

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

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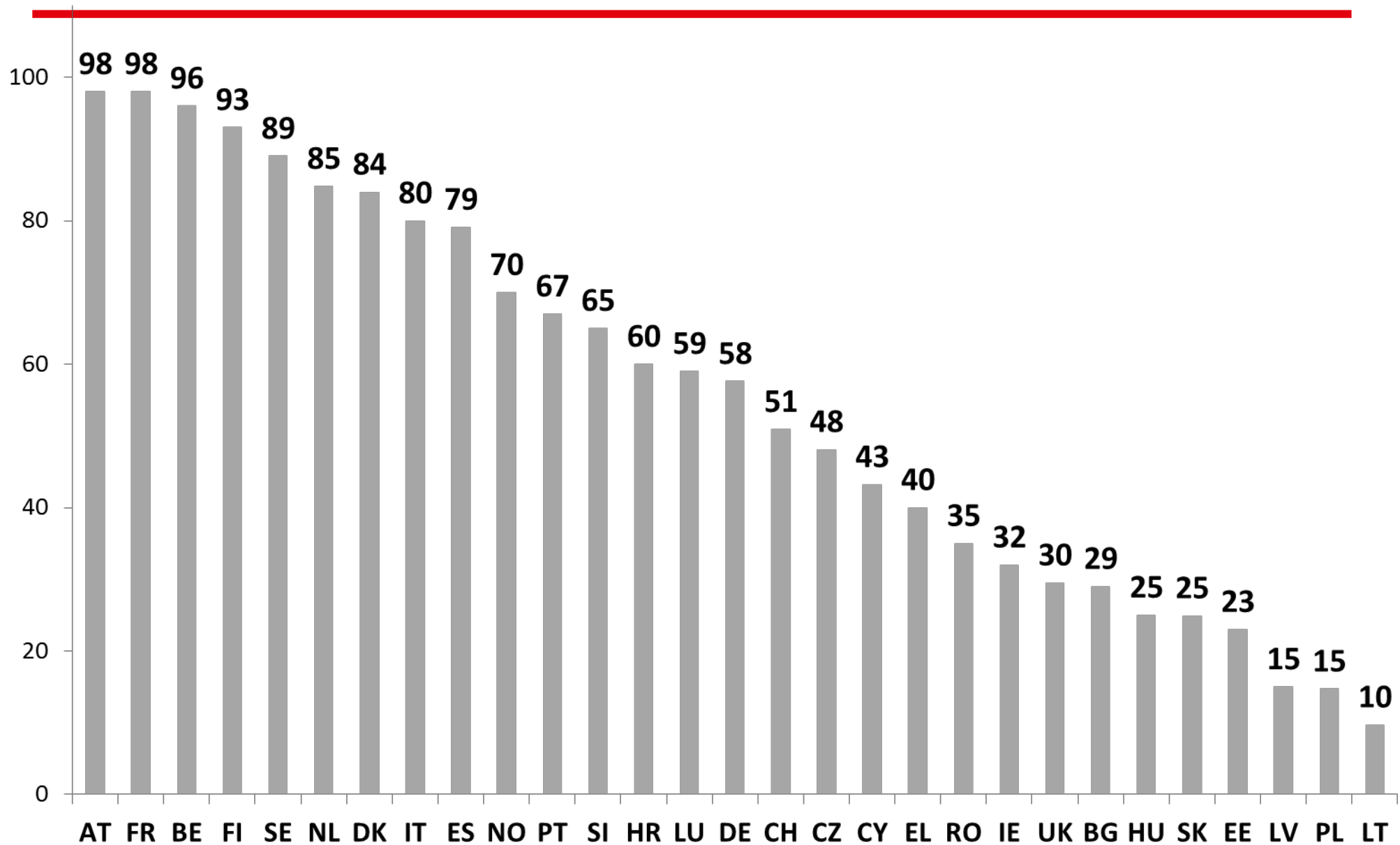
Content:

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



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**

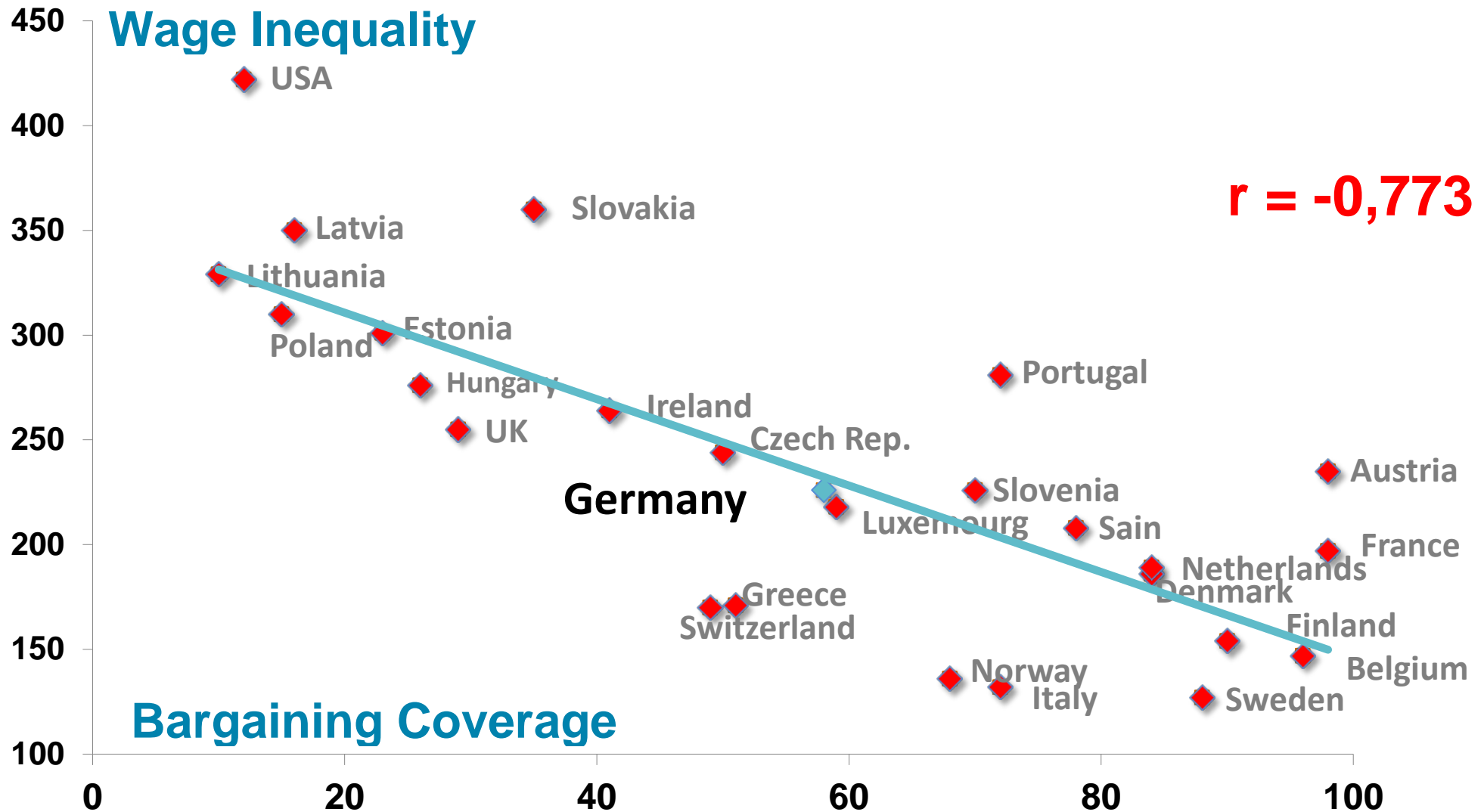
Politics and institutions matter

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



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

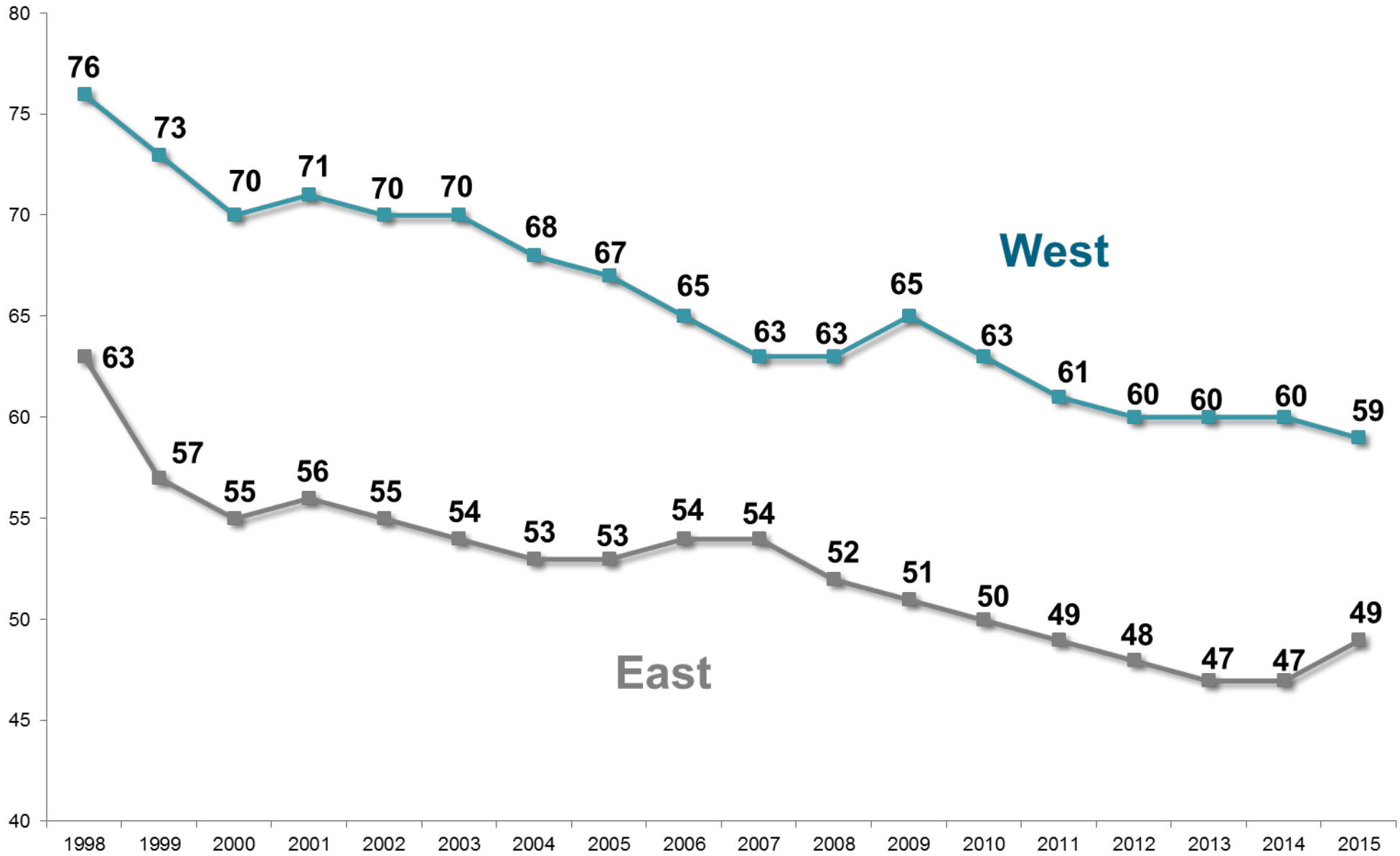
- Growing numbers of freelancers or solo self-employed working as cloud or crowd workers



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



Strengthening of German collective bargaining

CDU/CSU and SPD Coalition agreement (2013)

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

Act on the Strengthening of Collective Bargaining Autonomy (2014)

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

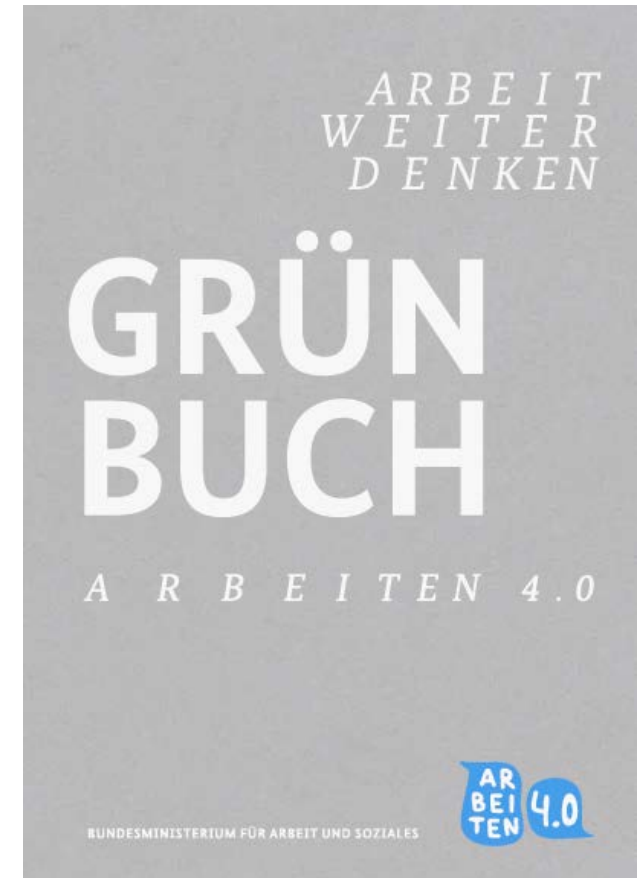
Changes in the German Working Time Act (planned)

- 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 councilor 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)

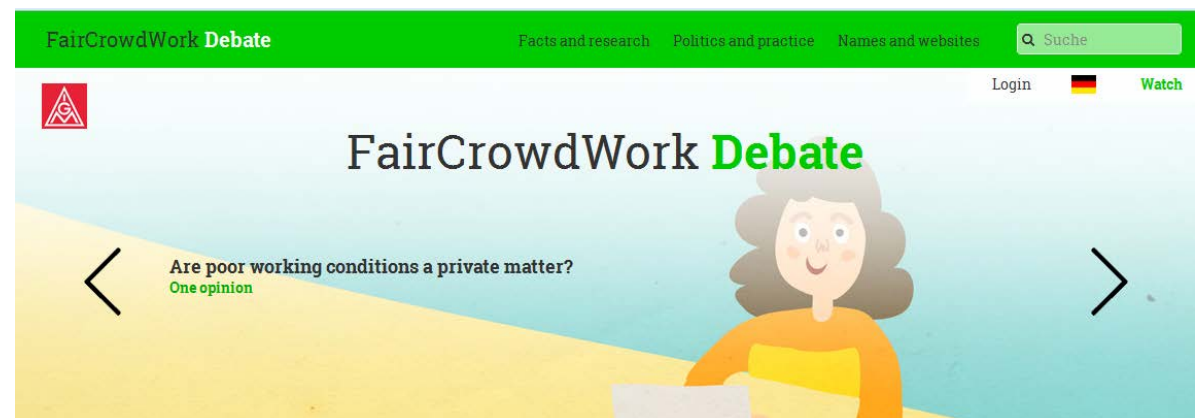
- **New compromise on flexibility has to strengthen workers rights**
(as employment is already highly flexible / often precarious)
- **Strengthening of Zeitsouveränität**
(Workers influence on working time arraignments)
- **Establishing workers rights to further training**
(e.g. regarding the maximum daily and weekly length)
- **Strengthening co-determination rights**
regarding the use of agency work, sub-contracting and cloud or crowds work



Meeting the challenges of digitalisation – **Some insights into the German discussion**

Trade unions and the growing number of freelancers?

- **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

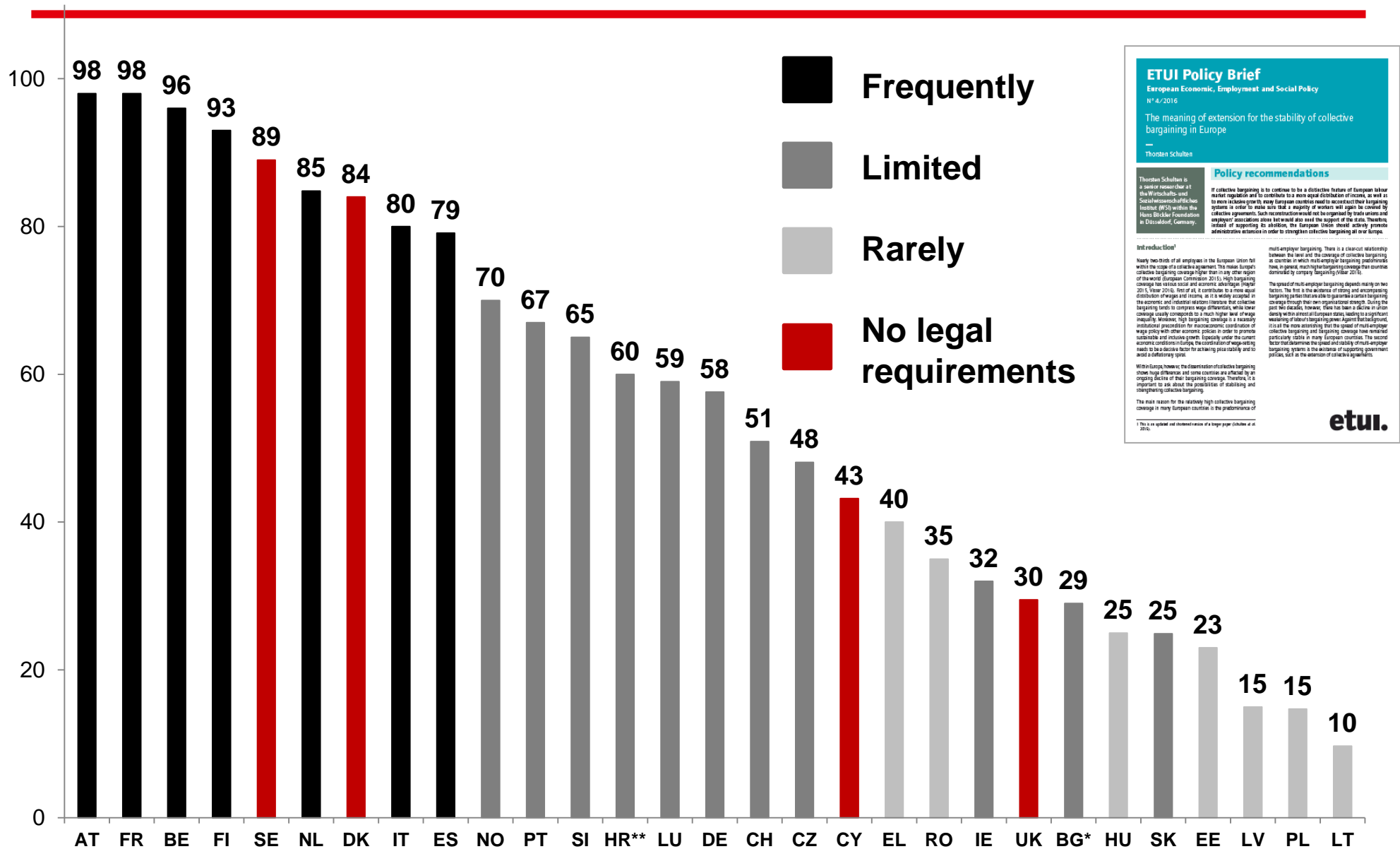
- In terms of content: **new rights** and protection for workers
- In terms of coverage: enlargement to **freelances**



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



ETUI Policy Brief
 European Economic, Employment and Social Policy
 N° 4/2016
 The meaning of extension for the stability of collective bargaining in Europe
 — Thorsten Schulten

Policy recommendations

If collective bargaining is to continue to be a distinctive feature of European labour market regulation and to contribute to a more equal distribution of income, as well as to more inclusive growth, many European countries need to reconstruct their bargaining systems in order to make sure that a majority of workers will again be covered by collective agreements. Such reconstruction would not be organised by trade unions and employers' associations alone but would also need the support of the state. Therefore, instead of supporting its abolition, the European Union should actively promote independent extensions in order to strengthen collective bargaining all over Europe.

Introduction¹

Nearly two thirds of all employees in the European Union fall within the scope of collective agreement. This makes Europe's collective bargaining coverage higher than in any other region of the world (European Commission 2011). High bargaining coverage has various social and economic advantages. Higher 2014 Year 2016). First of all, it contributes to a more equal distribution of income and income, as it is widely accepted in the academic and industrial relations literature that collective bargaining tends to compress wage differentials, while lower coverage usually corresponds to a much higher level of wage inequality (Mosseler). High bargaining coverage is a necessary condition for macroeconomic coordination of wage policy with other economic policies in order to promote sustainable and inclusive growth. Especially under the current economic conditions including the coordination of wage setting needs to be a decisive factor for achieving price stability and to avoid deflationary spirals.

While in Europe however, the dimension of collective bargaining shows wide differences, and some countries are affected by an ongoing decline of their bargaining coverage. Therefore, it is important to ask about the possibilities of stabilising and strengthening collective bargaining.

The main reason for the relatively high collective bargaining coverage in many European countries is the predominance of

multi-employer bargaining. There is a clear-cut relationship between the level and the coverage of collective bargaining as countries in which multi-employer bargaining predominates have, in general, much higher bargaining coverage than countries dominated by company bargaining (Oster 2016).

The spread of multi-employer bargaining depends mainly on two factors. The first is the existence of strong and unambiguous bargaining partners who are able to guarantee certain bargaining coverage through their own organisational strength. During the past few decades, however, there has been a decline in union density within almost all European states, leading to a significant weakening of union bargaining power. Against this background, it is all the more surprising that the spread of multi-employer collective bargaining and bargaining coverage have remained particularly stable in many European countries. The second factor that determines the spread and stability of multi-employer bargaining systems is the existence of supporting government policies, such as the extension of collective agreements.

etui.

1 This is an updated and shortened version of a longer paper (Schulten et al. 2016).

Many thanks for the attention !

WSI Collective Agreement Archive

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Nicht alle Beschäftigten erhalten Urlaubsgeld. Arbeitnehmer mit Tarifvertrag sind klar im Vorteil. Das Urlaubsgeld fällt in den einzelnen Branchen sehr unterschiedlich aus.

Weitere Einzelheiten der Auswertung
Pressemeldung mit Tabellen und Grafik (pdf)

Urlaubsgeld erhalten von den Beschäftigten ...

mit Tarifvertrag	61 %
ohne Tarifvertrag	32 %
Männer	49 %
Frauen	35 %


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