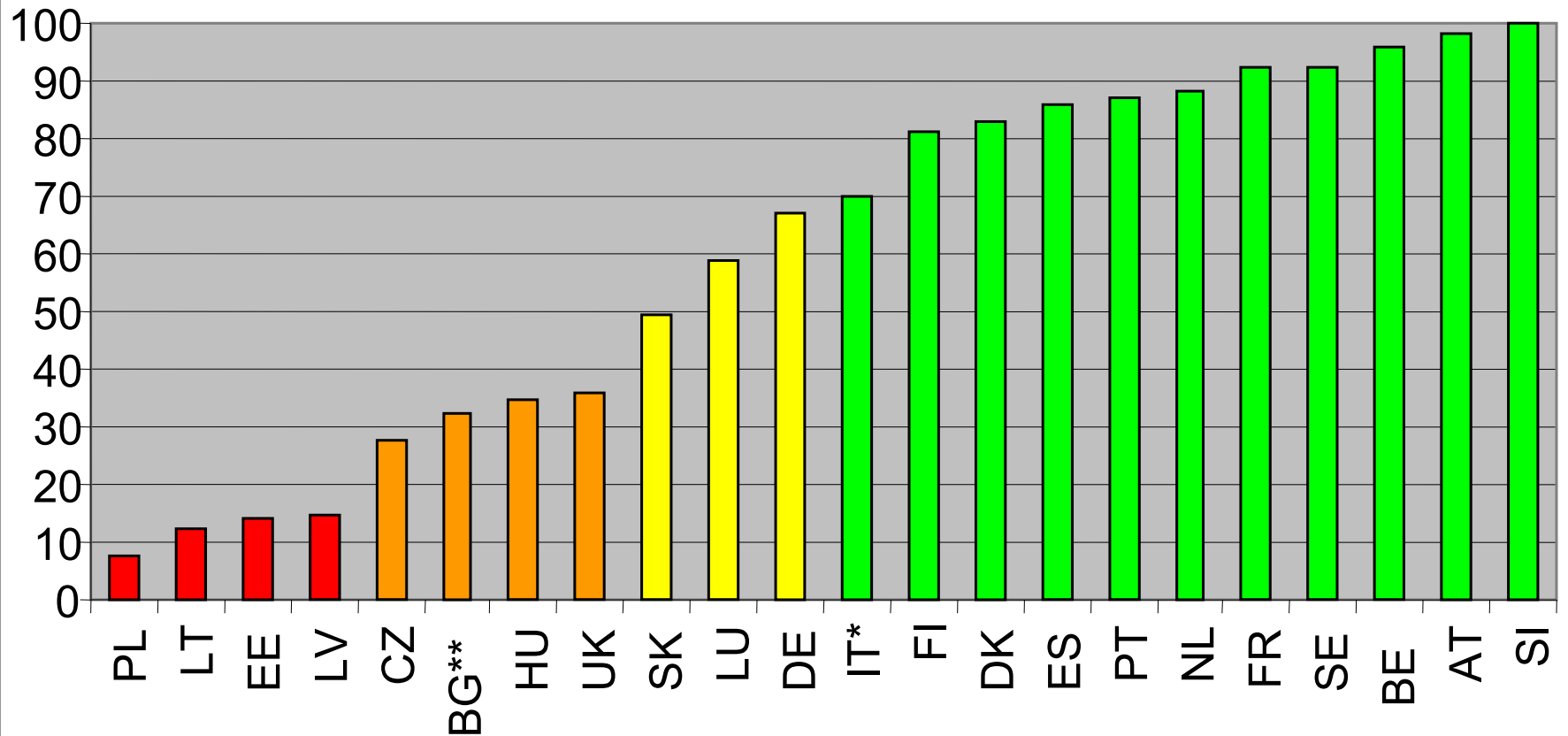
- **Nordic**: highly coordinated CB with **sectoral** level dominating, **single-channel** of employee representation;
- **Southern Europe**: Sectoral level most important for wage setting (in particular IT), **company-level** equally important (with regard to non-wage issues), regional CB (ES)
- **Germanic**: **Pattern bargaining**: **DE, AT** (since late 70s/early 80s) with **metal** sector taking the lead; **Works councils (WC)** highly unionised;
- **France**: **decentralised** CB (**company** most important, **sector** equally important for **wage-setting**), **state-sponsored CB** (min.wage regulation); mix **union** and **WC** representation;
- **CEEC & UK**: **decentralised** CB with company-level most important; EXCEPT. **Slovenia** where national and sectoral levels most important; **union** (and/or elected employee reps) predominating system of WP;



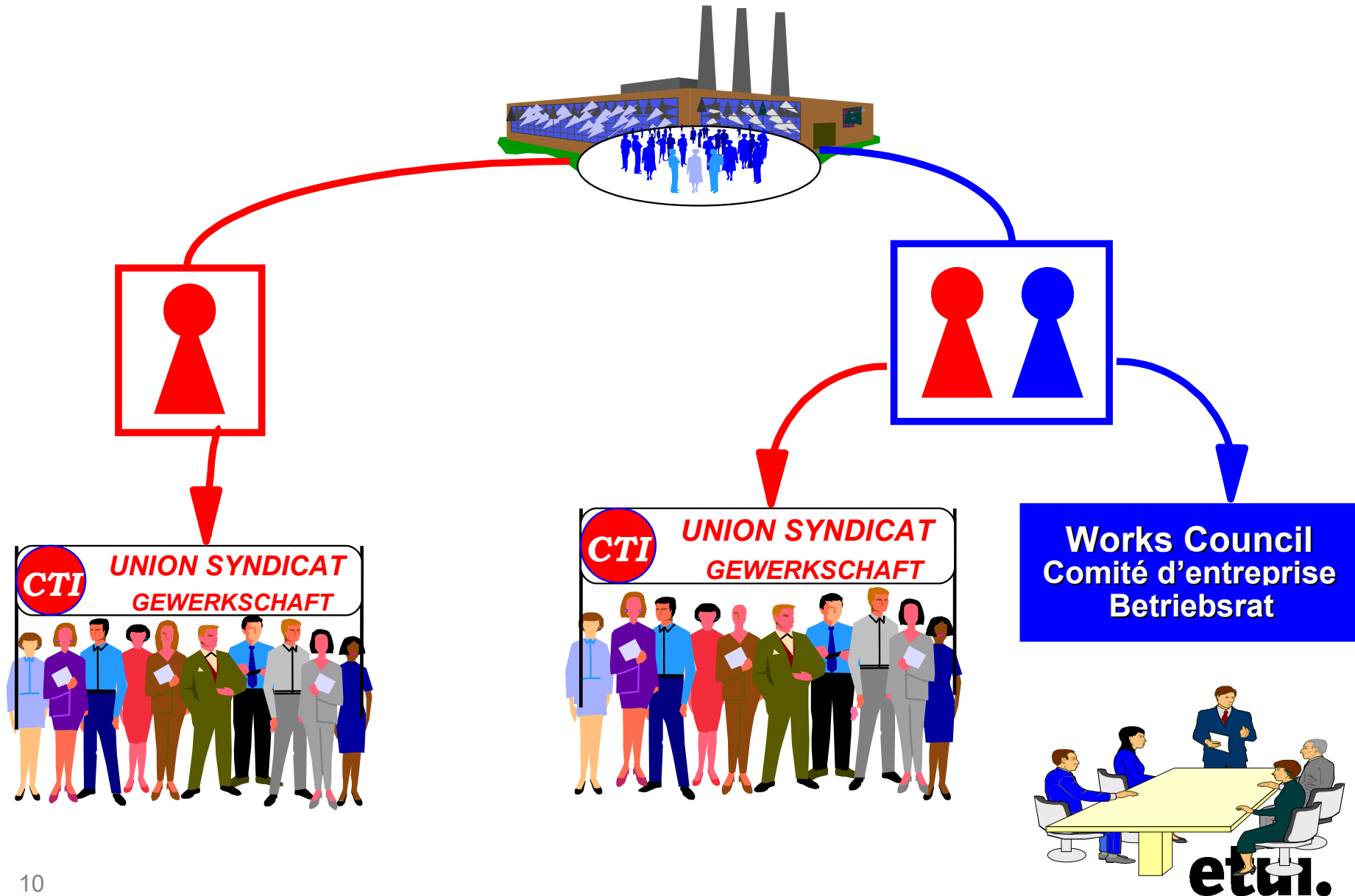
# CB Coverage rate in Europe

## Collective bargaining coverage rate

(% of workers covered by any coll. agreement at all in the total number of workers)



# Workplace representation



# Role of workers involvement

- ✓ **Workers involvement is a social and economic advantage; it is a need in civil society**
- ✓ **European framework and support must help to improve traditional practices in national/local working cultures inshaping challenges from globalization**
- ✓ **Workers involvement will become a new importance in thinking on a new social role of – multinational – companies after the decade of a pure shareholder value approach**
- ✓ **Workers involvement is more than strong legal framework: f.e. HRM, CSR, financial participation**

# Types of interest representation at the workplace

## 1. **works council**

Germany, Netherlands, Luxembourg, Austria

## 2. **union and works council**

**Belgium**, France, (Greece), Hungary, (Portugal), Slovakia, Slovenia, Spain, Czech Republic, Denmark, Finland, **Italy**, Latvia

## 3. **union (single-channel)**

Cyprus, Lithuania, Malta, Poland, Romania, Sweden

## 4. **union (and/or elected employee reps)**

Bulgaria, Estonia, Ireland, **UK**

→ impacts from EU Directive on information and consultation rights (2005)

- Beyond the structure: rights, thresholds, resources...

# Institutional framework of Industrial Relations in Central-Eastern Europe

- No distinctive Central Eastern European “Model” of IR
- NMS fit into existing variety among EU-15 countries
- Major differences and peculiarities of industrial relations in NMS:
  - No organic and gradual development process of IR
  - IR development characterised by abrupt changes and turning points
  - Co-existence of old and new structures (parallel institutions and traditions) form specific national mixtures
  - Fundamental difference in the role of the shop-floor level
  - Major difference between NMS and mainstream Western Europe: Focus of trade union activity is the shop-floor level and not the branch level

# Basic characteristics of Industrial Relations in CEE

- Strong predominance of tripartism
- Weak sectoral level dialogue
- Low commitment of employers
- TU pluralism can cause difficulties
- Strong political commitment of TU-s counterproductive
- Major field for trade unions: company level
  - National level tripartism helped the mutual legitimisation of trade unions and national governments in transformation years

## Obstacles of well working IR in CEE...

Trade union pluralism with adverse effects, legitimacy problems

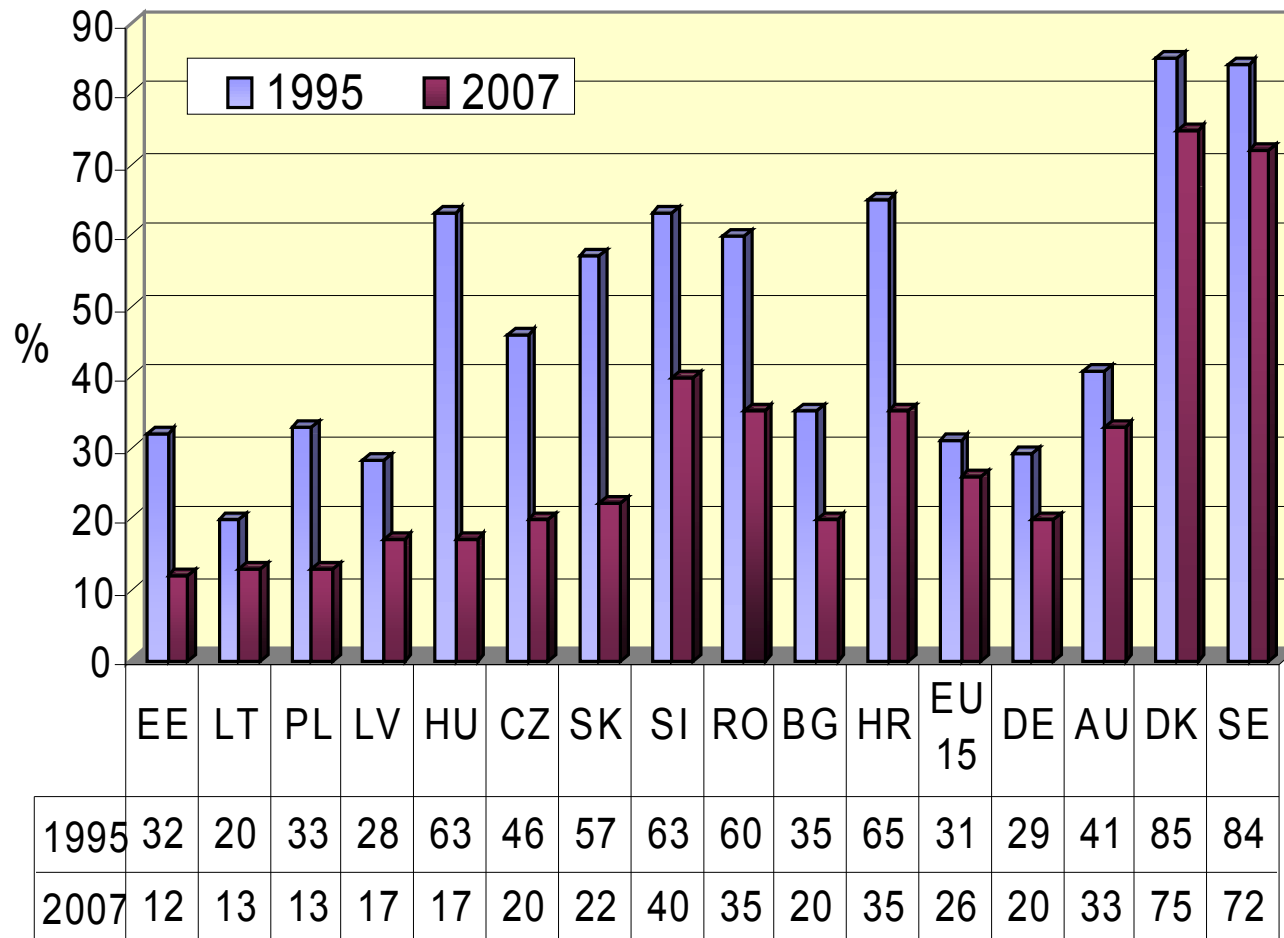
Fragmented employer organisations, that are not devoted supporters of social dialogue

Distorted structure of social dialogue:

Over-dimensioned national level

Weak branch level structures

# Trade union density in 1995 and 2007 – losing ground



Quelle: EU, EU-Foundation, Bw P