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Collective bargaining – general trends

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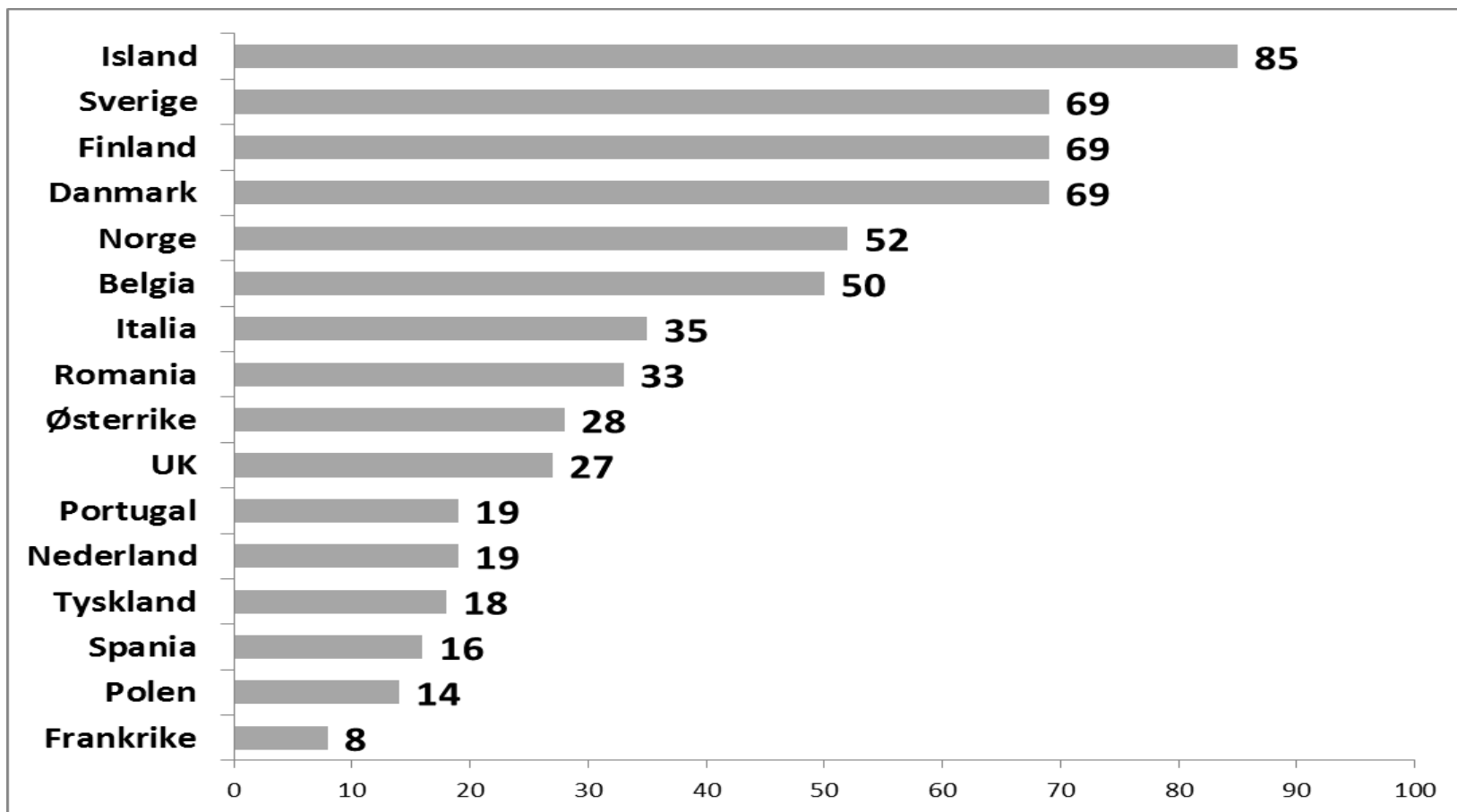


The large picture

- **Long-term trends in Europe:**
 - Declining trade union density
 - Organised and disorganised decentralisation
 - Erosion and fragmentation of bargaining
 - Lowering of standards
- **After the crisis:**
 - Further development of pre-existing trends
 - Restrictions and removal of state support for multi-employer bargaining; favourability principle, continuation beyond expiry and extension mechanisms



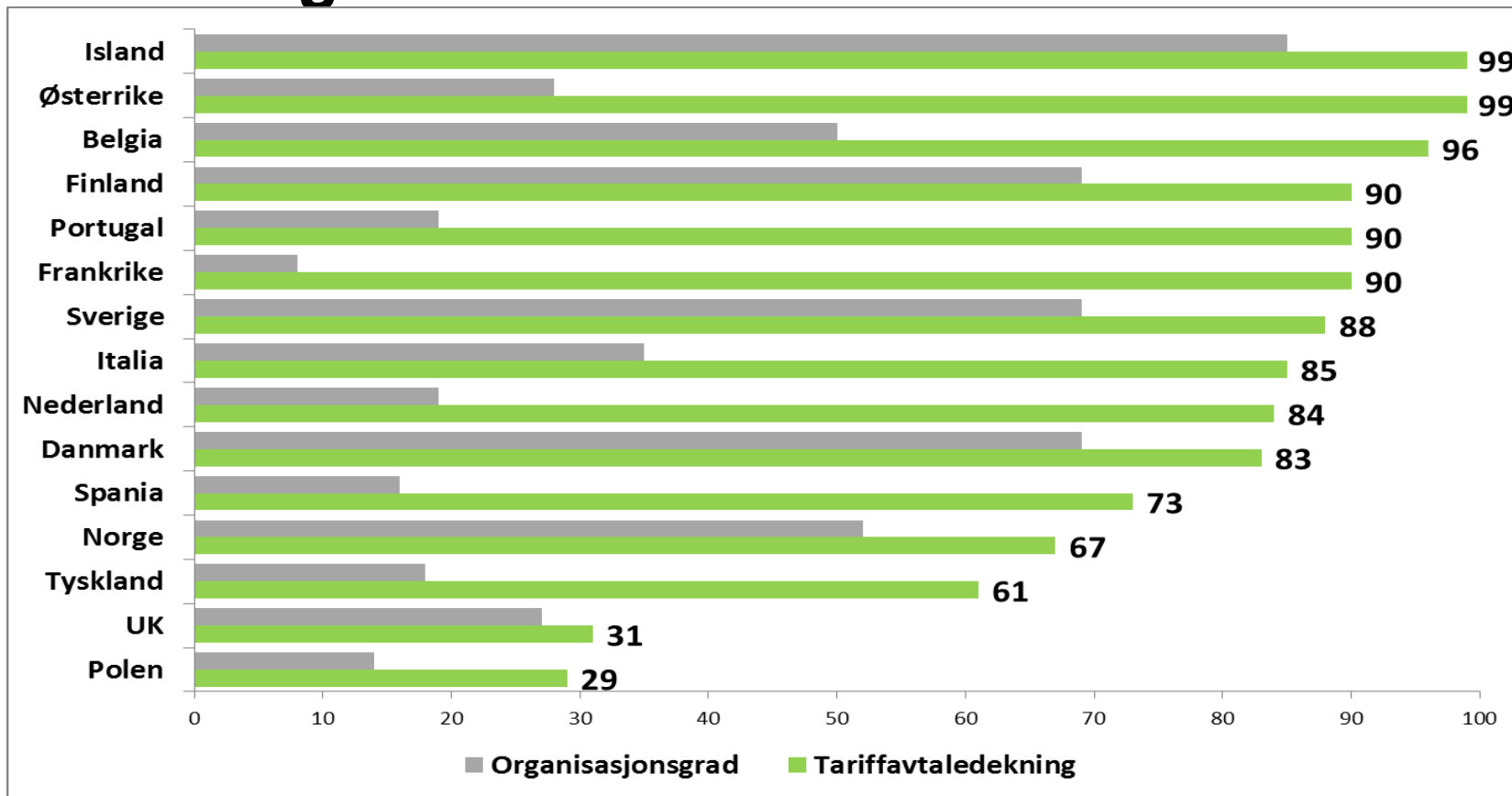
Trade union density



Kilder: Se Eldring & Alsos 2014, 2015



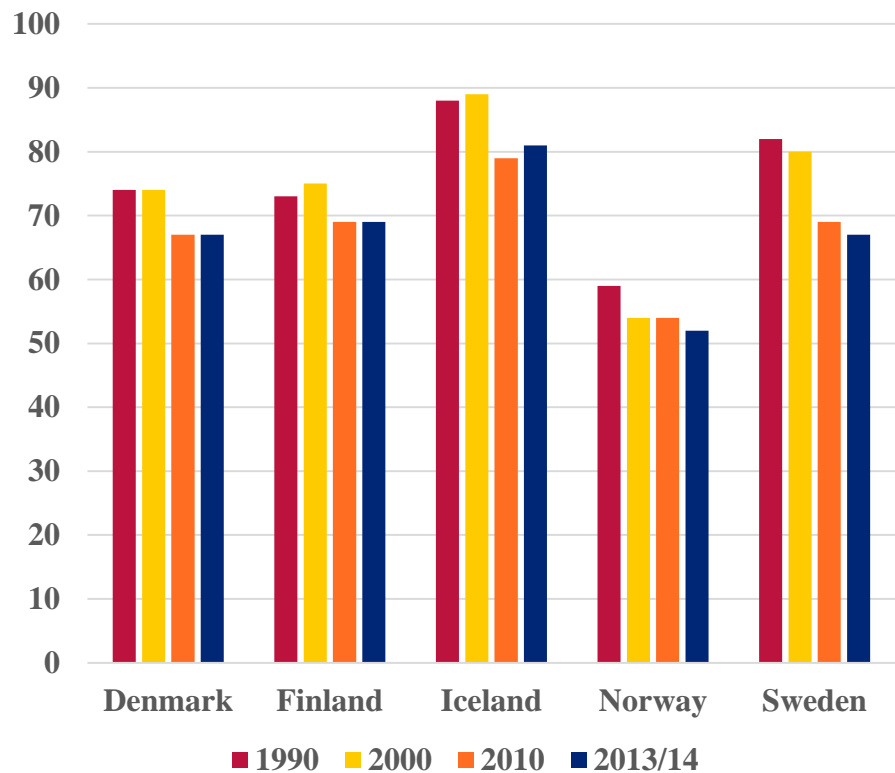
Trade union density and collective bargaining coverage



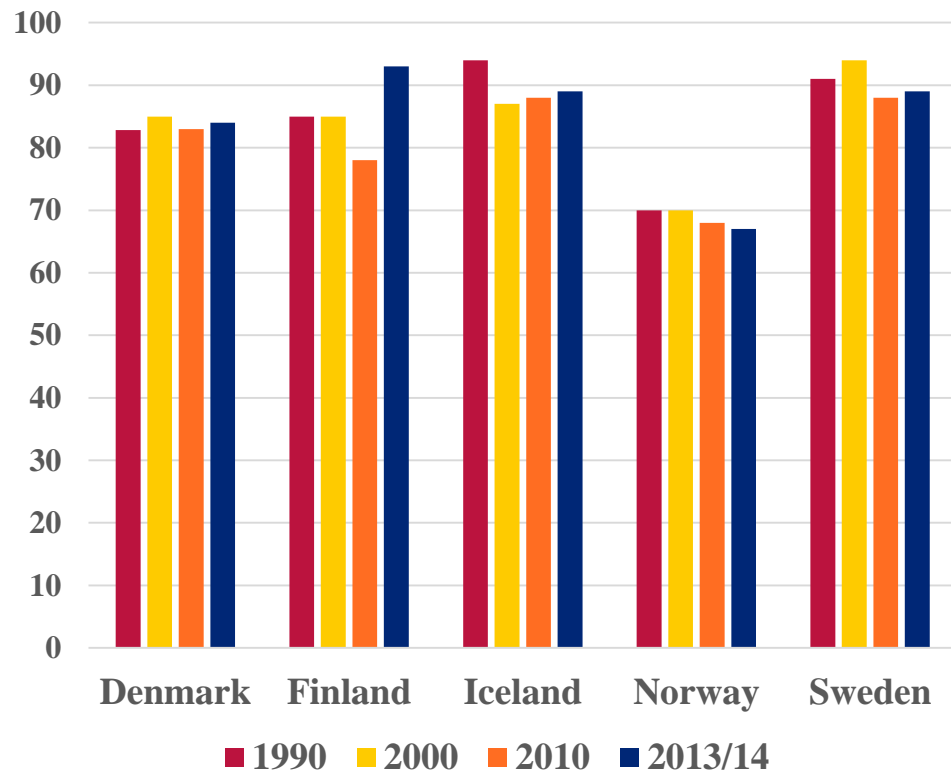


The Nordics

Density



Coverage





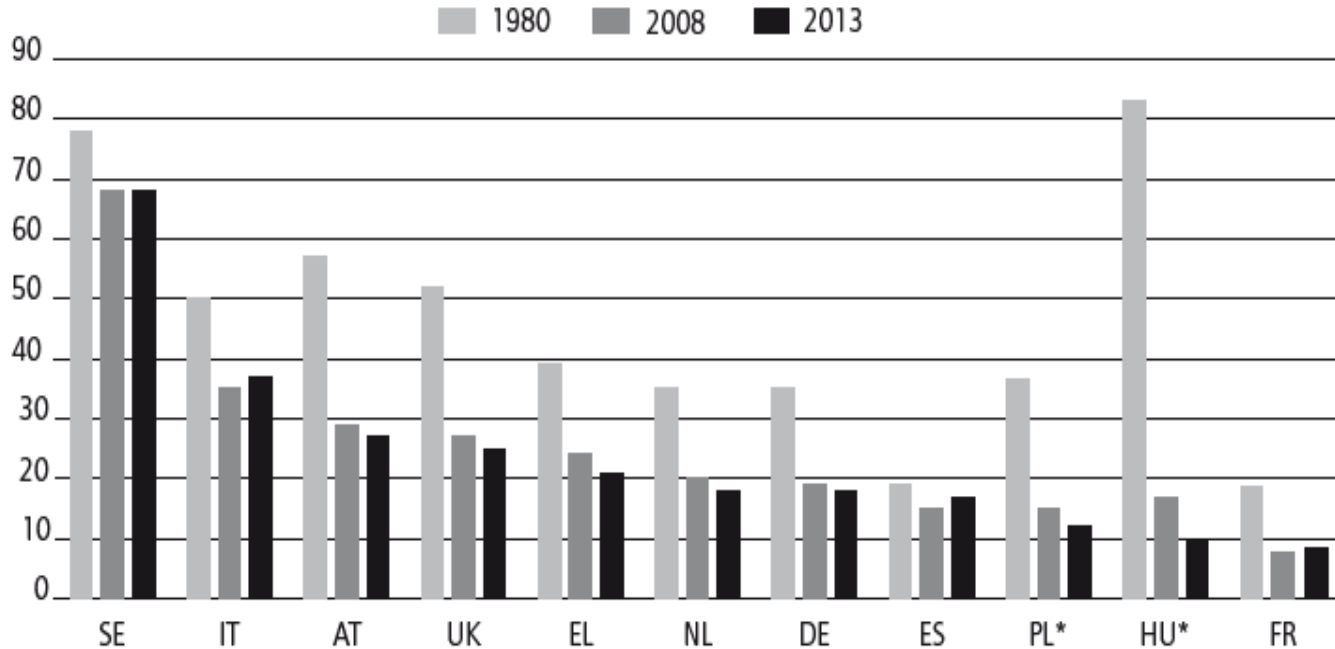
The Nordic «frontfagsmodell» (D, NO, SE)

- The Nordic bargaining models are influenced by external factors, the international economy and the open European labour market – but are still very much alive
- The trend setting bargaining models will be even more important and dominant in the years to come
- But the models can be challenged by the growth of low wage groups, labour mobility and social dumping



Density: Selected EU countries

Figure 2 Organisational power: net trade union density, 1980*/ 2008/ 2013 (percentage of all workers)



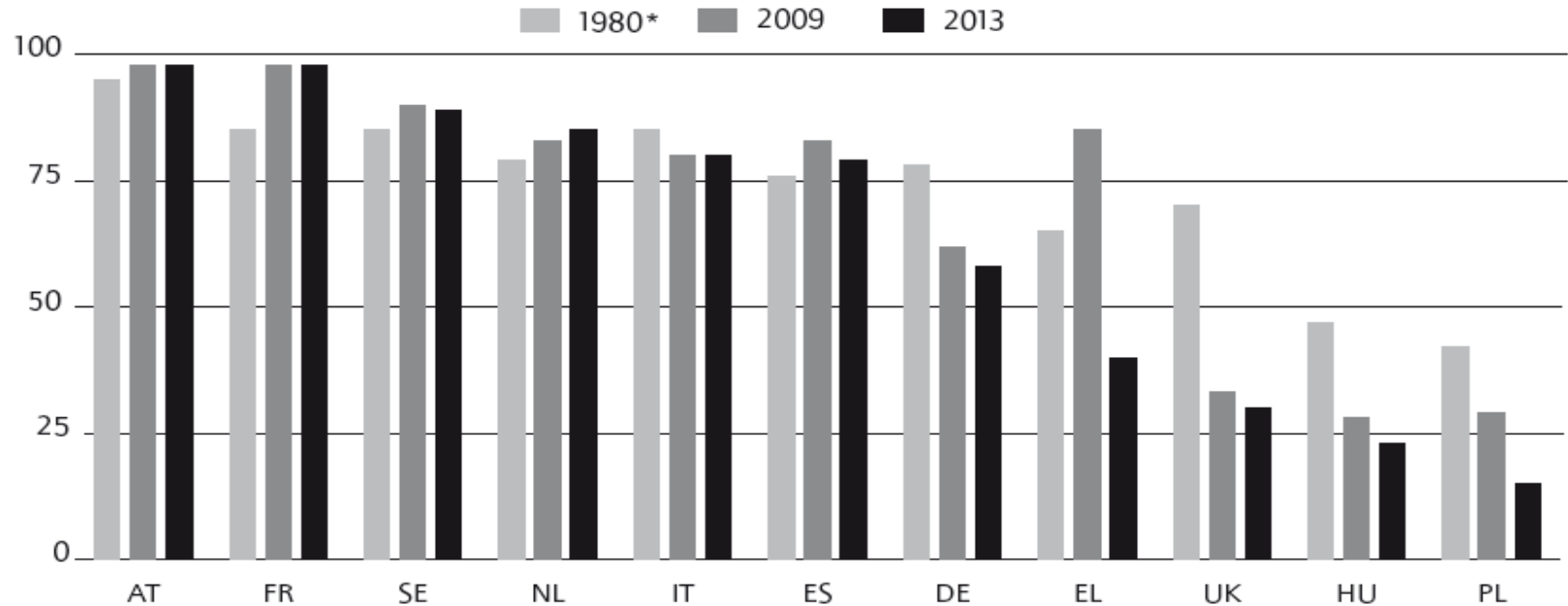
Note: * 1990 for Poland and Hungary.

Source: ICTWSS Database; European Commission (2016).



Coverage: Selected EU countries

Figure 3 Collective bargaining coverage, 1980*, 2009, 2013 (percentage of all workers)



Note: * 2000 for Greece, Poland and Hungary.
Source: ICTWSS Database; European Commission (2016).



Extension against erosion

- A high bargaining coverage usually requires some form of state support through extension or functional equivalents
- Current attempts at national and European level to reduce or even to abolish extensions lead to a decline of the bargaining coverage
- A European policy to strengthen collective bargaining would require a European initiative to promote extension (rather than a European Minimum Wage!)



Legal extension of collective agreements: Main features

- Provisions of a collective agreement is made generally binding for a whole industry or profession
- Unorganised companies with non-unionised employees must conform to the extended minimum provisions
- Support of collective bargaining systems – without direct interference in bargaining autonomy



Why legal extension?

Contra:

- Increase of wage rigidity
- Protection of market insiders
- Against the “negative” right of association
- Free-rider problems

Pro:

- Prevention of wage dumping
- Creation of a level-playing field
- Promotion of high road competition
- Stabilising multi-employer bargaining



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| | Legal extension | Statutory minimum wage |
|---------------|-----------------|------------------------|
| Belgia | | |
| Bulgaria | | |
| Estland | | |
| Frankrike | | |
| Hellas | | |
| Irland | | |
| Latvia | | |
| Litauen | | |
| Luxembourg | | |
| Nederland | | |
| Polen | | |
| Portugal | | |
| Romania | | |
| Slovakia | | |
| Slovenia | | |
| Spania | | |
| Tjekkia | | |
| Tyskland | | |
| Storbritannia | | |
| Østerrike | | |
| Finland | | |
| Island | | |
| Norge | | |
| Danmark | | |
| Sverige | | |
| Italia | | |



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Current use of extension in Europe

**Frequently
in use**

Belgium, Finland, France, Iceland,
Netherlands, Spain

**Functional
Equivalents**

Austria, Italy

**Rarely or not
in use**

*Bulgaria, Czech Republic, Estonia,
Germany, Hungary, Ireland, Latvia,
Lithuania, Luxembourg, Norway, Poland,
Slovakia, Slovenia, Switzerland*

(Since the EU crisis:

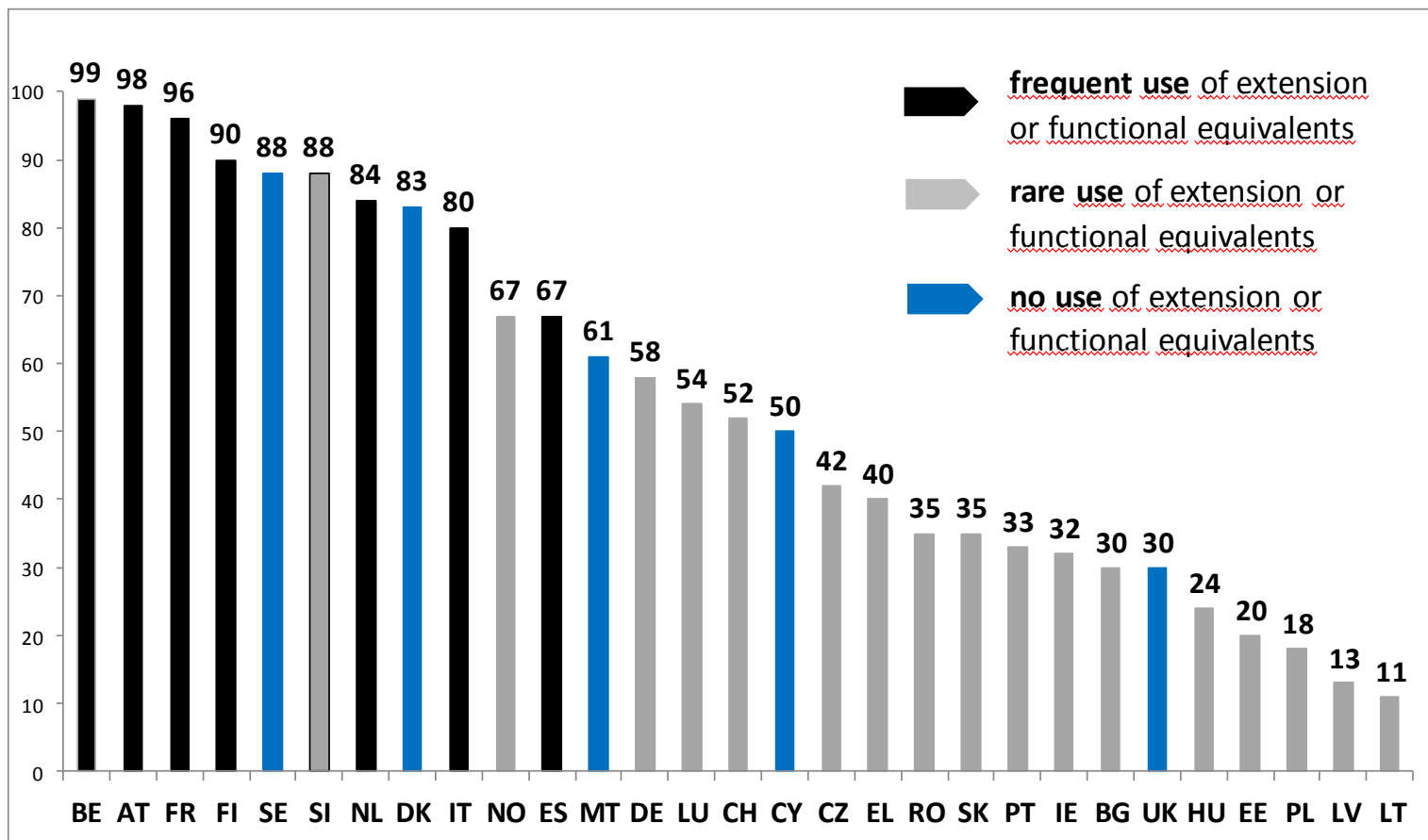
Greece, Portugal, Romania)

**No
extension**

Cyprus, Denmark, Malta, Sweden, UK



Bargaining coverage and the use of extension mechanisms





Rough waters

- Growing unemployment, precarious labour, rise in inequality, long-term erosion of membership, New Economic Governance und zu weiter..
- But unions are still important societal forces, also in a country like the UK
- *«While in good times all trade unions are fairly similar, in hard times they all suffer in their own different ways. This is why the country clusters frequently used in comparative trade union analysis make less sense today» (p. 24)*

Støtt kampen for
allmenngjøring
av tariffavtaler

stans

trynetskulture

