WIBAR-3 Project
Multi-Employer Bargaining
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WIBAR seminar on Wholesale and Retail (Commerce)
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Amsterdam Institute for Advanced labour Studies
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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
  - Ownership categories and IR characteristics
  - Size of companies/subsidiaries and IR characteristics
  - Development of employment and IR characteristics
  - Economic 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, stabilisation of 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 configurations related to new technology; 'sharing economy' (Uber, Airbnb, etc.)

3 Employment in multinationals – 1

Four industries in %

Summary T. A3.11: % employment in MNEs (FDI: FO = foreign-owned, HB = 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	58	*7*	**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*

3. Employment in multinationals – 2

10 most widespread MNEs in Commerce

	Among top-5 wholesale & retail employers in	Empl. here in 2014 / % total employed	Expansion/job cuts 2015-16
Lidl (Schwarz Gruppe, DE)	AT, BE, BG, CZ, DE, IE, RO, SK, SI	153,500 (72%)	IT+, LT+, PL+, SI+, ES+, UK+
REWE Group (DE)	AT, BG, CZ, DE, LT, RO, SK	147,800 (48%)	RO-
Gr. Carrefour (FR)	BE, BG, FR, IT, PL, RO	150,700 (29%)	RO+, ES+
Aldi (DE)	AT, BE, DE, IE, PL, SK	118,400 (56%)	UK+
Tesco (UK)	CZ, HU, IE, PL, SI, UK	300,200 (78%)	HU-, UK-
Groupe Auchan (FR)	FR, HU, PL, PT, RO	116,600 (44%)	FR-, IT-, RO+
Metro Group (DE) / *MAKRO/Metro C&C*	AT, BE, BG, CZ, DE, ES, FR, HU, IT, NL, PL, PT, RO, SK	63,000 (*23%)*	BE-, DK-, PL-
Sonepar (FR)	AT, BE, DE, EE, FR, NL, RO	21,500 (51%)	
Coop (CH)/*SELGROS*	DE, PL, RO	39,300 (*40%*)	PL+
Ahold/Delhaize (NL/BE)	BE, CZ, NL, RO	144,000 (38%)	BE+, NL-

Intermezzo: differences between wholesale and retail

issue	year	wholesale	retail
Scale establishments / subsidiaries	2014	21% in est. >= 250 empl.	49% in est. >= 250 empl.
Employment concentration	2013	7.5% employed in top-5 companies	21.8% employed in top-5 companies
Employment in foreign-owned MNEs	2013	23.0% of employed, mainly in rather small MNEs	17.6% of employed, mainly in large MNEs
Collective bargaining coverage, f.e. in			
Germany	2010	30%	40%
Italy	2012	80%	86%
Netherlands	2015	31%	95%

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 the survey**
  - identify bargaining patterns and parties in each industry
  - identify bargaining preferences of individual employees
  - identify characteristics and orientation of companies: ownership; size; growth/decline of employment; economic concentration, all related to relationship management – trade unions
- **Web-based survey**
  - completed by 8 WIBAR3 researchers between July‘15 - April‘16
  - Information 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)
- Outcomes
  - 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: Collective Bargaining Coverage (CBC); Trade Union Density (TUD); CLA share of MEB; management – trade union relationship (MAN-TU, 1/2-low <...> 5-high)**
- **Outcomes based *on ratings country/industry cells* (p. 62-63)**
  - **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, CLA share of MEB**
- **MAN-TU outcomes based *on ratings indiv. companies* (p. 63-66)**
  - **Av. score commerce 3rd of 4 industries (2.93, total av. 2.98)**
  - **In commerce av. score foreign-owned MNEs (2.85) slightly lower than home-based MNEs (2.87), in other industries larger difference**
  - **Av. scores of MNEs based in 8 EU countries slightly higher abroad than in their home countries (3.13 versus 3.11)**
  - **Av. scores of US-based MNEs quite low (2.44)**

4.4 (1) Ownership categories and IR characteristics

- **Outcomes for other three IR characteristics (p. 69)**
  - **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 575 companies**

	M&E	wholes.	retail	ICT	T&T
Foreign-owned MNE	56	**45**	**47**	68	12
Home-based MNE	32	**30**	**39**	21	28
State firm	0	**0**	**0**	1	58
Domestic firm	12	**25**	**14**	10	2

4.4 (2): Size of companies/subsidiaries and IR characteristics

- **MAN-TU outcomes based *on ratings indiv. companies* (p. 70-71)**
  - **quite industry-specific: in commerce av. score smaller/equal (>=) 1000 employed highest (3.02), higher than 1001-5000 employed (2.90) and larger than 5000 (2.92)....**
  - **but not in M&E manuf. and ICT: see Table 4.9A (N=487)**

	M&E	commerce	ICT	T&T	Total
=< 1000	3.00	**3.02**	2.59	3.29	***2.83***
1001-5000	3.11	**2.90**	2.93	2.83	***2.94***
> 5000	3.30	**2.92**	2.80	3.08	***3.05***
Total	*3.23*	***2.93***	*2.78*	*3.02*	***2.98***

4.5 Development of employment and IR characteristics

- **Outcomes (p. 71-73)**
  - **No significant relationship between empl. growth / decline *in 115 industry/country cells* in 2008-2013 and TUD, CBC, MEB and *average* management – trade union relationship per cell**
  - **Relationship employment growth / decline *in individual companies* in 2012-2014 with MAN – TU rel.: av. score in growing (>5%) companies (3.02) higher than in declining (<5%) companies (2.98), av. score of 'in between' companies lowest (2.95) – yet differences small!**
- **Revised Table A3.15: growth of no. employees 2008-2014 in %**

	M&E	wholes.	retail	ICT	T&T
W/N/S Eur.	-8.2	**4.6**	**4.3**	22.1	-0.4
10 CEE c.	-6.1	**-10.0**	**-7.5**	50.7	-4.4
TOTAL 23c.	-7.7	**1.4**	**2.2**	24.8	-1.2

4.6 Economic concentration and IR characteristics

- **Outcomes (p. 73-74)**
  - The *larger* the employment share of top5 companies per country/industry cell, the *poorer* management – trade union relationship (!)
  - Yet also: the *larger* the employment share of top5 companies, the *higher* TUD (!)
  - No relationship between employment share of top5 companies and CBC / MEB
- **Summary Table A4.4 (economic concentration = share top5 companies in employment of industry/country cells)**

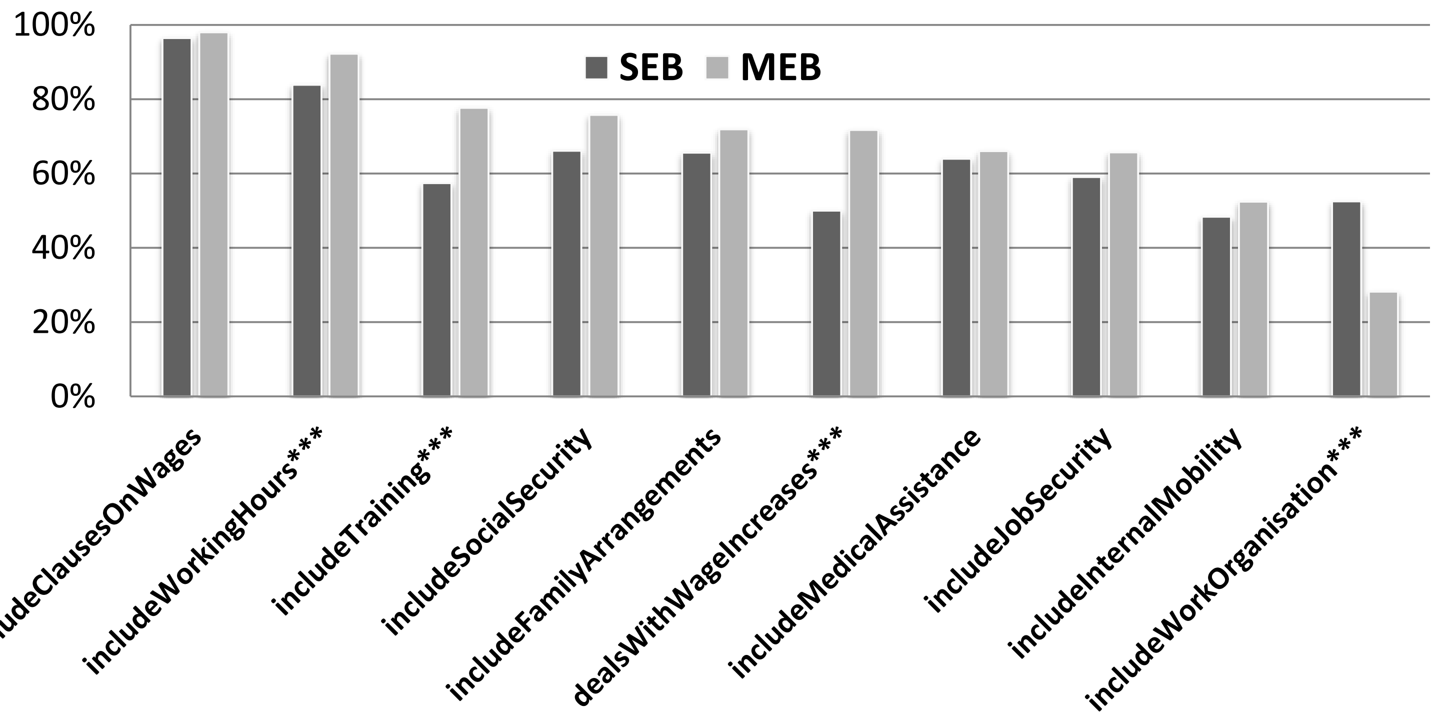
metal & electr.	whole-sale	retail	ICT	transport & telecom	Total
15.3%	7.5%	21.8%	16.3%	28.7%	17.9%

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 Collective Agreements Database: add CLAs!**
- **Complete Industrial Relations Survey**
- **Complete the analysis on which factors impact bargaining practices, in particular concerning MEB, relate this to current developments in *national* industrial relations**
- **Integrate presented cases of collective bargaining and seminar debates in final reporting**
- **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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