



Quality at work and workers' rights: how can industrial relations contribute to better jobs?

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IRES

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Quality of Industrial Relations

A multi-dimensional issue:

- Capacity to find workers' consensus, especially in the broader context of managing change
- A higher degree of workers' participation
- Industrial Democracy

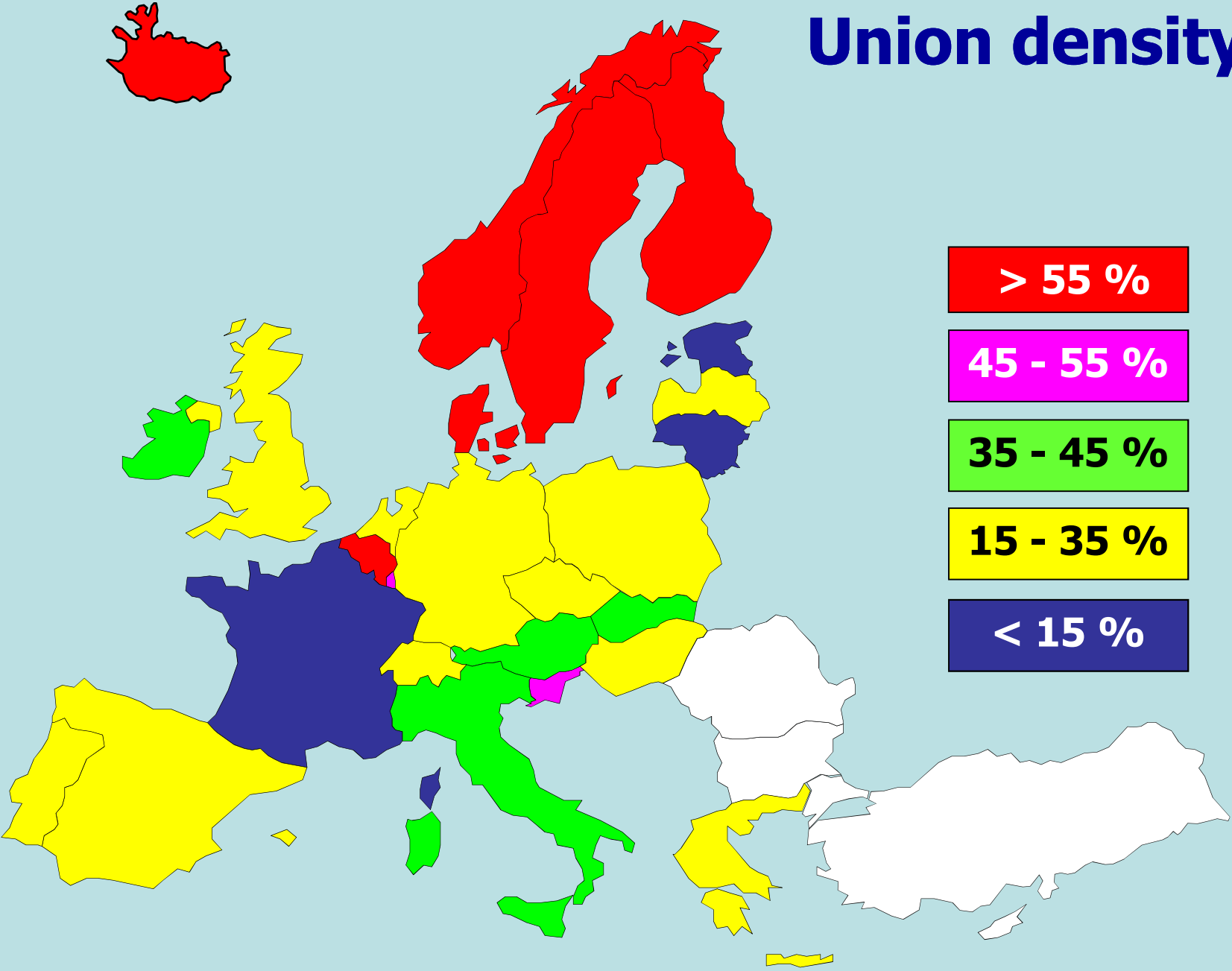
More **equity** in the employment relationships and more **efficiency** in the company's performances

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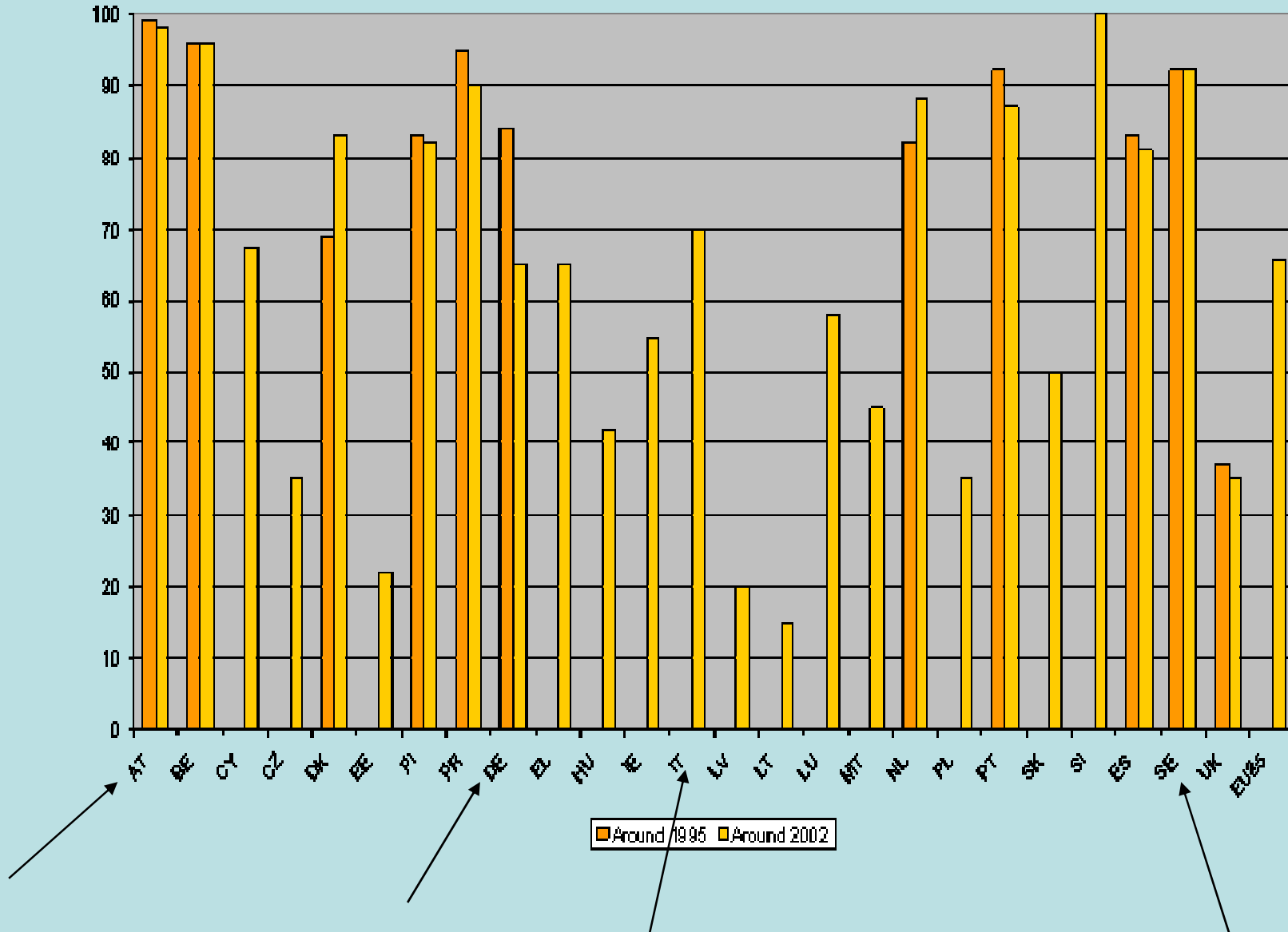
Indicators

- Respect of fundamental rights (freedom of association, right to collective bargaining, information/consultation, strike)
- Levels of union density
- Extention of the collective bargaining coverage
- Workers reps recognition at the workplace
- Certainty/effetiveness of the workers rights

Union density



Collective bargaining coverage in the EU25



Prescribed threshold for establishing workers/unions reps

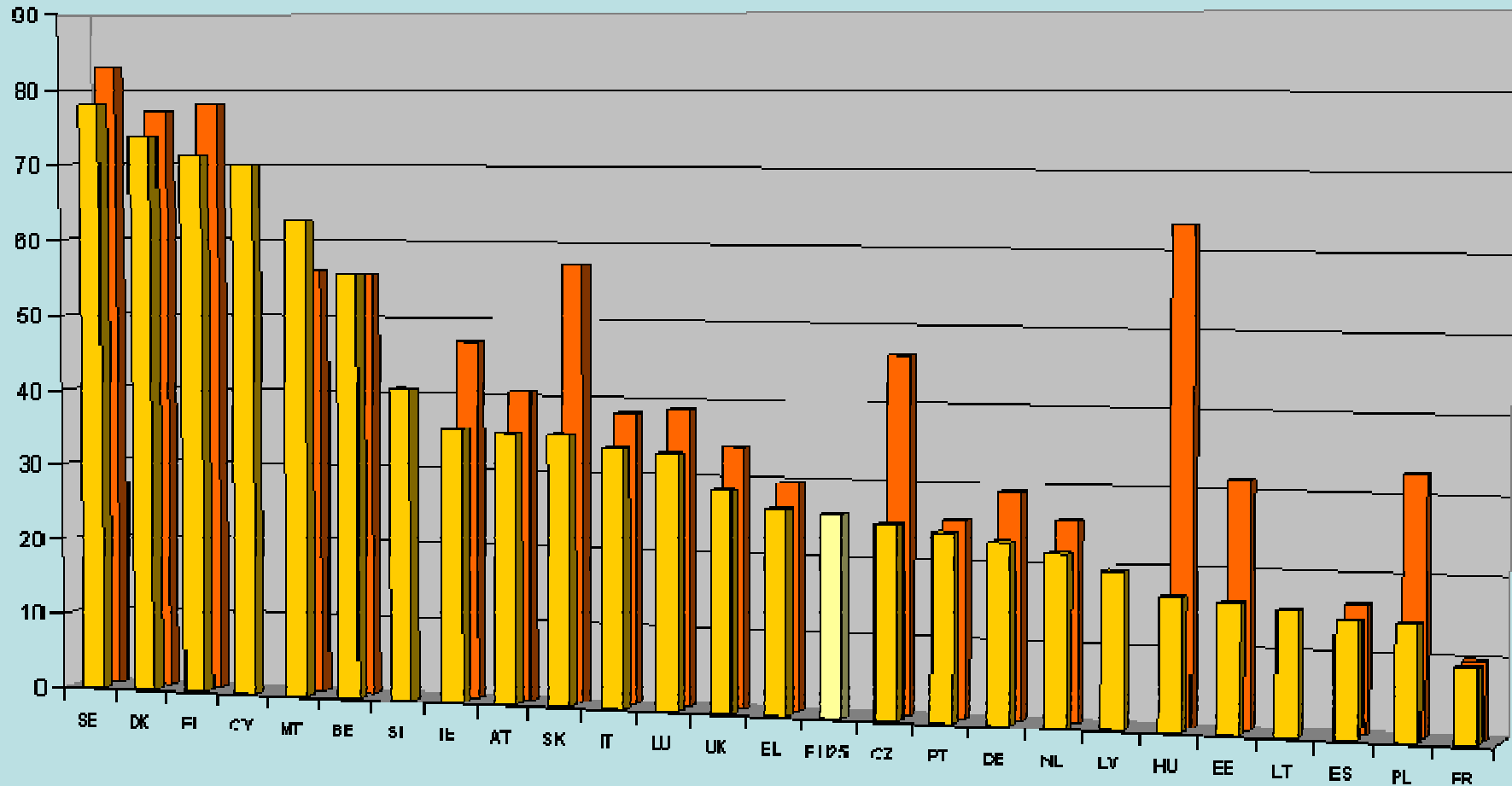
- In all firms
 - Finland (1), **Sweden**
- from 5 employees
 - **Germany(2), Austria, Cyprus (S)**
- from 10 employees
 - Cyprus (N)
- from 15 employees
 - **Italy, Romania**
- from 20 employees
 - **Slovenia,**
- from 35 employees
 - Denmark
- from 50 employees
 - Greece, Spain, France, Netherlands, Hungary
- from 100 employees
 - Belgium
- from 150 employees
 - Luxembourg
- no obligation: by voluntary agreement
 - Ireland, United Kingdom, Estonia, Portugal, Czech Republic, Slovak Republic, **Bulgaria**, Turkey, Malta
- on request
 - **Lithuania, Latvia, Poland**

Table 2.2: Industrial relations regimes or arrangements

	North	Centre-west	South	West	Centre-east
Production regime	Coordinated market economy		Statist market economy	Liberal market economy	Statist or liberal?
Welfare regime	Universalistic	Segmented (status-oriented, corporatist)		Residual	Segmented or residual?
Employment regime	Inclusive	Dualistic		Liberal	
Industrial relations regime	Organised corporatism	Social partnership	Polarised/state-centred	Liberal pluralism	Fragmented/state-centred
Power balance	Labour-oriented	Balanced	Alternating	Employer-oriented	
Principal level of bargaining	Sector		Variable/unstable	Company	
Bargaining style	Integrating		Conflict oriented		Acquiescent
Role of SP in public policy	Institutionalised		Irregular/politicised	Rare/event-driven	Irregular/politicised
Role of the state in IR	Limited (mediator)	"Shadow of hierarchy"	Frequent intervention	Non-intervention	Organiser of transition
Employee representation	Union based/high coverage	dual system/high coverage	Variable (*)	Union based/small coverage	Union based/small coverage
Countries	Denmark Finland Norway Sweden	Belgium Germany (Ireland) Luxembourg Netherlands Austria Slovenia (Finland)	Greece Spain France Italy (Hungary) Portugal	Ireland Malta Cyprus UK	Bulgaria Czech Republic Estonia Latvia Lithuania Hungary Poland Romania Slovakia

Source: J. Visser, extended on the basis of Ebbinghaus and Visser (1997); Crouch 1993; 1996; Esping-Andersen (1990); Schmidt (2002; 2006); and

Trade Unions in Europe: 1995-2006



	SE	DK	FI	CY	MT	BE	SI	IE	AT	SK	IT	LU	UK	EL	EU25	CZ	PT	DE	NL	LV	HU	EE	LT	ES	PL
1995	78	74	71	70	63	56	41	36	35	35	34	34	29	27	27	22	21	20	19	16	12	11	10	9	8
2006	83	77	70	58	56	56	47	41	41	57	30	38	34	30	30	46	25	25	23	20	63	28	17	17	16

Union density rate 1970-2006: a downward trend

Year	Sweden	Italy	UK	Germany	Spain	France	USA
1970	67.7	37.0	44.8	32.0		21.7	23.5
1980	78.0	49.6	50.7	34.9	12.9	18.3	19.5
1990	86.0	38.8	39.3	31.2	12.5	10.1	15.5
2000	79.1	34.9	29.7	25.0	16.1	8.1	12.8
2006	77 (73% in 2008)	34	27 (2008)	23 (18% in 2008)	15	10-8	12.3

J. Visser, *Union membership statistics in 24 countries*, in “Monthly Labor Review”, 2006.

Recent trends

Sweden: - 4% in just one year

Germany: - 300.000 members a year



Trade unions membership in Italy: 1980-2007

Year	CGIL	CISL	UIL	Total
1980	4.599.050	3.059.845	1.346.900	9.005.795
1990	5.150.376	3.508.391	1.148.758	10.144.525
1998	5.231.360	3.847.388	1.603.940	10.682.688
2007	5.659.942	4.346.952	1.733.375	11.731.269

- 5.964.166 – 51% = active workers
- 5.767.103 – 49% = retired workers

11.731.269 total members

The main causes of the unions density decline

- 1) The sunset of the sectors/branches where the unions settlement had been traditionally much stronger -> the private tertiarization of the employment
- 2) Expansion of the SMEs
- 3) The traditional juridical partition between the autonomy of the self-employees and the subordination of the dependent workers is now eroded by the huge increase of a grey zone in the middle
- 4) A deep and broad cultural change; “de-traditionalisation of the social links”; individualisation of the styles of life; the death of the old ideologies of ‘900; the crisis of the traditional cultures of solidarity

What the workers expect from the unions?

- Better wages
- More job stability
- More income security

Which policies?

- Stop precariousness
- Collective bargaining on the formation of wages
- Recast the welfare system

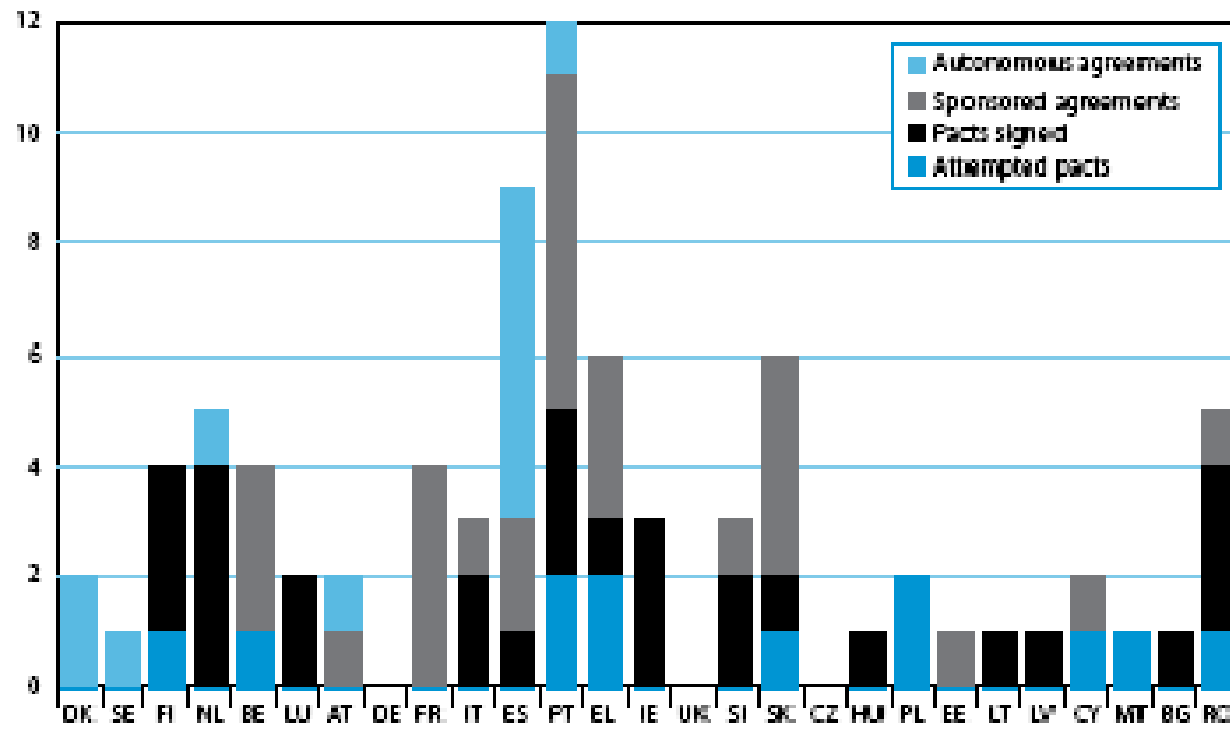
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Flexicurity and role of the national social dialogue

- 1) Important reforms (pensions, labour market, industrial relations) have been based on bipartite social dialogue and/or tripartite social pacts;
- 2) Social partners are often involved in the co-management of the national welfare schemes (i.e. joint labour market boards, unemployment insurance funds, training councils, complementary pension schemes, local welfare);
- 3) Collective bargaining/bipartite agreements: a key tool to introduce and manage flexibility at the workplace level (internal/numerical/wage).

Chart 2.1: Social pact activities 2000 - 07



Source: ICTWSS database.

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Social pacts in Italy

Since the early 90s, there is a long and intense season of social pacts.

The basic norm of the i.r. system is not a law but still the tripartite social pact of **July 1993**

In **July 2007**, the Italian government signed a social pact with the trade unions concerning pension reform, social security, flexible employment contracts, competitiveness, young workers and women.

In **January 2009** a new social pact was signed by the new government and all the social partners, except the largest union: the CGIL.

The reasons:

- the new method to calculate the wage dynamic;
- the introduction of “exit clauses” from the national sector collective agreements;
- the limitation of the right to strikes to the main organisations only.

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The slow erosion of collective bargaining. Towards a European convergence?

Symptoms:

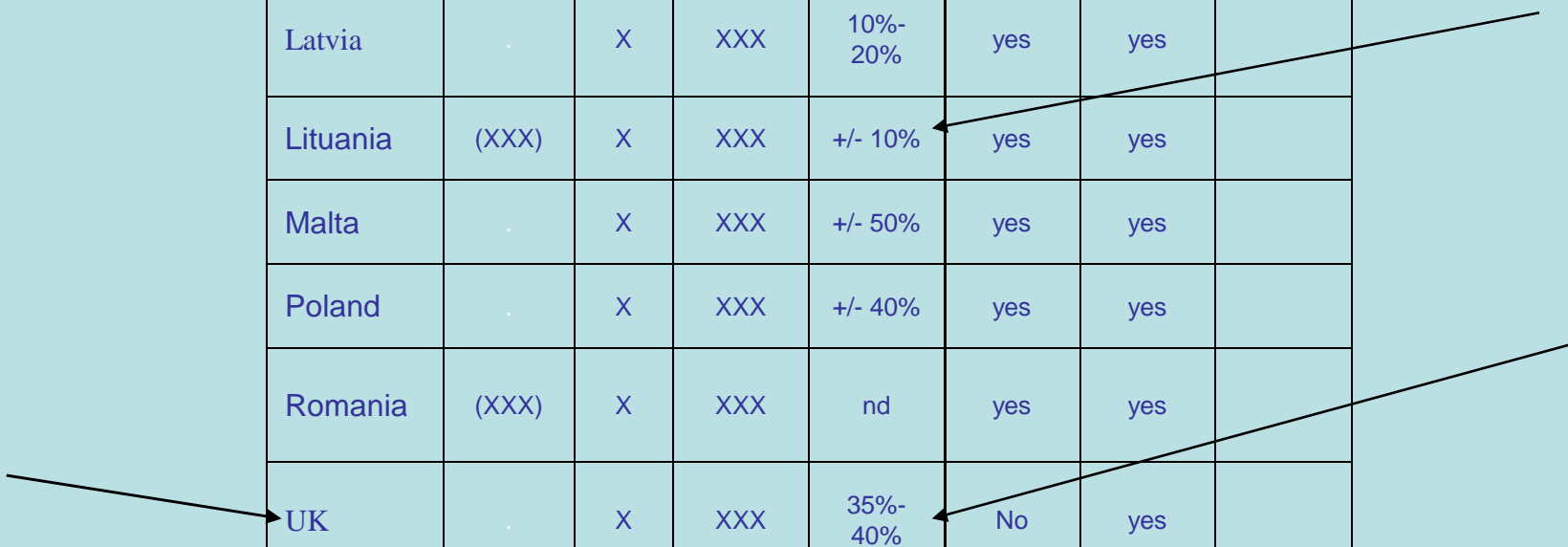
- *Contents:* concession bargaining
- *Levels:* decentralisation
- *Actors:* individualization

Levels of collective bargaining and coverage (in %), tripartite concertation and minimum wage (EIRO/IRES)

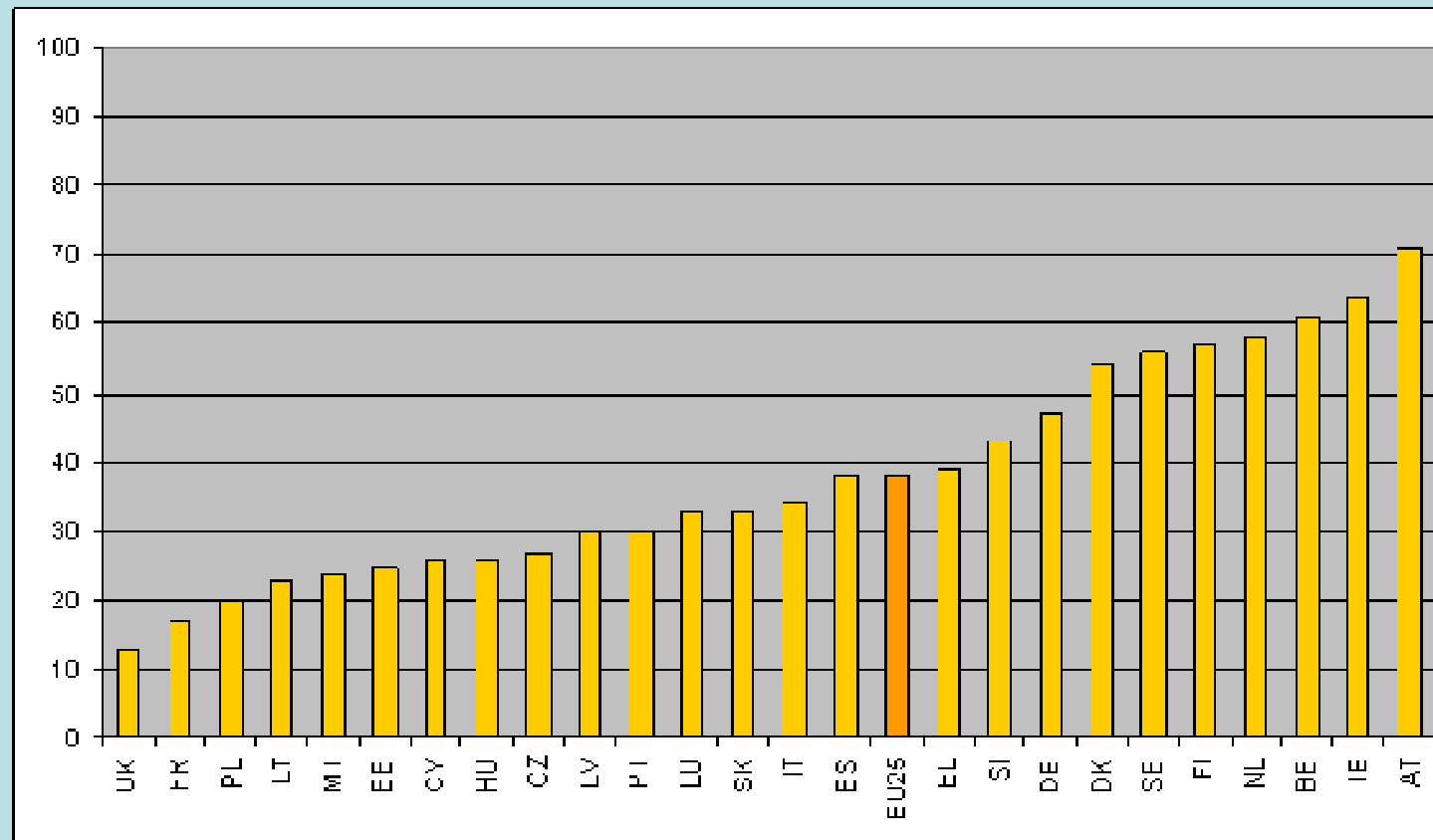
	Levels of collective bargaining			Coverage	Influence of the tripartite concertation	Statutory minimum wage
	Multi-sector level	Nat. Sector Level	Company level			
Dominant multi-sector level						
Belgium	XXX	X	X	> 90%	yes	yes
Finland	XXX	X	X	+/- 85%	yes	No
Ireland	XXX	X	X	+/- 45%	yes	yes
Slovenia	XXX	X	X	> 95%	yes	yes
Dominant national sector/branch level						
Austria		XXX	X	> 95 %	No	No
Bulgaria	X	XXX	X	25%-30%	yes	yes
Denmark	X	XXX	XX	+/- 80%	No	No
Germany*		XXX	X	+/- 65%	No	No
Greece	(XXX)	XXX	X	60%-70%	No	yes
Italy	XX	XXX	X	+/- 85%	Yes	No
Holland	X	XXX	X	+/- 80%	yes	yes
Norway	XX	XXX	X	70%-75%	yes	No
Spain	XX	XXX	X	+/- 80%	yes	yes
Slovakia		XXX	X	+/- 40%	yes	yes
Sweden		XXX	X	> 90%	No	No



Without a clear dominant level							
France	X	XX	XX	+/- 90%	No	yes	
Company dominant level							
Cyprus		X	XXX	27%	No	No	
Czech. Rep.		X	XXX	25%-30%	yes	yes	
Estonia	(XXX)	X	XXX	20%-30%	yes	yes	
Hungary	(XXX)	X	XXX	+/- 35%	yes	yes	
Latvia		X	XXX	10%-20%	yes	yes	
Lituania	(XXX)	X	XXX	+/- 10%	yes	yes	
Malta		X	XXX	+/- 50%	yes	yes	
Poland		X	XXX	+/- 40%	yes	yes	
Romania	(XXX)	X	XXX	nd	yes	yes	
UK		X	XXX	35%-40%	No	yes	



Degree of collective bargaining centralisation (Visser; Iversen)



“There is no progress towards social Europe without the capacity of the trade union movement to project its initiative on a European scale and increase the ETUC’s role as the unitary actor of this scheme.”

Emilio Gabaglio

(ex General Secretary of the ETUC/CES)

Towards a Europeanisation of Industrial Relations?

Sectoral social dialogue and cross-border agreements

- The European sectoral social dialogue is relatively developed, with almost 500 joint texts but only a few agreements
- Some sectors are very active at the level of European Industry federations, giving guide-lines for the co-ordination of the domestic collective bargaining or in the negotiation of agreements in some big TNCs.
- The Italian trade unions are in the ETUC's front line in order to favour the evolution of the information and consultation rights towards a proper collective bargaining system at European level.

New forms of governance at company level

- Codes of conduct (50) and international framework agreements (53)
- The power to sign agreements at European level continues to be a very difficult objective. The employers' associations are firmly against and also some national unions are quite sceptic

The EWCs.

Between (a few) lights and (many) shadows

- the EWCs: the broadest and most significant experience of European industrial relations.
- 15 years after the Directive 94/45 only one third of the TNCs responding to the Directive's (900) requisites have established their EWCs.
- Where established, the information is given late and the real consultation quite rare.

Workers' participation and quality of work and industrial relations

The main questions:

a) Does workers participation in the management of innovation – by means of the collective rights of information/consultation/co-determination – increase and improve quantity and quality of the production, and improve the employees satisfaction at work?

B) If yes, which are the necessary conditions to make it effective such a participatory rights?



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- Technique of human resource management
- *Valorisation of the work and human promotion of the worker*
- Reduction of the alienation
- Emancipation from object to subject of the production
- Reduction of the industrial conflict and integration of the working class,

Participatory Democracy and its conditions

The power to influence firms' decisions will depend on:

- The type or *class of decision* (operative, administrative, strategic)
- The *decision level* of participation (workplace, company, group/board of administration);
- The *timeliness* when the information is disclosed and consultations begin and if they will focus on problem setting or solving;
- The *degree of formalisation* with which these prerogatives become regular, certain, pre-emptive and legally claimable.

Semantic and political shift

