NEGOTIATING THE NEW WORLD OF WORK – WHAT ROLE FOR COLLECTIVE BARGAINING?

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Content:

1. Current status of collective bargaining in Europe

2. New challenges for collective bargaining – the impact of digitalisation

3. Meeting the challenges of digitalisation – some insights into the German discussion

4. Conclusion: What role for collective bargaining under digitalisation?
1. CURRENT STATUS OF COLLECTIVE BARGAINING IN EUROPE
Collective Bargaining Coverage 2013
covered workers in % of all workers

AT  FR  BE  FI  SE  NL  DK  IT  ES  NO  PT  SI  HR  LU  DE  CH  CZ  CY  EL  RO  IE  UK  BG  HU  SK  EE  LV  PL  LT
98  98  96  93  89  85  84  80  79  70  67  65  60  59  58  51  48  43  40  35  32  30  29  25  25  23  15  15  10
Current status of collective bargaining in Europe

Large differences in …

• **national** bargaining coverages
• **sectoral** bargaining coverages: public services/manufacturing vs. private services
• the bargaining coverage of **larger and smaller companies**

Politics and institutions matter
for the strength of the bargaining system !!!

Challenge to strengthening collective bargaining
and to increase bargaining coverage
Collective bargaining coverage and wage inequality (D9 in % of D1), 2012

Wage Inequality

Bargaining Coverage

r = -0.773

USA

Germany

Poland

UK

Lithuania

Estonia

Hungary

Ireland

Czech Rep.

Slovakia

Latvia

Greece

Switzerland

Austria

Belgium

France

Italy

Sweden

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2. NEW CHALLENGES FOR COLLECTIVE BARGAINING – THE IMPACT OF DIGITALISATION
Digital capitalism

Digitalisation is

- inextricably linked with the process of **capitalist rationalisation**
- **driven** by the aim to reduce costs and to maximise profits and
- **not driven** by the aim to improve working and living conditions

The impact of digitalisation depends on

- **power relations** at both workplace and political level
- **efficient regulation** (by law/collective agreements) which secures workers interests
New challenges for collective bargaining

The impact of digitalisation

Content of collective agreements

• New forms of work and working time (e.g. home work)
• Qualification
• Health at work
• New workers rights

Coverage of collective agreements

• Growing numbers of freelances or solo self-employed working as cloud or crowded workers
3. MEETING THE CHALLENGES OF DIGITALISATION – SOME INSIGHTS INTO THE GERMAN DISCUSSION
Collective bargaining coverage in Germany
workers covered by an agreement in % of all workers

West
East

WSI
29.06.2016 Dr. Thorsten Schulten
Strengthening of German collective bargaining

CDU/CSU and SPD Coalition agreement (2013)

“We want to strengthen … collective bargaining coverage and compliance with collective agreements”


• Introduction of a minimum wage,
• Relaxation of the rules for extension of collective agreement

Changes in the German Working Time Act (planned)

• More flexibility, but only on the basis of collective agreements
Meeting the challenges of digitalisation – Some insights into the German discussion

German Ministry of Labour
Green Book on “Work 4.0”

- Broad social dialogue on the future of work
- End of 2016: White book with concrete legal measures
- Establishment of a new social compromise on flexibility at work
Meeting the challenges of digitalisation –
Some insights into the German discussion

German Employers’ Associations (BDA)

• No further regulations of work
  (e.g. regarding non-permanent contracts or agency work)

• More working time flexibility
  (e.g. regarding the maximum daily and weekly length)

• Limitation of co-determination rights
  for works councillor when they defer decisions
  (e.g. introduction of new IT-Systems)

• No extension of employees’ rights to freelancers
Meeting the challenges of digitalisation – Some insights into the German discussion

German Trade Unions (DGB)

- New compromise on flexibility has to strengthen workers rights (as employment is already highly flexible / often precarious)
- Strengthening of Zeitsouveränität (Workers influence on working time arrangements)
- Establishing workers rights to further training (e.g. regarding the maximum daily and weekly length)
- Strengthening co-determination rights regarding the use of agency work, sub-contracting and cloud or crows work
Meeting the challenges of digitalisation – Some insights into the German discussion

Trade unions and the growing number of freelances?

• **Organising** and creation of platforms for exchanges
• **Collective agreements** for depending self-employed (e.g. journalists)
• **Minimum remuneration** for solo self-employed (in analogy to minimum wages)
• **Future:** **Collective agreements for internet platforms?**
4. **CONCLUSION:** WHAT ROLE FOR COLLECTIVE BARGAINING UNDER DIGITALISATION?
Conclusion: What role for collective bargaining under digitalisation?

The challenges for collective bargaining

• In terms of content: new rights and protection for workers
• In terms of coverage: enlargement to freelances

Political support of collective bargaining via

• Stricter labour laws with opportunities to diverge on the basis of collective agreements
• A more widespread use of extension
Collective Bargaining Coverage and the Use of Extension 2013

Frequently
Limited
Rarely
No legal requirements

AT FR BE FI SE NL DK IT ES NO PT SI HR** LU DE CH CZ CY EL RO IE UK BG* HU SK EE LV PL LT

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Introduction

Collective bargaining in a number of European countries has moved towards more extensive and inclusive agreements that cover not only the workers within the company but also those outside or in other sectors. The extension of collective agreements is seen as a means to ensure high-quality employment standards that are not dependent on individual bargaining. This ETUI Policy Brief presents a comparative analysis of the extent to which collective bargaining coverage includes the use of extension in various European countries, highlighting the differences in implementation and the impact on labor standards.

Policy recommendations

1. Encourage the adoption of more inclusive collective bargaining agreements that cover workers beyond the traditional boundaries of the workplace. This can be achieved through the establishment of more flexible and adaptable bargaining frameworks that allow for extension mechanisms.
2. Provide incentives and support for employers to extend collective agreements, ensuring that these agreements are not only legally binding but also widely accepted by workers.
3. Strengthen the role of trade unions in extending collective bargaining agreements, providing them with the necessary resources and capacities to engage in effective collective bargaining across sectors and industries.

The report is based on the latest available data on collective bargaining agreements in Europe, presenting a comprehensive overview of the extent of extension practices across different countries. It highlights the importance of collective bargaining as a cornerstone of social partnership and the need for further integration of extension mechanisms to ensure fair and equitable working conditions for all workers.
Many thanks for the attention!

WSI Collective Agreement Archive

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