

Trade unions and industrial relations in EU countries

ON THE OFFENSIVE

For: Social Europe
Solidarity Sustainability



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This is one of a series of training modules produced as part of an ambitious European project, *Civil Society Dialogue: Bringing together workers from Turkey and the EU through a shared culture of work*, which aims to ensure better knowledge and understanding of one another and an awareness of the challenges and opportunities of future EU enlargement.

HOW TO USE THIS PUBLICATION

The training modules are intended to offer a short, clear introduction to the subject for a trade union audience, and each will have an educational activity that can be used in the classroom or with groups of members. A list of all the publications in this series can be found below, and copies can be downloaded from the ETUC website www.etuc.org/r/557

PUBLICATIONS IN THIS SERIES

1. Trade unions at the European level
2. Industrial relations at the European level
3. Turkish trade unions and industrial relations
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ETUC MANIFESTO

At its 11th Congress in Seville, Spain, in May 2007, the European Trade Union Confederation (ETUC) adopted a Manifesto for Action for the next four years. This manifesto highlights five main areas where the ETUC is committed to going 'on the offensive' on behalf of European workers:

- **the European labour market**
- **social dialogue, collective bargaining and worker participation**
- **better European economic, social and environmental governance**
- **a stronger European Union**
- **stronger trade unions and a stronger ETUC.**

FOREWORD

The European Trade Union Confederation at its Congress in 2007 voted in favour of the accession of Turkey to the European Union, 'provided that it meets, in reality and not on paper, the requirements of membership and the provisions of the EU Charter of Fundamental Rights. A transformation of Turkish society with full rights and freedoms should be sought and completed during the challenging process of negotiations'.

It was on this basis that the ETUC, and its affiliated organisations in Turkey and in the European Union, agreed to step up their cooperation and launch this ambitious project *Civil Society Dialogue: Bringing together workers from Turkey and the EU through a shared culture of work*, which aims to ensure better knowledge and understanding of one another and an awareness of the challenges and opportunities of future EU enlargement.

The central elements of the project are:

- 12 exchange and mutual understanding seminars for trade unionists coming from different regions of Turkey on the one hand and from different Members States of the European Union on the other
- 9 training seminars, in cooperation with European Industry Federations.

The project has also produced this series of training modules which will provide an important tool for building capacity within the ETUC, by enabling other workers and trade unionists from both the EU and Turkey to understand the challenges ahead and to accept cultural, social and political differences more readily.



Thanks are due to:

- ETUC affiliated organisations – European Industry Federations and the national trade union confederations from the EU and Turkey that have carried this project forward
- workers and trade unionists from the national unions in Turkey and the EU who have taken part in the different training activities
- trainers from the national unions in Turkey and the EU, and Marcus Strohmeier (ÖGB) who coordinated the training activities and contributed to these booklets
- Nigel Rees (Trade Union European Information Project) who was responsible for editing the original texts for these educational booklets, and also Kazim Ates who was responsible for revising them
- Laura Fallavollita, Yücel Top and the other members of the project coordination committee (Osman Yıldız, Uğraş Gök and Kıvanç Eli Açıık), who, under the guidance of Joël Decaillon and Jeff Bridgford, have brought the project to a successful conclusion.

I commend these training modules to trade unionists from the affiliated organisations of the ETUC. I encourage you to use them, so that we are all in a better position to defend workers' interests throughout Turkey and the European Union.

John Monks
General Secretary
European Trade Union Confederation

CONTEXT

Trade unions are a major force for social change and have been so throughout their history. The first craft-based unions were established in the mid 1800s, and they came together into broader-based confederations a little later: the British *Trades Union Congress* was formerly established in the 1860s; and the French *Confédération Générale du Travail*, the Swedish *Landsorganisationen i Sverige*, the Belgian *Fédération Générale du Travail de Belgique* and the forerunner of the German *Deutscher Gewerkschaftsbund* were all founded in the 1890s.

In some countries unions have been marginalised or outlawed by fascist or military dictatorships but they have survived to become essential elements of modern democratic societies. Run by members for members, they constitute the largest voluntary organisations in Europe.

Trade unions have traditionally provided a series of benefits for their members. In early days this took the form of provident funds to guarantee incomes for workers faced with ill health, unemployment and old age. Now that these functions have generally been taken over by the State, they provide other benefits, such as legal advice and vocational training.

Trade unions have been particularly engaged in defending workers' direct interests in the workplace, primarily by means of collective bargaining, where they negotiate with employers over wages and working conditions. To support their positions when these negotiations break down or do not provide satisfactory results, they may organise strikes.

In addition, trade unions endeavour to influence the political debate to ensure that legislation and political decisions are favourable to the interests of their members or workers as a whole. To this end they may pursue campaigns, undertake lobbying, or support individual political parties.

All in all trade unions are concerned with a wide range of economic and social issues – from pay and conditions to workers' rights.

MODELS FOR TRADE UNIONISM

Europe exhibits the wide range of characteristics to be expected from a diverse set of nations with different histories of both industrial development and unionisation. Although categories vary, it is generally accepted that there are four main models of industrial relations systems currently in the Member States of the European Union – Nordic corporatism, social partnership, liberal pluralism and state-centred. The twenty-seven EU Member States are often divided into six groups: Scandinavian, Continental, Anglo-Saxon, Southern, Eastern New Member States (NMS) and Mediterranean New Member States (NMS). It is also generally accepted that these models and groupings are only indicative. The two sets fit together, as follows:

- Scandinavian countries follow the Nordic corporatism model (Denmark, Finland and Sweden)
- most of the Continental group, plus Slovenia from the Eastern New Member States, have some form of social partnership (Austria, Belgium, Germany, Luxembourg, Netherlands and Slovenia)
- the Anglo-Saxon Member States and Mediterranean New Member States follow the liberal pluralism model (Ireland, UK, Cyprus, Malta)
- the Southern group, together with France, has state-centred systems (France, Greece, Italy, Portugal and Spain)
- Eastern New Member States can fit into several different categories, often showing characteristics of both liberal pluralism and state-centred systems.

The Nordic corporatism model features high levels of trade union membership, negotiations at industry-level (sectoral) and relatively centralised bargaining arrangements. The high union density means that collective agreements apply to the vast majority of workers, and government intervention is not needed

to ensure this. Generally social groups are more integrated into the system than in countries with other models.

Social partnership relies on most employers being members of associations, as well as unions being members of confederations. This is because the model depends on strong negotiating parties who can make agreements stick. There are differences between countries using this model – for example, in Germany, which has a strong federal structure, the national government plays less part in bargaining than in Austria or the Netherlands. As long-term employees in industries with large firms tend to form stronger bargaining units, there is a tendency for these sectors to win better conditions than others.

Industrial relations in a liberal pluralist system are largely based at company level and can be confrontational (Ireland's social pacts are an exception to this). While government does not consult much with social partners, it limits its own scope for legislation, so that there is generally less law concerning the labour market, social protection etc. Union density rates tend to be lower and, therefore, collective bargaining coverage restricted, as negotiations are not centralised and there is no legal means of extending company-level deals industry-wide.

Governments in the state-centred model act with more impunity than those engaging in social partnership, but they still seek to accommodate unions and employers. If they miscalculate, there may often be social confrontation, as industrial relations have more in common with the confrontational process in the liberal systems rather than the consensual approach of corporatism and social partnership. Union density is often lower in these countries, but collective bargaining coverage may be wider because of the potential for extension of agreements to non-unionised workplace both by law and via employers' associations.

TRADE UNION MEMBERSHIP IN EU COUNTRIES

As can be seen from figures in Table 1 on the next page, published by the Amsterdam Institute for Advanced Labour Studies, net trade union membership in EU countries for 2006 varied significantly from one country to another, from 77,400 in Malta to 7,086,000 in the United Kingdom.

A more telling indicator of trade union strength can be gleaned from the figures for trade union density – net union membership as a proportion of wage and salary earners in employment. In 2006, for example, Sweden and Finland had a figure of over 70%, whereas the figures for Estonia, France, Latvia and Poland were under 15%. Malta, the country with the lowest overall membership figures, had a density of 50%, which is higher than the United Kingdom, with a figure of 29%; so the figures quoted in the previous paragraph need to be interpreted with some care.

What is clear however is that the figures show an overall decline in trade union density during the period 2000 to 2006, most notably in the countries of Central and Eastern Europe. There are some exceptions to this trend however – Belgium and, very marginally, Malta.

Things to find out

Does this general approach, based on different models and groupings, correspond to the type of trade unionism that you know in your own country?

TABLE 1: NET UNION MEMBERSHIP FIGURES 2006 AND UNION DENSITY 2000–2006

Country	membership figures 2006	union density 2000	union density 2006
Austria	1,072,500	36.5%	31.7%
Belgium	1,959,000	49.3%	54.1%
Bulgaria	550,000	24.6%	21.3%
Cyprus	182,700	70.1% ²	62.1%
Czech Republic	845,000	29.5%	21.0%
Denmark	1,745,400	74.2%	69.4%
Estonia	79,100	20.3%	13.2%
Finland	1,520,000	75.0%	71.7%
France	1,777,900	8.3%	8.0%
Germany	6,719,800	24.6%	20.7%
Greece	640,000 ⁴	28.9% ²	23.0% ⁵
Hungary	592,000 ⁴	22.5% ²	17.8% ⁵
Ireland	593,000	40.8%	35.3%
Italy	5,568,600	34.7%	33.4%
Latvia	150,000	29.3% ²	16.1%
Lithuania	180,000	21.4%	14.4%
Luxembourg	121,000	43.7% ²	40.4%
Malta	77,400	56.8%	57.0%
Netherlands	1,530,000	22.6%	21.5%
Poland	1,584,000	28.6% ²	14.4%
Portugal	700,000	22.9% ¹	18.1%
Romania	1,750,000	46.1% ²	33.7%
Slovakia	473,000	36.3%	23.6%
Slovenia	300,000 ³	42.8% ²	41.3% ⁴
Spain	2,348,000	16.7%	14.6%
Sweden	2,931,000	80.1%	75.0%
United Kingdom	7,086,000	30.3%	29.0%

1 = 1997, 2 = 1998, 3 = 2001, 4 = 2003, 5 = 2005

Source: ICTWSS, 2010

There are however other measures of union strength. In France, for example, net union membership and also union density are relatively low, but a larger number of workers participate in elections to works councils and to industrial tribunals and vote for different trade union candidates. In fact 4.8 million voted in elections to industrial tribunals in 2008. In another example, Belgium, there are elections to works councils and health and safety committees. In both of these countries the capacity to get things done through mobilising popular protest and action remains considerable.

COLLECTIVE BARGAINING

Collective bargaining is largely differentiated by the level at which it is held: national (cross-sectoral), industry (sectoral) or company; the subjects covered (e.g. pay, hours, training etc.) and the length of time that the agreement lasts for. Although the types of industrial relations systems (see the four different models above) have a great influence on the kind of agreements concluded, there are also variations between countries in the same group and changes from year to year.

An important indicator of overall impact of collective bargaining is to be found in the notion of coverage – the proportion of workers within the labour force actually covered by, and therefore benefitting from, the different collective agreements. As can be seen from the figures in Table 2 on the next page, there is relative stability in terms of collective bargaining coverage for the period 2000–2006, with the exception of some countries, where coverage has declined significantly – Greece, Hungary and Slovakia. Some countries, for example, Austria, Belgium, Finland, France, Sweden and Spain, have a very high level of coverage, while Bulgaria, Hungary, United Kingdom and the three Baltic states, have a relatively low level.

TABLE 2: COLLECTIVE BARGAINING COVERAGE 2000–2006

Country	2000	2006
Austria	99.0%	99.9%
Belgium	96.0%	96.0%
Bulgaria	25.0%	nd
Cyprus	nd	75.0%
Czech Republic	46.7% ²	44.0%
Denmark	80.0%	82.0%
Estonia	22.0%	22.0%
Finland	90.0%	86.0%
France	95.0%	95.0%
Germany	63.0%	63.0%
Greece	80.0% ¹	85.0% ⁵
Hungary	52.0% ¹	35.0% ⁵
Ireland	nd	nd
Italy	80.0%	80.0%
Latvia	20.0%	20.0% ⁴
Lithuania	16.0% ¹	12.0%
Luxembourg	60.0% ¹	60.0%
Malta	57.0%	57.0%
Netherlands	86.0%	82.0%
Poland	43.0% ¹	35.0%
Portugal	69.0% ³	62.0%
Romania	nd	nd
Slovakia	44.0%	35.0%
Slovenia	100.0%	100.0%
Spain	80.0%	80.0%
Sweden	91.0%	92.0%
United Kingdom	36.3%	33.5%

nd = no data, 1 = 1998, 2 = 2001, 3 = 2002, 4 = 2003, 5 = 2005
Source: ICTWSS, 2010

Collective bargaining coverage is considered as a good indicator for the strength and impact of trade unions in the labour market. There are other reasons however – the existence of multi-sectoral employers' organisations and the readiness of governments to declare agreements binding more generally.

The level of collective bargaining differs greatly from one country to another. Collective bargaining at national cross-sectoral level is normally carried out in countries such as Belgium Greece, Hungary, Ireland, Romania, Slovenia and Spain. National sectoral bargaining is prevalent in most Western European countries and several Central and Eastern European countries; in the countries quoted above it often takes place as an extension of national cross-sectoral bargaining. In countries such as Cyprus, Estonia, Latvia, Lithuania, Luxembourg, Malta, Poland and the UK, company-level bargaining is widespread.

Trends in collective bargaining appear to be heading towards decentralisation, as there is increasing pressure, particularly from employers, to adopt more flexible bargaining agendas.

STRIKES

Strike action is generally, but not always, a last resort for unions and is used when collective bargaining avenues have been exhausted. Article 28 of the Charter of Fundamental Rights of the European Union recognises the right of workers and their organisations 'to negotiate and conclude collective agreements at the appropriate levels and, in the case of conflicts of interest, to take collective action to defend their interests, including strike action'.

At the national level the right or freedom to take strike action is guaranteed by the constitution in most countries in the European Union. The exceptions are Austria, Belgium, Luxembourg, Malta, the Netherlands, Ireland and the UK; in Germany and Finland the right derives from the

freedom of association. Where this is not the case, collective action is generally regulated by legislation and/or case law, or in some countries, Denmark, Finland, Sweden and Ireland, by the social partners themselves, by means of collective agreements.

There are different regulatory systems for different types of strike action in different countries. For example, political strikes, which are often directed against the government and go beyond simple workplace demands, are generally prohibited, except in Denmark, Finland, Ireland and Italy. On the other hand, solidarity action, supporting other workers already on strike, is considered legal under certain conditions in most countries, with the exception of Latvia, Luxembourg, the Netherlands and the UK. Picketing, whereby strikers outside the workplace attempt to stop other workers from working and persuade them to join the action, is legal in some countries only.

Statistics on strike action are normally collected in the form of the number of strikes, the number of strikers and the number of working days lost through strike action. The figures in Table 3 provide some information about trends within each country in terms of working days lost by strike action.

The figures show that relatively, many working days were lost in Austria in 2003, when there was considerable opposition to public pension reform plans and railway restructuring, but not thereafter; the same went for Sweden in 2003, but on this occasion the conflict centred on pay for blue-collar municipal workers; the figures were relatively high for France in 2003 and again in 2005; Spain had a particularly high level in 2004, as did the United Kingdom, albeit to lesser extent; Belgium and Finland had a relatively high level in 2005. Some countries, Latvia and Lithuania for example, are more or less strike-free.

TABLE 3: WORKING DAYS LOST THROUGH STRIKES, 2003–2006

Country	2003	2004	2005	2006
Austria	1,305,466	178	0	0
Belgium	239,344	166,287	669,982	88,941
Cyprus	6,901	9,053	15,339	26,898
Denmark	55,100	76,400	51,300	85,800
Estonia	20,192	1,548	0	5
Finland	66,136	42,385	672,904	85,075
France	4,388,420	724,630	1,754,710	nd
Germany	163,879	50,673	18,633	428,739
Hungary	845	8,022	1,133	15,381
Ireland	37,482	20,784	26,665	7,352
Italy	716,250	611,250	793,500	485,375
Latvia	0	0	0	0
Lithuania	0	0	834	0
Luxembourg	2,800	6,000	0	0
Malta	3,306	1,652	1,341	2,935
Netherlands	15,000	62,200	41,700	15,800
Poland	6,551	358	413	31,400
Portugal	53,370	46,096	27,333	44,222
Romania	22,247	56,891	12,506	24,390
Slovakia	73,000	0	0	19,000
Slovenia	16,765	3,675	36,561	4,208
Spain	789,043	4,472,191	758,854	927,402
Sweden	627,541	15,282	568	1,971
UK	499,000	905,000	157,000	755,000

nd = no data.

There are no figures available for Bulgaria, the Czech Republic and Greece.

Source: EIRO

Any comparisons from one country to other have to be made with great care, because there is no internationally agreed definition of industrial action for statistical purposes. Unlawful strikes are not always reported, for example, nor are strikes in the public sector. Moreover, there is no internationally agreed procedure for collecting strike data.

In addition, these figures do not take into consideration the size of the labour force. If this is taken into account some countries, such as Estonia, Germany, Hungary, Latvia, Lithuania, the Netherlands, Poland and Romania, have relatively low levels, and other countries, such as Belgium, Finland, France and Spain have relatively high levels. Why do workers go on strike? Generally speaking, the most important single issue at the root of strike action is pay, followed by employment, and more specifically, job losses.

Activity

Trade union and industrial relations in EU countries

AIMS

To enable you to:

- observe the development of trade unionism, collective bargaining and strike action in different countries within the European Union

TASK

Examine the figures in this training module and explain why the figures for trade union membership, collective bargaining coverage and strike action in your country are higher and/or lower than those in one of your neighbouring countries.

FURTHER INFORMATION

The European Trade Union Confederation (ETUC) was set up in 1973 to promote the interests of working people at European level and to represent them in the EU institutions. The ETUC's objective is an EU with a strong social dimension that safeguards the wellbeing of all its citizens. At present, the ETUC has in membership 82 national trade union confederations from 36 European countries, as well as 12 European Industry Federations, plus observer organisations in Macedonia, Serbia, and Bosnia and Herzegovina. Other trade union structures such as EUROCADRES (the Council of European Professional and Managerial Staff) and EFREP/FERPA (European Federation of Retired and Elderly Persons) operate under the auspices of the ETUC. In addition, the ETUC coordinates the activities of the 45 IRTUCs (Interregional Trade Union Councils), which organise trade union cooperation at a cross-border level.

The ETUC is one of the European social partners and is recognised by the European Union, by the Council of Europe and by EFTA as the only representative cross-sectoral trade union organisation at European level.

www.etuc.org

PROJECT PARTNERS

	Algemeen Belgisch Vakverbond – Fédération Générale du Travail de Belgique – ABVV-FGTB	www.fgtb.be/
	Algemene Centrale der Liberale Vakbonden van België – Centrale Générale des Syndicats Libéraux de Belgique – ACLVB-CGSLB	www.aclvb.be/
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	European Federation of Food, Agriculture and Tourism Trade Unions – EFFAT	www.effat.org/
	European Metalworkers' Federation – EMF	www.emf-fem.org/
	European Federation of Public Service Unions – EPSU	www.epsu.org/
	European Transport Workers' Federation – ETF	www.itfglobal.org/etf/
	European Trade Union Federation: Textile, Clothing and Leather – ETUF-TCL	www.etuf-tcl.org/
	UNI-Europa	www.uni-europa.org/



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Civil Society Dialogue – Bringing together workers from Turkey and the EU through a shared culture of work

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