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## **WIBAR Report No. 5 COLLECTIVE BARGAINING COVERAGE**

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## 1. Introduction

This is a report in the framework of the WIBAR project. This project aims to promote the input of cross-country, comparative analyses at the level of themes and industries using the *WageIndicator* survey data about wages, working conditions and working hours. The Amsterdam Institute of Advanced Labour Studies (AIAS) / University of Amsterdam has developed the WIBAR project in co-operation with the European Trade Union Confederation (ETUC): the project is focused on the European trade union involvement in developing workplace industrial relations and Europe-wide bargaining. ETUC has formulated four major bargaining spearheads and related guidelines for 2006: wages in general and low pay work; working time; gender equality; training and lifelong learning.<sup>2</sup> For the ETUC, the European industrial secretariats and their national trade unions, the need for detailed and industry-specific comparisons is more urgent than ever. The WIBAR project should produce usable tools and intensify dissemination and debate on Europe-wide bargaining.

In section 2 we will clarify a number of issues concerning collective bargaining and its coverage. We already now have to make clear that this report does not explore the impact of collective bargaining coverage on wages and other terms of employment. The report concentrates on collective bargaining coverage as such, explores the extent to which coverage is the case in a number of EU member states, and aims to understand which factors influence an individual to be covered by a collective agreement. This report aims to contribute to the understanding of collective bargaining coverage by using employee survey data, based on the *WageIndicator* survey. Thus far this approach has hardly been tried in the European context: collective bargaining coverage is typically studied at aggregated levels of analyses, as part of the national industrial relations systems, using data provided by the bargaining parties. Section 3 treats some measurement problems encountered in our approach using employee survey data. Section 4 presents the main results of our efforts, analysing coverage rates by country, gender and age, and industry and firm size. Section 5 goes into employees' opinions. Little is known yet how they appreciate being covered by a collective agreement. High correlations may be expected between actual coverage and positive attitudes towards coverage, but this topic needs more study. This report aims to extent knowledge in this field too.

Our survey data include information mostly gathered in September 2004 – September 2006 for nine EU member states: Belgium, Denmark, Finland, Germany, Hungary, the Netherlands, Poland, Spain and the United Kingdom. Unless other reports in this WIBAR series, our collective bargaining data also covers Hungary.

## 2. Collective bargaining coverage: major issues

According to the Charter of fundamental rights of the EU, adopted by the European Council in Nice (2000), "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" (Art. II-88). In 18 out of the 27 EU member states, the right to collective bargaining is explicitly or implicitly secured by the national Constitution. For the nine member states studied in this report, this is the case for Finland, Germany, Hungary, Poland, and Spain, but not in Belgium, Denmark, the Netherlands, and the United Kingdom. Laws on

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<sup>2</sup> Keune, 2005; ETUC, 2005.

collective agreements are in force in Belgium (1968) and the Netherlands (1927), and basic agreements between central trade unions and employers' associations in Denmark (going back to 1899), which leaves the UK as the only country (in the EU) without any statutory regulation for collective bargaining.<sup>3</sup>

The core of collective bargaining in EU member states regards wages and working hours. Collective bargaining is certainly of great importance for wage-setting processes, yet the extent to which individual wages are dependent upon collective agreements is not straightforward and differs widely across countries. Apart from wages and working conditions, in many EU member states collective agreements cover a growing range of issues, including 'collective goods' like vocational training arrangements. It is seducing to go into this development. So far, cross-country comparisons have been performed on a small-scale basis only, mainly because collecting, reading and comparing industry and company agreements is an extremely time-consuming job. Electronic databases are lacking in this field; this even holds for national libraries with these documents. The European Foundation in Dublin has only partly been able to cover this gap by a number of studies. The contents of collective agreements remains largely beyond the topic of this report.

It is widely accepted to distinguish three, not necessarily mutually exclusive, levels of bargaining. *Economy-wide* or *national* bargaining is a bipartite or tripartite form of negotiation between union confederations, central employers' associations and government agencies. It aims at providing a floor for lower-level bargaining on the terms of employment, often taking into account macroeconomic goals. *Sectoral* or *industry* or 'intermediate' bargaining aims at the standardization of the terms of employment in one industry. Sectoral boundaries do not necessarily match the sectors measured in industry classifications, and the range of industrial activities covered may change over time. Jointly national and sectoral bargaining is called multi-employer bargaining. The third bargaining level involves the *company* and/or *establishment*: this by definition is single-employer bargaining. Collective bargaining at sectoral and company/ establishment levels is the responsibility of employers' and employees' organizations.<sup>4</sup>

The data sources on collective bargaining used by ETUI, the European Foundation and Eurostat come primarily from national correspondents. Therefore, a relatively good insight is available and regularly updated as for the industrial relations systems related to collective bargaining. These data show that bargaining levels vary widely across EU member states. Table 1 (next page) gives recent indications of the recent importance of various bargaining levels in the nine EU member states that are also covered by our *WageIndicator* data. Industrial relations are far from static, yet it can be noted that in the last decade changes in the importance of levels remain rather limited, a major exception being the significant decline in multi-employer bargaining in the UK.

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<sup>3</sup> Schulten, 2005; Keune, 2006.

<sup>4</sup> Bispinck, 2004.

**Table 1 Importance of collective bargaining levels in 9 EU member states and indicative share of workforce covered by collective agreements, 2003**

	National	Sector	Company	Coverage
Belgium	***	**	*	91-100%
Denmark	*	***	**	81-90%
Finland	***	**	*	81-90%
Germany	-	***	*	61-70%
Hungary	***	*	*	31-40%
Netherlands	*	***	*	81-90%
Poland		*	***	41-50%
Spain	**	**	**	81-90%
UK	-	-	***	31-40%

Source: Keune, 2006, 6, 13

Note: \*\*\* very dominant, \*\* moderate dominant, \* not dominant, - absent

The table shows that collective bargaining primarily takes place at the national level in Belgium, Finland, and Hungary, primarily at sectoral level in Denmark, Germany and the Netherlands, and primarily at company level in Poland and the UK. The three levels are about equally important in Spain. Yet, the measure used here relates more to the level of *centralisation* than to a second aspect of bargaining that is also important: *coordination*, which is possible by tripartite or bipartite concertation at national level, within the employers' associations and within the union movement.<sup>5</sup> At times the influence of tripartite concertation is substantial in six countries: Belgium, Finland, Hungary, the Netherlands, Poland, and Spain. Such national coordination is not absent, but normally covert (indirect) in Germany, and (virtually) absent in Denmark and the UK.<sup>6</sup>

A final issue here is the relation between collective bargaining coverage and union membership. Due to (mandatory) extension and enlargement provisions regarding collective agreements, in many countries collective bargaining coverage is substantially higher than the national union density rates. This is notably the case in Germany, The Netherlands, Poland and Spain, and outside this group of 9 EU members in France and Italy. Extensive extension practices exist in Belgium, and more limited practices in Germany, Hungary, The Netherlands, Poland, and Spain; extension is not practiced, at least not in the private sector, in Denmark and the UK.<sup>7</sup>

### 3. Collective bargaining coverage: measurement issues

Calculations of coverage bargaining coverage rates, defined as employees covered by a collective agreement as a proportion of all employees, are hampered by a number of difficulties. The first problem relates to the number of employees covered by an agreement, the second relates to the number of employees potentially to be covered. This section discusses first the measurement of the number of employees covered by an agreement, and then the number of employees potentially to be covered.

<sup>5</sup> OECD, 1997, 70-71; Keune, 2006, 10-11.

<sup>6</sup> OECD, 1994, 175; Schulten, 2005, Table 4.

<sup>7</sup> Keune, 2006, 12.

### 3.1 Measuring collective bargaining coverage in individual surveys

Regardless its importance for wage setting and working conditions, the coverage of collective agreements is rarely asked in individual surveys, as the 2005 inventory of European *WageIndicator* countries indicated.<sup>8</sup> Only in Germany and the Netherlands regular surveys asked individuals about for bargaining coverage. In the UK the Workplace Employment Relations Survey (WERS), undertaken with wider intervals, calculates collective bargaining coverage rates based on among other things both individual managers' and individual employees' answers at workplace level.<sup>9</sup> A review of European-wide surveys also revealed little attention to this issue. For example neither the European Working Conditions Survey (EWCS) of the European Foundation asks questions on this behalf,<sup>10</sup> nor does the European Community Household Panel (ECHP<sup>11</sup>). Only a few comparative analyses are known regarding these collective bargaining variables, using German and British data.<sup>12</sup>

Yet, the *WageIndicator* questionnaire does ask respondents whether they are covered by a collective agreement. Quite some energy has been devoted in designing the survey questions, as such questions about collective agreement coverage are difficult. The key question is whether the respondent's (work) organization is covered by a collective agreement. If so, then the respondent himself or herself still may not be covered. In addition, some country questionnaires have one, two or even three follow-up questions, asking further questions about the level and content of the agreement.

The *WageIndicator* partners in three EU member states indicated that it is not necessarily the case in their country that if the respondent's *firm* is covered by an agreement, the respondent is also covered by that agreement. This may be the case in Finland, Denmark and the Netherlands.<sup>13</sup>

The content of collective agreements matters in a few countries. In Poland and Hungary, apart from collective agreements on wages and working hours separate agreements regarding working conditions are in existence. In most other countries working conditions regulation is growingly integrated in regular collective agreements.

### 3.2 Measuring the potential labour force eligible to coverage

Second, any calculation of national coverage rates needs to take account of the fact that, in a number of countries, some employees are excluded from the right to conclude collective agreements. Hence, it is important to differentiate between the *unadjusted* coverage rate, defined as employees covered by a collective agreement

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<sup>8</sup> Dribbusch *et al*, 2005.

<sup>9</sup> Kersley *et al*, 2006, 19.

<sup>10</sup> Parent-Thirion *et al*, 2007, Annex 6.

<sup>11</sup> ECHP, codebook Wave 8, 2001.

<sup>12</sup> Ellguth & Kohaut, 2004; Gürtzgen, 2005; Schnabel *et al*, 2005.

<sup>13</sup> Keune (2006, 8) states that countries in which employees who belong to the parties signatory to the agreement are covered by the agreement, indeed include Finland, but also Germany and the UK. On the other hand, among the countries in which all employees working for an employer that is covered by an agreement fall under the agreements, Belgium, Denmark, Hungary, the Netherlands, Poland and Spain are included. We question the inclusion if Denmark and the Netherlands in the latter group.

as a proportion of all employees, and the *adjusted* coverage rate, defined as the ratio of employees actually covered to the potential number who could in principle be covered as determined by the formal provision of bargaining rights. The adjusted rate is a better measure of the diffusion of collective bargaining within its potential domain. Moreover, it shows the relative importance of collective bargaining compared with individual contracts as an alternative mode of bargaining. As the OECD points out, identifying the potential domain of collective bargaining implies the difficult task of disentangling the groups of employees with bargaining rights from those without.<sup>14</sup> In the *WageIndicator* data, the *adjusted* coverage rate cannot be calculated, because the information needed typically cannot be collected by means of a survey. In the data used in the next sections the potential coverage is restricted to employees, and therefore excludes self-employed, own-account workers, freelance workers, family workers or working for family business, as well as school pupils or students with a job on the side.

## **4. Collective bargaining coverage: results**

This section explores the individual-related determinants of collective bargaining coverage as traced through the *WageIndicator* data. It first details the dependent variable: collective bargaining coverage rates. Second, it explores to what extent these rates vary across personal characteristics such as gender and age. Third, we go into the extent to which collective bargaining coverage rates differ across industry characteristics. Finally, the Appendix shows country-specific logistic regressions, used to control for covariance of these characteristics.

### **4.1 Collective bargaining coverage rates**

The outcomes on collective bargaining coverage first of all point to the fact that remarkably high percentages of respondents obviously do not know whether they are covered by a collective agreement. As Table 2 (next page) shows, this is notably the case in Belgium and Spain. In Belgium the over-all share for 2004-2006 was 29%; in 2006 it was 24%, with higher shares in 2005 and 2004. In Spain it was 19% for 2004-2006, more or less evenly spread over the years. In Germany and the Netherlands, the percentages 'Don't know' vary around 10%. Though the importance of collective bargaining for notably wage setting is recognized among industrial relations researchers and union officials, these figures may indicate that substantial minorities of employees do not perceive collective agreements as such. There may be some relation with the centralisation of collective bargaining in Belgium, but on the other hand the scores in Poland and the UK, with decentralised bargaining systems, are also considerable.

If we do not take into account the 'Don't knows', the shares of employees covered by a collective agreement are shown in the second panel of the table.

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<sup>14</sup> OECD, 1994, 172.

**Table 2 Collective bargaining coverage, breakdown by country, 2004-2006**

	Belgium	Denmark	Finland	Germany	Hungary	Netherlands	Poland	Spain	UK
0 No	16.1%	12.3%	11.9%	36.9%	31.2%	19.0%	70.1%	23.6%	62.0%
1 Yes	54.7%	82.4%	88.1%	52.8%	57.4%	72.2%	10.9%	57.5%	25.5%
7 dk	29.2%	5.3%		10.3%	11.4%	8.9%	19.0%	18.9%	12.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
0 No	22.4%	13.0%	11.7%	41.3%	30.5%	21.8%	86.4%	29.0%	70.8%
1 Yes	77.6%	87.0%	88.3%	58.7%	69.5%	78.2%	13.6%	71.0%	29.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: *WageIndicator* data, September 2004-September 2006

Note: : dk = Don't know

As explained previously, collective bargaining coverage can be measured in several ways. Table 3 presents the shares of the various types of agreements across countries. In row 1 we repeat the indications from Table 1. Here, the prime measure (row 2) is whether the respondent's firm is covered by a collective agreement, either a company or an industry agreement. This measure was also used in the previous table. The third row indicates whether the respondent self is covered by the agreement that applies to the company. Row 4 indicates whether the agreement that applies to the company is an industry agreement. Finally, the fifth row gives an indication whether the agreement at stake is aiming at working conditions.

**Table 3 Collective bargaining coverage, breakdown by country and type of agreement, 2004-2006**

	Coverage Table 1	2. Individual's company is covered by collective agreement	3. Individual is covered by collective agreement	4. Individual's company agreement is industry collective agreement	5. Individual's company agreement aims at working conditions	N
Belgium	91-100%	78%				12965
Denmark	81-90%	87%	86%			2004
Finland	81-90%	88%		55%		2835
Germany	61-70%	59%		41%		65226
Hungary	31-40%	70%			44%	4451
Netherlands	81-90%	78%	72%	32%		79422
Poland	41-50%	14%			7%	2004
Spain	81-90%	71%				11064
United Kingdom	31-40%	29%			14%	19455

Source: *WageIndicator* data, September 2004-September 2006

The table shows that according to *WageIndicator* data collective bargaining coverage is lowest in Poland with 14%, followed by UK with 29%. It is highest in Finland and Denmark with 88% respectively 87%. Compared to Table 1, estimated on reports from bargaining parties, the percentages for Finland, Denmark are within the expected range. Coverage is slightly lower than expected in Germany, Spain, the Netherlands and the UK, and is definitely lower in Belgium. Coverage is very much lower than derived from the bargaining parties for Poland, but is much higher than expected in Hungary. This may be due to the fact that the paper-based Hungarian survey was primarily performed by union members acting as interviewer.

Moreover, Table 3 shows that for the two countries where a company agreement not necessarily means that the individual in the company is also covered by that agreement, the difference in Denmark is negligible, but that in the Netherlands a

difference results of 6%points. It also shows that, where applicable, approximately two-thirds of the reported agreements in Finland are industry agreements, four-fifth in Germany, and less than half in the Netherlands. Finally, one may conclude that, where applicable, about half of the agreements in Poland and UK include working conditions, whereas this is the case for almost two-third in Hungary.

#### 4.2 Employee characteristics: gender and age

As for gender, an older OECD study covering eight countries revealed no clear pattern. In 1990, the coverage rate for men was lower in two OECD countries (Australia, Norway), higher in four (Canada, the Netherlands, Switzerland and the United States) and equal to that of women in two countries, the UK and Portugal.<sup>15</sup> Our *WageIndicator* data reveals hardly any (less than 3%points) gender differences in self-perceived coverage rates in six out of the nine EU member states. Hungary and the Netherlands are the countries with slightly higher rates for women. In the remaining three countries, the coverage rate is clearly higher for men: in Poland, the difference is 4%pts, whereas in Denmark and Germany the differences go up to 8 respectively 10%pts.

As for age, no previous comparable studies are available. Our study shows that (again: self-perceived!) coverage rates on average are higher for older employees than for younger employees. This is the case in all countries under study, and may imply a warning for trade unionists. Major age differences can be seen in Poland, where only 7% of the employed under age 30 are covered, against 35% of those aged 50 and over. The Hungarian figures show a similar pattern. Germany, Denmark and UK reveal similar age differences to a somewhat lesser extent.

**Table 4 Collective bargaining coverage, breakdown by gender and age, 2004-2006**

	Male	Female	1 < 30 jr	2 30-39	3 40-49	4 >=50	age differences
Belgium	78%	77%	75%	75%	80%	80%	5%
Denmark	89%	81%	74%	79%	91%	90%	16%
Finland	90%	87%	85%	88%	91%	92%	7%
Germany	62%	52%	52%	55%	64%	72%	20%
Hungary	68%	71%	54%	65%	75%	78%	24%
Netherlands	78%	79%	78%	74%	81%	86%	8%
Poland	16%	12%	7%	14%	34%	35%	28%
Spain	71%	70%	66%	70%	77%	77%	11%
UK	31%	28%	21%	28%	36%	37%	16%

Source: *WageIndicator* data, September 2004-September 2006

#### 4.3 Firm characteristics: industry and firm size

Table 5 clarifies that the collective bargaining coverage across industries varies considerably. In particular 'other commercial services', including among others real estate and renting business, reveals the lowest coverage in almost all countries. In most countries utilities show a high coverage, and so does the public sector, education, and healthcare. For 1990, the OECD concluded for ten countries that coverage rates were higher in the public sector than in the private sector, although higher coverage tended to be accompanied by substantive restrictions in bargaining

<sup>15</sup> OECD, 1994, 183.



rights, including the right to strike.<sup>16</sup> In our study, the public sector also shows high coverage rates, particularly when utilities are also taken into account.

As for industries within the private sector, the OECD study, taking into account 13 countries, showed a wide variation in coverage rates across countries. The study concluded that the coefficient of variation tended to be considerably higher in countries characterized by single-employer bargaining and lower in those with multi-employer bargaining.<sup>17</sup> Our outcomes confirm this tendency by showing a high variation in countries with predominantly single-employer bargaining, notably in Poland and the UK: see Table 5.

**Table 5 Collective bargaining coverage, breakdown by country and industry, 2004 - 2006**

	Belgium	Denmark	Finland	Germany	Hungary	Netherlands	Poland	Spain	UK
Agriculture	68% 11	87% 8	.	56% 8	50% 10	88% 6	0% 11	70% 8	23% 8
Manufacturing	82% 4	91% 7	91% 6	64% 6	78% 3	80% 8	18% 6	73% 7	23% 8
Utilities	90% 1	96% 2	100% 1	73% 3	90% 2	88% 6	59% 1	78% 4	56% 3
Construction	69% 9	92% 5	90% 7	46% 12	45% 11	92% 4	0% 11	57% 13	11% 12
Wholesale/retail	65% 12	72% 11	84% 10	49% 11	39% 13	79% 10	4% 10	62% 11	14% 11
Hotels, rest., catering	72% 8	68% 12	87% 9	55% 9	41% 12	93% 3	0% 11	62% 11	7% 13
Transport, commun.	82% 4	93% 3	88% 8	70% 4	91% 1	80% 8	27% 2	76% 5	40% 5
Finance	88% 3	86% 9	96% 3	78% 2	74% 6	71% 11	6% 9	89% 1	28% 6
Other comm.services	65% 12	61% 13	82% 11	30% 13	57% 8	46% 13	8% 8	64% 10	15% 10
Public sector	69% 9	98% 1	96% 3	86% 1	59% 7	97% 1	9% 7	85% 2	83% 1
Education	82% 4	92% 5	95% 5	69% 5	76% 4	90% 5	23% 3	75% 6	59% 2
Health care	90% 1	93% 3	97% 2	63% 7	75% 5	95% 2	21% 4	79% 3	42% 4
Other	77% 7	86% 9	77% 12	50% 10	55% 9	70% 12	19% 5	63% 9	26% 7

Source: *WageIndicator* data, September 2004-September 2006

As the rankings show, perceived low coverage is widespread across countries in six industries. Partly these are the usual suspects, also popping up with a high share of low paid (see WIBAR report No. 2): agriculture, wholesale/retail, and hotels/restaurants/ catering, partly two other industries, construction (except Denmark, Finland and the Netherlands) and other commercial services. Well-covered are everywhere utilities and transport/ communication, and with some more variation the public sector and education.

As for firm size, the OECD study of six countries revealed that in 1980 and 1990 in all these countries the coverage rate increased with firm size.<sup>18</sup> This finding is univocally confirmed in our study: Table 6 (next page) shows that in all countries coverage increases with firm size. Examining five countries, the OECD study confirmed the hypothesis that differences in coverage rates by firm size are expected to be highest in countries characterized by single-employer bargaining and with an absence of extension practices.<sup>19</sup> Thus, based on the *WageIndicator* data we expected recently reported differences in coverage by firm size to be highest in the UK and Poland. Yet, this did not prove to be the case again: the differences between small and large firms (see the last row in the table) were highest for Germany and Hungary, although they were considerable for Poland and the UK too. The figures point at special problems for the German and Hungarian unions concerning the

<sup>16</sup> OECD, 1994, 181. The public sector was defined as public administration, health, education, social services, and other public activities such as postal services and transport.

<sup>17</sup> OECD, 1994, 182.

<sup>18</sup> OECD, 1994, 183.

<sup>19</sup> OECD, 1994, 183.

smallest companies, and at general bargaining problems for the Polish and the UK union movements.

**Table 6 Collective bargaining coverage rates, breakdown by firm size, 2004 - 2006**

	Belgium	Denmark	Finland	Germany	Hungary	Netherlands	Poland	Spain	UK
1 - 10	61%	72%	76%	22%	21%	68%	6%	63%	10%
10 - 20	65%	80%	88%	28%	47%	70%	9%	66%	15%
20 - 50	67%	90%	90%	36%	62%	73%	10%	68%	19%
50 - 100	79%	91%	93%	48%	67%	78%	12%	74%	23%
100 - 200	85%	96%	95%	57%	75%	83%	17%	77%	29%
200 - 500	88%	96%	92%	70%	76%	85%	17%	82%	39%
500 - 1000	91%	93%	95%	77%	89%	89%	17%	81%	43%
1000 - 2000	91%	95%	96%	82%	90%	92%	38%	86%	51%
2000 - 5000	94%	90%	89%	86%	98%	89%	36%	84%	55%
5000 or more	94%	100%	95%	89%	98%	89%	35%	89%	53%
%points increase (largest-smallest)/10	0.03	0.03	0.02	0.07	0.08	0.02	0.03	0.03	0.04

Source: *WageIndicator* data, September 2004-September 2006

#### 4.4 The determinants of collective bargaining coverage

So far, we have reviewed the variation in coverage rates for individual factors such as age and gender, and for industry characteristics such as sector and firm size. Both age and firm size are assumed to largely influence collective bargaining coverage. The results in Table 8 in the Appendix indeed show that in all countries, the impact of age is obvious and so is the impact of firm size. In all countries, the effect of firm size is even larger than the effect of age. Thus, it is predominantly firm size that predicts collective bargaining coverage, followed by age. As for gender, as expected, the results are mixed. Women are more likely to be covered in Hungary and the Netherlands, whereas the reverse holds for the remaining countries. As for the assumed high coverage in the public sector, this indeed turns out to be the case in all countries under study.

Following the line of analyses of the OECD, we could have explored the impact of union membership and the presence of workplace representation, be it a works council, a trade union representative, or other. Questions measuring employees' workplace representation are present in the *WageIndicator* data. However, the data here is not asked in all countries in all data releases and therefore these analyses have not been undertaken.

### 5. Employees' opinions about collective bargaining coverage

Do employees think that it is important to be covered by a collective bargaining agreement, regardless whether they are covered or not? In Belgium, Germany, the Netherlands, Spain and the UK this question was asked all the time in the *WageIndicator* survey; in Finland, it was asked only from April until September 2005, and it was not asked at all in Hungary, Poland and Denmark. As a consequence of the different regimes of wage-setting, the survey questions on this issue also vary across countries: the phrasing of the questions is slightly different across countries.

When investigating employees' opinions about collective bargaining, the breakdown by industry does not point to large cross-industry differences, yet it points to cross-national differences: see Table 7 (next page). In the UK not even half of the

employees agreed with the statement that it is important to be covered by an agreement. In Spain, on the other hand, 90% of the employees did so; in this country, the cross-industry differences are comparatively small. In most countries the support for collective bargaining is highest in the public sector. In Belgium, Germany and the Netherlands, this is lowest in real estate, renting and business activities, and in the UK in construction.

**Table 7 Percentage of the employed agreeing that it is important to be covered by a collective agreement, breakdown by country and industry, 2004-2006**

	Belgium	Finland	Germany	Netherlands	Spain	UK
Agriculture	71%	100%	72%	77%	88%	45%
Manufacturing	78%	87%	64%	69%	87%	36%
Utilities	85%	100%	72%	65%	88%	58%
Construction	73%	85%	67%	79%	87%	28%
Wholesale/retail	76%	85%	67%	76%	86%	40%
Hotels, rest., catering	79%	90%	73%	81%	87%	37%
Transport, commun.	79%	84%	69%	72%	91%	55%
Finance	77%	89%	57%	67%	94%	39%
Other comm.services	64%	83%	43%	50%	89%	31%
Public sector	81%	94%	84%	83%	95%	80%
Education	83%	85%	75%	84%	92%	67%
Health care	92%	93%	78%	90%	95%	67%
Other	84%	80%	66%	73%	94%	49%
Total	77%	87%	64%	72%	90%	46%
N	15458	3037	64594	56107	11302	17413

Source: *WageIndicator* data, September 2004-September 2006  
Only cells with more than 9 observations are included

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## 7. Appendix

**Table 8 The determinants of collective bargaining coverage, 2004-2006**

<b>BELGIUM</b>				
	B	S.E.	Sig.	Exp(B)
REF public sector, health, edu			0.000	
AGRICULT, MANUF, CONSTR	-0.471	0.073	0.000	0.624
TRADE, TRANSPORT, HOSPIT	-0.662	0.077	0.000	0.516
COMMERCIAL SERVICES	-0.705	0.072	0.000	0.494
GENDER	0.125	0.048	0.009	1.133
AGE	0.009	0.002	0.000	1.009
firm size	0.307	0.011	0.000	1.359
Constant	0.160	0.120	0.183	1.173
Chi-square	1205.321	df (6)	Sig.	0.000
Included in Analysis	12779		Missing Cases	5711
<b>DENMARK</b>				
	B	S.E.	Sig.	Exp(B)
REF public sector, health, edu			0.000	
AGRICULT, MANUF, CONSTR	-0.744	0.310	0.016	0.475
TRADE, TRANSPORT, HOSPIT	-0.927	0.312	0.003	0.396
COMMERCIAL SERVICES	-1.715	0.315	0.000	0.180
GENDER	-0.447	0.159	0.005	0.640
AGE	0.039	0.007	0.000	1.040
firm size	0.340	0.043	0.000	1.405
Constant	0.246	0.438	0.574	1.27s9
Chi-square	191.795	df (6)	Sig.	0.000
Included in Analysis	1952		Missing Cases	200
<b>FINLAND</b>				
	B	S.E.	Sig.	Exp(B)
REF public sector, health, edu			0.000	
AGRICULT, MANUF, CONSTR	-1.107	0.270	0.000	0.331
TRADE, TRANSPORT, HOSPIT	-1.179	0.265	0.000	0.308
COMMERCIAL SERVICES	-1.613	0.248	0.000	0.199
GENDER	-0.184	0.132	0.163	0.832
AGE	0.018	0.006	0.005	1.018
firm size	0.250	0.032	0.000	1.284
Constant	1.869	0.369	0.000	6.483
Chi-square	154.669	df (6)	Sig.	0.000
Included in Analysis	2828		Missing Cases	12043
<b>GERMANY</b>				
	B	S.E.	Sig.	Exp(B)
REF public sector, health, edu			0	
AGRICULT, MANUF, CONSTR	-0.739	0.028	0.000	0.478
TRADE, TRANSPORT, HOSPIT	-0.668	0.033	0.000	0.513
COMMERCIAL SERVICES	-1.432	0.030	0.000	0.239
GENDER	-0.083	0.020	0.000	0.921
AGE	0.025	0.001	0.000	1.025
firm size	0.405	0.004	0.000	1.499
Constant	-1.854	0.052	0.000	0.157
Chi-square	18913.286	df (6)	Sig.	0.000
Included in Analysis	64794		Missing Cases	8306
<b>HUNGARY</b>				
	B	S.E.	Sig.	Exp(B)
REF public sector, health, edu			0.005	
AGRICULT, MANUF, CONSTR	-0.231	0.108	0.032	0.794
TRADE, TRANSPORT, HOSPIT	-0.039	0.120	0.742	0.961
COMMERCIAL SERVICES	-0.438	0.138	0.001	0.645
GENDER	0.204	0.084	0.015	1.226
AGE	0.040	0.004	0.000	1.041
firm size	0.505	0.020	0.000	1.656
Constant	-2.968	0.209	0.000	0.051
Chi-square	1063.518	df (6)	Sig.	0.000
Included in Analysis	3894		Missing Cases	561

**Table 8 The determinants of collective bargaining coverage (cont'd)**

<b>NETHERLANDS</b>				
	B	S.E.	Sig.	Exp(B)
REF public sector, health, edu			0.000	
AGRICULT, MANUF, CONSTR	-0.991	0.039	0.000	0.371
TRADE, TRANSPORT, HOSPIT	-1.068	0.039	0.000	0.344
COMMERCIAL SERVICES	-2.553	0.036	0.000	0.078
GENDER	0.112	0.020	0.000	1.119
AGE	0.001	0.001	0.311	1.001
firm size	0.189	0.004	0.000	1.208
Constant	1.856	0.055	0.000	6.401
Chi-square	12244.564	df (6)	Sig.	0.000
Included in Analysis	77304		Missing Cases	9436
<b>POLAND</b>				
	B	S.E.	Sig.	Exp(B)
REF public sector, health, edu			0.023	
AGRICULT, MANUF, CONSTR	0.265	0.190	0.164	1.303
TRADE, TRANSPORT, HOSPIT	-0.111	0.224	0.620	0.895
COMMERCIAL SERVICES	-0.339	0.208	0.102	0.712
GENDER	-0.066	0.150	0.662	0.936
AGE	0.079	0.008	0.000	1.082
firm size	0.253	0.031	0.000	1.288
Constant	-5.561	0.398	0.000	0.004
Chi-square	217.5487	df (6)	Sig.	3.47E-44
Included in Analysis	1899		Missing Cases	4269
<b>SPAIN</b>				
	B	S.E.	Sig.	Exp(B)
REF public sector, health, edu			0.000	
AGRICULT, MANUF, CONSTR	-0.554	0.071	0.000	0.574
TRADE, TRANSPORT, HOSPIT	-0.580	0.074	0.000	0.560
COMMERCIAL SERVICES	-0.544	0.067	0.000	0.580
GENDER	0.080	0.046	0.084	1.083
AGE	0.018	0.003	0.000	1.018
firm size	0.173	0.010	0.000	1.188
Constant	0.130	0.125	0.296	1.139
Chi-square	503.297	df (6)	Sig.	0.000
Included in Analysis	10786		Missing Cases	2997
<b>UNITED KINGDOM</b>				
	B	S.E.	Sig.	Exp(B)
REF public sector, health, edu			0.000	
AGRICULT, MANUF, CONSTR	-1.902	0.054	0.000	0.149
TRADE, TRANSPORT, HOSPIT	-1.690	0.055	0.000	0.185
COMMERCIAL SERVICES	-1.993	0.050	0.000	0.136
GENDER	-0.321	0.039	0.000	0.725
AGE	0.025	0.002	0.000	1.025
firm size	0.279	0.007	0.000	1.322
Constant	-1.711	0.092	0.000	0.181
Chi-square	4486.752	df (6)	Sig.	0.000
Included in Analysis	19142		Missing Cases	3810

Note: the large number of missing cases is predominantly due to respondents having indicated 'Don't know' to the collective bargaining questions.