

Report on WIBAR-3 Seminar: The Defence and Advance of Collective Bargaining in Wholesale and Retail (Commerce) -- 7 October 2016, De Burcht, Amsterdam, The Netherlands

Participants

This third WIBAR-3 seminar out of three was organized by AIAS-UvA, and hosted at De Burcht conference centre in Amsterdam. It was attended by 27 participants, of which eight belonged to the WIBAR-3 consortium (4 AIAS-UvA, 2 CELSI, 2 Ruskin College). The 19 participants from outside the consortium all had a trade union background; one represented an international union organisation (ETUI). The 27 participants originated from 16 EU countries and were divided as follows: Belgium 1; Bulgaria 1; Estonia 1; Germany 1; Italy 1; Finland 1; Hungary 3; Latvia 1; Lithuania 1; Netherlands 5; Poland 2; Portugal 1; Slovakia 2; Slovenia 2; Spain 3; United Kingdom 1. 12 participants were female, 15 male.

The seminar language was English. Professional interpretation was made available on behalf of the Hungarian and Spanish participants.

Preparatory materials

With the seminar invitation participants also received a 3-page flyer 'Introduction to the WIBAR-3 project'. Ten days before the seminar, participants received the draft 'WIBAR-3 Report on Wholesale and Retail Industries (Commerce)' produced by AIAS project coordinators Maarten van Klaveren and Kea Tijdens. The first two chapters of this 107-page draft focussed on constraints and opportunities for multi-employer bargaining (MEB). Chapter 2 went into the feasibility and the recent history of multi-employer bargaining (MEB) throughout the European Union. Chapter 3 detailed developments in employment in the five industries and 23 countries scrutinized. Chapter 4 analysed the outcomes of the WageIndicator survey used for mapping collective bargaining coverage and employees' bargaining preferences, as well as outcomes of the WIBAR-3 Industrial Relations survey covering industrial relations characteristics. An extensive Statistical Appendix completed the draft report.

Presentations

The seminar gathering remained in plenary format throughout as group work was not envisaged. After AIAS co-director Paul de Beer had delivered a word of welcome, eight presentations took place. Besides the introduction to the WIBAR-3 project and the preliminary results from the draft report just mentioned, seven presentations from participants covered:

- The Spanish Case Study: Industrial Relations and Collective Bargaining in the Spanish Commerce Sector;
- The Hungarian Case Study: Labour Market Changes and Collective Bargaining in Hungarian retail;
- Social Dialogue in the Commerce Sector – the Slovenian experience;
- Developments in Industrial Relations and Collective Bargaining in Germany;
- Competition, Collective Bargaining and Wages in the Dutch commerce sector;
- Collective Bargaining in Commerce: the Struggle of the Portuguese unions;
- Trade Union Organizing and Collective Bargaining in British Commerce.

Because presentations were prepared by various participants, 12 of them were involved in shaping the presentations.

Debate

In spite of the considerable number of presentations, nearly two hours were available for debate. The major issues in the debate embraced: developments in employment, competitive structures, labour organisation, and the labour market; developments in industrial relations, including political conditions and the position of employers' organisations; and overall the implications for trade union organizing and collective bargaining practice. The discussion on these issues will be taken into account and reflected in the final WIBAR-3 reporting.

Developments in competitive structures, labour organisation, and the labour market

Like in the two earlier seminars, also in commerce **internationalisation / globalisation** showed up as a dominant factor, with major implications for employees. However, the penetration of multinational enterprises (MNEs) in wholesale and retail respectively as well as in their sub-sectors needed closer scrutiny as it took various forms. While in most European countries that penetration in the wholesale industry was higher in terms of employment, FDI in retail seems to have had a larger impact on collective bargaining as well as on wages and working conditions. Interestingly, across host countries major MNEs growingly seem to aim at different positions in the competitive landscape, which may translate into different behaviour towards the trade unions. Lidl was mentioned as an example, with which firm the unions developed 'workable' relations in Finland and Spain while in other countries the German discounter obviously still is trying to evade unions and bargaining as much as possible. The wholesale operations of the Metro Group, that is, Metro/MAKRO Cash & Carry formed another example of human resources and industrial relations practices varying across EU countries. Exchange of experiences with such variations in company behaviour in international trade union contacts, it was noted, may be quite relevant.

Also in this seminar the issue of the **blurring of 'classical' industry boundaries** played a prominent role. The expansion of Amazon and other web shops got quite some attention; in this respect one of the presenters coined the term 'wholesale'. Examples from various countries illustrated that this expansion goes hand in hand with the (further) deregulation of the labour market, in particular with a growing number of self-employed and with the worsening of employment contracts. More generally participants emphasized that notably retailing remains situated at the bottom of the labour market. Though labour market characteristics turned out to vary considerably across countries, the influx of students and others working on temporary contracts was said to be widespread and to continue to put pressure on wages and conditions. A brief inventory of practices of retail firms showed that they often have been leading in the use of 'exit options', like the youth minimum wage in the Netherlands or the marginal part-time construction ('mini-jobs') in Germany. In particular the Dutch young minimum wage met quite some indignation. In spite of the recent growth of retail employment in a number of countries covered, it became clear that precariousness continues to be widespread in retailing. A telling example in this respect was the practice of offering zero-hours contracts in the UK. Various participants asked the WIBAR3 team to give these and similar labour market conditions substantial consideration in their final reporting as far as it concerns the commerce sector.

In line with the labour market positioning of retail just mentioned, the **low wages** in retail got quite some attention. Participants underlined that everywhere retail wages –mostly jointly with those in hospitality and tourism – are the lowest in place. Notably the low

wages of females were noted, often related to formally subservient positions that do not mirror responsibilities in practice (the male store manager versus the female first cashier). The role of MNEs in wage-setting was debated. In some countries, like in Hungary, they were suggested to pay the lowest wages while in other countries this was not that obvious (as shown by results of the WIBAR-2 research project). At this point the relevance of the minimum wage, either statutory (SMW) or laid down in collective agreements, was debated, as was the practice of mandatory extension. It was noted that, whereas mostly in countries with a SMW some distance remained between that minimum wage and the lowest pay scales in collective agreements, this often was hardly or not the case in retail. For the final report it was suggested to relate the labour market issues closely to the wage and minimum wage issues along the lines discussed in this seminar. It was emphasized that currently the 'purchasing power argument' is highly relevant for the development of employment in the retail industry as well as for national economic recovery. Against this backdrop, the importance of substantial general wage increases in notably Germany and the Netherlands was emphasized.

Developments in industrial relations

The discussion on industrial relations and collective bargaining focussed on the weak **position of the trade unions** in the commerce sector and the obstacles for organizing: the large amount of part-timers and of young workers, the dispersed character of wholesale and retail, with many small workplaces, and on top repeatedly employers' obstruction of bargaining. Across countries, reported union densities in retail varied between 5 and 13 per cent, with densities in wholesale less detailed but most likely rather similar. With this a starting point, participants argued, it is often not a matter of attaining multi-employer bargaining but of 'attaining bargaining anyway'. Within countries, the widespread variety in employers' positions in the competitive landscape and in dealing with the unions seems to complicate matters even more. Illustrative here was the overview in the UK presentation of the different prospects and positions vis-a-vis the trade unions of the country's main high street retailers. The UK presentation also indicated the considerable risks of a partnership approach in a 'low union' industry like retail. As a specific problem, that of the non-renewal of 'after effect' of collective agreements showed up, notably in the commerce sectors of Portugal, Spain, Hungary and the Netherlands.

Campaigns to mobilize commerce workers and to strengthen the unions' bargaining potential in commerce were presented and discussed. The Spanish participants showed interesting and stimulating examples of the use of social media in such campaigns. Yet it seemed that the use of member surveys needed some reconsideration, in other countries as well.

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