

Overview of collective bargaining trends in Europe 2010

EPSU, Brussels, December 2010

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Base: Questionnaire de la CES

- Réponses de plus de 20 pays (tous les nordiques!).
- Ceux qui n'ont pas (encore) répondu.
- Entres autres:
 - Irlande
 - (Grèce)
 - Roumania

Première conclusion

- Partout en Europe, en réaction sur la crise et sur le spectre du chômage, un ralentissement prononcé des salaires négociés

Salaires négociés en Europe

	2007	2008	2009	2010
GE	2,2	2,9	2,6	1,7
NL		3,5	1,7	1
ES	4,2	3,6	2,4	1,3
POL (max increase Tripar)	3,4	6	8	Mechanism liquidated
PT	2,9	2,9	3,1	2,5
Swit	2	2,2	2,6	0,7
BE	1,9	3,5	2,6	0,3
Lux	1,4	1		
HU	8	5,7	3,9	3 to 4
FR	Around 3	Around 3	Around 3	1,09
CZ				2,9

Salaires négociés dans les pays scandinaves

	2007	2008	2009	2010
DK	3,9	3,8	3,2	2,3
SW	2,7	3,3	3	1,75
NW	5,4	6,3	4,2	3,75-4
YS	2,9	5,5	3,5	2,5
FI	2,1	4,2	3,6	1,3

In real terms

	2007	2008	2009	2010
GE	-0,1	0,1	2,4	0,4
ES	1,4	-0,5	2,7	-0,3
PT	0,5	0,2	4	1,5
Swit				
BE	0,1	-1	2,6	-1,3
HU	0,1	-0,3	-0,1	-1,1
CZ				

Deuxième conclusion: La productivité saute dans tous les sens

	2007	2008	2009	2010
DK	-1,3	-3,1	-1,3	-3,5
SW	-0,5	-2,8	-3,6	3
NW	0,5	-0,5	0,3	
YS	3,5	-1,5	-6,8	
FI	3,1	-0,3	-3,5	1,9
GE	1	0,2	-2,2	0,7
IT	2	0	-0,8	6
ES	1,8	2,1	2,7	2,2
PL	2,5	1,7	2,7	2,2
PT	2,5	1,7	1,8	
Swit	4,2	2,4		
BE	3,4	3,4	3,4	0,9
Lux	1,3	-5		

Public sector wage and job cuts

	Pay freeze	Pay cut	Pay reform	Jobs
Bulgaria	2011 – 2013	2010 10%	2010	More than 10%
Croatia		2009 -6%		
CZ		2011 – 10% for total wage bill (-30% off the wage if long tenure)		
Greece	2009 – 2012	2010: -20%	2010	No recruitment in 2010. Replace one in five from 2011 to 2013.
HU		2009:13th month		
Ireland		2009: -5% and - 5 to – 8%	2009-2010	

	Pay freeze	Pay cut	Pay reform	Job cuts
Poland	2011			10%
Portugal	2010-2013	2010- 2011: - 10% if wage over 1500 euro		
Romania	2009	2010:-25%	2009-2010	Replace 1 in 7(250.00 to be fired)
Slovakia		2010: - 1%		
Spain	2011	2010: - 5%		
Slovenia	2011		Former agreement to raise public pay was cancelled in 2010	
Germany		2011: - 2,5%		10.000 jobs to go by 2014
Fr	2011-2013	Levy for pensions		
Lux	2010 for central administration			

Public sector wage and job cuts

	Pay freeze	Pay cut	Pay reform	Job cuts
Estonia		2010:-8 (through cuts in bonuses)		
Lithuania		2010: - 8 to 10% /temporary/ not on base level pay		
UK	Two years			490.000

Réformes des systèmes de négociation collective: Les clauses d'ouverture

- Germany: already existing since 'Pforzheim' agreement, used in the 2004 Siemens case and many others.
- New trends:
 - Greece: Favourability principle abolished: Labour contracts may now provide a lower wage than the sector or national agreement.
 - Greece :Unilateral recourse (from trade union side) to mediation and arbitration would be abolished (under discussion).
 - Spain: Increased possibilities for companies not to apply the sector agreement (reference to 'situation and perspectives of the company'). Power position of company management is increased by this.
 - Italy: Fiat management announced to break up the sector agreement in one industrial plant, transferring labour contracts to a new legal entity (follows from the 2009 national agreement on the reform of collective bargaining?)
 - Estonia: New labour law act ('flexicurity' reform)now provides for a few minimum standards, rest is to be negotiated in the individual labour contract. Result was that companies cut wages and shortened working time...all on an individual basis. If workers did not accept, they were fired (at lower cost).
 - Pl: suspension of obligation to negotiate each year/ Tripartite setting of maximum wage increases that are to be negotiated abolished
 - BU: In two thirds of sector agreements exist an opening clause with wages not to fall below 60 or 70% and with interest to be paid on the wage amount that is due.

Attaques sur le salaire minimum

- France: No extra push when increasing the minimum wage. Delay of minimum wage increase in time to deconnect sector/company bargaining from it.
- CZ: Last indexation of minimum wage was in 2006
- BU: Stagnation of minimum wage in 2010 (2009 also stagnation) . Fallen from 42 % of average wage in 2007 to 37,4%.
- Greece : New entrants in the labour market under age of 25 receive only 84% of the (minimum) wage set by the collective agreements in the sector (also long term unemployed?)

Réduire le 'salaire de réserve': Réduire les indemnités de chômage...

- DK: Max duration from 4 to 2 years/becomes harder to re earn right to unemployment benefits..
- SW: Lower benefits, higher fees. Fees depending on unemployment risk in sector.
- GE: Benefit cuts for long term unemployed
- Swits: Duration reduced, job suitability criteria strengthened.
- Spain: TAW agencies get a say in granting benefits to workers.

... mais aussi quelques réformes plutôt postifs....

- PT: Support if employers hire 6 month duration unemployed and older workers in a permanent contract.
- Ic: More ALMP's to keep unemployed connected to the labour force/ Short time work introduced/ Expect to extend duration of benefits from 3 to 4 years.
- BE: Increase in benefits for new unemployed.
- Pl: Higher benefits in first 3 months, max duration 6 to 12 months
- IT: Short time work extended to more sectors and workers

EPL reform

- SW: Consecutive fixed term contracts for a longer period of time
- GE: Prolonging use of FTC's through collective bargaining
- IT: Intervention on 'arbitration' in labour relationships
- PL: No EPL reform but a crackdown on workers' representatives in works councils and supervising company boards
- Slovenia: « Mini » jobs were introduced, these drive out regular job contracts.
- Lithuania: Untill end 2012, possibility of using fixed term contracts for work of a permanent nature, limited to new created jobs. Also: possibility to strike at branch level was introduced.

EPL reform

- Spain: Easier to fire 'permanent' workers : 'Objective' grounds for dismissal have been clearer defined (actual or foreseen losses, persistant fall in income), thereby reducing the role of labour courts, the level of redundancy compensation while accelerating the proces in time.
- Spain: Profit seeking temporary work agencies are legalised and allowed to work in the public sector.
- Estonia: Advance notification reduced from one month to 2 weeks, redundancy fee reduced from 2 to 4 months to one month. In return, longer benefit payments but these were reduced in the end.
- Greece:
 - Prohibtion of TAW in public sector is lifted incae it concerns older long term unemployed or job programmms of a social nature.
 - Definition of collective dismissal becomes stricter.
 - Period of advance notification is halved.
- CZ: Reform expected in 2011; will reduce workers' protection.
- BE: Collective suspension of labour contracts (introducing short time work for white collar workers)/ Collective redundancy fee of 1600 for blue collar workers/ Credit time crisis/ Incentives to negotiate working time reduction.
- BU: 'Security through law, flexibility through collective bargainingg : Project with EU Commission

Role of Social Dialogue in reforms

- DK: Trade unions refuse tightening of benefits
- SW: No social dialogue
- IC: Most reforms are outcome of SD
- GE: No SD
- It: Poor SD
- Spain: sharp turn in governmental positions has also radicalised employers' positions. No possibility for social dialogue to do corrections.
- PL: Discussion in tri partite council took place
- PT: Discussion inside Committee on SD
- Switz: No SD. Trade union launches referendum on benefit reform
- BE: Consultation of social partners, some measures can only be implemented through collective agreements
- FI: Deals were struck
- BU: Crisis agreement foresaw to increase MW, this was not respected. No big impact of SD. However, some trade union proposals were accepted (benefits for short time work, increase unemployment benefit to 60% of lost wage, delete benefit ceiling)
- Lux: Dialogue failed, unions mobilizing against austerity program decided by government
- Estonia: Flexicurity deal not respected, security part was renounced
- Slovenia: Social Dialogue is 'dead'. Government precludes solutions that work for all.
- Lithuania: National agreement to accept public sector wage cut in return for government not reforming labour law. Government did not respect the latter.
- Ireland: Croke Park deal accepted temporary public sector wage cuts.

Impact of reforms on....

	Inequality	Poverty	Security
Dk	up	up	Down
SW	Up (long run)	up	Up but through wage cuts
YS	down	down	Up
FI	stable	down	more
GE	23% low wages		33% precarious work
IT	Up	Up (especially in South)	Down
Swits	CEO pay is real problem		down
Fr	Top decile progresses	Two lower deciles increase a bit faster	Middle class hollowed out
CZ	Gender gap to increase	To increase gradually	

Impact of reforms on...

	Inequality	Poverty	Security
BU	Up	Up	Down
Lux	stable	Up	stable
Spain	Up	Up	Down
Estonia			Down
Slovenia	Up	Up	Down
Lithuania		up	Down

Les perspectives futurs, vues du côté des syndicats

	Wage dynamics	Technique of cutting wages
FI	Up	Economy goes up, so not likely
DK	Up	Not applicable
SW	?	Not applicable
NW	Down	Not applicable
YS	Up	Recovery will limit use of wage cuts
GE	Up (see metal agreement 2,7%)	Risk for public sector bargaining 2011 plus in weak sectors
PL	Same	No, shortage of skilled workers
IT	Same or slightly up	
PT	Same	Will continue and worsen, especially in textiles construction, automobile

Perspectives

	Wage dynamics	Cutting wages
Fr	Past: substantial reduction in variable pay.	Some companies do this, does not happen at sector level
CZ	To weaken	Public sector
BE	Same or down	Marginal phenomenon
BU	Stagnation in private sector, stagnation of minimum wages	Possibility of wage cuts in public sector.
Lux	Same (ie stagnation)	Sector barema's are being questioned in banking, industry, childcare,...
Spain	Cuts in public sector wages will have effect on private sector wages	
Estonia	3 to 5% but probably through variable pay, not	

Une grande incertitude qui reste

- Qu'est ce qui se passe si l'économie ralentit de nouveau ?
- Qu'est ce qui se passe si la gouvernance des sanctions économique commence à discipliner les salaires ?
- Danger de spirals compétifs salariales n'est pas totalement exclus.