

New trends in collective bargaining in EU member states

Typical for the economic and social progress in the member states of the European Union during the last 60 years is the importance of their fruitful social dialog and collective bargaining. This progress is based on collective bargaining by voluntary and representative organisations with the aim to achieve social peace and solidarity through redistribution of the wealth among the economic actors. Important outcome were the collective agreements concluded between the social partners at national, regional, sector and/or company level and the settlements of conflicts through dialog by the organisations of the social partners.

However, since the oil-crisis in the '70 in the previous century, the nature of the collective bargaining has changed: the sharp rising of the energy prices had an immediate impact on the production costs, on the inflation, thus also on the competitiveness of the economies, forcing the enterprises to restructure with consequences on employment. From that period new forms of early retirement were introduced with or without compulsory replacement by younger workers. In addition, new technologies were introduced in the manufacturing processes requiring new skills and thus new training needs, etc. As those new measures had a direct impact on the budgets of the governments, the social partners had to involve their governments on some of their agreements and thus the bilateral social dialogue became more and more a trilateral dialogue for issues which were financed from the budget as training/education and pension reform.

The need to enhance the competitiveness of the enterprises resulted in increased international trade and a stronger European integration through the building of the European Union and its enlargement after the fall of the Berlin' Wall.

The stronger European integration resulted in the development of an European Social Dialog with new European initiatives to improve the working conditions as well as the labour market.

Specially at sector level the social dialog has been enhanced: more than 40 sectoral social dialogue committees were set-up. They agree on specific regulations for their sector and have thus a direct impact on the social dialogue at the national sector committee and the corresponding enterprises.

This movement has been increased by the financial crisis in 2008 and the following years: to the problem of increased unemployment all governments and social partners insisted that solutions have to be found at European level!

But as there is less growth and thus less to redistribute, the focus of the collective bargaining and the collective agreements changed. New issues were raised and are on the agenda of the social partners as:

Greening the economy

Flexicurity/ flexibility

Working conditions, specially about OSH, working time, etc.

Pensions systems

VET, etc.

In between, during the past 40 years, the structure of the economy changed drastically: due to the competition from low-cost countries, the manufacturing industry was forced to restructure and to introduce new production techniques, outsource some activities, and recruit new skills, while the service industry was growing offering new jobs and new skills. In addition, more SME's were set-up, while more female workers entered the labour market and the number of self-employed, mainly high-qualified, workers increased.

In past years also, in many member states, especially in the new member states, public enterprises were privatized: usually the changes in the ownership resulted in changes in the management and thus on the way the industrial relations in those companies are conducted.

Of course those changes in the structure of the industry in the member states and on the labour market had an impact on the organisations, as well from employers' side as from workers' side: their representativity has changed and their internal structure and functioning also. In the new member states, Trade Unions remain strong in the public sector and in the public administration, while in the private sector it remain more difficult to be organized and become representative organisations, while the employers' organisations must develop new services in order to attract the growing number of SME's.

In addition, in the new member states the labour code and labour regulations provides more detailed regulations on working conditions than in the labour code of

the old member states, where those working conditions are regulated by collective agreements either at country and/or sector level or at enterprise level. In the new member states there is less room for regulation through collective bargaining resulting in collective agreements.

In countries where there is a tradition of regulating working conditions through collective agreements, social partners try to implement the EU-framework agreements, as are qualified the collective agreements concluded between the social partners at European level, through collective agreements at national level which in a next step can then be enforced through a government decree: this way of proceeding is quicker and avoid the long process of approval of the EU-regulation through a law voted in the parliament. In addition there is always a risk that MP's could try to modify the EU framework agreement in a sense that is not shared by the social partners.

In order to be successful, collective bargaining should always be built on the respect of the "autonomy of the social partners", meaning that as the social partners know the world of work best and are best-placed to develop feasible solutions to problems affecting employers and workers in their daily professional lives, there shouldn't be any interference from someone else who don't have the same knowledge and representativity. This has been recently reminded in a special Position Paper of the European Social Partners, and in particularly by BUSINESSEUROPE.

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