



European Foundation
for the Improvement
of Living and Working
Conditions

The tripartite EU Agency providing
knowledge to assist in the development
of social and work-related policies

Varieties of Collective Bargaining (CB) in the European Union

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Outline

- A. Minimum wage directive (proposal)**
- B. Varieties of national CB regimes**
- C. Main trends in CB**
- D. Potential elements of an action plan for CB**

sources: EC, Eurofound, Eurostat, ILO, OECD

A. Proposal for Adequate Minimum Wages (MWs)

A. Proposal for Adequate MWs

- aims at **promoting CB on wage setting** with a view
 - to **foster minimum wage protection** provided by **collective agreements (CAs)**
 - and **promote the involvement of social partners** in setting, updating, and implementing statutory minimum wages

A. Proposal for Adequate MWs

- Member States where CB coverage is **less than 70%** of the workers shall
 - provide for a **framework of enabling conditions for CB**, either by **law** after **consultation of the social partners** or by **agreement** with them
 - establish an **action plan** to promote CB
 - the action plan shall be made public and shall be notified to the EC

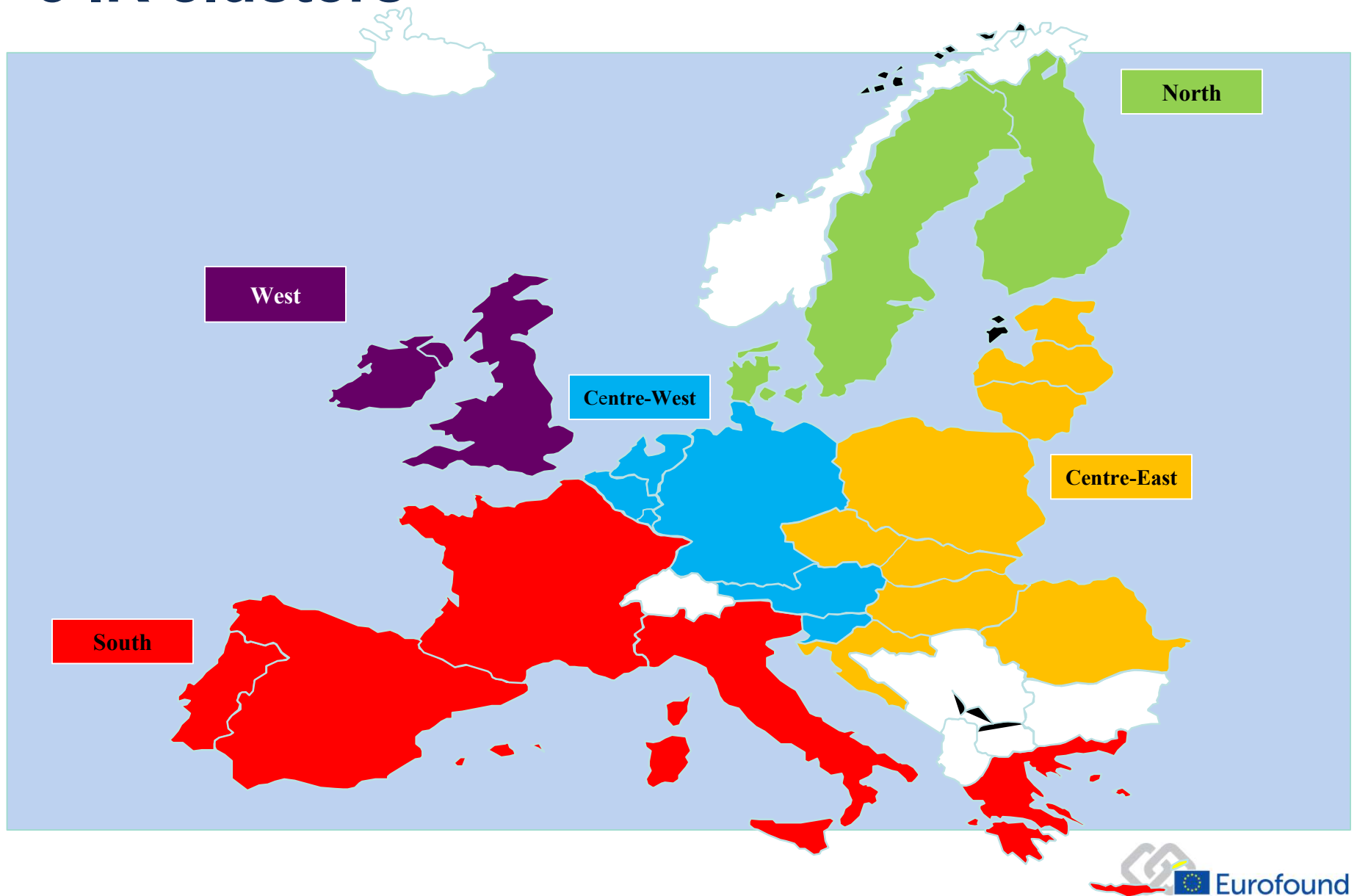
B. Varieties of national CB regimes



Industrial relations regimes

- *5 geographical clusters*
 - *Jelle Visser, 2008*
 - *in: EC, Industrial Relations in Europe Report, Brussels, DG EMP.*

5 IR clusters



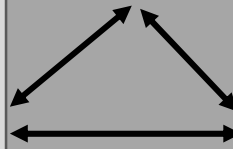
| | North | Centre–West | South | West | Centre–East |
|------------------------------|---------------------------|----------------------------|--------------------------------|----------------------------|-------------------------|
| IR regime | Nordic corporatism | social partnership | polarised pluralism | liberal pluralism | transition economies |
| role of SPs in public policy | institutionalised | | irregular/politicised | rare/event-driven | irregular/politicised |
| role of State | limited | ‘shadow’ of hierarchy | frequent intervention | non-intervention | organiser of transition |
| power balance | labour-oriented | balanced | alternating | employer-oriented | state |
| bargaining style | integrative | | distributive/conflict-oriented | | acquiescent |
| employee representation | union based/high coverage | dual channel/high coverage | variable/ mixed | union based/small coverage | |
| predominant level of CB | sector | | sector/company | company | |

Levels of CB - wages

Government

Trade Unions
Intersectoral
level

Employers
Intersectoral
level



Belgium

Sectoral level

Sectoral level



Austria
Denmark 1
Finland
France 1
Germany
Greece
Ireland 1
Italy
Luxembourg 1
Netherlands
Portugal 1
Spain 1
Sweden1

Company level

Company level



Denmark 2
France 2
Ireland 2
Luxembourg 2
Portugal 2
Spain 2
Sweden 2
UK

Levels of CB - wages

Government

Trade Unions

Intersectoral level

Employers

Intersectoral level

Sectoral level

Sectoral level

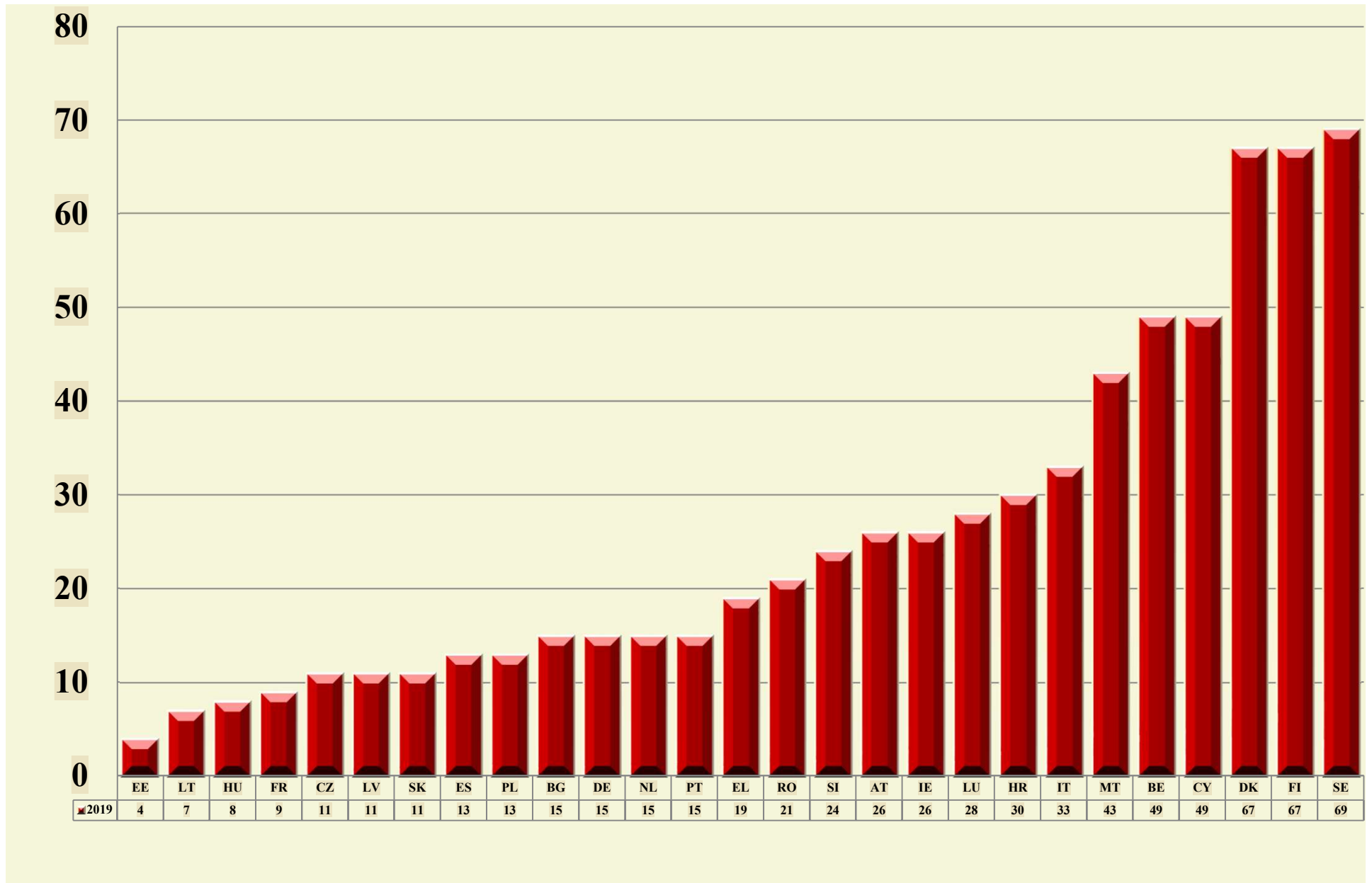
Company level

Company level

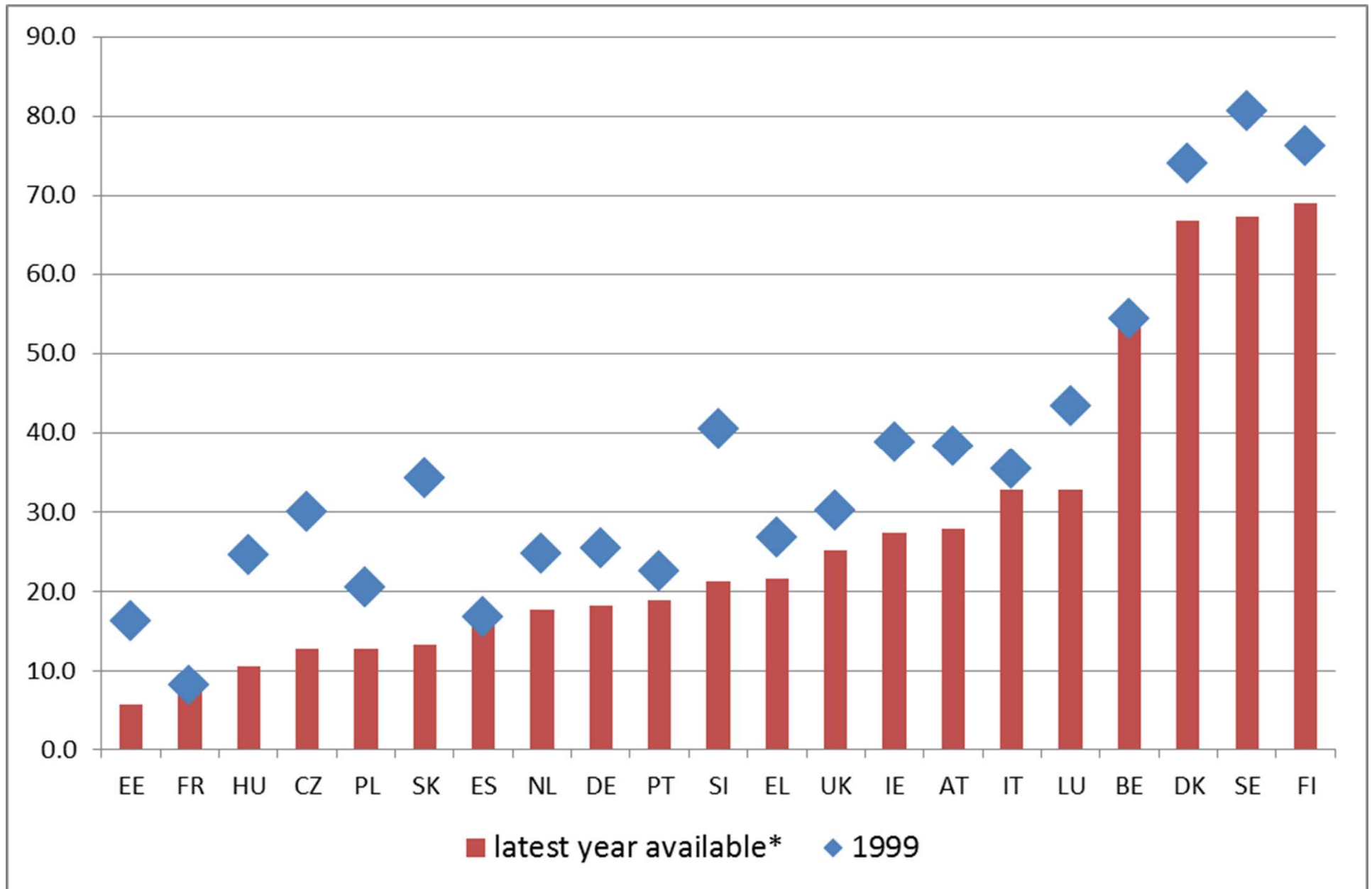
Bulgaria 1
Croatia 1
Cyprus 1
Czechia 1
Slovakia 1
Slovenia 1

Bulgaria 2
Croatia 2
Cyprus 2
Czechia 2
Estonia
Hungary
Latvia
Lithuania
Malta
Poland
Romania
Slovakia 2
Slovenia 2

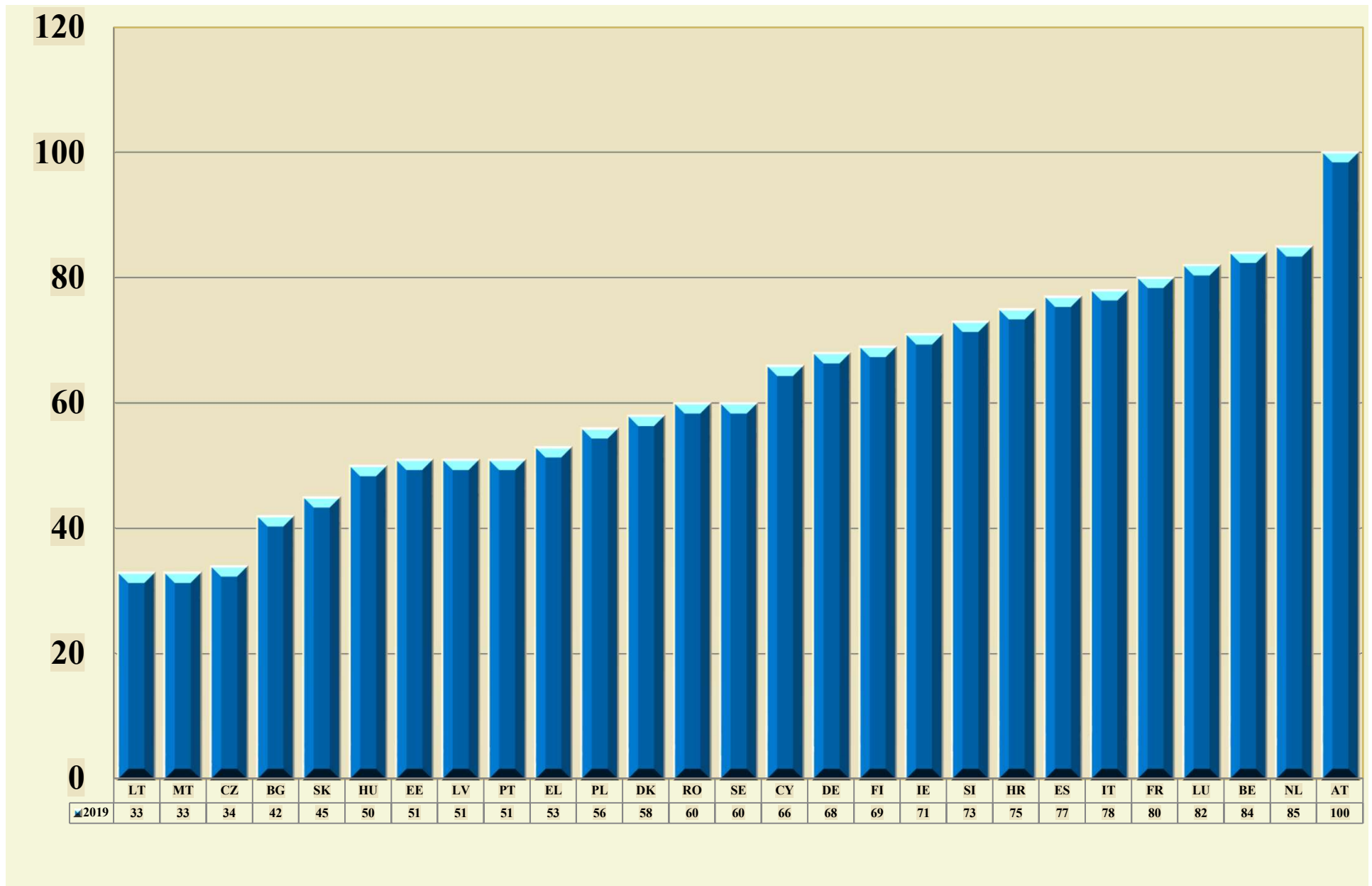
Trade Union density rates (+/- 2019)



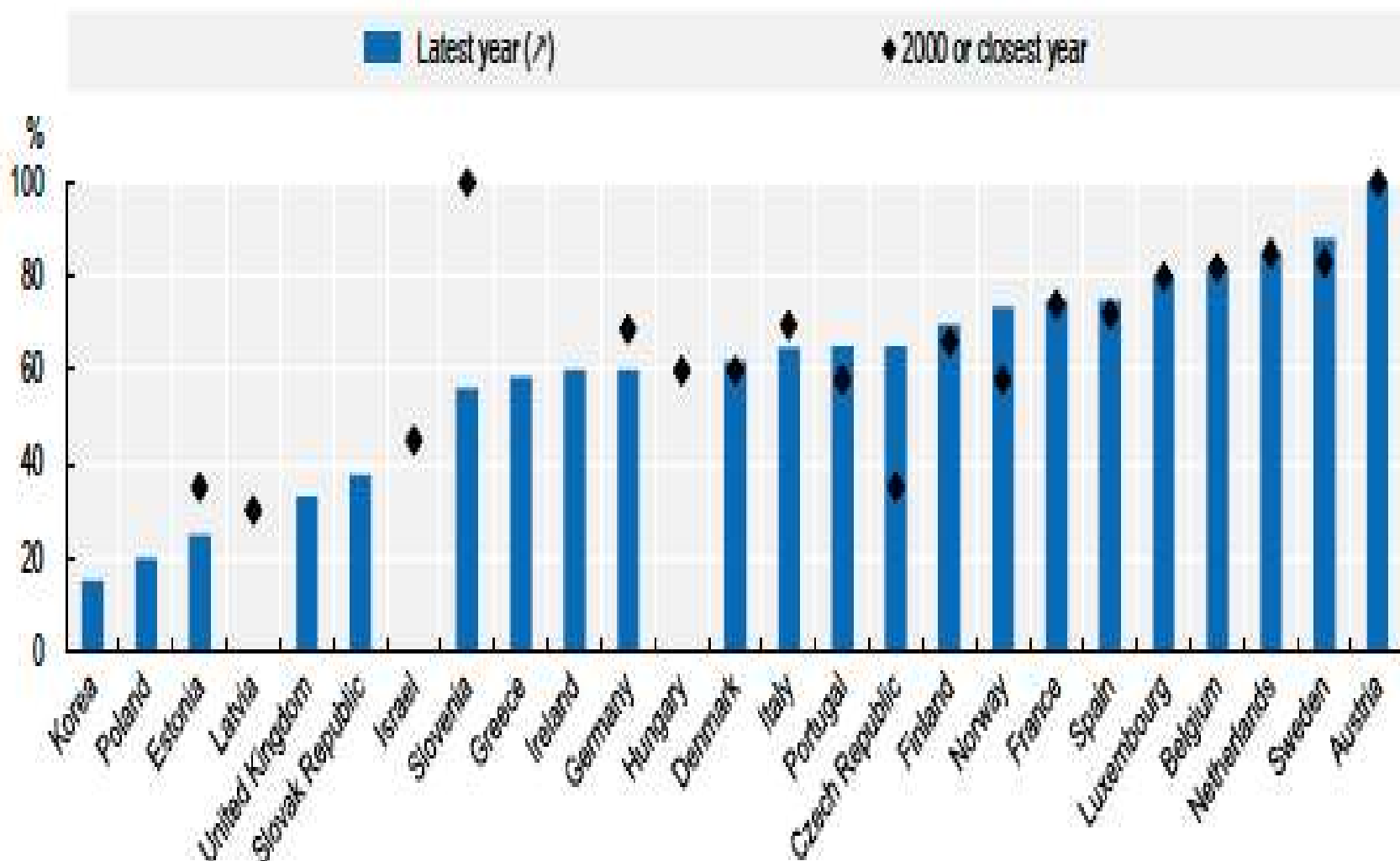
Trade Union density rates in 2016 (%)



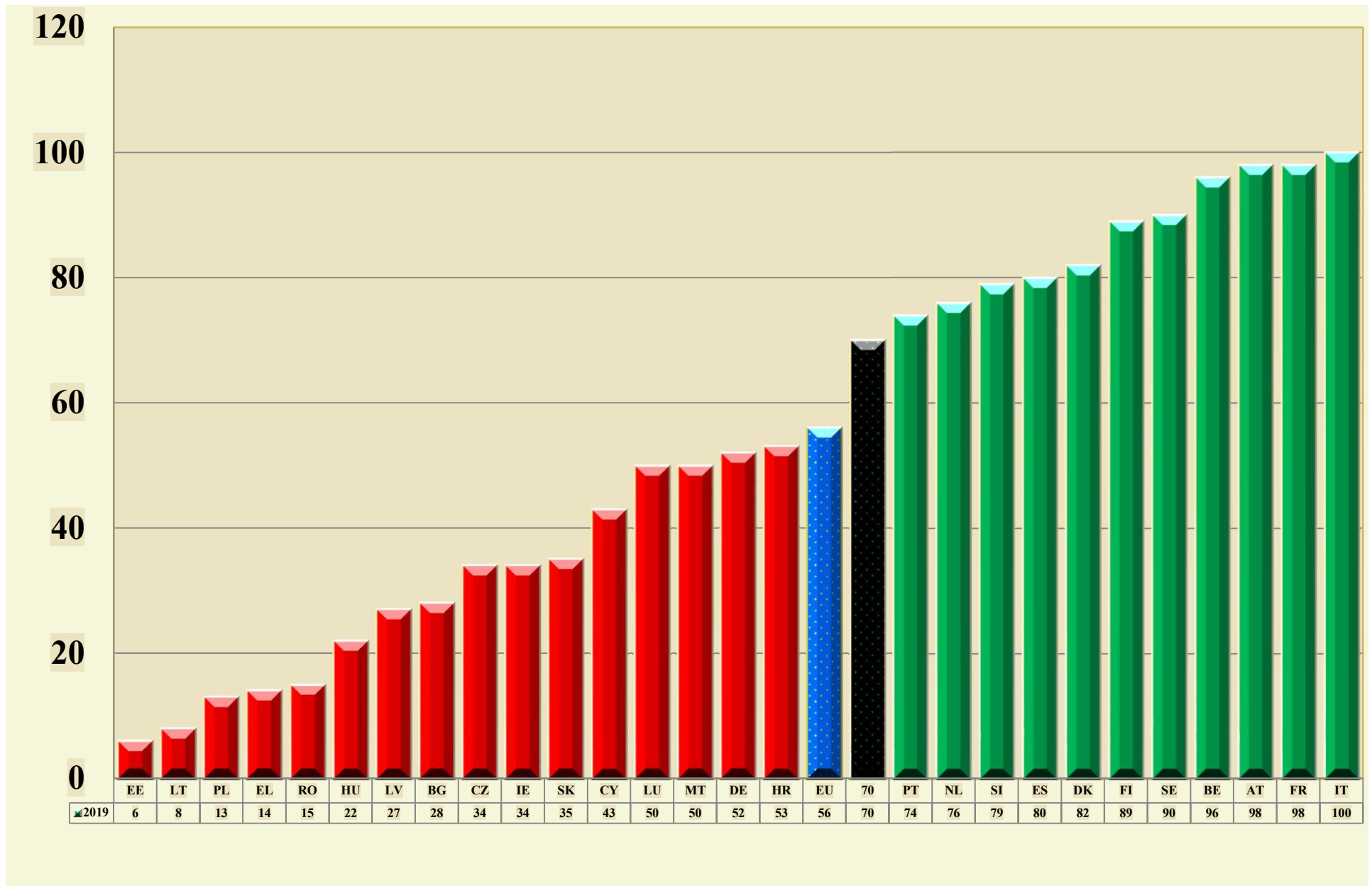
Employer density rates (+/- 2019)



Employer organisation density over time



Collective bargaining coverage (+/- 2019)



CB data - Austria

Collective wage bargaining coverage of employees

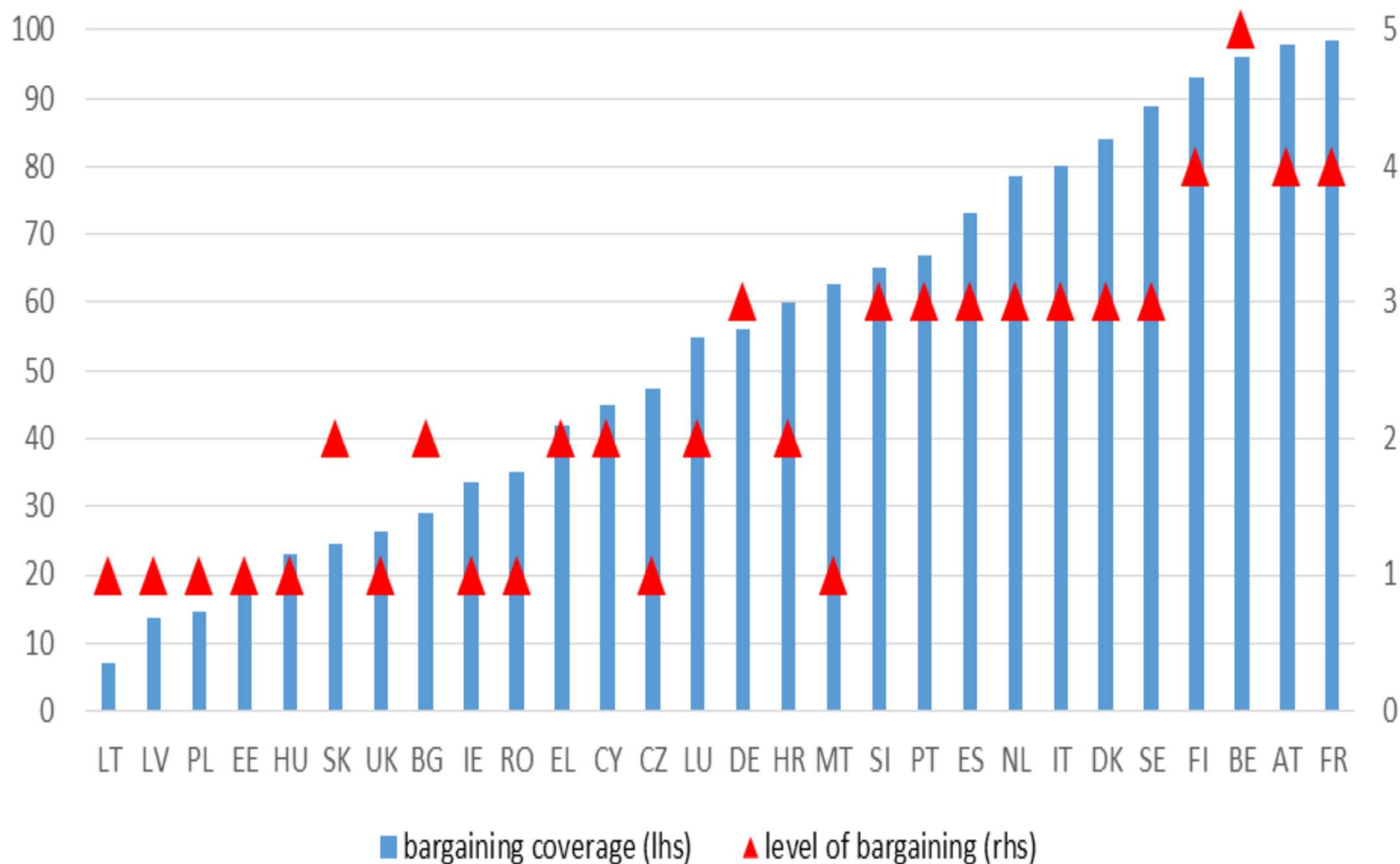
| Level | %/ (year) | source |
|------------|------------------|--------------------------------------------------------------------|
| All levels | 98 (2019) | 2021 – OECD/AIAS ICTWSS Database 2021 |
| | 96 (2013) | 2013 - ECS |
| All levels | 94 (2019) | 2019 – ECS |
| All levels | 92 (2010) | 2010 – SES |
| All levels | 94 (2014) | 2014 – SES |
| All levels | 94 (2018) | 2018 – SES |
| All levels | 95 (2019) | National correspondent's estimate 2019 (private sector employees)* |

CB data - Greece

Collective wage bargaining coverage of employees **from different sources**

| Level | % (year) | source |
|------------|--------------------|---------------------------------------|
| All levels | 14.2 (2017) | 2021 – OECD/AIAS ICTWSS Database 2021 |
| | 89 (2013) | 2013 – ECS |
| All levels | 53 (2019) | 2019 – ECS |
| All levels | 99 (2010) | 2010 – SES |
| All levels | 91 (2014) | 2014 – SES |
| All levels | 93 (2018) | 2018 – SES |

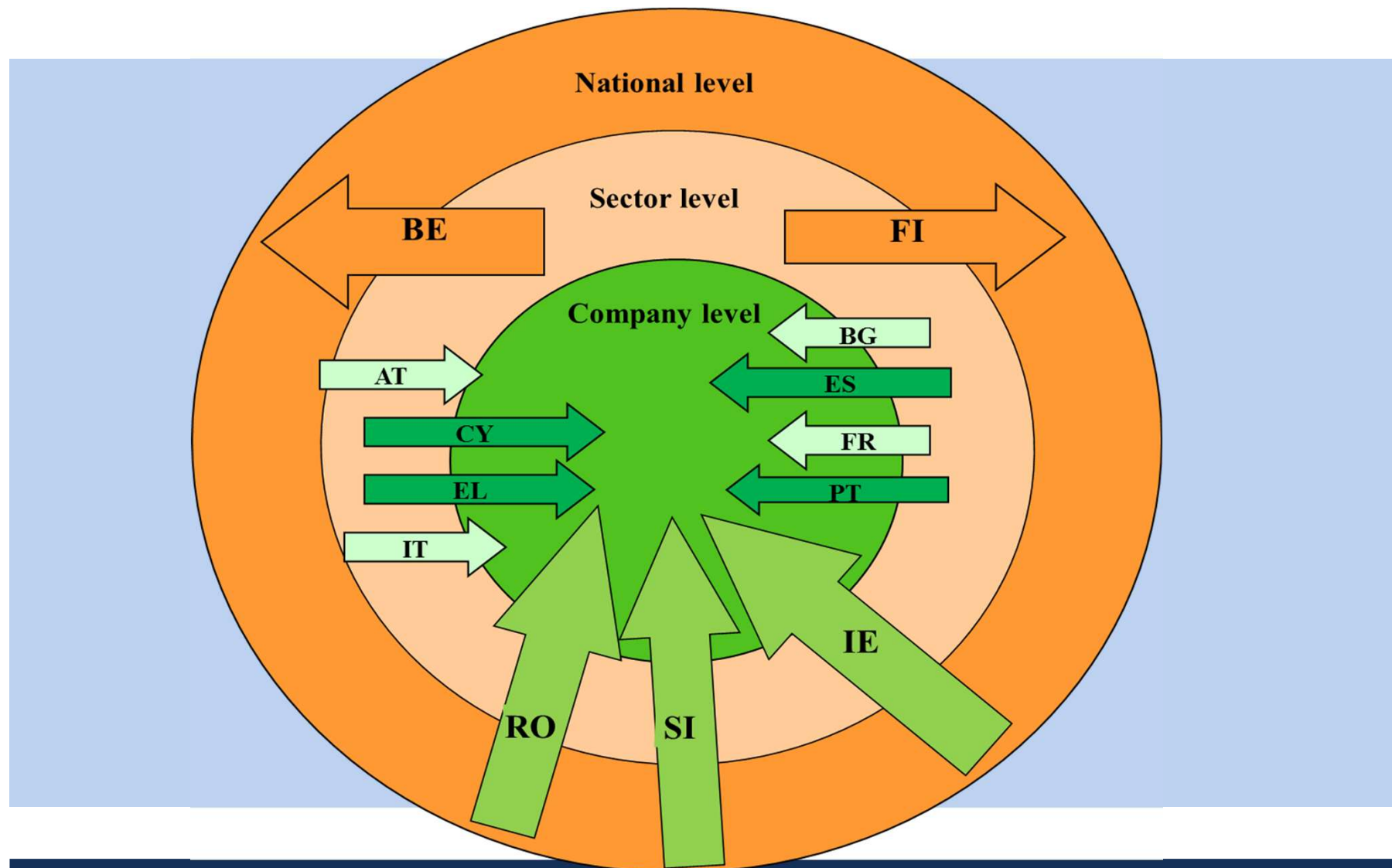
Collective bargaining coverage rate and dominant level of bargaining (EC /OECD/Visser)



C. Main trends of collective bargaining



Trends in trends of CB in 2008-14 crisis



Main trends of collective bargaining

- **de-centralisation via**
 - reversal of favourability principle
 - more opt-out / opening clauses
 - less extension mechanisms
 - less continuation upon expiry
- **weakening of trade unions (not employers)**
 - fewer members
 - new forms of work
- **governmental unilateralism**

D. Potential elements of action plans for CB

- **capacity building** of the two sides of industry
 - representativeness
 - improve trade union density
 - capacity mandate to negotiate
- **re-centralise CB**
- re-establish the **favourability principle**
- envisage **extension mechanisms** for CAs
- **continuation** of CAs upon expiry
- **less opening / opt –out clauses**
- **national registers** of CAs

Further information

- [European industrial relations dictionary](#)
- [Capacity building for effective social dialogue](#)
- [Measuring varieties of industrial relations](#)
- [Working life country profiles](#)
- [Flagship report industrial relations developments \(2015-2019\)](#)

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