

# New framework for collective bargaining



Funded by the European Union



# What is collective bargaining?

Negotiations between worker and employer representatives aiming at the signing of collective agreements (written letter – minutes)

# What are collective Agreements?

Written agreements between trade unions and employers or between a trade union and an employer concerning the terms of the work.

# What do collective agreements cover?

The minimum salaries and wages, the rights and duties of both parts. They complement the respective laws.

# Question

Which is the relation between the minimum salary and the actual salary in your country and in the company, the workers of which you represent? How was this relation evolves the last years?

# Which is the legal framework for collective bargaining?

- National legislation
- EU legislation (article 28 of the Charter of Fundamental Rights of the European Union)
- International Law (UN, International Labour Office)

# Article 28 of the Charter of Fundamental Rights of the European Union

Workers and employers, or their respective organisations, have, in accordance with Union law and national laws and practices, the right to negotiate and conclude collective agreements at the appropriate levels and, in cases of conflicts of interest, to take collective action to defend their interests, including strike action.

# Article 27 of the Charter of Fundamental Rights of the European Union

Workers or their representatives must, at the appropriate levels, be guaranteed information and consultation in good time in the cases and under the conditions provided for by Union law and national laws and practices.



# Question

What is the difference between articles 27 and 28 of the Charter of Fundamental Rights of the European Union?

## Question

What is the difference between negotiations and information and consultation procedures?

# Question

What is the difference between collective agreements and social dialogue?

# Types of collective agreements

- National general collective agreement
- Profession based
- Company based
- Sector

# Question

Which is the process of signing a collective agreement?

- Greece
- Spain
- Italy

# Main principles of the collective agreements

Ευμενέστερη ρύθμιση, υποχρεωτικότητα

- Greece
- Spain
- Italy

# Arbitration and mediation

- Greece
- Spain
- Italy

# Spain

- Economy
- Collective Agreements
- Worker representation
- Negotiation subjects
- Legislation and worker-employer agreements



# Spain - Economy

- The economy is based on tourism, on industry and, before, on the construction sectors
- 25% of new job positions from 1998 to 2007 were in constructions
- High unemployment, mainly youth unemployment
- High percentage of precarious jobs

## Spain – Collective Agreements

- Sector (national) 1,6% covering 26,8% of workers
- Local 18% covering 52,7% of workers
- Company-based 78,1% covering 11% of workers
- Regional covering 9,3% of workers

# Question

## Spain – Worker representation

- Who does represent workers?
- What is the structure of the trade union movement?

# Spain – Negotiation subjects

- Not salaries but guidelines
- Work contracts (precarious jobs)
- Training, equality, Εκπαίδευση, ισότητα, motherhood
- Lowest salary (about 800 Euro?) is determined by the government

## Spain – Workers/employers Agreements

- National collective agreement since 2002
- Law 2007 (precarious jobs in the public sector)
- Agreement of 2007 about corporate social responsibility
- Agreement of July 2008 about facing the crisis
- Agreement of February 2010 (power for 3 years)
- Agreement of February 2011 (pensions – employment)
- Law 2011 about company-based agreements

# Italy

- Economy
- Collective Agreements
- Worker representation
- Negotiation subjects
- Legislation and worker-employer agreements

## Italy - Economy

- Economy is based on tourism, industry and design
- High public debt
- Trade surplus
- Tradition in the products of high aesthetic products

# Italy – Collective Agreements

- Sector (national)
- Company-based (and local)
- They are ruled by a Law of 1993 revised in 2009



# Question

## Italy – Worker representation

- Who represents workers?
- Which is the trade union structure?

# Italy – Legislation and worker/employer agreements

- 1993 Law about collective bargaining
- These last years employers (Confindustria) promote company-based agreements
- 2009 Agreement of employers with CISL, UIL, UGL (not CGIL)
- 3 year duration instead of 2 year one, raises of salary related with the European inflation (not the national one), information 6 months before the collective agreement expires

# Italy – Negotiations subjects

- At sector level (Salaries – protection from inflation, precarious employment, training, health and safety, working hours and holidays)
- At company level (raise of productivity and its distribution)

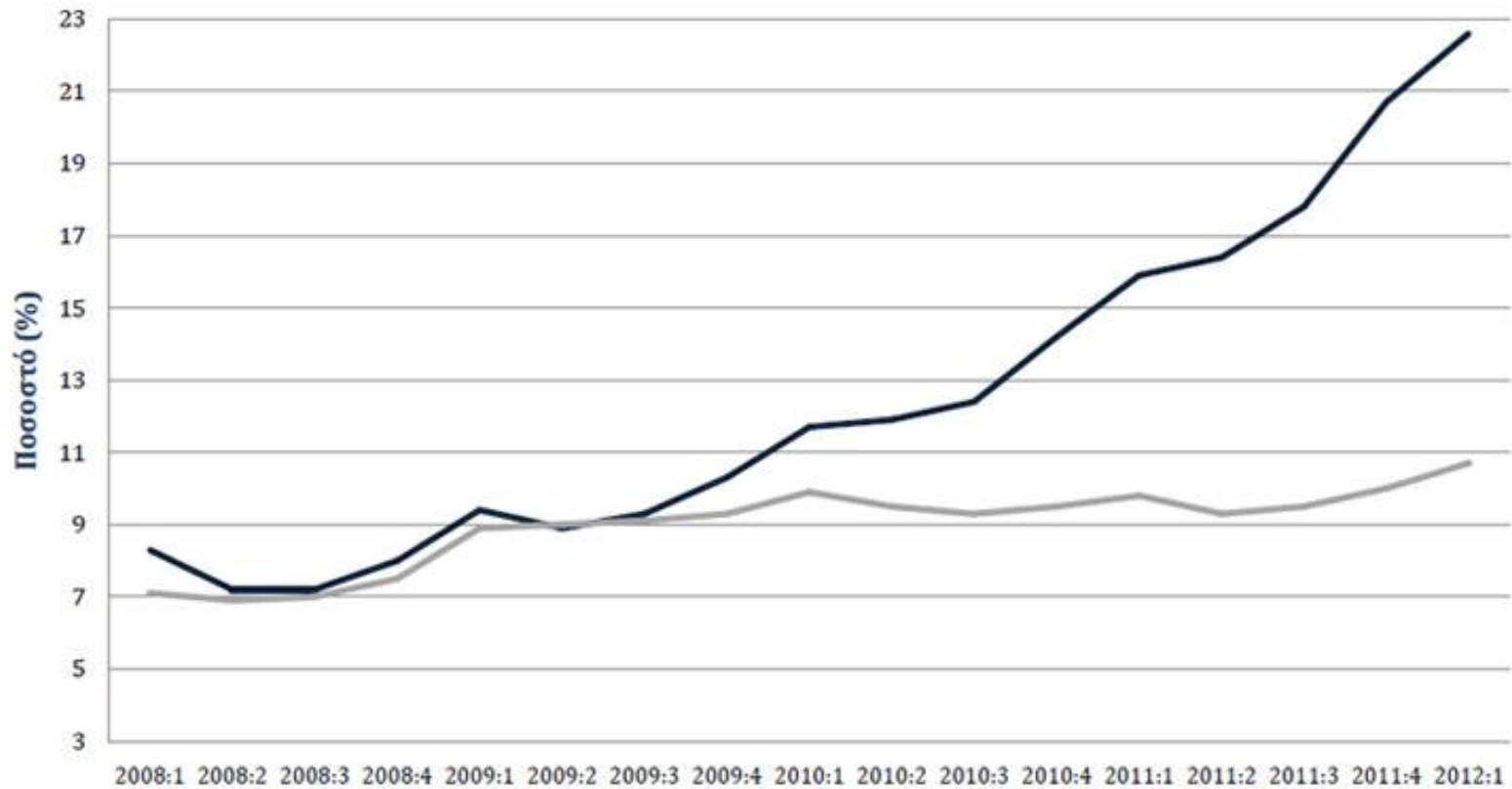
# Greece

- Economy
- Collective Agreements
- Worker representation
- Negotiation subjects
- Legislation and worker-employer agreements

# Greece- Economy

- Based on tourism and services
- High public debt and unemployment
- Troika-Memoranda

Ποσοστό (%) ανεργίας, Ελλάδα και ΕΕ-15, 2008:1-2012:1



Πηγή: Eurostat (πρόσβαση: 9/2012)

— Ελλάδα

— ΕΕ-15

ΠΑΡΑΤΗΡΗΤΗΡΙΟ ΙΝΕ ΓΣΕΕ

## Unemployment rates Greece-EU

# Greece- Collective Agreements

- National general working agreement
- Profession-based
- Company-based
- Sector

# Greece – Worker representation

- One trade union, one local Labour Centre, one Federation, one Confederation
- There are nearly no works councils. Workers are represented in their workplaces by the respective trade unions



# Greece – Negotiations subjects

- Minimum salaries and wages
- The National collective agreement acts like a guideline
- Work conditions and terms
- Rights and duties

# Greece – Legislation (1)

- Law of 1982 about trade union freedom
- Law of 1990 about mediation and arbitration (establishment of OMED)
- Law 2008 about motherhood
- Law 2008 about public companies
- Laws of 2010-2012 about part-time employment, rotation of employment, fixed-time employment, facilitation of redundancies, tele-working

## Greece – Legislation (2) Changes in 2010-2012

- **Ευνοϊκότερη συλλογική σύμβαση εργασίας**
- Possibility of declaring collective agreements to be mandatory
- Maintain the validity of collective agreements after they expire
- Unilateral recourse to arbitration
- Reduction of minimum salary from 750 Euro to 586 Euro (511 Euro for young persons under 25 years old)

## Greece – Legislation (3) Changes occurred in 2010-2012

- Reduction of employment and salaries in the public sector
- Facilitation of redundancies
- Promotion of flexible employment forms
- Dismantling of collective bargaining
- Salary reduction in the private sector (freezing salary raises, elimination of mandatoriness, business contracts, aftereffect, recourse to arbitration, individual contracts)

# Greece – Results

- Salary, demand and GNP (-23%)
- Raise of unemployment to 25% (50% for young workers)
- Unfavorable work conditions (insecurity, part time employment, job rotation)
- Migration
- Changes in the Labour Law- new working relations

# Greece – Europe - Alternatives

- Change of production model from labour intensive to new technologies-innovations-services
- Investments
- Protection from redundancies – labour rights – application of European Law
- Reinforcement of control mechanisms
- Application of the labour Law on the flexible employment forms as well
- Reinforcement of workers collective actions
- Improvement of European and national Law


# Opinions on collective agreements (1)

- Collective bargaining raises the labour cost and hinder the regulation of the labour markets
- Reduction of worker rights in collective bargaining
- Transfer of collective bargaining from the central level to company based and local levels.

## Opinions on collective agreements(2)

- The freedom to be trade unionised and the right to collective bargaining are fundamental principles and rights of the workers in their job
- Balancing the power of employers
- Improvement of working conditions
- Improvement of the economic situation of workers





What is the situation today as far as labour and capital are concerned?

- Decrease of the percentage of workers participation in trade unions
- Decrease of the percentage of workers that are covered by collective agreements
- Greater mobility of the capital

# Why collective bargaining has positive results?

- It improves working conditions
- It protects workers
- It improves productivity
- It facilitated adaptation of companies to change

# Collective bargaining is the same in all countries?

- Countries with tradition in work relations (collective bargaining, consultation, social dialogue, European social model)
- Countries with tradition only in collective bargaining
- Countries with “imported” work relations

The above limits are not always visible

# Question

- What will be the form of work relations in 2020?

# Question 9

What changes do you preview as far as the following subjects are concerned in 2020?

- Fixed, precarious and part-time employment
- Salaries and wages
- Black employment
- Work conditions
- Redundancies
- productivity

# Question

Which changes do you preview in the following processes for?

- Collective bargaining process
- Information and consultation process

# Unfavourable Labour Law. Why?

- Will reduction of salaries produce profits to companies, hence investment, hence development?
- Will development of new forms of employment (job rotation, part-time employment, precarious employment etc.) reduce labour cost for companies?