WIBAR-3 Project
Multi-Employer Bargaining
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Outline presentation

- (Chapter 2) Multi-Employer Bargaining: basis for the analysis
  - History 1960s-current
  - Main advantages, question marks
- (Chapter 3) Developments in employment
  - Employment in multinationals
- (Chapter 4) Results of WIBAR-3 Industrial Relations (IR) survey
  - Overview of survey
  - Bargaining coverage and employees' bargaining preferences
  - Four IR characteristics
  - Development of employment and IR characteristics
  - Ownership categories and IR characteristics
  - Employment concentration and IR characteristics
  - Collective agreements database: outcomes

2.3/2.4 Multi-Employer Bargaining (MEB) : history in Europe

- **History from 1960s - current:**
  - European Commission initially supportive of MEB, in 2000s retreat
  - Macroeconomic policy shift: from demand to supply side
  - Formation of EMU/ECB: price stability prime concern → adjustment of national economies through wages, employment, social protection
  - Growing spread of MNEs, ‘finance-dominated capitalism’
  - 2010-15: trends towards < union density, < declining employer org. density and < collective bargaining coverage
  - 2010: initial Keynesian crisis approach left for promotion of austerity, fiscal consolidation, ‘structural reforms’
  - 2011: Euro Plus Pact → ‘Sixpack’: review and reform of wage-setting mechanisms → *less room left for MEB*

2.2 Multi-Employer Bargaining (MEB): advantages and question marks

- **Main advantages**
  - **MEB takes wages and working conditions largely out of inter-firm competition**
  - **MEB expels less productive producers, allows employers to concentrate on ‘high road’**
  - **MEB extends bargaining coverage to vulnerable groups (through mandatory extension) →less wage inequality**
  - **MEB demands less bargaining or transaction costs**
- **Question marks**
  - **MEB may hamper globalisation / international competition**
  - **MEB may hamper competition in international markets**
  - **And: what is an industry? Demarcation lines disappear: global value chains; new technology produces new configurations; sharing or gig economy (Uber, Airbnb, etc.)**

3 Employment in multinationals

Summary T. A3.16: % employment in MNEs (FDI: FO=foreign-owned, HO=home-based), 2013, 4 industries, 10 countries

	M & E		retail		ICT		T & T	
	FO	*HB*	FO	*HB*	**FO**	***HB***	**FO**	***HB***
BE	45	*8*	16	*8*	**16**	***16***	**12**	***8***
CZ	55	*8*	48	*4*	**46**	***2***	**21**	***7***
DE	20	*37*	8	*28*	**20**	***19***	**8**	***20***
ES	55	*13*	16	*7*	**30**	***11***	**10**	***4***
FI	22	*15*	16	*18*	**27**	***21***	**12**	***12***
HU	66	*3*	29	*4*	**43**	***5***	**19**	***2***
NL	32	*13*	18	*13*	**25**	***15***	**28**	***14***
PL	44	*6*	27	*7*	**29**	***16***	**19**	***2***
SE	36	*16*	20	*14*	**39**	***8***	**22**	***9***
UK	36	*15*	21	*20*	**34**	***13***	**26**	***16***

4. The WIBAR-3 Industrial Relations survey: overview

- **Country and Industry**
  - 5 industries: metal and electronics manufacturing, wholesale, retail, ICT, transport and telecom
  - 23 EU countries (EU28 excl. CY, CR, EL, HR, MT)
- **Objectives of survey**
  - identify bargaining patterns and parties in each industry
  - identify bargaining preferences of individual employees
  - identify characteristics and orientation of companies: dev’t of employment; employment concentration; ownership; country of origin (‘home effects’); relationship management – trade unions
- **Web-based survey**
  - completed by 8 WIBAR3 researchers between July‘15 - April‘16
  - Info about 115 industry/country combinations * 5 largest companies = 575 companies

4.2 Bargaining coverage and employees' bargaining preferences

- Based on WageIndicator data
  - Volunteer web survey; explorative data for 10 countries
  - 2 questions / statements: 'Are you covered by CLA?' (CBC); 'I think it is important to be covered by CLA' (PREF)
- Results
  - Overall >20% 'don't know / covered', high in BE, DE, NL, PT
  - Preference to be covered nearly always > 50%, except ICT in CZ, DE, NL
  - For 8 countries positive, significant relationship CBC-PREF (BE, BG, CZ, DE, FI, NL, PT, UK), independent high/low CBC
  - For 2 countries positive but not significant relationship CBC-PREF (ES, IT)
  - WageIndicator CBC outcomes close to 'official' CBC data for DE, IT, NL, UK

4.3 Four IR characteristics

- Four characteristics in 115 country/industry cells: Collective Bargaining Coverage (CBC), Trade Union Density (TUD), MEB, management – trade union relationship (MAN-TU, 2-low, 5-high)
- Mutual relations
  - The higher CBC, the higher TUD and CLA share of MEB
  - The higher TUD, the higher CLA share of MEB
  - No relationship MAN-TU with CBC, TUD, share of MEB
- Management – trade union relationship
  - Av. score ICT (3.05) and T & T (3.13) = below total av. (3.15)
  - Av. score domestic firms (3.23) higher than MNEs (3.13), stronger in ICT (3.22 - 3.00) and in T & T (3.28 - 3.00)
  - Av. scores for home countries of MNEs highest for DK (3.64)/SE (3.53)/NL (3.50), medium for DE/ES/FR/UK (3.13-3.14), lowest for US (2.94)

4.4 Development of employment and IR characteristics

- **Results**
  - **No significant relationship between empl. growth / decline in industry / country cells in 2008-2013 and TUD, CBC, MEB and *average* management – trade union relationship per cell**
  - **Relationship empl. growth / decline *individual* companies with MAN - TU: score in growing (>5% in 2012-2014) companies higher than in declining (<5%): av. 3.24 vs 3.07; companies in between score av. 3.11**
- **Summary Table A3.17: dev't employment 2008-2013 in %:**

	M&E	wholes.	retail	ICT	T&T
W/N/S Eur.	-8.3	5.2	4.7	15.6	-2.3
10 CEE c.	-9.1	-11.1	-3.6	36.0	-4.8
TOTAL 23c.	-8.5	1.7	3.3	17.8	-2.8

4.5 Ownership categories and IR characteristics

- **Results**
  - The *larger* the employment share of *foreign-owned* MNEs in top5, the *lower* TUD and CBC
  - The *larger* the employment share of *home-based* MNEs in top5, the *higher* TUD, CBC and MEB
  - Employment shares of state firms or domestic firms not related to any IR characteristics
- **Summary Table A4.2 (vertical = 100) concerning 565 companies**

	M&E	wholes.	retail	ICT	T&T
Foreign-owned MNE	56	41	49	70	12
Home-based MNE	33	29	36	22	28
State firm	0	0	0	0	58
Domestic firm	11	30	15	8	2

4.6 Employment concentration and IR characteristics

- **Results**
  - The l*arger* the employment share of top5 companies, the *poorer* management – trade union relationship
  - Yet: the *larger* the employment share of top5 companies, the *higher* TUD
  - No relationship between employment share of top5 companies and CBC / MEB
- **Summary Table A4.3 (concentration measured as share top5 companies in employment of industry/country cells)**

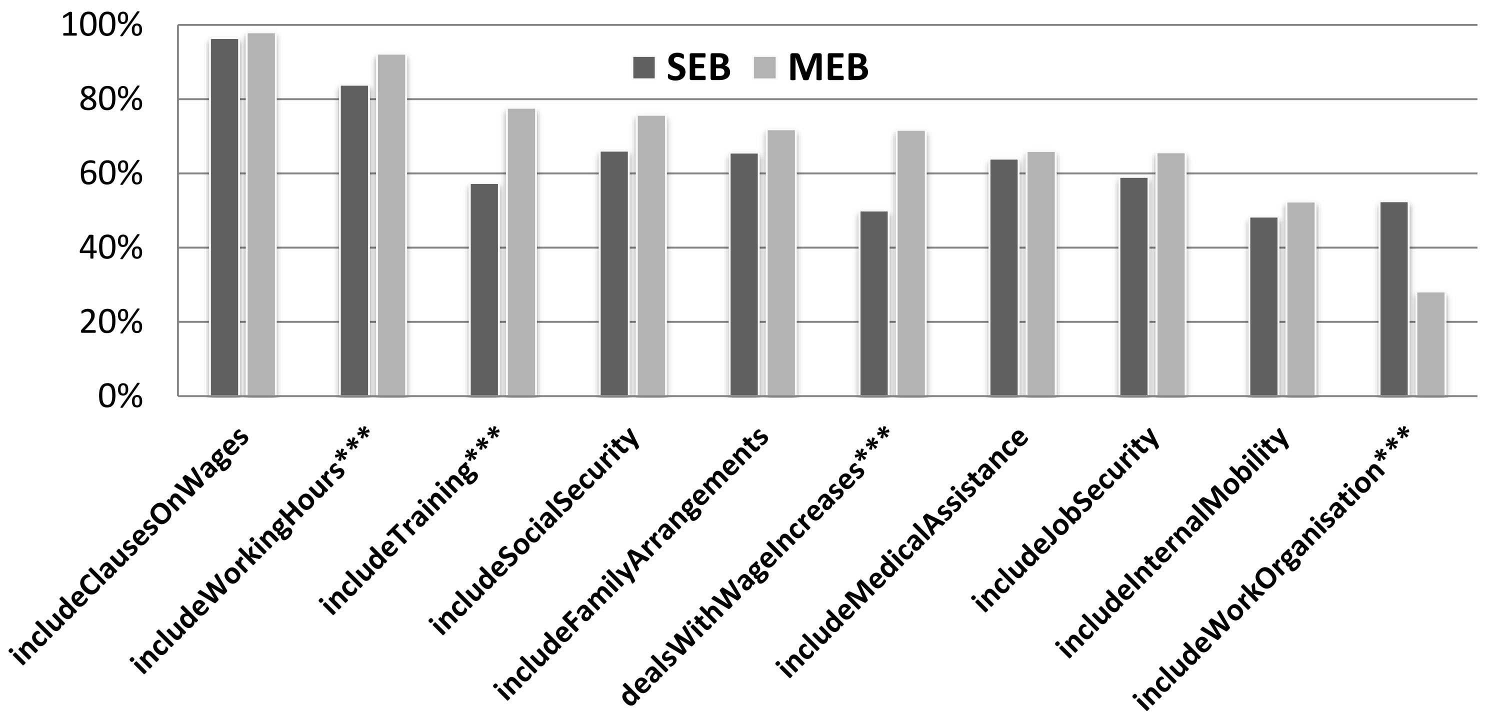
metal & electr.	whole-sale	retail	ICT	transport & telecom	Total
14.8	7.5	21.5	16.4	28.5	17.8

4.7 Collective Agreements database - 1

- **Collective agreements**
  - The survey asked about collective agreements per industry
  - Data available on 181 agreements from 5 industries, of which 5 in more than one industry
  - These are preliminary results, more agreements needed (!)
- **Results: MEB versus SEB**
  - 173 agreements with signatories: 60% MEB, 40% SEB, but biased because MEB agreements are much more easy to find
  - Most MEB CLAs in wholesale (80%), retail (67%) and M & E manuf. (60%), least in transport & telecom (51%) and ICT (36%)
  - Transport & telecom often exception, even in countries where MEB practices overall dominate: in for example NL transport & telecom 55% of employees covered by SEB CLAs (NL 5 industries total: 17%; NL overall total: 11%)

4.7 Collective agreements database- 2

- **Results: which topics are covered by collective agreements?**
  - **'wage increase', 'working hours', and 'training' significant more often in MEB agreements**
  - **'work organisation' significant more often in SEB agreements**



More to be done ...

- **Complete the databases for trade unions, employer organisations, collective agreements**
- **Complete the analysis on which factors impact bargaining practices, in particular concerning MEB, relate this to developments in *national* industrial relations (cf. Chapter 2, 2.5).**
- **Write draft reports on Metal & Electronics manufacturing and on Wholesale and Retail (Commerce)**
- **Organize two more seminars: Bratislava 23 September (M & E, by CELSI), Amsterdam 7 October (wholesale and retail, by AIAS)**
- **Also on behalf of these seminars: find relevant cases of collective bargaining, have them presented**
- **Final reporting: 5 industry reports (November 2016), one overall report / book (Spring 2017), ETUI Policy Brief (Spring 2017)**

Thank you for your attention ☺ ☺

Questions? Today +

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