



Europäischer Metallgewerkschaftsbund
European Metalworkers' Federation
Fédération Européenne des Métallurgistes

COLLECTIVE BARGAINING IN THE EUROPEAN METAL INDUSTRY

-

EUCOB@ REPORT 2005

EUCOB@ - The European Collective Bargaining Correspondent Network

of the

European Metalworkers' Federation EMF

Fédération Européenne des Métallurgistes FEM

Europäischen Metallgewerkschaftsbund EMB

Concluded: August 2005

European Metalworkers' Federation • Rue Royale 45 (Bte 2) • B – 1000 Brussels • Tél.:+32/(0)2/227 10 10 •
Fax:+32/(0)2/217 59 63 • E-mail : emf@emf-fem.org • Website : www.emf-fem.org • Member of ETUC

Contents:

| | | |
|----------|--|-----------|
| 1 | PART I: Introduction and Overview | 4 |
| 1.1 | Preface | 4 |
| 1.2 | The EUCOB@ INFORMATION SYSTEM..... | 5 |
| 1.3 | Participation in the EUCOB@ REPORT | 6 |
| 2 | European Collective Bargaining Basics | 7 |
| 2.1 | Collective Bargaining Calendar..... | 7 |
| 2.2 | Bargaining Levels..... | 9 |
| 2.3 | Coverage of Collective Agreements..... | 11 |
| 3 | Collective Agreements at company level in Croatia, France, Hungary and UK | 14 |
| 3.1 | Croatia | 14 |
| 3.2 | France | 19 |
| 3.3 | Hungary | 23 |
| 3.4 | UK | 25 |
| 4 | European Collective Bargaining - Demands and Results | 26 |
| 4.1 | Overview of trade union demands..... | 26 |
| 4.2 | Collective Bargaining results in Europe..... | 34 |
| 5 | Evaluation of the EMF Co-ordination Rule | 42 |
| 5.1 | The economic data: “National figures” or “European figures”? | 44 |
| 5.2 | Productivity: “Per Person” or “Per hour worked”? | 45 |
| 5.3 | The value of the whole agreement (VOWA)..... | 47 |
| 5.4 | The balance sheet of VOWA in the light of the EMF co-ordination rule | 49 |
| 5.5 | Mid-term evaluation of collective agreements in the light of the EMF co-ordination rule..... | 55 |
| 5.6 | Year-by-year analysis 2000 - 2005..... | 55 |
| 6 | Empirical Results: Average OIR and BPPG 2000 – 2005 | 57 |
| 7 | Appendix | 60 |
| 8 | References: | 64 |

List of Tables and Charts:

| | |
|---|----|
| Chart 1: Participation in the EUCOB@ REPORT 1999-2005 | 6 |
| Chart 2: Trade Union Demands in 2003/2004 and 2005 | 26 |
| Chart 3: Average OIR and BPPG 2000-2005 | 58 |
| Table 1: European Collective Bargaining Calendar (Metal Industry - NACE Codes DJ, DK, DL and DM)..... | 8 |
| Table 2: European Collective Bargaining Calendar (other NACE-codes)..... | 9 |
| Table 3: Classification: Bargaining Levels | 10 |
| Table 4: Classification: Coverage of the agreement..... | 11 |
| Table 5: Demand: Wages | 27 |
| Table 6: Demand: Working Time..... | 29 |
| Table 7: Demand: Training..... | 30 |
| Table 8: Demand: Older Workers | 30 |
| Table 9: Demand “Equal Treatment” | 31 |
| Table 10: Demand: Other Issues | 32 |
| Table 11: Results: Wages | 34 |
| Table 12: Results: Working Time | 36 |
| Table 13: Results: Training | 37 |
| Table 14: Results: Older workers | 38 |
| Table 15: Results “Equal treatment” | 39 |
| Table 16: Results “other issues” | 39 |
| Table 17: Macro-economic parameters 2004 (as %)..... | 44 |
| Table 18: Macro-economic parameters 2005 (estimated, as %) | 45 |
| Table 19: Comparison Productivity growth, year 2004, annual growth rate as % | 47 |
| Table 20: Value of the whole agreement (VOWA) 2004 (as a %)..... | 48 |
| Table 21: Value of the whole agreement (VOWA) 2005 (as %) | 49 |
| Table 22: Balance Sheet 2004 (TU Figures) (as %) | 51 |
| Table 23: Balance sheet 2005 (TU figures) (as %) | 52 |
| Table 24: Balance Sheet 2004 (Eurostat / OECD figures) (as %)..... | 53 |
| Table 25: Balance sheet 2005 (Eurostat / OECD figures) (as %) | 54 |
| Table 26: National Collective Agreements in the light of the EMF Co-ordination Rule” 2000-2005 (VOWA compared with Eurostat / OECD statistics)..... | 55 |
| Table 27: EUCOB@ CORRESPONDENTS (update September 2005)..... | 60 |

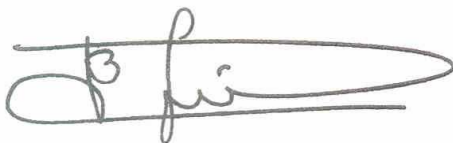
1 PART I: Introduction and Overview

1.1 Preface

This is the sixth EMF EUCOB@ REPORT since the year 2000. Today the EUCOB@ EUROPEAN CORRESPONDENT NETWORK is the backbone of the EMF's European co-ordination approach. The concept was adopted by the EMF Collective Bargaining Committee in November 1999 and the first EUCOB@ REPORT was presented in March 2000. A section on the evaluation of the EMF co-ordination rule has been included in every subsequent report.

In recent months we have started to evaluate why some countries have never - or never regularly - sent reports to the EMF. To do so we launched "small EUCOB@ working groups" in France and the UK. We identified in both countries the fact that the questionnaire was not suited to their collective bargaining system. While the French colleagues secured some framework agreements at national level (e.g. on training – see EUCOB@ REPORT 2004) and wage negotiations at company level, the UK trade unions have to deal with all issues at company level. We are therefore developing a comparable way to deal with the fact that collective bargaining negotiations have always taken place at company level in several European countries (France, UK, most of the New Member States and acceding countries) or there is a more or less controlled decentralisation from the national or regional to the company level taking place (e.g. Germany, Italy, etc.)

In addition to the EUCOB@ REPORT 2005 we will make a political evaluation of the EMF co-ordination rule at the EMF Collective Bargaining Policy Conference in Rome in October 2005. This combination will provide considerable added value for our future work.



Bart SAMYN
Deputy General Secretary

Dr. Jochen Gollbach
EUCOB@ Coordinator

1.2 The EUCOB@ INFORMATION SYSTEM

The EUCOBA INFORMATION SYSTEM is part of the threefold EMF co-ordination approach to avoid social and wage dumping and to manage the growing competition between locations/countries. The other two pillars are the co-ordination of national collective bargaining policy by co-ordination rules and minimum standards and the interregional networks.

The EUCOBA Information System is a tool to improve and enhance the EMF co-ordination approach as well as a tool to strengthen national collective bargaining across Europe by a structured and permanent information exchange and consultation process.

The heart of the EUCOBA Information System is the EUCOB@ CORRESPONDENT NETWORK, which is organised within the EMF Secretariat in Brussels, under the section Collective Bargaining,

This network consists of correspondents from the EMF affiliates. In order to be representative there has to be at least one correspondent per country. The means of communication is a structured and daily E-mail exchange. The working language is English. Currently there are 48 correspondents in 26 European countries.

The current “products” of the EUCOBA Information System are:

- EUCOB@ CORRESPONDENT NETWORK: The day-by-day information exchange
- EUCOB@ DAY-BY-DAY INFORMATION ARCHIVE where the information exchange is documented
- The annual EUCOB@ REPORT
- Periodical EUCOB@ SURVEYS on special issues
- The EUCOB@ INFORMATION PLATFORM that delivers support in cases of industrial action
- Integration of the support for solidarity action.

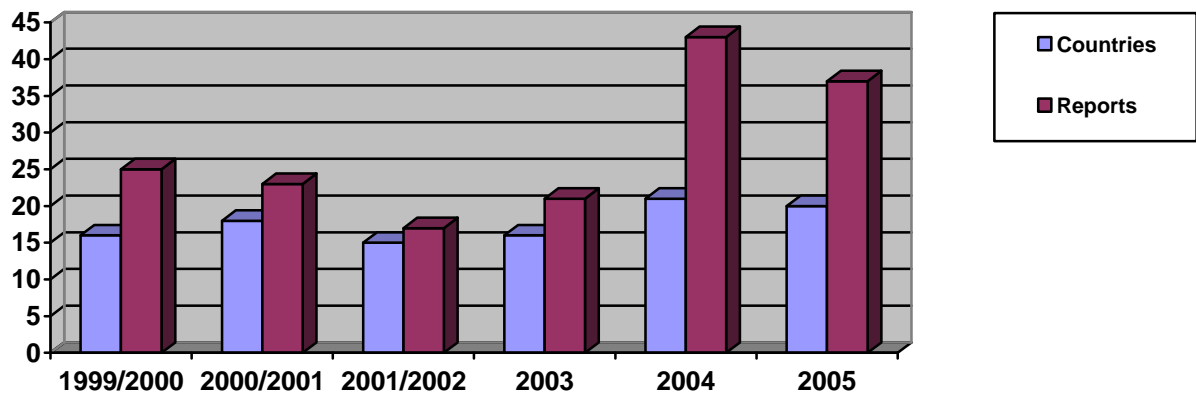
In addition to this, EUCOBA also operates in cooperation and co-ordination with other European Industry Federations and the ETUC, the ETUI and the IMF.

1.3 Participation in the EUCOB@ REPORT

This year we received 37 reports from 20 European countries (Austria, Belgium, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Italy, Netherlands, Norway, Poland, Slovak Republic, Slovenia, Spain, Sweden and Switzerland).

This means that we have a good participation rate again (see Chart 1) but some countries are missing: Bulgaria, Ireland, Iceland, Luxembourg, Portugal, Romania, Serbia and Turkey.

Chart 1: Participation in the EUCOB@ REPORT 1999-2005



Hence, -and here we are repeating ourselves - participation in the annual report is fairly satisfactory but could and should be better. As mentioned earlier, we have launched “small working groups” on EUCOB@ with France and the UK because the questionnaire did not fit their collective bargaining systems. The goal is to develop methods to make integration into the EUCOB@ REPORTS possible and we hope that other countries will follow that example. All we can do to improve participation is to appeal to our affiliates to do so.

2 European Collective Bargaining Basics

In this chapter we give an overview of the development in collective bargaining in the surveyed countries for the period summer 2004 to summer 2005.

2.1 Collective Bargaining Calendar

Based on the information given in the questionnaires the following can be concluded as regards the collective bargaining calendar:

- a) Collective bargaining took place in some European countries (Austria, Czech Republic, Finland and Hungary) in the period under review.
- b) Most of the countries have collective agreements that were negotiated and signed in 2004 or earlier and are valid for two or more years (Belgium, Cyprus, Denmark, Germany, Greece, Netherlands, Norway, Poland, Slovak Republic, Slovenia, Sweden and Switzerland).
- c) In France, Hungary und the United Kingdom collective bargaining takes place mainly at company level. Therefore we will show an overview in the chapter “Collective Agreements at Company Level in Croatia, Hungary, France and UK”

Table 1: European Collective Bargaining Calendar (Metal Industry – NACE Codes DJ, DK, DL and DM)

| Country | Organisation | Current agreements valid | | Terms in years | Next negotiation: | | Current situation |
|--|---|---|--|-----------------------|---------------------------|---------------|--|
| | | from | To | | start | finished | |
| Austria (Electrical and Electronics industry) | Austrian Metal and Textile Workers' Union (GMT) | 1.5.2005 | unlimited | Renegotiated annually | Presumably in spring 2005 | Not yet fixed | |
| Austria (Metal and Mining industry) | Austrian Metal and Textile Workers' Union (GMT) | 1.11.2004 | unlimited | Renegotiated annually | Presumably in autumn 2005 | Not yet fixed | |
| Austria (Small trade-crafts) | Austrian Metal and Textile Workers' Union (GMT) | 19.11.2004 | unlimited | Renegotiated annually | Presumably in autumn 2005 | Not yet fixed | |
| Belgium | CCMB, CMB and ACLVB | 01.01.2005 | 31.12.2006 | 2 years | January 2007 | May 2007 | Implementation in collective agreements (text) |
| Croatia | SMH | | | | | | Ongoing negotiations |
| Cyprus | OVIEK-SEK | 1.1.2004 | 31.12.2006 | 3 years | | | |
| Czech Republic (Aircraft production) | OS KOVO | 1.1.2005 | 31.12.2005 | 1 | 9/2005 | 11/2005 | Preparation of consultations with company trade unions and preliminary talks with employers' organisations |
| Czech Republic (Electrotechnical industry) | OS KOVO | 1.1.2005 | 31.12.2006 | 2 | 9/2006 | 11/2006 | |
| Denmark (national agreement) | CO-industri | 31.03.2004 | 31.03.2007 | 3 | 12/2006 | 03/2007 | |
| Denmark (additional Company agreements) | IDA (graduate engineers): DTI TDC A/S CSC CPH TG | 01.04.2004 01.04.2004 01.04.2004 01.03.2004 01.03.2004 | 01.04.2008 31.03.2007 31.03.2007 31.03.2007 01.03.2007 | 4 3 3 3 3 | | | |
| Finland | Finish Metalworkers' Union | 16.02.2005 | 30.09.2007 | 2,5 years | Autumn 2007 | | |
| France | - CFTC - FGMM-CFDT - FOM - FTM-CGT | See Chapter "Collective bargaining at company level" | | | | | |
| Germany | IG Metall | 1.1.2004 | 28.2.2006 | 2 years 2 months | January 2006 | | |
| Greece | POEM | 01.01.2004 | 31.12.2005 | 2 years | | | |
| Hungary | VASAS | See Chapter "Collective bargaining at company level" | | | | | |
| Italy | - FIOM-CGIL - FIM-CISL - UILM | Negotiation of wage increase every 2 years and the complete collective agreement every 4 years. The estimated inflation rate is negotiated at national level. Joint negotiations of the 3 trade unions started in January 2005. | | | | | |
| Netherlands | - CNV Bedrijven Bond - FNV Bondgenoten - De Unie - VHP | 1.06.2004 | 1.11.2007 | 2.5 years | 9/2006 | | |
| Norway | Fellesforbundet, Nito | 1.07.2004 | 31.06.2006 | 2 | Spring 2006 | October 2006 | |
| Poland (Metal Industry) | NSZZ "Solidarność" - National Steelworkers Section (SKH) | 7.07.2004 | No expiry date fixed | - | -September 2005 | - | |

| | | | | | | | |
|--|---|---|----------------------|----------------------|----------|----------------------|--|
| Poland (Defence and Aerospace Industry) | NSZZ "Solidarność" - National Armament and Aerospace Industry Section (SKPZiPL) | 01.01.1997 | No expiry date fixed | - | - | - | |
| Slovak Republic (Electrotechnical Industry) | OZ KOVO | 01.07.2002 | 31.12.2005 | 1.5 ears | 07/2005 | 31.12.2005 | OZ KOVO is preparing a draft of the new CA |
| Slovak Republic (Manufacture of basic metals) | - OZ KOVO | 01.04.2002 | 31.03.2005 | 3 years | 11/2005 | 12/2005 | Employers propose a commitment at national level on labour conditions but to negotiate wages at company level. |
| Slovak Republic (Engineering 1) | OZ KOVO | 01.05.2005 | 31.12.2008 | 3 years and 8 months | 11/2005 | 1.03.2006 | |
| Slovak Republic (Engineering 2) | OZ KOVO | 01.01.2005 | 31.12.2005 | 1 year | 11/2005 | 12/2005 | |
| Slovenia | SKEI | 28.7.2002 | 30.06.2005 | 2 | 1/2005 | Estimate end of 2005 | |
| Spain | MCA-UGT | In the metalworking sector in Spain, 44 of the 50 collective agreements were concluded at Province-level and 500 at company level | | | | | |
| Sweden | Svenska Metall, CF and SIF | 01-04-04 | 31-03-07 | 3 | 01-01-07 | 31/03/07 | |
| Switzerland | Swiss Union of Metalworkers and Watchmakers | 01.07.98 | 31.12.2005 | 7 | 08/2005 | | |
| United Kingdom | Amicus | See Chapter "Collective bargaining at company level" | | | | | |

Table 2: European Collective Bargaining Calendar (other NACE-codes)

| Country | Organisation | Current agreements valid | | Terms in years | Next negotiation: | | Current situation |
|---|--|--------------------------|------------------|------------------------------|--|----------------------|-------------------|
| | | from | To | | start | finished | |
| <i>Austria (Small trade-crafts)</i> | <i>Austrian Metal and Textile Workers' Union (GMT)</i> | <i>19.11.2004</i> | <i>unlimited</i> | <i>Renegotiated annually</i> | <i>Presumably in autumn 2005</i> | <i>Not yet fixed</i> | |
| <i>Austria (Temporary agency workers)</i> | <i>Austrian Metal and Textile Workers' Union (GMT)</i> | <i>7.12.2004</i> | <i>unlimited</i> | <i>Renegotiated annually</i> | <i>Presumably in late autumn / winter 2005</i> | <i>Not yet fixed</i> | |

2.2 Bargaining Levels

"Bargaining levels" are important to understand the structures of collective bargaining in the member countries. These structures have changed in recent years.

In the EUCOB@ REPORT 2004 we gave a detailed overview of the trends that can be seen concerning the development of collective bargaining structures in Europe: Collective agreements at national level ("National Employment Pacts") and at company level ("additional" or "variation" agreements) seem to become more and

more important. In most of the New Member States and accession countries collective bargaining at company level is the rule.

Currently we see that, in contrast to the previously described developments in some countries, national cross-sectoral agreements and sectoral agreements do not exist (Croatia, Hungary, Spain and UK) or are “only” framework agreements that have to be implemented at company level (France, Poland, Romania). Germany has signed an agreement that allows “variations” from the sectoral collective agreement under special circumstances in 2004. Additional agreements in two Siemens plants and for some employees’ groups in DaimlerChrysler used this opening clause to prolong weekly working time to up to 40 hours a week for example (see EUCOB@ REPORT 2004).

Table 3: Classification: Bargaining Levels

| Country | National Inter-sectoral | National Sectoral | Regional Sectoral | Local/company | National/Regional Sub-sectors |
|-----------------|-------------------------|-------------------|-------------------|---------------|-------------------------------|
| Austria | | X | | | |
| Belgium | X (law) | X | X | X | |
| Croatia | | | | X | |
| Cyprus | | X | | | |
| Czech Republic | | X | | X | NACE CODES |
| Denmark | | X | | X | |
| France | X | X | X | X | |
| Finland | | X | | | |
| Germany | | | X | X | |
| Greece | | X | | X | |
| Hungary | X (law) | | | X | |
| Italy | | X | | X | |
| Netherlands | X (CA) | X | | | |
| Norway | | X | | X | |
| Poland | | X | | X | |
| Romania | X | | | X | |
| Slovak Republic | | X | | | NACE CODES |
| Slovenia | | X | | X | |
| Spain | | | X | X | |
| Sweden | | X | | X | |
| Switzerland | | X | | X | |
| UK | | | | X | |

2.3 Coverage of Collective Agreements

The political relevance of the concluded collective agreements also depends on the scope of the labour relations they cover.

As the overview in Table 4 shows there are at least three important facts that have to be taken into account when comparing the reports: the different descriptions of the “branch” where the collective agreement is valid and the different “group of employees” (white- or blue-collar workers, engineers) as well as whether it is possible to declare the agreement generally binding by law in a given country.

Table 4: Classification: Coverage of the agreement

| <i>Country</i> | <i>Organisation</i> | <i>Number of members affected</i> | <i>Number of employees affected</i> | <i>Total work-force in the metal sector</i> | <i>Blue/ white-collar workers affected?</i> |
|--|--|-----------------------------------|--|---|--|
| Austria Metal and mining industry | - Austrian Metal and Textile Workers' Union (GMT) - Austrian White-collar Workers Union (GPA) | | 119.000 (blue-collar workers) 74.000 (white-collar workers) | 251.611 (157.778 blue collar; 93.615 white-collar) | Joint negotiations, but separate agreements for each category |
| Austria Small trade-crafts industry | GMT | | 108.000 (blue-collar workers) | | |
| Austria Electrical and Electronic Industry | GMT + GPA | | 27.305 blue-collar workers 30.031 white-collar workers | | |
| Austria Temporary workers | GMT | | 36.267 (blue-collar workers) | | Separate agreements for blue- and white-collar workers in the TAW branches |
| Belgium | - CCMB - CMB - ACLVB | | 160.000 blue-collar workers | 160.000 blue-collar workers | |
| Croatia | SMH in individual companies | 23182* | 45001* | 78100 | Blue- and white-collar |
| Cyprus | - OVIEK-SEK - SEMIK-PEO | 7.000 | 8.000 | 8.000 | Blue- and white-collar workers |
| Czech Republic Aircraft production | OS KOVO - Aircraft production | 1.857 | 5.061 | 546.605 (blue-collar) / 122.474 (white-collar) | both |
| Czech Republic Electro-technical industry | OS KOVO – Electro-technical industry | 4.176 | 15.489 | | |
| Czech Republic Foundries | OS-KOVO - Foundries | 2.631 | 5.703 | | |
| Denmark - National agreement | CO-industri | 300.000 | 300.000 (plus 100.000 indirectly) | 178.000 | Agreement covers not only metal but all manufacturing industry |

| Country | Organisation | Number of members affected | Number of employees affected | Total work-force in the metal sector | Blue/ white-collar workers affected? |
|---|--|---|--|---|--|
| Denmark – additional agreements at company level | IDA (graduate engineers) - DTI - TDC - CSC - CPH - TG | 250 200 100 50 14 | | | Only white-collar workers |
| Finland | Finnish Metalworkers' Union | 120.000 | All employees | 120.000 | Blue-collar workers |
| France | - FGMM-CFDT - FOM - FTM-CGT | - All employees in the metal industry (for collective agreements at national level) - For the regional level, all <u>blue-collar metal workers</u> employed in the region - For the <u>white-collar workers</u> in the metal industry, there is a national collective agreement for specific guarantees (for example : minimum wages) | | 1 700 000 It depends. 310 000 | All blue-and white-collar workers All blue-collar workers Same number |
| Germany | IG Metall | 1,35 Mil. | 3,4 Mil. | 3,4 Mil. | 60% blue-collar |
| Greece | POEM | 100.000 | | | blue-collar |
| Hungary | 132 member organisations of VASAS have a CA, but wage agreements could only be reached in 65 companies in 2005 | | CAs cover 69.970 employees; wage agreements cover 63.000 employees | 327.000 | both |
| Italy | FLM | | All metalworkers | 1.8 Mil. | both |
| Netherlands | Unions: - CNV Bedrijven Bond - De Unie - FNV Bondgenoten Metalindustry Metaal&Techniek - VHP | 50.000 45.000 | 170.000 350.000 | 340.000 220.000 | Both Both Both 170.000 covered by nat. agreement; rest by company agreements White |
| Norway | Unions: -Fellesforbundet - NITO | 40.000 15.000 | 55.000 15.000 | | Blue-collar White-collar |
| Poland - Steel industry | 5 Trade Unions | n.d. | 25.000 | | 19.500 blue-collar 5.500 white-collar |
| Poland – Aerospace industry | 5 Trade Unions | n.d. | 30.000 | | n.d. |
| Slovak Republic Metallurgy | OZ KOVO | 4.000 | 5.000 | 27.500 | both |
| Slovak Republic Electro-tech. industry | OZ KOVO | 9.500 | 16.000 | 54.000 | both |
| Slovak Republic Engineering | OZ KOVO | 25.000 | 46.000 | 106.000 | both |
| Slovak Republic Forging and Foundries | OZ KOVO | 2.700 | 5.700 | 31.277 | both |
| Slovenia | SKEI | 60.000 | Over 90.000 | 93.745 | - both - does not cover about 3.500 managers |

| Country | Organisation | Number of members affected | Number of employees affected | Total work-force in the metal sector | Blue/ white-collar workers affected? |
|--------------------------------|---|--|-------------------------------------|---|--|
| Spain | Unions: - MCA-UGT | 100.000 | 700.000 | 1,1 Mil. | 72% blue-collar 28% white-collar |
| Sweden - Engineering | - Svenska Metall (blue-collar) - SIF (white-collar) - CF (white-collar) | 170.000 | | 380.000 | |
| Sweden - Steel Industry | Svenska Metall (blue-collar) - SIF (white-collar) - CF (white-collar) | 24.000 | | | |
| Switzerland | UNIA | 147.000 (covered by nat. agreement) | | 241.000 | National agreement with employers' organisation SWISSMEM, plus about 70 collective agreements at company level plus regional agreement in region of Geneva |

3 Collective Agreements at company level in Croatia, France, Hungary and UK

As seen in the last EUCOB@ REPORTS there is a trend to decentralise collective bargaining from the national and sectoral to the company level. We decided last year to pay more attention to this trend and to describe and analyse collective bargaining systems in countries in which the trade unions have experience (sometimes long standing experience) of negotiations at company level.

We have chosen four countries: France and the UK from the “Old Member States”; Hungary as a New Member State and Croatia as an accession country.

The idea is on the one hand to document how collective bargaining works in these countries and on the other hand to find ways in which the EUCOB@ INFORMATION SYSTEM can develop methods to adapt the EUCOB@ questionnaires and reports to the changing structures and needs.

Therefore we are busy preparing a sample of “representative” companies which we will compare over the next few years. The intention is to get an idea of what is going on in the representative companies so as to arrive at an overall picture.

This year the structures and content of negotiations in Croatia, France and Hungary are described and detailed information is provided on results from France. We are preparing the sample and results for the UK, which will be attached to the EUCOB@ report just as soon as possible.

3.1 Croatia

In Croatia there are traditional bipartite negotiations between the trade unions and employers. Each of the negotiating parties establishes the negotiating bodies which negotiate the content of each particular item of the collective agreement.

Before the very start of the negotiations, a protocol is drawn up comprising:

- the number of negotiating team members
- the time-frame for the negotiations

- the venue
- the taking of the minutes of the negotiations
- fixing the date by which negotiations have to be completed.

Conciliation is stipulated by law, and the collective agreement itself includes the definition of the conciliation rules, which are based on the valid regulations. Conciliators are chosen, agreed by all parties. A list of conciliators is provided in advance and this is a public document. There is also arbitration, but it is not obligatory. Parties to the collective agreement define whether they want arbitration or not. In most cases there is a provision for arbitration, as a possibility and not as an obligation. The arbitrator has to be a neutral person, and both sides have to agree with his/her nomination. The Government has no right to interfere in the process of collective bargaining. The Government can only intervene in cases where the state is the majority owner or is itself bargaining for a collective agreement for those employed in the public sector.

In Croatia there is a tripartite body called the “Economic and Social Council”. Its function is defined by law, and it consists of representatives of the Government, trade unions and employers. In the field of collective bargaining, conciliations are organized by Economic and Social Council.

It is possible to organize a strike if the employer does not want to negotiate a collective agreement, but this possibility is rarely used for that purpose. As a rule, strikes are organized in case of non-regular payment of salaries.

The trade union initiates bargaining for the collective agreement and defines demands. However, after the changes and amendments to the Act which decreased the rights regarding the notice period and severance pay in case of the termination of the work contract, employers have started initiating bargaining themselves in order to decrease these rights and bring them to the level stipulated by the Act.

As a rule, the employer responds in writing to the demands of the trade union, and vice versa.

If there already is a collective agreement, the main issues that are negotiated are wage rates, other financial and material rights, annual leave, work conditions and some provisions of trade union protection.

Bargaining development is traditional, with certain preliminary work, and these characteristics:

1. Once the trade union has launched the initiative and the employer responds to this in writing, there is a first meeting at which the technical situation described under item 1 is defined.
2. The trade union sets out its demands, presents its arguments, and then the other party presents its arguments if contrary to the trade union proposal.
3. If it is not possible to find a solution immediately for a certain issue, it is skipped and parties move on to another.
4. Finally, all the open issues are reconsidered and discussed and parties try to reach a compromise, failing which the trade union calls on its membership to declare itself in order to enable the continuation of the negotiations or organisation of trade union pressure.
5. Each agreed issue is initialled at the end of the meeting by both parties.
6. Concessions are necessary. However, it is always necessary to form comparative degrees of the issues in order to make concessions, i.e. it is necessary to define where there is no room for concessions.

Collective agreements at company level are reached for the metal and electro industry. The Metalworkers' Trade Union of Croatia has signed 115 collective agreements and one sectoral collective agreement for shipbuilding. It is characteristic of all collective agreements that there is a unique approach in contents, and the results depend on the bargaining teams who negotiate with the company managements, but a certain minimum has to be satisfied in all bargaining teams, even at the risk of not signing an agreement. A minimum of rights has been adopted by SMH at its highest bodies.

Collective agreements are basically signed for an unlimited period, with the possibility of termination by each party (under a stipulated procedure) or with the possibility of changes to some parts by appendix to the basic agreement.

The content of all signed collective agreements is unique in structure and comprises:

1. Working hours:

- 40 hours a week, including 30-minutes break. As a rule, the working week comprises 5 working days.
- The agreement provides for the possibility of redistributing working hours during the year (i.e. working more than 40 hours per week in one part of the year and less than 40 hours in the other), but weekly working hours cannot exceed 52 hours when an employee works redistributed working hours, i.e. longer than 40 hours a week.
- Overtime is paid 50% more per overtime hour.

2. Annual leave

- Minimum annual leave is 18 working days
- Saturdays are not counted in annual leave
- The criteria for increasing the number of days of annual leave from the minimum is based on: working conditions, total number of years of service, social circumstances, health condition, etc. The upper limit is not defined, but is usually limited in the collective agreement by the employer to 30 working days.

3. Wages

- Salary is calculated on the basis of the stipulated lowest salary for the simplest work (low-skilled work) and job complexity coefficient.
- The lowest wage amounts to 2080.75 kn, as a minimum, for the bank of monthly working hours (the minimum wages for certain companies range between 2080.75 and 3635.00 kuna)
- Coefficients are stipulated according to qualifications and they vary as follows:
 - unskilled worker from 1.00 to 1.25
 - semi-skilled worker from 1.20 to 1.60
 - skilled worker from 1.40 to 1.90
 - highly-skilled worker from 1.80 to 2.50
 - secondary education (employee) 1.60 to 2.10
 - two-year diploma 2.10 to 3.00
 - university degree 2.60 to 4.00

The minimum wage is multiplied by the above-mentioned coefficients and this constitutes the basic salary for the job for which an employee is employed.

- The employer's obligation is that he/she determines the 15% of the wage mass for stimulation and overfulfillment.

4. Wage supplements:

Basic wage increase entitlement:

- 0.5% for each completed year of service
- for effective nightwork: +50% increase in hourly rate
- for effective work on public holidays: +50% increase in hourly rate
- for effective work in second and third shifts: 10% or 20%
- for work in three shifts, where the fourth shift is a rest period: 10%-20%

5. Other payments/benefits

- Severance pay for retirement to the amount of the non-taxable level of 8.000 kuna and in the case of redundancy and if an employee has more than 2 years of service an amount varying from one-third to one-half of the employee's wage for each completed year of service with the same employer.
- Anniversary awards for working for the employer, depending on the years of service 1.500 to 5.000 kuna
- Financial help in case of (death of an employee, of a family member, disability and natural disasters) from 2500 to 7500 kuna
- Casual payments for annual leave, Christmas, Easter (in cash or in kind up to the amount of 2000 kuna, i.e. up to the amount of the non-taxable level, are compulsory, and individual collective agreement can in fact stipulate more. (Amounts range to 60% of average salary in Croatia.)

N.B. Croatia has tax regulations according to which stated amounts are paid to employees under this item without deduction of taxes, contributions and surtax, i.e. net amount. This right has to be stipulated in the collective agreement in order for employees to be entitled to this money.

6. The rights of trade union representative in a company and obligation towards a union

- Ensuring a place for work
- Calculation of trade union membership fee
- Freedom to make trade union announcements in a company
- Freeing the trade union representative from work for 2 hours per member per year, and in companies with more than 500 members the employer is obliged to finance the shop steward on full working time.

7. Protection from termination of work contract:

- Protection for the shop steward during his/her mandate and 6 months after the termination of the mandate
- Older workers: men over 60 and women over 55 years of age
- Disabled workers
- Pregnant women and mothers on maternity leave

The technical details of the transitional and final provisions are also defined, such as:

- The method of conciliation of parties in disputes concerning the collective agreement
- Termination of a collective agreement

- The period of validity of the collective agreement and the territory to which it applies
- Who interprets some parts of a collective agreement, etc.
- Who monitors the implementation of the signed collective agreement; as a rule this is a joint trade union and employer committee.

3.2 France

In France, generally all collective agreements (at national, regional or company level) are concluded for an indefinite period (with rare exceptions). An agreement is valid from the signature or from the effective date and to the moment when it is terminated or modified.

For wages, which are negotiated at company level, there is an obligation to negotiate every year. When an agreement is signed, it is valid for one year.

3.2.1 CFTD demands for company wage negotiations.

- Collective wage increases which guarantee at least the preservation of purchasing power, with priority for the lowest wages (with a guaranteed minimum amount), and which guarantee a progress of pay linked to the company's economic situation.
- Individual increases have to guarantee wage progress directly linked to the evolution of competencies and qualifications. They are a complement to collective increases and not substitute for general increases. Individual increases must be based on objective criteria in respect of professional qualities.

Results at company level:

When we use the term "blue-collar workers", we refer to manual workers, administrative employees, technicians and supervisors. When we use the term "white-collar workers", we refer to engineers and executives (but not only top management). When we refer to "general wage increases", we mean that all the employees (only blue-collar workers - or blue-collar and white-collar workers) will obtain a wage increase of + X % of their salary.

When we refer to "individual wage increases", we mean that these wage increases are distributed selectively according to the professional evaluation of each employee by the hierarchy. A percentage of the wage mass is allocated to individual increases.

Below you will find the collective bargaining results that have been reached in companies. We have tried to find some representative companies (big as well as medium-sized companies) in the electronics, automotive and aerospace sectors that will be “observed” over the next few years.

3.2.2 ELECTRONICS SECTOR

ALCATEL CIT (7000 employees, 50 % of the ALCATEL Group)

There is no agreement for 2005. Wage measures have been applied unilaterally by the company. In the ALCATEL Group, there have been no general (collective) wage increases since 1997 and no agreement on wages.

There has only been an individual wage increase for all workers (blue- and white-collar):

- Individual increase +2,3% on April 1, attributed according to individual performance, but with a minimum increase of 1,8 % provided the employee carried out his work normally (with a minimum of 40€ for blue-collar workers). According to the company 90% of employees receive individual increases.
- Promotions: +0,5% of the wage mass is reserved for promotion and career development (about 10 % of the employees). An additional +0,2 % of the wage mass is allocated for specific adjustments.
- Exceptional premium of 250€ for blue-collar workers paid in May 2005.

THALES GROUP (32 000 employees)

Wage negotiations take place company by company. Nevertheless there is a group policy and wage increases are similar from one to the other. Not all the companies have a wage agreement. When there is no wage agreement, wage increases are applied by the company unilaterally.

Blue-collar workers (levels I to IV): general increases from +1 % to +2 % with, in some cases a guaranteed minimum increase of around 30€. Individual increases are from +0,8 % to +1,5 %.

Blue-collar workers (level V): In most cases there are only individual increases from 2,2 % to 2,6 %. In the other cases, there are general increases from +0,9 to +1,5 % and individual increases from +0,8 to +1,6 %.

White-collar workers: only individual increases but in most cases these differ according to classification levels (3 or 4 levels). Increases are from +0,5 % to +2,5 %. N.B for white-collar workers, variable pay (which adds to individual increases) represents an estimated amount of 0 % - 30 % of the annual payment, according to the evaluation of the employee and his/her level of classification.

GENERAL ELECTRIC Healthcare (1850 employees)

No agreement for 2005. Wage measures applied unilaterally by the company.

Blue-collar workers: Collective increases + 1, 5% or 2% depending on the level of wages on April 1.

White-collar workers: Individual increases + 2,6% (at variable dates).

3.2.3 AUTOMOTIVE SECTOR (producers and suppliers)

PEUGEOT (100 000 employees)

Agreement for 2005 was signed by CFDT, CFTC, FO, and CGC.

- Collective increases: +2,2% for wages up to 1800 € on March 1. Guarantee of +1,9% on total basic pay. For the manufacture professional agents: supplementary general increase of 0,25 % on March 1.

- Individual increases for production workers +0,65 % (with a minimum of 20€), for skilled workers +1 % (with a minimum of 25€), for administrative employees and technicians +1,5 % (with a minimum of 40 €).

RENAULT (45 000 employees)

Agreement for 2005 was signed by CFDT, CFTC, FO, and CGC.

- Collective increases +1,5% (with a minimum of 20€) on February 1 and +0,6% on October 1.

- Individual increases 1,6% for manufacture agents and for administrative employees and technicians.

VALEO Sécurité Habitacle (1760 employees)

Agreement signed by CFDT and CFTC.

Blue-collar workers:

- General wage increases +1,4 % (levels I, II and III), +0,9 % (level IV)and +0,5 % (level V) on January 1 with a minimum of 22 €. General wage increases +0,3 % (levels I, II, III and IV) on July 1.

- Individual wage increases +0,7 % (levels I, II and II), + 1,2 % (level IV), +1,9 % (level V) on January 1.

White-collar workers:

- Individual wage increases +2,4 % on April 1.
- For all individual increases, guaranteed minimum of 18 €.
- For promotion, guaranteed minimum of 35 €.
- Commitment from management to examine an individual development plan for the employees classified in under coefficient 155 to pass to coefficient 170.

FAURECIA Systèmes Echappement (1300 employees)

No agreement for 2005. Wage measures applied unilaterally by the company

Blue-collar workers with a coefficient lower or equal to 270:

- General wage increases +1,2 % on April 1 (minimum of 17€) and +0,7 % on October 1 (minimum of 10€).
- Individual increases +0,5 %, distributed between April and October.

Blue-collar workers (from coefficient 285 to coefficient 305)

- General wage increases +1,2 % on May 1 (minimum of 22€).
- Individual wage increases + 1,2 % on May 1.

3.2.4 AEROSPACE SECTOR

DASSAULT Aviation (8800 employees)

Agreement signed by CFDT, CFTC, FO and CGC.

Blue-collar workers (from coefficient 140 to coefficient 395):

- General wage increases +1,9% on March 1 with a minimum of 30€
- Minimum wage per coefficient + 1,9 %

White-collar workers

- Individual wages increases +4,4%
- For all workers, payment of 2 premiums of 150€.

AIRBUS / EADS Group (15 000 employees)

Agreement signed by FO, CFTC and CGC

Blue-collar workers:

- General wages increases +1,6% on June 1
- Individual wages increases +0,9% on April 1 and +0,9% on October 1.
- With a minimum guarantee of 35€

- Minimum wage: 1350€

White-collar workers

- Individual wages increases + 3,4% on January 1 or April 1 (depending on categories)

For individual increases, there is a guaranteed minimum of 70€ or 150€ (depending on the level of classification).

EUROCOPTER / EADS Group (5200 employees)

Agreement for blue-collar workers signed by CFDT, CFTC, CGC and FO

- General wages increases +1,3% on 1 July 2005 with a guaranteed minimum of 40€

- Individual wages increases +0,9% on 1 April and 1,1% on 1 October

- Minimum wage: 1350€

Agreement for white-collar workers signed by CFDT, CFTC, CGC, CGT and FO

- Individual wages increases +1,4% on April 1 and 1,9% on October 1 or 3,3% on July 1 (depending on categories) with a guaranteed minimum of 80€, 100€ or 120€ (depending on the level of classification).

SNECMA Moteurs / SAFRAN Group (10 000 employees)

Agreement signed by CFDT CFTC, CGC and FO

Blue-collar workers:

- General wages increases +1,5% on April 1.

- Individual wages increases +1,5% on May 1 or on October 1.

White-collar workers

- Individual wages increases +3% on June 1.

Same results for all companies (30 000 employees) of the SAFRAN Group - except for SAGEM. No agreement in MESSIER, SNECMA, SPS (Wage measures applied unilaterally by the company).

3.3 Hungary

For Hungary we will give an overview of the collective bargaining system and contents. We intend to have a sample of representative companies next year.

Collective agreements are settled at company level in Hungary. So the collective agreements (CAs) and agreements on yearly wage increases cover only the local companies. The basic regulation of conditions is the Labour Court; this is detailed (not

just a framework), so in many cases there is in fact no CA or no deviation from the Court. The quality of the agreements depends on the arm-twisting force of the local union, the economical situation of the employer, the branch and the geographical position of the company.

The period covered by the CAs is usually indefinite. The yearly wage agreements are appendices to the company-level CAs, but it is not established practice to review the working conditions and the other contents of the CA every year - we negotiate only about the wages and the fringe benefits. The CA is modified when one of the partners initiates this, or in case of modifications from the Labour Court when the CA must be adapted in order to avoid penalties.

As mentioned, the wage increase agreements are settled at company level, too. There is no direct wage level regulating system at national level that could force the employers to give increases. The highest level of conciliation – the National Conciliation Council (NCC) – issues a “Recommendation” every year, but it is not compulsory for the employers to follow this. It simply indicates an „ideal” measure for the yearly wage increase in line with the country’s economic indicators. (This Recommendation is very problematic and the unions are not in favour of it. Either the employers do not treat it as an obligation and are not willing to go higher than this „ideal” measure – 7 % in 2005 – or they treat it as simply a recommendation and give a lower level of increase.) The yearly minimum wage and the tax-free benefits measures are also defined in this recommendation. This is the only macro-level wage-regulating tool.

Branch and sectoral level agreements are not usual in Hungary. Sectoral joint committees have been set up in the last two years and their work has just begun, but there are considerable differences in the type of agreement, mostly because of the lack of organisation on the employer’s side, and the economic situation of the individual employers. There is only one branch-level agreement in the steel industry, and it is only a wide framework agreement. It does not cover the whole branch, so it is compulsory only for the companies that signed it, and they can break the agreement whenever they want. In fact it covers only 30 % of the steel industry workers. The last time it was reviewed was in 2002.

The CAs cover 96,4 % of the steel industry workers (company-level CAs): 34,2 % in casting, 70% in the electronics industry, 52% in the mechanical engineering industry and 73,5 % in the tool-making industry.

Wage increases largely mean increases in the basic rate. These are achieved between wide frames: 5 – 12 %, but the average increase is 5 – 8% in 2005. The trade unions' basic intention was for the wage increase to be settled by ex post facto effect: it must take effect in January unless the agreement was established later. The minimum wage usually means the same as the legal minimum wage: 57.000 HUF = 228€. The trade unions were only forced to use arm-twisting means to reach their aims three times during the negotiations, but held a warning strike at the longest point. In companies where there is no new wage agreement this year the most important aim is to maintain the continuous employment level and the stability of the company's economic position in order to safeguard jobs.

3.4 UK

As mentioned before, we are busy preparing a description of the UK's collective bargaining system, the sample of companies and the assessment method. The results will be attached to the EUCOB@ REPORT 2005 just as soon as possible.

4 European Collective Bargaining - Demands and Results

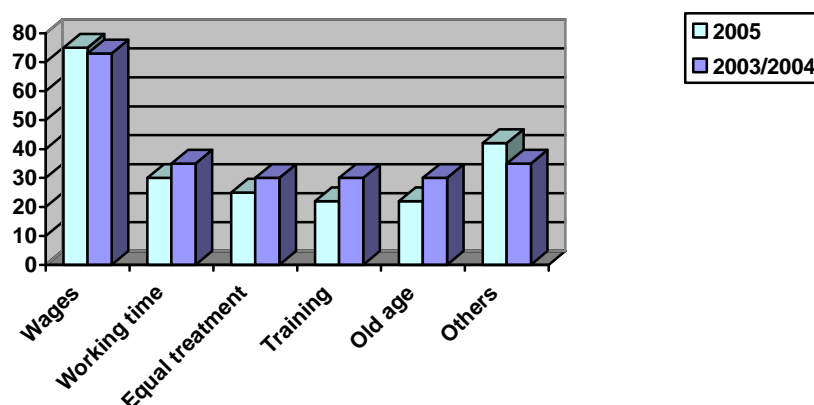
Good experience with the changed structure of the EUCOB@ REPORT means that we have decided to pursue this. In order to cover the whole process of the collective bargaining rounds in Europe we decided last year not just to present the results of the agreements but also the trade union demands vis-à-vis the employers' organisations. This allows us to get a clearer "picture" of the situations with which trade unions are confronted within their country and may help to identify general trends in Europe.

4.1 Overview of trade union demands

If we compare the policy areas where the trade unions have demands for their collective bargaining round we can see that wages still count as the most important issue. Collective bargaining without wage demands is mostly in respect of framework agreements at national level (i.e. the collective agreement on training in France).

Working time, equal treatment, training, and regulations for older workers lie about % behind wages. "Other demands" increased by 7% compared with 2004.

Chart 2: Trade Union Demands in 2003/2004 and 2005 (percentage of demands mentioned in the reports)



Hence, it is clear - and this is obvious if we compare the figures with those in older EUCOB@ REPORTS – that issues like training, equal treatment and regulations for “older” workers are generally becoming more and more important. The category

“others” also grew significantly. This again makes it clear that trade union policy is much broader than just wage increases and working time reductions. Nevertheless the collective bargaining rounds in Europe in the year 2005 could –like last year- be described as “wage rounds”.

4.1.1 Demand: Wages

The main points of the European trade unions’ wage increase demands are the increase of minimum wages / salaries and the increase of the tariff wage / salary increases.

In 2005 the “minimal” wage demand was to at least maintain recent purchasing power. The wage demands in “real figures” were generally higher in the New Member States than in the old Member States and this is related to the fact that inflation and productivity growth are much higher there than in the rest of Europe.

Table 5: Demand: Wages

| | |
|--|--|
| Austria | Increases in minimum and real wages and salaries (without defining any particular percentage rises), plus equivalent increases in additional payments and apprentices’ remuneration, |
| Belgium | The margin on the wage increase fixed at inter-sectoral level was 4,5%. We managed to get a 4,3% direct wage increase and a 0,2% indirect wage increase (pension scheme + vocational training) |
| Croatia | Wages are always at the core of bargaining for all collective agreements. If the collective agreement stipulates the fixed amount of the basic wage, then this demands almost continuous bargaining on the issue of wages. If the basic wage is stipulated as a percentage of the average achieved at the national level, then the issue of wages need not be negotiated because indexing is somehow stipulated. In SMH, the basic wage for the simplest work is, as a rule, agreed as the amount of the minimum wage ,which, according to the current regulations, changes once a year at the beginning of every calendar year, and is applied for the period of that year. For 2005 it amounts to 2080.75 kuna. In bargaining there are some cases where a higher basic wage has been agreed for the coefficient 1.00. The Metalworkers’ Trade Union of Croatia (SMH), negotiated some 10 collective agreements at company level and achieved an increase of the basic wage of 6 to 15% in the one year period. In a minority of collective agreements, the wage has been increased at the expense of the number of days of annual leave, for example, so the highest number of days is 28 instead of 30. Members agree with such results of the negotiations. |
| Cyprus | Demand was based on a 3% increase including all demands |
| Czech Republic Aircraft production | Average nominal wage increase of 4.5% and tariff wage of 3.5% |
| Czech Republic Electrotechnical Industry | To maintain real wages and increase tariff wages by 6.0% |
| Czech Republic Foundries | N.d. |
| Denmark | The actual wage negotiations take place at company-level. Here demands are formulated by each company without interference from national level. The minimum wage level is agreed at the national bargaining round, and there was a demand for an increase in this. There was also a demand for better pay for students and apprentices |
| Finland | Demand was about 3.5% |
| France | CFDT demands for company-level wage negotiations. <ul style="list-style-type: none"> • Collective wage increases which guarantee at least the preservation of the purchasing power with a priority for the lowest wages (with a guaranteed minimum amount) and which guarantee a progress of work payments linked with the company’s economic situation. • Individual increases have to guarantee a wage progress in direct link with the evolution of competencies and qualifications. They are a complement to collective increases and do not substitute for general increases. Individual increases must be based on objective criteria regarding professional qualities. |
| Germany | No new demand (collective agreement still running) |
| Hungary | Wage increase measures range from 2 to 15 %, but the average increase is between 5 and 8 %, in keeping with the NCC’s Recommendation. The differences originate in the different economical situation of the companies (i.e. for territorial, geographical and branch reasons) and the different arm-twisting force of the local unions. |

| | |
|--|---|
| <i>Italy</i> | The 3 trade unions signed an agreement on their demands. For wages they agreed on a wage increase demand of 130 € for 2005 / 2006. 25 € of this sum must be considered as a separate compensation for all workers. |
| <i>Netherlands</i> | FNV Bondgenoten: 1.25% wage increase per year (co-ordinated demand) |
| <i>Norway</i> | No new demand (collective agreement still running) |
| <i>Poland</i> | No demand |
| <i>Slovak Republic Electrotechnical Industry</i> | The increasing of scale of the minimal tariffs/wages of 14,2% with effect from 01.01 2005 |
| <i>Slovak Republic Engineering 1</i> | The increasing of scale of the minimal tariffs/wages of 14,2% |
| <i>Slovak Republic Engineering 2</i> | 16.1% minimal tariff /wages increase with effect from 01.01 2005. 7% growth of average wages in comparison with 2004. To keep the wage premia at the current level: for overtime worked at night and on holidays and for work on Sundays and Saturdays (50% of the average working hour) |
| <i>Slovak Republic Metallurgy</i> | 20% increase in the scale of minimal wages tariffs with effect from 01.01 2005 because there was no increase in 2004. |
| <i>Slovak Republic Forging and Foundry</i> | 9.1% increase in the minimal wages tariffs of from 01.01 2005. 10% growth of averages wages compared to the reality in 2004. |
| <i>Slovenia</i> | Basic wages increase in 2005 of 5,16% of average wage for December 2004 |
| <i>Spain</i> | In the 2005 collective bargaining round we kept the wage bargaining model used in recent years. This model is based on: - Inflation: The inflation forecast as the reference for the price trend. The forecast is 2% for next year, which is an inaccessible figure once again, due to among other things the tensions created by the rise in oil prices. - Productivity: The increases derived from the productivity trend enable us to gain purchasing power, since this way wages can grow faster than the inflation rate. - Review clauses: For possible deviations of the CPI during the year, it is necessary to include review clauses in all collective agreements that guarantee that the purchasing power of wages will be maintained. These clauses are necessary for two conditions to be fulfilled: 1. - They should be retroactive from the start of the year to guarantee back payment. 2. - The originally agreed purchasing power profile must be maintained. |
| <i>Sweden</i> | No new demand (collective agreement still running) |
| <i>Switzerland</i> | For 2004/05 wage bargaining: cost-of-living adjustment for everyone plus appropriate real wage increase to 2.5% no minimum wages below CHF 3,700 for unskilled and semi-skilled labour For 2005 contract bargaining: minimum wages against social dumping higher overtime bonuses (min. 25%) |

4.1.2 Demand: Working time

The second important issue on the trade unions collective bargaining agenda in the year 2005 is “working time”. However, the number of demands on working time decreased slightly compared with 2003 and 2004.

Working time demands range from “maintain recent working time” to “collectively decreased working time”. The demands in respect of collectively decreased working time are mostly based on endeavours to obtain more days off (e.g. holidays, Christmas, shift work, etc.) or to reduce daily working time by including breaks in working time, but not –and that seems to be the difference compared to earlier years- based on a general decrease of working time like the demand for the 35-hour week in Germany.

Table 6: Demand: Working Time

| | |
|------------------------|---|
| Austria | No demand |
| Belgium | No demand |
| Croatia | Working hours comprise 40 hours a week, including 30-minute break. The working week is divided into 5 working days, as a rule. The main problem is respect for regulations of the Labour Act regarding the distribution of working hours because, very often, employers organise shifts according to the amount and dynamics of work, so the employees are not informed in time, and in accordance with the Labour Act ,about when they work; this is especially the case when work on Saturdays or Sundays is being introduced. However, the problem is monitoring the implementation of the regulations of the collective agreement and the Labour Act, and not the bargaining itself. |
| Cyprus | No demand |
| Czech Republic | To keep recent working time. |
| Denmark | No new demand (Running collective agreement) |
| Finland | No demand |
| France | No demand |
| Germany | No new demand (Running collective agreement) |
| Great Britain | N.d. |
| Greece | N.d. |
| Hungary | This is on the agenda at national level in the NCC: - We managed to agree in June: that 24 th December is a bank holiday as from this year, but this is a transitional arrangement since it takes effect with acceptance of the new Labour Court modifications - We claim that the lunch break should be paid as part of daily working time. |
| Italy | No demand |
| Netherlands | To keep the 38-hour week, and more possibilities for workers to save time (i.e. overtime,) in order to take more free time whenever they like |
| Norway | No demand |
| Poland | No demand |
| Slovak Republic | No demand |
| Slovenia | - Working time includes technical pauses for personal needs, preparation work (clearing up, cleaning etc...) - The employer determines working time with a working calendar taking into consideration trade union opinion at company level - The employer informs the trade union at company level regarding to working time arrangements - The employer and the trade union at company level establish a joint body for monitoring working time arrangements and making proposals for humane organisation of working time - Legal addition: employee has the right to reject overtime work on medical grounds - Full working time of less than 40 hours per week could be determined by collective agreement at company level |
| Spain | The reduction and reorganisation of working time is a demand the MCA-UGT has made for years. It should contribute to job creation and retention and help improve workers' quality of life. That is why, in the 2005 bargaining round, we proposed moving further in the same direction by extending the number of collective agreements to reduce working time in a bid to achieve the 35-hour working week. |
| Sweden | No new demand (collective agreement still running) |
| Switzerland | Reduction of working time for shift work (1-2 hr/week) In annual working time arrangements, the annual normal working time is reduced by 40 hours from 2,080 to 2,040 hours. 2 additional holidays for everyone For trainees: 7 weeks of holiday/year |

4.1.3 Demand: Training

Training is an issue that is mainly organized at company level. All trade union demands intend therefore to implement regulations to improve the employees' possibilities to follow vocational and further training in the sector collective agreements.

Table 7: Demand: Training

| | |
|------------------------|--|
| Austria | No demand |
| Belgium | TUs asked for an individual right of training for every worker, on top of the maintaining of the following, existing measures: 1) contribution of 0,1% for training of specific groups (i.e. long-term unemployed, unskilled, immigrants, young people) 2) existing training efforts at company level of 0,9% of the total working hours of blue-collar workers. |
| Croatia | Generally there is no problem with training. The Labour Act Regulations are clear when it is the case of an employee who is obliged to undergo training in accordance with the needs of the employer and his job, as well as regulations that are related to the training of shop stewards and members of works councils. |
| Cyprus | No demand |
| Czech Republic | No demand |
| Denmark | No new demand (collective agreement still running) |
| Finland | No demand |
| France | No demand |
| Germany | No new demand (collective agreement still running) |
| Hungary | No negotiations on training |
| Italy | No demand |
| Netherlands | Employability: individual training rights Extra employment for youngsters Recognition of Gained Competences |
| Norway | No demand |
| Poland | No demand |
| Slovak Republic | No demand |
| Slovenia | Employer cannot terminate job contracts on economic grounds or reason of incapacity if the employer did not provide education or training possibilities according to work requirements |
| Spain | Provide access to training for SME employees. Make it possible for the training offered to correspond exclusively to the interests and needs of the workers and companies. Intensify trade union participation in the planning and administration of in-house continuing training. |
| Sweden | Employers and the local trade unions shall follow up and discuss the content and system of work regarding competence development and individual development schemes each year. |
| Switzerland | Educational leave of 5 days a year for everyone |

4.1.4 Demand “Older workers”

Collective bargaining agreements on regulations for “older workers” contain at least two possible areas: firstly, “work organization” for older colleagues, such as special working time arrangements or the possibility of part-time jobs to enable them to work as per their physical situation; and secondly, the arrangement of fair conditions if older colleagues decide to stop their active working life. Here we find for example regulations on early retirement systems or pension systems.

Table 8: Demand: Older Workers

| | |
|-----------------------|--|
| Austria | Continuation of negotiations on collectively agreed pre-retirement schemes |
| Belgium | Maintenance of the conditions for early retirement possibilities and an increase of 0,1% in the contribution to the sectoral pension scheme to fund solidarity within the pension system |
| Croatia | No demand |
| Cyprus | No demand |
| Czech Republic | No demand |
| Denmark | No demand (collective agreement still running) |
| Finland | No demand |
| France | No demand |

| | |
|------------------------|---|
| Germany | No demand (collective agreement still running) |
| Hungary | No special protection for older workers exists. Only one rule in the Labour Code: employees who are within 5 years of the pension age-limit have special protection as regards redundancies and severance pay. Possibility to agree in the CA on payment of a complementary pension-insurance, where the employer pays an additional sum above the set monthly pension. Not negotiated in this year. |
| Italy | No demand |
| Netherlands | To maintain our pension system, without increasing the premiums, and retirement at 62. But also to keep the agreements on protective measures for older workers, i.e. no obligation to do shifts or overtime when you are over 55. These kinds of arrangements are under pressure due to the EU Directive which forbid discrimination on the grounds of age.. Employers wanted to get rid of all these kind of protection measures immediately. In time, we will ,change our policy into age-proof personnel policy, but still in the metal sector with heavy job, we would like to obtain some extra free time for older workers to recuperate and keep them in good health. |
| Norway | No demand |
| Poland | No demand |
| Slovak Republic | No demand |
| Slovenia | - For workers over 50: 1-5 additional days' leave - For workers over 53: entitlement to wage average in the organization unit if he/she does not reach the expected working result or norm |
| Spain | No demand |
| Sweden | No specific demand |
| Switzerland | Possibility for early retirement from the age of 62 |

4.1.5 Demand: Equal Treatment

Equal treatment is an ongoing trade union demand. Trade unions demands are for non-discrimination concerning wage scales and all other working conditions.

Table 9: Demand “Equal Treatment”

| | |
|------------------------|---|
| Austria | Establishment of a working group on non-discriminatory collective agreements in line with new law against discrimination at the workplace |
| Belgium | No demand |
| Croatia | As mentioned before |
| Cyprus | No demand |
| Czech Republic | No demand |
| Denmark | No demand (running collective agreement) |
| Finland | No demand |
| France | No demand |
| Germany | No demand (running collective agreement) |
| Hungary | No demand |
| Italy | No demand |
| Netherlands | We have been trying to abolish youth rates for years. We have more weapons in hand to achieve this also due to the EU Directive. |
| Norway | No demand |
| Poland | No demand |
| Slovak Republic | No demand |
| Slovenia | Agreement: penalties for employer who makes discrimination against employees |
| Spain | Insert clauses in the collective agreements that guarantee equal opportunities during recruitment and whilst in employment. Include 'The Act on Compatibility of Family and Career' in the collective agreement to guarantee the same rights for men and women. Expand the right to leave and other rights in the collective agreements so that unmarried couples are on equal terms. |
| Sweden | No demand (collective agreement still running) |
| Switzerland | Practical measures to achieve equal pay Paid maternity leave of 16 weeks (statutory minimum, in force in 2005 at the earliest: 14 weeks) |

4.1.6 Demand: Other issues

The trade union list of “other issues” is still growing. As mentioned above, this again makes it very clear that the variety of jobs the trade unions have to do is steadily increasing.

Table 10: Demand: Other Issues

| | |
|------------------------|--|
| Austria | - Legal framework improvements - Final agreement on a company pay system for blue and white collar workers |
| Belgium | No demands |
| Croatia | Other demands are often related to financial rights to anniversary awards, Christmas bonus, Easter bonus, vacation bonus, higher rights to those stipulated for the sick leave – employer’s liability is up to 42 days, etc. In collective bargaining in companies, we negotiated on all the mentioned rights that we managed to agree, and the biggest problem and the toughest bargaining was in relation to sickness allowances. |
| Cyprus | Employers’ contribution to the welfare fund (0.3-0.5%) |
| Czech Republic | No shortening of holidays compared to 2004 |
| Denmark | No demand (collective agreement still running) |
| Finland | Better roles for reducing the workforce. The new law and addition to the agreement. |
| France | No demand |
| Germany | No demand (collective agreement still running) |
| Hungary | No demand |
| Italy | The 3 trade unions signed an agreement on demands. For ‘other issues’ they reached: - An agreement on democratic rules: A general ballot of all workers is foreseen for the claims and the future agreement. If presenting different evaluations of the future agreement, the ballot can also be asked of only one trade union. A national assembly of about 500 members can be consulted both during the negotiations and before the signature of the agreement - An agreement on a document about the crisis in the industrial system in Italy, with a national strike already held by the three trade unions and a battle against the precariousness of jobs and contracts following the Berlusconi’s law No.30 |
| Netherlands | Reintegration of ill workers. Following our Social Agreement in November 2004 the social partners agreed to do much more in order to reintegrate (partly) ill workers into the workforce again. If possible in the same company and job, but if not, there is a obligation for the employers to search for a job outside the company. We wanted full wages in the 1 st and 2 nd years of illness. Child care: we want the employers to pay 1/6 of all costs concerning childcare (in line with our new law on childcare). |
| Norway | |
| Poland | No demand |
| Slovak Republic | No demand |
| Slovenia | - Additional refreshments for overtime work - Additional content of job contract - 15 working days for worker on offer of new job contract - Establishment of a joint employer and trade union body at company level for monitoring temporary job contracts and making proposals for continued employment - Employer obliged to report to trade union on company employment policy - Additional leave (pay in absence from work) in cases of: <ul style="list-style-type: none"> ▪ own marriage: 3 days ▪ marriage of child: 1 day ▪ removal to another town :3 days ▪ removal in same town: 2 days ▪ father: for child birth: 2 days ▪ death of consort or child: 3 days ▪ death of parent: 2 days ▪ death of consort’s parent, brother, sister or aged parent:1 days ▪ elementary accident: 4 days - 3 months wages as contract penalty for employer in case of discrimination against an employee when stated by the law court - conditions for trade union work: <ul style="list-style-type: none"> ▪ employer provides trade union at company level with all data on issues required by the trade unions for co-determination in respect of collective workers’ rights and cases of participation on individual workers’ rights in accordance with the law about matters on which workers must be informed (fulfilment of job contract obligations) ▪ chairman of trade union in a company or shop-steward has the right to information on workers’ wages and on wage mass for payment of workers under the collective agreement ▪ each shop-steward has the right to paid hours for trade union work in the company (2 hours per trade union member and at least 50 hours per year) ▪ each shop-steward has the right to training (at least 24 hours per year and more for training on collective |

| | |
|--------------------|---|
| | bargaining and labour legislation) <ul style="list-style-type: none"> ▪ each member of a trade union has the right to 4 paid hours per year for trade union meetings at company level ▪ shop-stewards have the right to 35 paid days for trade union meetings at country or branch level and 15 paid days for trade union meeting at regional level |
| Spain | <p>EMPLOYMENT</p> <p>Collective bargaining must contribute to the creation of more and better jobs by means of special clauses, a different type of business adjustments, granting us priority not just through job destruction, or at least by including clauses for the creation or preservation of jobs and/or promoting job creation for categories of workers that find it more difficult to enter the job market.</p> <p>One of the priority goals of collective bargaining is to foster stability by improving the quality of employment.</p> <p>OCCUPATIONAL SAFETY</p> <p>To make it possible for occupational safety to be a key factor in the collective bargaining. In principle all participants must be made more aware of this issue, especially companies, to ensure that jobs meet minimum health and safety requirements.</p> <p>For this to be achieved, occupational safety officials - who will ensure that all relevant legislation is implemented in small companies - must be supported at territorial level.</p> |
| Sweden | No demand (collective agreement still running) |
| Switzerland | Better protection against dismissals for age and illness The obligation for all companies to have a redundancy programme, stronger trade union role in collective redundancies Increase in child benefits and trainee allowances to CHF 300. |

4.2 Collective Bargaining results in Europe

The economic background for collective bargaining in 2005 - as in previous years - has not been an easy one. Economic development in the old Member States is still affected by low economic growth and high unemployment, but also with low inflation rates and low productivity growth. In general, the New Member States had higher economic growth and a higher increase of productivity, but here high unemployment rates compared with high inflation rates lead to problems.

Generally-speaking, the results of the collective bargaining have been pretty “responsible”, i.e. the value is below or in line with inflation plus productivity (see next chapter).

Below you will find the detailed results that have been reached in 2004 and / or 2005.

4.2.1 Results: Wages

There is no need to repeat in every annual EUCOB@ REPORT that it is difficult to compare the reported figures, so we will not complain about that this year. Below you will find the detailed wage increases (as a percentage or in national currency). In Chapter 5 you will find the mid-term evaluation of the collective agreements in the light of the co-ordination rule. This comparison reduces the difficulty surrounding the fact that a) wage increases in Europe are just one part of collective agreements and that b) it does not make sense to look simply at the wage increase of one single year.

Table 11: Results: Wages

| Austria (Electrical and Electronics Industry) | <ul style="list-style-type: none"> - 2.8% increase in collectively agreed minimum wages - 2.8% increase in collectively agreed real wages - Distribution option based on a company agreement with a 3.1% increase in the total wage bill with an allocation of 0,55% for individual pay increases or a pay increase of at least 2,55% - 2.8% increase in remunerations for apprentices - Increase in additional payments and compensations of 2,8% on average | | | | | | | | | | | |
|--|--|--|--|---------------------|---------------|-------|-----------------------------|-------|-------------------|------|---------------------|------|
| Austria (Metal and Mining Industry) | <ul style="list-style-type: none"> - 2.5% increase in collectively agreed minimum wages - 2.5% increase in collectively agreed effective wages - 2.5% increase in remunerations for apprentices - Increase in additional payments and compensations of 2,5% | | | | | | | | | | | |
| Austria (Metal Small-Crafts) | <ul style="list-style-type: none"> - 2.5% increase in collectively agreed minimum wages - 2.5% increase in collectively agreed effective wages - 2.5% increase in remunerations for apprentices - Increase in additional payments and compensations of 2,5% | | | | | | | | | | | |
| Austria (TAW) | 2.5% average Increase in collectively agreed minimum wages <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>New minimum hourly wages (taking effect from 1.1.2005): Wage group</th> <th>Hourly wages (in €)</th> </tr> </thead> <tbody> <tr> <td>1. Technician</td> <td>12,77</td> </tr> <tr> <td>2. Qualified skilled worker</td> <td>10,38</td> </tr> <tr> <td>3. Skilled worker</td> <td>9,05</td> </tr> <tr> <td>4. Qualified worker</td> <td>8,05</td> </tr> </tbody> </table> | | New minimum hourly wages (taking effect from 1.1.2005): Wage group | Hourly wages (in €) | 1. Technician | 12,77 | 2. Qualified skilled worker | 10,38 | 3. Skilled worker | 9,05 | 4. Qualified worker | 8,05 |
| New minimum hourly wages (taking effect from 1.1.2005): Wage group | Hourly wages (in €) | | | | | | | | | | | |
| 1. Technician | 12,77 | | | | | | | | | | | |
| 2. Qualified skilled worker | 10,38 | | | | | | | | | | | |
| 3. Skilled worker | 9,05 | | | | | | | | | | | |
| 4. Qualified worker | 8,05 | | | | | | | | | | | |

| | | |
|--|--|------|
| | 5. Semi-skilled worker | 7,18 |
| | 6. Unskilled worker | 6,70 |
| | Branch-related customary "overpayment" over the collectively-agreed minimum wages maintained Increase in additional payments and compensations New collectively agreed reimbursement of expenses, effective from 1.1.2005: Allowance for work during daytime exceeding 5 hours 9, 20 € Allowance for work during daytime exceeding 9 hours 19,70 € Allowance for work during daytime, including overnight stay 26,40 € Flat rate allowance for overnight stay 15,00 € | |
| Belgium | - Local company budget (to negotiate) : 0,6% (1/1/2006) cannot be affected by inflation - Real inflation rate 2005 : 2,26% (estimated for 2 years at 3,3%) - Wage increase : 0,4% (when the real inflation rate for 2 years is over 3,7% there will be no wage increase) | |
| Croatia | Increase of a basic wage from 6 to 15%. | |
| Cyprus | Wage increase 3% or 2,3% | |
| Czech Republic (Aircraft production) | Real wage preservation | |
| Czech Republic (Electro-technical Industry) | Average nominal wage increase of 2,5 %, wages in the individual tariff grades will not be lower than the level in governmental regulation NV ČR 333/93. | |
| Czech Republic (Foundries) | Tariff wages shall increase by 7.3% | |
| Denmark (national sectoral agreement) | - Minimum pay, today 92,90 Dkr /hour (approx. €12,4), will be increased by 2.25 Dkr/hr (approx. .€ 030) on 1 March 2006 - Allowances for shift work, night work etc. are regulated by an average of 3% per year. - Payment of apprentices increased by an average of 4.5% per year - Payment for public holidays is increased per 1 January 2005 from a total of 3.5% to a total of 4.0 % of pay- and 24 December will be included in this payment in future - This agreement is followed by agreements at company level | |
| Denmark (some company agreements) | CSC: The general wage adjustment is minimum 2.25%. CPH: The general wage adjustment is minimum 1.5%. DTI: The general wage adjustment is 3.2% in addition there is a productivity bonus of 0.5% at a productivity level at 1.53 and 1.54. TG: Individual wage negotiations, no general wage adjustment. TDC: The general wage adjustment is minimum 3,5% plus individual bonus agreements | |
| Finland | Wage increases: - 01.03.2005: 2,5% - 01.03.2006: 1,9% | |
| France | Company agreements (see Chapter "Agreements on company level") | |
| Germany | Pay Increase of 2.7% on 1 st March 2005, that averages out at 2.6% at annual level | |
| Hungary | On average 5 to 8% wage increase (company agreements) | |
| Italy | Estimated inflation rate negotiated at national level plus company agreements | |
| Netherlands | On average 1.33% per year: - 1 July 2005: 0.5% structural; 1 September 2005: 0.5% flat-rate payment - 1 January 2006: 1.25% structural; 1 July 2006: 0.75% flat-rate payment - 1 July 2007: 1.25% In addition: less pension and a structural premium of 1.4% | |
| Norway | Results will not be delivered before autumn 2005. | |
| Poland | N.d. | |
| Slovak Republic (Electro-technical Industry) | 01.04.2005: 3.8% increase in the minimum wage scales | |
| Slovak Republic (Engineering 1) | 10% increase in the minimum wage scales | |
| Slovak Republic (Engineering 2) | Minimal tariff: 16.1% wage increase with effect from 01.01 2005. 7% growth of average wages compared with 2004 To keep the wage premia at the current level: for overtime worked at night and on holidays and for work on Sundays and Saturdays (50% of the average working hour) | |
| Slovak Republic (Metallurgy) | Results unknown as yet. | |
| Slovak Republic (Forging and Foundries) | Results unknown as yet. Employers are postponing the date for personnel bargaining. | |
| Slovenia | Next negotiations on wage increases will be on 17.08.2005. | |
| Spain | Of the 50 collective agreements at provincial level in the metal sector in Spain, so far (July 2005) a total of 44 were negotiated, affecting 670,450 workers. The average wage increase is 3.1%, which is 1.1% above the official growth forecast of the Consumer Price Index (CPI) for 2005 (2%). In 37 of these collective agreements, the wage increase is accompanied by a wage revision clause that takes effect if the actual CPI for the year (2005) is higher than originally predicted by the government. | |
| Sweden | 1,7 % 2004, 2,5 % 2005 and 2,6 % 2006 | |

| | |
|--------------------|--|
| Switzerland | Principle of tackling wage dumping recognised, establishment of a corresponding procedure (early expansion of the agreement, already in effect) Company-level wage bargaining 2003/04: few real wage increases > 1.5%, often pay freezes Company-level wage bargaining 2004/05 has just begun; no meaningful information available yet |
|--------------------|--|

4.2.2 Results: Working time

In 2004 some trade unions were faced with a tough attack from the employers aimed at increasing weekly or annual working time or at least making working time more flexible (EUCOB@ REPORT 2004). The famous SIEMENS case in Germany had a huge influence on collective bargaining negotiations in other countries.

As reported by the trade unions, it seems that 2005 –at least on the surface- is a bit quieter as regards employers’ attacks on working time. Trade unions are busy maintaining recent collectively agreed working time or -as mentioned before- are trying to shorten working time by obtaining additional days or hours off (Christmas, lunch-breaks, etc.). In Hungary the trade unions have now obtained 24th December as a bank holiday.

Table 12: Results: Working Time

| | |
|---|--|
| Austria (Electrical and Electronics Industry; Metal and Mining Industry) | - The employers’ attempts to introduce more flexible working time schemes to extend employees’ net working hours were met with fierce opposition from the unions and could finally be averted. - Procedural simplification of the “Extended bandwidth flexible working time scheme” - The rules for compensation of working hours over 40 via time off, as laid down in the collective agreement on “extended bandwidth”, allowing for a flexible distribution of working time between 32 and 45 hours, will be simplified. - 4-day weekly working time: Working day in a four-day week system can be extended to 10 hours (without overtime pay) and 12 hours (with two hours paid) |
| Belgium | No changes |
| Croatia | Not negotiated |
| Cyprus | Not negotiated |
| Czech Republic | No increase of working time compared to 2004 |
| Denmark | Collective agreement 2004 still valid: - Special clauses are introduced on varied weekly working time No changes in the maximum period of variation. Where today the majority of workers in a group had to accept varied weekly working time and it applied to the whole group, a system can now be introduced on a voluntary basis, provided the shop-steward approves. - The clause, introduced in the agreement in 2000, which made it possible to make experimental schemes which might modify the agreement, primarily on working time, has been changed to allow such a scheme to go ahead on the basis of local agreements between the shop-stewards and the enterprise. It is no longer necessary to acquire approval by the unions. This possibility exists only where there is a shop-steward. This clause expires with the expiration of the agreement and will have to be specifically renewed in 2007 if we want to continue it. |
| Finland | Not negotiated |
| France | 35h/week by law |
| Germany | Collective agreement 2004 still valid: Agreement to increase working time up to 40h/week with special defined conditions |
| Hungary | 24 th December is a bank holiday now |
| Italy | N.d. |
| Netherlands | 38 hours, but longer is possible under restrictions: at company level the employer can decide with the Works Council to work 39 hours a week. Individual workers have to right to refuse that if they wish to keep the extra free time (24 hours per year). At collective level the 38-hour working week is still the standard norm. |
| Norway | Not negotiated |
| Poland | Not negotiated |

| | |
|------------------------|--|
| Slovak Republic | Not negotiated |
| Slovenia | All demands were obtained: - additional refreshments for overtime work - additional leave (paid absence from work) in cases of: - own marriage: 3 days - marriage of child: 1 day - removal to another town: 3 days - removal in same town: 2 days - father for birth of child: 2 days - death of consort or child: 3 days - death of parent: 2 days - death of consort's parent, brother, sister or aged parent: 1 day - elementary accident: 4 days |
| Spain | The average working time of the 44 collective agreements signed is 1,753 hours/year. Of these agreements, 30 have reduced the working time by an average of four hours/year per worker. |
| Sweden | Collective agreement 2004 still valid: Working time reduction: 1 day per year (0,5% costs) |
| Switzerland | Not yet clear |

4.2.3 Results: Training

In 2005 training was not a main focus for the trade unions. Some countries (Belgium, Netherlands and Switzerland) have already started to demand and secure individual rights to training, which will be the EMF Common Demand for 2005-2008. "Training" will therefore be a special issue in the EUCOB@ REPORT 2006.

Table 13: Results: Training

| | |
|------------------------|---|
| Austria | Not negotiated |
| Belgium | - Maintaining contribution of 0,1% for training of specific groups (e.g.: long-term unemployed, unskilled, immigrants, youngsters....) - Maintaining the existing training efforts at company level: 0,9% of total working hours of blue-collar workers should be spent on vocational training. If no efforts are to be seen, no financial sectoral support - New: 0,1% contribution for regional training facilities |
| Croatia | Not negotiated |
| Cyprus | Not negotiated |
| Czech Republic | Not negotiated |
| Denmark | Collective agreement 2004 still valid; no changes |
| France | National collective agreement 2004 still valid; no changes |
| Finland | Not negotiated |
| Germany | Collective agreement 2004 still valid; no changes |
| Hungary | Not negotiated |
| Italy | Not negotiated |
| Netherlands | - 0.45% of the wage sum for 2005, 0.45% in 2006 and 0.4% in 2007 and 0.2 for the first 3 months in 2008 for employment and training fund. - Employability: developing best practices - Extra employment for youngsters: 200 unemployed youngsters per year can obtain training. - Recognition of Gained Competences: employers can get 750€ per employee under this project. |
| Norway | Not negotiated |
| Poland | Not negotiated |
| Slovak Republic | Not negotiated |
| Slovenia | Employer cannot terminate job contract for economic reasons or reason of incapacity if the employer did not to provide training according to work needs. |
| Spain | Not negotiated |
| Sweden | Collective agreement 2004 still valid; no changes |
| Switzerland | Not negotiated |

4.2.4 Results: Older workers

“Older Workers” have always played an important role for the trade unions with both solutions for “active aging” within the company (e.g. part-time work solutions) and regulations for ensuring a good standard of living after finishing active working life (e.g. early retirement, additional retirement payments) being obtained.

In 2004/2005 the Netherlands was a special case concerning regulations for older workers: There was a hard struggle with even some strike days. The trade unions’ goal was to maintain the current regulations concerning the pension system. This was achieved after long and tough negotiations with the employers and the government.

Table 14: Results: Older workers

| | | | | | | | | | | | | | | | | | | | |
|--|---|-----------------------|---------------------------|-----------------------|---------------|-------|-------|---------------|-------|-------|--------------|---------------------------|-----------------------|---------------|-------|-------|---------------|-------|-------|
| Austria (Metal and Mining Industry) | Continuation of talks on collectively agreed pre-retirement schemes: During last year’s negotiation round a joint working group was established to draft pre-retirement schemes in order to alleviate the negative effects of the pension reform 2003. | | | | | | | | | | | | | | | | | | |
| Belgium | Early retirement: - At the age of 58 for men and women after a career of 25 years - At the age of 56 for men and women after a career of 33 years of which 20 years’ night work - At the age of 55 for women after a career of 38 years - At the age of 55 for men and women working part-time At regional or company level: if agreements exist they are continued | | | | | | | | | | | | | | | | | | |
| Croatia | Not negotiated | | | | | | | | | | | | | | | | | | |
| Cyprus | Not negotiated | | | | | | | | | | | | | | | | | | |
| Czech Republic | Not negotiated | | | | | | | | | | | | | | | | | | |
| Denmark | National agreement 2004 still valid: Pensions payments will be increased as follows: <table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">Blue-collar</td> <td style="width: 35%;">Employers' contribution /</td> <td style="width: 35%;">Workers' Contribution</td> </tr> <tr> <td>1. July 2005:</td> <td>0,6 %</td> <td>0,3 %</td> </tr> <tr> <td>1. July 2006:</td> <td>0,6 %</td> <td>0,3 %</td> </tr> </table> <table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">White-collar</td> <td style="width: 35%;">Employers' contribution /</td> <td style="width: 35%;">Workers' Contribution</td> </tr> <tr> <td>1. July 2005:</td> <td>0,6 %</td> <td>0,3 %</td> </tr> <tr> <td>1. July 2006:</td> <td>0,6 %</td> <td>0,3 %</td> </tr> </table> This means that the white-collar groups will catch up with the percentage of the blue-collar workers. The difference until now was for historical reasons. | Blue-collar | Employers' contribution / | Workers' Contribution | 1. July 2005: | 0,6 % | 0,3 % | 1. July 2006: | 0,6 % | 0,3 % | White-collar | Employers' contribution / | Workers' Contribution | 1. July 2005: | 0,6 % | 0,3 % | 1. July 2006: | 0,6 % | 0,3 % |
| Blue-collar | Employers' contribution / | Workers' Contribution | | | | | | | | | | | | | | | | | |
| 1. July 2005: | 0,6 % | 0,3 % | | | | | | | | | | | | | | | | | |
| 1. July 2006: | 0,6 % | 0,3 % | | | | | | | | | | | | | | | | | |
| White-collar | Employers' contribution / | Workers' Contribution | | | | | | | | | | | | | | | | | |
| 1. July 2005: | 0,6 % | 0,3 % | | | | | | | | | | | | | | | | | |
| 1. July 2006: | 0,6 % | 0,3 % | | | | | | | | | | | | | | | | | |
| France | Attention paid to the rights of older workers as regards vocational training | | | | | | | | | | | | | | | | | | |
| Finland | Not negotiated | | | | | | | | | | | | | | | | | | |
| Germany | No change | | | | | | | | | | | | | | | | | | |
| Hungary | Not negotiated | | | | | | | | | | | | | | | | | | |
| Italy | Not negotiated | | | | | | | | | | | | | | | | | | |
| Netherlands | We keep our pension system, without increasing the premiums, and retirement at 62. We achieve this by using the full fiscal space which makes it possible to do so without extra costs. There is an extra possibility to save time or money for leave during your working life or leave employment earlier, but it is an individual saving system, fiscally arranged by our government. (i.e. only for the richer people). | | | | | | | | | | | | | | | | | | |
| Norway | Not negotiated | | | | | | | | | | | | | | | | | | |
| Poland | Not negotiated | | | | | | | | | | | | | | | | | | |
| Slovak Republic | Not negotiated | | | | | | | | | | | | | | | | | | |
| Slovenia | - for workers over 50 years old: additional leave of 1 to 5 days - for workers over 53 years old: entitlement to wage average in organization unit if he/she does not reach the expected working result or norm | | | | | | | | | | | | | | | | | | |
| Spain | Arrangements provided for in the collective agreements signed that will allow workers' representatives to be involved more in all matters connected with continuing training. | | | | | | | | | | | | | | | | | | |
| Sweden | Not negotiated | | | | | | | | | | | | | | | | | | |
| Switzerland | Not yet clear | | | | | | | | | | | | | | | | | | |

4.2.5 Results: Equal treatment

Equal treatment is an important and broad policy field. The harmonization of labour conditions, e.g. for men and women as well as the integration of handicapped persons, is gradually improving within the collective agreements. The results are listed in table 15.

Table 15: Results “Equal treatment”

| | |
|--|---|
| Austria (Metal and Mining Industry) | Establishment of a working group on combating discrimination in collective agreements in line with the three EU-directives against discrimination at the workplace A joint working group will review bargaining with a view to identify and eliminate discrimination in collective agreements and bring it in line with EU-equal treatment directive and adjusted national legislation in this field. |
| Belgium | Not negotiated |
| Croatia | SMH and positive valid regulations do not allow unequal treatment towards workers in the implementation of the collective agreement. |
| Cyprus | Not negotiated |
| Czech Republic | Not negotiated |
| Denmark | Running collective agreement; no changes |
| Finland | Not negotiated |
| France | Not negotiated |
| Germany | Running collective agreement; No changes |
| Hungary | Not negotiated |
| Italy | Not negotiated |
| Netherlands | A study to all measures in the Agreement where age is concerned |
| Norway | Not negotiated |
| Poland | Not negotiated |
| Slovak Republic | Not negotiated |
| Slovenia | Agreement on punishment for employer who makes discrimination on employees |
| Spain | Rights established in the collective agreements have been extended to unmarried couples (paid special leave, bonuses, etc.) Equality before the law introduced into the collective agreements in cases of adoption of children. All aspects of the law have been included in some texts that regulate the compatibility of family life and career (reduction of working time for family reasons, etc.). |
| Sweden | Running collective agreement; no changes |
| Switzerland | Not negotiated |

4.2.6 Results “other issues”

Since the results in this chapter are even broader and more diversified than those under “equal treatment”, we have not attempted to summarise or establish the average of the results. Please find them listed in Table 16.

Table 16: Results “other issues”

| | |
|--|--|
| Austria (Electrical and Electronics Industry) | - Legal framework improvements |
| Austria (Metal and Mining Industry) | Under the agreed new pay system, the metalworking sector will be covered by a common pay system, providing a new job-classification system and a new pay increments scheme in order to establish pay harmonisation between both employee´s categories. The new classification system specifies 11 newly designed grades covering both blue-collar and white-collar workers, thus replacing the 'old' , different classification criteria for the two employee groups, which are perceived as imprecise and unfair. The new increments scheme provides for five automatic increments for both employee groups relating to wage/salary levels within each of the 11 new grades. Accordingly, for each employee there will be two collectively fixed and three variable increments (the latter to be agreed individually between management and works council at company level) within a period of 12 years of continuous employment. The five increments will become due after |

| | |
|---|--|
| | two, four, six, nine and 12 years of employment in the same grade. The new scheme will come into effect on 1 November 2005 |
| Austria (Temporary Agency Workers) | <p>- Increase in branch-related pay supplements: A key issue on the negotiations' agenda concerned the increase in pay supplements for temporary agency workers in sectors, such as the metalworking industry and the electrical and electronics sector, where blue-collar workers will benefit from a collectively agreed automatic pay increases scheme in order to avoid a gap arising between a seniority-related steadily increasing pay rate of comparable blue-collar workers not yet covered by a pay harmonisation system.</p> <p>Under the new agreement increases in pay supplements according to qualification were agreed for assignments in the electrical and electronics industry. With effect from 1 May 2005 unskilled temporary agency workers will receive a 3% increase in pay supplements, whereas skilled workers will be paid a 4% increase. As a result, the total sum of the pay supplement will be 9% for unskilled workers, 13% for semi-skilled workers and 18% for skilled workers. On the basis of an internal wage system at plant level the pay supplements will be 13 %, 16,5% and 19,8% respectively.</p> <p>- New regulations for piece- and performance-related work: Temporary agency workers performing piece-work or other performance-related work over a period of 4 weeks have to be paid either the customary local performance-related wages or premia or have to receive pay that is 30% above the collectively agreed pay rate which normally falls due for comparable workers in the user company.</p> <p>Branch-related supplements will for the first time also be provided for assembly and piece-workers (3 % for unskilled and 4% for skilled workers). In case of piece work the pay supplement will be 3% for unskilled, 4% for semi-skilled and 5% for skilled workers.</p> <p>- Branch-related pay supplements fall due also in case of incapacity for work: In case of an assignment in a sector where branch- related pay supplements are stipulated, these will also fall due during periods of continued pay in case of holidays or sickness.</p> <p>Common initiative of the social partners to reduce the number of workplace accidents in the temporary work branches.</p> |
| Belgium | Not negotiated |
| Croatia | Increased rights to vacation bonus, Christmas bonus and other financial rights up to the amount of the non-taxable stipulated amounts that were increased by the Regulations on income tax decided by the Minister of Finance. |
| Cyprus | Launch of employers' contribution (0,3-0,5%) to the welfare fund |
| Czech Republic | No less holidays than in 2004. |
| Denmark | Running collective agreement; no changes |
| Finland | - The new law and better agreement for protection against changing in the companies. - More training for workers who have been made redundant. |
| France | - Insertion of young workers - Attention to be paid to the situation of the weakest categories of workers |
| Germany | Ultimate conclusion of the adjustment procedures of blue/white collar system (era.) |
| Hungary | Not negotiated |
| Italy | Not negotiated |
| Netherlands | Reintegration of ill workers. If possible reintegration in the same company and job, if not, there is an obligation for employers to search for a job outside the company. 100% wage in the 1 st year of illness and 80% in the 2 nd year. Workers who return to work part-time (because of their health problems) get 100% in the 1 st year and 90% in the 2 nd year. Childcare: employers pay 1/6 th of the costs, 0.3% of the wage sum. |
| Norway | Not negotiated |
| Poland | Not negotiated |
| Slovak Republic | Not negotiated |
| Slovenia | <p>- Additional content of job contract: 15 working days for worker on offer of new job contract</p> <p>- Establishment of a joint employer and trade union body at company level for monitoring temporary job contracts and making proposals for continued employment</p> <p>- Employer obliged to report to trade union on company employment policy</p> <p>- Conditions for trade union work:</p> <ul style="list-style-type: none"> ▪ employer provides trade union at company level with all data on issues required by the trade unions for co-determination in respect of collective workers' rights and cases of participation on individual workers' rights in accordance with the law about matters on which workers must be informed (fulfilment of job contract obligations) ▪ chairman of trade union in a company or shop-steward has the right to information on workers' wages and on wage mass for payment of workers under the collective agreement ▪ each shop-steward has the right to paid hours for trade union work in the company (2 hours per trade union member and at least 50 hours per year) ▪ each shop-steward has the right to training (at least 24 hours per year and more for training on collective bargaining and labour legislation) ▪ each member of a trade union has the right to 4 paid hours per year for trade union meetings at company level <p>shop-stewards have the right to 35 paid days for trade union meetings at country or branch level and 15 paid days for trade union meeting at regional level</p> |
| Spain | Other important aspects negotiated and included in the collective agreements are: Employment: some collective agreements have implementation clauses so that fixed-term contracts are converted into fixed ones, with quantified minimum percentages (25%, 30% etc.). |

| | |
|--------------------|---|
| | <p>Fixed-term contracts: to ensure that there are no large differences with the fixed contracts in a bid to reduce the level of fixed-term employment that remains very high in Spain.</p> <p>Replacement contract: The worker who is replaced by a new younger employee and has a shorter working time. This type of contract makes the workforce younger.</p> <p>Occupational safety: Joint committees with clear duties are created in the collective agreements. They aim to prevent occupational risks in companies.</p> |
| Sweden | Running collective agreement; no changes |
| Switzerland | Not negotiated |

5 Evaluation of the EMF Co-ordination Rule

The EMF co-ordination rule was proposed by the 3rd Collective Bargaining Conference in 1998 and later confirmed by the EMF Executive Committee and the EMF Congress in 1999. It is an important part of the overall EMF political project: to strengthen the co-ordination of collective bargaining policies and provide an answer to the possible downward spiral of cost-competitive wage bargaining.

We discussed the methodological problems of comparing national data on a European level in detail in the previous EUCOB@ REPORTS. We do not need to repeat this here. We would just like to recall that the EMF co-ordination rule states “that the main reference point for the EMF affiliates must be to maintain purchasing power and achieve a balanced participation in productivity increases”. Just how this is implemented is part of the sovereignty of the individual unions, and among other elements mentions income redistribution, improved wages and salaries, job-creation, including training and reduced working time, new forms of work organisation, fostering equal opportunities and early retirement. The co-ordination rule should be interpreted to include the “whole collective bargaining package” – and not only the wage elements.

We maintain that:

- a) The bargaining figure to enter into the comparison is at all times the nationally reported figure for the whole collective bargaining package; in the report we call it “the value of the whole agreement” (VOWA)
- b) VOWA is then compared with the inflation and productivity figures delivered by the national trade unions. These statistics are the basis for the negotiations and are sometimes estimations (usually the foreseen inflation or productivity rate) or special figures (like the producer prices that the Dutch colleagues use). The advantage of this comparison is that these are the figures that trade unions actually deal with in their own countries and they are the basis for their legitimacy vis-à-vis their members. The disadvantage is that they are of no use for European comparison and benchmarking.

b) To ensure the European comparability of the figures, the national bargaining results are then compared with the Eurostat figures for consumer price inflation for the entire economy and the OECD figures for productivity growth.

c) For Productivity growth we change this year from “Productivity per person” to “Productivity per hour worked”. Please find an explanation about the advantage of this kind of figures regarding productivity in the chapter below. These figures are OECD statistics. In Table 19 you will find a comparison of both these figures for the year 2004.

In this report for the EU member states we use the data from the report on economic trends (in “European Economy”, spring forecast 2005). This data can be downloaded from: <http://europa.eu.int/>.

For the European countries that are not members of the EU, like Norway and Switzerland, we have to rely on OECD data. We have used the last issue of the “OECD economic outlook” from December 2004. As a matter of fact this is not a satisfying solution because Eurostat and OECD data are not consistent.

We have chosen to present the following tables from the EUCOB@ report:

Tables 17 and 18: macroeconomic data like inflation, labour productivity and the unemployment figures for the years 2004 and 2005.

Table 19: Comparison productivity growth (Eurostat, OECD, Trade Unions)

Tables 20 and 21: Value of the whole agreement (VOWA) for the years 2004 and 2005

Tables 22 and 23: Balance sheet VOWA Trade Union figures

Tables 24 and 25: Balance sheet Eurostat and OECD figures

Table 26: Collective agreements in the light of the EMF Co-ordination Rule for the years 2004 and 2005

This EUCOB@ REPORT intends to continue the good tradition of the “economic” evaluation of the national collective agreements in the light of the EMF co-ordination rule. We know that an economic type of evaluation such as this can be only one part of an evaluation of the EMF co-ordination rule, because it focuses only on the collective bargaining “result” side and is not able to include the negotiation “processes” and the role of the EMF co-ordination rule in that respect. But it has always been clear that the EMF co-ordination rule is a “policy rule” and not just a mathematic formula. Therefore

a “political evaluation” of the EMF co-ordination rule will be provided at the EMF Collective Bargaining Conference in October 2005 in Rome. This assessment will be subsequently added to the EUCOB@ REPORT 2005 as an appendix.

5.1 The economic data: “National figures” or “European figures”?

Collective bargaining negotiations are usually based on economic developments (inflation, productivity) that will occur in the future. In order to give an evaluation of the collective bargaining results we decided to show both the Eurostat figures and the figures used by the trade unions at the very beginning of their negotiations with the employers’ organisations.

This permits at least two things: firstly, a comparison of the two sets of figures (Eurostat and trade union figures) to see how precise the estimations have been, and secondly, if there are huge differences between the trade unions estimations and the definitive Eurostat figures, to see why that has occurred.

Table 17: Macro-economic parameters 2004 (as a %)

| | Price development | | Productivity | | Unemployment (TU figures) |
|------------------------|----------------------------|---------------------|---------------------------------|------------------------|--|
| | TU | EUROSTAT (HICP) | TU | OECD (per hour worked) | |
| Austria | +2,1 | +2,0 | GDP per employee: +1,2 | +1,2 | 4,5 |
| Belgium | +1,55 (real) | +2,4 | n.d. | +3,6 | n.d. |
| Croatia | +2,1 | +2,1 | +5,0 | | 18,0 |
| Cyprus | +2,6 | +2,5 | +3,7 | n.d. | 3,6 |
| Czech Republic | +2,7 | +2,7 | +2,7 | +8,3 | 10,2 |
| Denmark | +1,6 | +1,1 | +2,3 (not used in negotiations) | 2,3 | 5,6 |
| Finland | +0,5-1,0 | +0,9 | +3,0 | 2,5 | 9-10 |
| France | +1,9 | | n.d. | 1,6 | 10 |
| Germany | +1,7 | +1,6 | +0,8 | 1,2 | 10,1 |
| Hungary | +6,9 | +7,6 | +8,3 (industry) | 3,1 | 6,6 |
| Italy | +2,2 | +2,2 | n.d. | 0,7 | 8,1 |
| Netherlands | +1,0 | +1,3 | +3,5 | 2,0 | 6,5 |
| Norway | +0,5 | +1,6 ⁽⁴⁾ | n.d. | 0,8 | 4,3 |
| Poland | +3,5 | +3,3 | n.d. | 4,0 | 19,1 |
| Slovak Republic | +7,5 | +6,9 | +7,9 | 3,5 | 13,10 |
| Slovenia | +3,2 | +3,2 | GDP per employee +4,5 | n.d. | 10,3 total; 6,3 ILO method |
| Spain | +3,2 | +3,0 | +0,6 | 1,0 | 11,1 |
| Sweden | +0,2 | +1,2 | +2,7 | 2,7 | 5,6 |
| Switzerland | Less than +0,6 (estimated) | +0,4 | +3,5 | 1,5 | Metal industry: 3,8 Mechanical engineering: 3,1 Electro industry: 4,5 Car production: 3,0 |

Table 18: Macro-economic parameters 2005 (estimated, as a %)

| | Inflation | | Productivity | | Unemployment |
|-----------------|------------------------|---------------------|------------------------|------------------------|---------------------------|
| | TU | Eurostat (HICP) | TU | OECD (Per hour worked) | |
| Austria | +2,5 (forecast 6/2005) | +2,3 | GDP per employee: +0,9 | No data available yet | 4,4 |
| Belgium | +1,7 | +2,2 | n.d. | | n.d. |
| Croatia | +2,9 | +2,9 | +1,7 | | 18,0 |
| Cyprus | +2,6 | +2,5 | +4,0 | | 3,4 |
| Czech Republic | +2,8-3,3 est. | +2,1 | | | 10,1 est. |
| Denmark | n.d. | +1,7 | n.d. | | n.d. |
| Finland | +0,5-1,0 | +1,6 | +3,0 | | 9-10 |
| France | +1,6 | | n.d. | | 10,2 |
| Germany | +1,6 | +1,3 | +0,8 | | 10,9 |
| Hungary | +3,8 | +4,8 | +11,2 | | n.d. |
| Italy | +1,6 | +2,0 | n.d. | | n.d. |
| Netherlands | +1,0 | +1,4 | +2,25 | | 7,0 |
| Norway | n.d. | +1,7 ⁽¹⁾ | n.d. | | n.d. |
| Poland | n.d. | +2,1 | n.d. | | 18 |
| Slovak Republic | +3,3 | +3,6 | n.d. | | 13 |
| Slovenia | +2,5 | +2,5 | GDP per employee: +2,4 | | 9,8 total; 6,2 ILO method |
| Spain | +3,1 | +2,9 | +1,0 | | 10,19 |
| Sweden | +0,7 | +0,7 | +3,0 | | 5,1 |
| Switzerland | n.d. | +0,4 | n.d. | | n.d. |

(1) source: OECD

We made a first comparison of the figures delivered by the trade unions and the Eurostat figures in the EUCOB@ REPORT 2003. There we concluded that the differences between the two are becoming smaller. For 2004 and 2005 it is obvious that there are some countries like Belgium, Czech Republic, Denmark, Hungary, Norway, Slovak Republic, Sweden and Switzerland where either national figures on price development or productivity growth differ significantly (more than +/-0,5%) from the Eurostat / OECD statistics. The biggest gap between TU and OECD figures is 5,6%, related to the productivity growth.

What we can see in general is that both the inflation rates and productivity growth are at a relatively low level. The exceptions are most of the NMS where both inflation and productivity growth is higher than the average. Unfortunately the unemployment rate is moving only slightly and remains at a relatively high level.

5.2 Productivity: “Per Person” or “Per hour worked”?

As we underlined in the EMF Co-ordination Rule, productivity – as well as the inflation rate – is a key contributor to income levels. Using more capital and bringing more people into the labour force can help to increase total production in the European economy. But this may do little to increase average incomes for individual employees.

Trade union policy is based on the fact that the increases in productivity needed to increase average incomes require a combination of:

- the entrepreneurial drive to identify and take advantage of new market opportunities for innovative products and services. This requires ongoing efforts to understand international and domestic markets, the capability to come up with and develop innovative ideas, and the capability to effectively manage firm growth and meet customer needs;
- increasing the amount produced from investment and labour. This, too, requires an appropriately skilled labour force.

The composition of the labour force has changed significantly over time. More jobs are non-standard (i.e. part-time, temporary, self-employed) and the distribution of hours worked has become more polarised. If labour input is measured in terms of the number of workers, comparisons through time and across countries can be adversely affected by differences in the mix of standard and non-standard workers. Accordingly, the ILO recommends measuring labour input as the total number of hours worked (ILO, 1962). The 1993 manual for the System of National Accounts makes reference to the same definition when describing the total hours of work as the most appropriate measure of the total volume of work (System of National Accounts 1993, p. 410).

In recent years EUCOB@ has used Eurostat productivity statistics. Eurostat produces the structural indicators from the ratio between GDP expressed in purchasing power standards and the number of persons employed or the hours actually worked in the economy. For the EU and its Member States, Eurostat uses National Accounts labour data for both total persons employed and hours worked. However, hours actually worked data do not always reach the same standard of reliability as other national accounts data. This problem is currently addressed within the European Statistical System, and hours worked data is expected to achieve a higher degree of harmonisation in the mid-term future. Eurostat does not currently receive explicit data in respect of hours worked from some Member States, and therefore multiplies the number of persons employed by average hours worked per year. In most cases, the figure for average hours worked per person is drawn from OECD's published figures.

Because of the fact that Eurostat is partly using OECD figures, we decided to use those “original” figures from the very beginning and for all countries. This makes the comparisons more reliable.

Table 19: Comparison Productivity growth, year 2004, annual growth rate in percent

| | Eurostat: real BIP per person | OECD: productivity per hour worked | Trade Unions: national productivity |
|------------------------|--------------------------------------|---|--|
| Austria | 1,0 | 1,2 | 1,2 |
| Belgium | 1,9 | 3,6 | n.d. |
| Cyprus | 2,2 | n.d. | 3,7 |
| Czech Republic | 4,6 | 8,3 | n.d. |
| Denmark | 2,0 | 2,3 | 2,3 |
| Finland | 3,5 | 2,5 | 3,0 |
| France | 2,8 | 1,6 | n.d. |
| Germany | 1,2 | 1,2 | 0,8 |
| Hungary | 4,4 | 3,1 | 8,3 (industry) |
| Italy | 0,4 | 0,7 | n.d. |
| Netherlands | 3,0 | 2,0 | 3,5 |
| Norway | n.d. | 0,8 | n.d. |
| Poland | 5,3 | 4,0 | n.d. |
| Slovak Republic | 5,9 | 3,5 | 7,9 |
| Slovenia | 4,5 | n.d. | 4,5 |
| Spain | 0,6 | 1,0 | 0,6 |
| Sweden | 4,0 | 2,7 | 2,7 |
| Switzerland | n.d. | 1,5 | 3,5 |

5.3 The value of the whole agreement (VOWA)

As is shown in Tables 20 and 21 wage increases are the biggest pieces of the VOWA-cake. All the other elements like working time, vocational training, pensions, equal treatment, etc. obtained a value of something between 0.1% and 0.3% but with a maximum of 0.5% both in 2004 and 2005.

The values range between 0.0% in the Slovak engineering 1 agreement and +18.4% in the Slovakian electro-technical industry in 2004 and between 0.0% in the Slovak forging and foundry sector and +10.0% in their engineering 1 agreement in 2005.

The average of all VOWAs was approximately 4.4% in 2004 and 3.7% in 2005.

Table 20: Value of the whole agreement (VOWA) 2004 (as a %)

| | Wages | Working time | Vocational training | Pensions, Early retirement | Equal treatment | Other elements | Value of the whole agreement (VOWA) |
|---|---|--------------|---------------------|----------------------------|-----------------|-------------------------------------|-------------------------------------|
| Austria | +2,5% | - | - | - | - | - | +2,5 % |
| Belgium | 1/1/2004: +1% (increase of wages) 1/7/2004: +1,55% (wage increase due to inflation) 1/10/2004: +1,17% (wage increase) | - | +0,1% | - | - | First day of sick leave: 0,1 – 0,3% | Min.+3,92%; Max. 4,12% |
| Croatia | +6,5 | - | - | - | - | - | +6,5 |
| Cyprus | +2,3% | - | - | - | - | +0,3-0,5% | min.+2,6; max.+2,8% |
| Czech Republic | +3% | - | - | - | - | - | +3,0% |
| Denmark | +0,95% at national level plus +2,8% at company level | | | | | | +3,75% |
| Finland | +2,2 | | | | | | +2,2 |
| France | Company data | | | | | | n.d. |
| Germany | +3,2 | - | - | - | - | - | +3,2 |
| Hungary | Average wage increase at company level is +8,6 | | | | | | +8,6 |
| Italy | n.d. | | | | | | |
| Netherlands | +2,75% | | +0,5% | (20%)??? | - | +0,3% | +3,55% |
| Norway | +3,5 | - | - | - | - | - | +3,5 |
| Poland | N.d. | | | | | | |
| Slovak Republic (Electro-technical Industry) | +18,4% | - | - | - | - | - | +18,4% |
| Slovak Republic (Engineering) | E1: +0,0% E2: +6,3% | - | - | - | - | - | E1: +0,0% E2: +6,3% |
| Slovak Republic (Metallurgy) | Results unknown as yet | | | | | | |
| Slovak Republic (Forging and foundry) | +3,8% | - | - | - | - | - | +3,8% |
| Slovenia | +4,53% | - | - | - | - | - | +4,53% |
| Spain | n.d. | | | | | | n.d. |
| Sweden | +2,2% | - | - | - | - | - | +2,2% |
| Switzerland | n.d. | | | | | | |

Table 21: Value of the whole agreement (VOWA) 2005 (as a %)

| | Wages | Working time | Vocational training | Pensions, Early retirement | Equal treatment | Other elements | Value of the whole agreement (VOWA) | |
|---|--|--------------|-------------------------|----------------------------|-----------------|----------------|-------------------------------------|---------|
| Austria | ongoing negotiations | | | | | | | |
| Belgium | 1/7/2005 : 2,26% (wage increase due to inflation) | - | +0,1% on regional level | | | +0,1 | 2,46% | |
| Croatia | +6,5 | - | - | - | - | - | +6,5 | |
| Cyprus | n.d. | | | | | | | |
| Czech Republic | 2 - 7,3 | | | | | | 2 - 7,3 | |
| Denmark | VOWA is +0,95% at national level plus x% at company level (figure not available yet) | | | | | | | +0,95+x |
| Finland | +2,5 | | | | | | +2,5 | |
| France | Only company data (see Chapter "CB at Company level") | | | | | | | c.d. |
| Germany | +2,6 | - | - | - | - | - | +2,6 | |
| Hungary | Average wage increase at company level is +6,5% (min. 5%; max. 8%) | | | | | | | +6,5% |
| Italy | N.d. | | | | | | | |
| Netherlands | +1,0% | -- | +0,45% | (+20%)?? | - | +0,3% | +1,75% | |
| Norway | n.d. | | | | | | | |
| Poland | n.d. | | | | | | | |
| Slovak Republic (Electro-technical Industry) | +3,8% | | | | | | +3,8% | |
| Slovak Republic (Engineering) | E1: +10,0% E2: +4,5% | | | | | | E1: +10,0% E2: +4,5% | |
| Slovak Republic (Metallurgy) | Results unknown as yet | | | | | | | |
| Slovak Republic (Forging and foundry) | +0,0% | - | - | - | - | - | +0,0% | |
| Slovenia | N.d. until now | | | | | | | |
| Spain | Average provincial negotiated wage increase is +3,1% | | | | | | | +3,1% |
| Sweden | +2,3% | - | - | - | - | - | +2,3% | |
| Switzerland | N.d. | | | | | | | |

The trade union focus in 2004 and 2005, as in previous years, is on wages.

5.4 The balance sheet of VOWA in the light of the EMF co-ordination rule

The next step we have to deal with is the evaluation of the concluded agreements in the light of the EMF co-ordination rule.

The EMF co-ordination rule states that the main reference points should be "maintaining purchasing power" and "achieving a balanced participation in productivity increases".

Thus the first step is to compare the VOWA with the inflation rates. In order to be in line with the EMF co-ordination rule the VOWA has to be at least above the inflation rate.

Secondly, we have to compare the remaining value with labour productivity. The EMF co-ordination rule states that on the basis of the sovereignty of the individual unions it is up to them to decide how the leeway of bargaining is taken up; different elements are mentioned: income redistribution, improved wages and salaries, job-creation, including training and reduced working time, new forms of work organisation, fostering equal opportunities and early retirement.

We know that the trade unions have different interpretations as to what “a balanced participation” means. What we do, however, is to compare the complete value of the productivity development with the VOWA. We leave the interpretation, i.e. as to whether they have reached a “balanced” participation or not, to the trade unions in accordance with their sovereignty.

As stated earlier, we decided to take both the figures delivered by the trade unions and the Eurostat / OECD figures into consideration. This allows us to describe the situation from a national point of view (with the national figures) as well as have a comparative benchmark.

5.4.1 Balance sheet 2004 and 2005 with Trade Union figures

In **2004** all of the EMF affiliates that have sent figures concluded agreements that are higher than the inflation rate (Austria, Belgium, Croatia, Czech Republic, Denmark, Finland, Germany, Hungary, Netherlands, Norway, Slovak Republic, Slovenia and Sweden).

The full amount of inflation plus productivity was reached or exceeded in Germany, Norway and the electro-technical industry in the Slovak Republic.

Agreements below that sum can be found in Austria, Belgium, Croatia, Cyprus, Czech Republic, Denmark, Finland, Hungary, the Netherlands, engineering 1 and 2 and forging and foundries in Slovak Republic, Slovenia and Sweden.

Table 22: Balance Sheet 2004 (TU Figures) (as a %)

| | VOWA ⁽¹⁾ | minus Price development | OIR (offset inflation rate) | minus Productivity development | BPPG (balanced participation productivity growth) |
|---|----------------------|-------------------------------|---------------------------------|--------------------------------------|---|
| Austria | +2,5 | +2,1 | +0,4 | +1,2 | -0,8 |
| Belgium | +3,92 – 4,12 | +1,55 | Min.+2,37; Max: 2,57 | +3,6 ⁽⁴⁾ | Min.-1,23; Max.-1,03 |
| Croatia | +6,5 | +2,1 | +4,4 | +5,0 | -0,6 |
| Cyprus | +2,8 | +2,6 | Min.-0,2; max.0,0 | +3,7 | Min.-3,9; max.-3,7 |
| Czech Republic | +3,0 | +2,7 | +0,3 | +2,3 | -2,0 |
| Denmark | +3,75 | +1,6 | +2,15 | +2,3 | -0,15 |
| Finland | +2,2 | +1,0 | Min. +1,2, max. +1,7 | +3,0 | Min.-2,3; max.-1,8 |
| Germany | +3,2 | +1,7 | +1,5 | +0,8 | +0,7 |
| Hungary | +8,6 | +6,9 | +1,5 | +8,3 | -6,8 |
| Italy | n.d. | +2,2 | n.d. | n.d. | n.d. |
| Netherlands | +3,55 | -0,1 | +3,65 | +3,7 | -0,05 |
| Norway | +3,5 | +0,5 | +3,0 | +0,8 ⁽⁴⁾ | +2,2 |
| Poland | n.d. | +3,5 | n.d. | | n.d. |
| Slovak Rep. (Electro-technical Ind.) | +18,4 | +7,5 | +10,9 | +7,9 | +3,0 |
| Slovak Rep (Engineering) | E1: +0,0 E2: +6,3 | +7,5 | E1: -7,5; E2: -1,2 | +7,9 | E1:-15,4; E2:-9,1 |
| Slovak Rep. (Forging and Foundry) | +3,8 | +7,5 | -3,7 | +7,9 | -11,6 |
| Slovenia | +4,53 | +3,2 | +1,33 | +4,5 | -3,17 |
| Spain | n.d. | +3,2 | n.d. | +0,6 | n.d. |
| Sweden | +2,2 | +0,2 | +2,0 | +2,7 | -0,7 |
| Switzerland | n.d. | +0,6 | n.d. | +3,5 | n.d. |

(1) Source: Trade unions

(2) Source: European Commission (2005a), own calculations

(3) Automatic equalization of inflation

(4) OECD data

In **2005** most of the countries (Belgium, Croatia, Czech Republic, Finland, Germany, Hungary, Netherlands, Slovak Republic (electro-technical industry and engineering), Spain and Sweden) will be equal or above the inflation rate.

As far as the balanced participation in productivity growth (BPPG) is concerned - based on the current figures - only Belgium, Croatia, some areas in the Czech Republic, Germany, the Netherlands and engineering 1 in the Slovak Republic may reach or exceed the full amount of inflation plus productivity.

For a lot of countries it is too early to say what the final result will be (Austria, Cyprus, Denmark, Italy, Norway, Poland, Slovak Republic (Metallurgy), Slovenia and Switzerland).

For the rest of the surveyed countries the results are still unknown (Austria, Cyprus, Denmark, Italy, Norway, Poland, Slovakia (Metallurgy), Slovenia and Switzerland) or are forecast as below the margin. These countries are Finland, Hungary, electro-technical industry and forging in the Slovak Republic, Spain and Sweden.

Table 23: Balance sheet 2005 (TU figures) (as a %)

| | VOWA | minus Price development | = OIR | minus Productivity development | = BPPG |
|--|-----------------------|-------------------------------|-------------------------------|--------------------------------------|-------------------------------|
| Austria | n.d. | +2,5 | n.d. | +0,9 | n.d. |
| Belgium | +2,46 | +1,7 | +0,76 | +1,4 ⁽¹⁾ | -0,64 |
| Croatia | +6,5 | +2,9 | +3,6 | +1,7 | +1,9 |
| Cyprus | n.d. | +2,6 | n.d. | +4,0 | n.d. |
| Czech Republic | Min.2; max.7,3 | +3,1 | Min.-1,3; max.+4,7 | +4,1 ⁽¹⁾ | Min.-2,8; max.+0,6 |
| Denmark | +0,95+x | +1,7 ⁽¹⁾ | -0,75+x | +1,8 ⁽¹⁾ | -2,25+x |
| Finland | +2,5 | +0,75 | +1,75 | +3,0 | -1,25 |
| Germany | +2,6 | +1,6 | +1,0 | +0,8 | +0,2 |
| Hungary | +6,5 | +3,8 | +2,7 | +11,2 | -8,5 |
| Italy | n.d. | +1,6 | n.d. | n.d. | n.d. |
| Netherlands | +1,75 | -0,5 | +2,25 | +1,75 | +0,5 |
| Norway | n.d. | n.d. | n.d. | n.d. | n.d. |
| Poland | n.d. | n.d. | n.d. | n.d. | n.d. |
| Slovak Republic (Electro-tech. ind.) | +3,8 | +3,5 | +0,3 | +4,3 ⁽¹⁾ | -4,0 |
| Slovak Republic (Engineering) | E1: +10,0 E2: +4,5 | +3,5 | E1:+6,5 E2:+1,0 | +4,3 ⁽¹⁾ | E1:+2,2; E2:-3,3 |
| Slovak Republic (Forging and Foundry) | +0,0 | +3,5 | -3,5 | +4,3 ⁽¹⁾ | -7,8 |
| Slovenia | n.d. | +2,5 | n.d. | +2,4 | n.d. |
| Spain | +3,1 | +3,1 | +/-0,0 | +1,0 | -1,0 |
| Sweden | +2,3 | +0,7 | +1,6 | +3,0 | -1,4 |
| Switzerland | n.d. | n.d. | n.d. | n.d. | n.d. |

5.4.2 Balance sheet 2004 and 2005 with European figures

In **2004** all of the EMF affiliates that have sent figures concluded agreements that are higher than the inflation rate (Austria, Belgium, Croatia, Cyprus, Czech Republic, Denmark, Finland, Germany, Hungary, Netherlands, Norway, Slovak Republic, Slovenia and Sweden).

The full amount of inflation plus productivity was reached or exceeded in Germany, the Netherlands, Norway and the electro-technical industry in the Slovak Republic. Agreements below that sum can be found in Austria, Belgium, Croatia, Cyprus, Czech

Republic, Denmark, Finland, Hungary, the engineering 1 and 2 and forging and foundries in Slovak Republic, Slovenia and Sweden.

Table 24: Balance Sheet 2004 (Eurostat / OECD figures) (as a %)

| | VOWA ⁽¹⁾ | minus Harmonized index of consumer prices ⁽²⁾ | OIR (offset inflation rate) | minus Labour productivity (OECD: GDP per hour worked) ⁽⁴⁾ | BPPG (balanced participation productivity growth) |
|---|-------------------------|--|---------------------------------|---|---|
| Austria | +2,5 | +2,0 | +0,5 | +1,2 | -0,7 |
| Belgium | Min.+3,92; max.+4,12 | +2,4 | Min.+1,52; max.+1,72 | +3,6 | Min.-2,08; max.-1,88 |
| Croatia | +6,5 | +2,1 | +4,4 | +5,0 | -0,6 |
| Cyprus | +2,8 | +2,5 | +0,3 | +2,2 ⁽²⁾ | -1,9 |
| Czech Republic | +3,0 | +2,7 | +0,3 | +8,3 | -8,0 |
| Denmark | +3,75 | +1,1 | +1,65 | +2,3 | -0,65 |
| Finland | +2,2 | +0,9 | +1,3 | +2,5 | -1,2 |
| Germany | +3,2 | +1,6 | +1,6 | +1,2 | +0,4 |
| Hungary | +8,6 | +7,6 | +1,0 | +3,1 | -2,1 |
| Italy | n.d. | +2,2 | n.d. | +0,7 | n.d. |
| Netherlands | +3,55 | +1,3 | +2,25 | +2,0 | +0,25 |
| Norway | +3,5 | +1,6 ⁽⁴⁾ | +1,9 | +0,8 | +1,1 |
| Poland | n.d. | +3,3 | n.d. | +4,0 | n.d. |
| Slovak Rep. (Electro-technical Ind.) | +18,4 | +6,9 | +11,5 | +3,5 | +8,0 |
| Slovak Rep (Engineering) | E1: +0,0 E2: +6,3 | +6,9 | E1: -6,9 E2: -0,6 | +3,5 | E1: -10,4 E2: -4,1 |
| Slovak Rep. (Metallurgy) | n.d. | +6,9 | n.d. | +3,5 | n.d. |
| Slovak Rep. (Forging and Foundry) | +3,8 | +6,9 | -3,1 | +3,5 | -6,6 |
| Slovenia | +4,53 | +3,2 | +1,33 | +4,5 ⁽²⁾ | -3,17 |
| Spain | n.d. | +3,0 | n.d. | +1,0 | n.d. |
| Sweden | +2,2 | +1,2 | +1,0 | +2,7 | -1,7 |
| Switzerland | n.d. | +0,4 | n.d. | +1,5 | n.d. |

(1) Source: Trade unions

(2) Source: European Commission (2005a), own calculations

(3) Automatic equalization of inflation

(4) OECD data

Table 23 shows that in **2005** most of the countries (Belgium, Croatia, Czech Republic, Finland, Germany, Hungary, Netherlands, Norway, Slovak Republic, Slovenia, Spain and Sweden) will be above the inflation rate. For a lot of countries it is too early to say what the final result will be (Austria, Cyprus, Denmark, Italy, Norway, Poland, Slovak Republic (Metallurgy), Slovenia and Switzerland).

The following can be said as far as the balanced participation in productivity growth (BPPG) is concerned: based on the current figures only Croatia, some areas in the Czech Republic, Germany and engineering 1 in the Slovak Republic may reach or

transgress the full amount of inflation plus productivity. For the rest of the surveyed countries the results are still unknown (Austria, Cyprus, Denmark, Italy, Norway, Poland, Slovakia (Metallurgy), Slovenia and Switzerland) or are forecast as below the margin. These countries are Belgium, Finland, Hungary, Netherlands, electro-technical industry and forging in the Slovak Republic, Spain and Sweden .

Table 25: Balance sheet 2005 (Eurostat / OECD figures) (as a %)

| | VOWA ⁽¹⁾ | minus Harmonized index of consumer prices ⁽²⁾ | = OIR | minus Labour productivity (GDP per person) ^{(2) (5)} | = BPPG |
|---|-----------------------|--|------------------------------|---|-------------------------------|
| Austria | n.d. | +2,3 | n.d. | +1,8 | n.d. |
| Belgium | +2,46 | +2,2 | +0,26 | +1,4 | -1,14 |
| Croatia | +6,5 | +2,9 | +3,6 | +1,7 | +1,9 |
| Cyprus | n.d. | +2,5 | n.d. | +2,6 | n.d. |
| Czech Republic | Min.2; max.7,3 | +2,1 | Min.+0,1; max.5,2 | +4,1 | Min.-4,0; max.+1,1 |
| Denmark | +0,95+x | +1,7 | -0,75+x | +1,8 | -2,25+x |
| Finland | +2,5 | +1,6 | +0,9 | +2,6 | -1,7 |
| Germany | +2,6 | +1,3 | +1,3 | +0,1 | +1,2 |
| Hungary | +6,5 | +4,8 | +1,7 | +3,3 | -1,6 |
| Italy | n.d. | +2,0 | n.d. | +0,8 | n.d. |
| Netherlands | +1,75 | +1,4 | +0,35 | +0,7 | -0,35 |
| Norway | n.d. | +1,7 ⁽⁴⁾ | n.d. | n.d. | n.d. |
| Poland | n.d. | +2,1 | n.d. | +3,3 | n.d. |
| Slovak Republic (Electro-technical Ind.) | +3,8 | +3,6 | +0,2 | +4,3 | -4,1 |
| Slovak Republic (Engineering) | E1: +10,0 E2: +4,5 | +3,6 | E1: +6,4 E2: +0,9 | +4,3 | E1: +2,1; E2: -3,4 |
| Slovak Republic (Metallurgy) | n.d. | +3,6 | n.d. | +4,3 | n.d. |
| Slovak Republic (Forging and Foundry) | +0,0 | +3,6 | -3,6 | +4,3 | -7,9 |
| Slovenia | n.d. | +2,5 | n.d. | +3,6 | n.d. |
| Spain | +3,1 | +2,9 | +0,2 | +0,6 | -0,4 |
| Sweden | +2,3 | +0,7 | +1,6 | +2,6 | -1,0 |
| Switzerland | n.d. | +0,4 | n.d. | n.d. | n.d. |

(1) Source: Trade unions, own calculations

(2) Source: European Commission (2005a), own calculation

(3) Automatic equalization of inflation

(4) OECD data

(5) OECD figures not available yet

5.5 Mid-term evaluation of collective agreements in the light of the EMF co-ordination rule

There are many reasons for comparing the trade union collective agreement outcome figures not just on a single year basis but over the long term. Here is just one example: most of the agreements are valid for more than one year, as seen in Chapter 2.1. Traditionally trade unions try to put the higher wage increase at the beginning of the period of validity of the agreement. So, in a 2-year agreement, they could for example lie above the EMF co-ordination rule in the first year and below the sum of inflation and productivity increase in the second year. They could however attain the “goal” of the EMF co-ordination rule on average.

For comparability reasons, we use in this chapter the results obtained from the comparison of VOWA with the Eurostat and OECD figures. As said before, this ensures provision of a neutral evaluation of the collective bargaining results in the light of the EMF wage coordination rule.

5.6 Year-by-year analysis 2000 - 2005

As we can see in Table 26 most of the countries regularly manage to maintain the purchasing power of their members (Austria, Belgium, Croatia, Czech Republic, Denmark, Finland, Germany, Greece, Hungary, Ireland, Netherlands, Norway and Switzerland), but some countries seem to have difficulty in constantly attaining that goal (Italy, Poland and Sweden).

Table 26: National Collective Agreements in the Light of the EMF Co-ordination Rule” 2000-2005 (VOWA compared with Eurostat / OECD statistics)

| | OIR = Offset Inflation Rate (VOWA minus HICP) | | | | | | BPPG = Balanced participation productivity growth (OIR minus productivity) | | | | | |
|-----------------------|--|-------|-------|---------------------------------|---------------------------------|-------------------------------|---|-------|-------|-------------------------------|-----------------------------------|-------------------------------|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
| Austria | +1,5 | +0,6 | +0,94 | +0,8 – 1,1 | +0,5 | n.d. | -0,4 | +0,5 | -0,46 | +0,3 – 0,6 | -0,7 | n.d. |
| Belgium | +0,5 | +3,17 | +1,6 | +0,95 | Min. +1,42; max. +1,72 | +0,26 | -1,4 | +3,97 | +0,6 | -0,02 | Min. - 2,08; max. - 1,88 | -1,88 |
| Croatia | | | | | +4,4 | +3,6 | | | | | -0,6 | +1,9 |
| Cyprus | n.d. | | | | +0,3 | n.d. | | | | | -1,9 | n.d. |
| Czech Republic | | | | Min. +2,6; max.+ 10,01 | +0,3 | Min.+0 ,1; max.+5 ,2 | | | | Min.- 1,1; max. 6,31 | -8,0 | Min.- 4,0; max.+ 1,1 |

| | | | | | | | | | | | | |
|---|------|-------|-------|--------------------------|------------------------|----------------------|------|-------|-------|-------------------------|-------------------------|----------------------|
| Denmark | +1,4 | +1,8 | +1,5 | +1,6 | +1,65 | - 0,75+x | -0,9 | +1,6 | -0,1 | +0,3 | -0,65 | - 2,25+x |
| Finland | +0,8 | 0 | +0,65 | +1,4 | +1,3 | +0,9 | -2,0 | +0,4 | -0,65 | -0,8 | -1,2 | -1,7 |
| Germany | +1,9 | +0,5 | +2,7 | +2,1 | +1,6 | +1,3 | +0,8 | +0,1 | +1,9 | +1,1 | +0,4 | +1,2 |
| Greece | +2,1 | +1,3 | -0,9 | N.d. | n.d. | n.d. | -2,1 | -3,1 | -4,7 | N.d. | n.d. | n.d. |
| Hungary | N.d. | | | +3,9 | +1,7 | +1,7 | | | | +1,5 | -0,9 | -1,6 |
| Italy | -1,4 | -0,55 | -0,85 | -0,5 | +0,1 | n.d. | -2,7 | -0,45 | +0,05 | -0,3 | -0,8 | n.d. |
| Ireland | +0,2 | 0 | n.d. | | n.d. | n.d. | -5,0 | -3,1 | | | n.d. | n.d. |
| Netherlands | +1,5 | -0,1 | -1,65 | +1,05 | +2,25 | +0,35 | -0,1 | -1,55 | -0,5 | +0,85 | +0,25 | -0,35 |
| Norway | +2,3 | +2,1 | n.d. | +2,0 | +1,9 | n.d. | +0,1 | -0,1 | N.d. | +0,1 | +1,1 | n.d. |
| Poland | -6,6 | -1,6 | +2,2 | N.d. | n.d. | n.d. | -1,3 | -3,3 | -1,5 | | n.d. | n.d. |
| Slovak Rep. (Electro-technical ind.) | n.d. | | | | +11,5 | +0,2 | | | | | +8,0 | -4,1 |
| Slovak Rep. (Engineering) | n.d. | | | | E1: - 6,9 E2: - 0,6 | E1: +6,4 E2: +0,9 | | | | | E1: - 10,4 E2: - 4,1 | E1: +2,1 E2: +3,4 |
| Slovak Rep. (Forging and Foundries.) | n.d. | | | | -3,1 | -3,6 | | | | | -6,6 | -7,9 |
| Slovenia | n.d. | | | Min.- 1,6; max. - 0,6 | +1,33 | n.d. | | | | Min.- 0,1; max.+ 6,5 | -3,17 | n.d. |
| Spain | n.d. | | | | | +0,2 | | | | | n.d. | -0,4 |
| Sweden | +1,8 | +1,1 | +1,0 | -0,9 | +1,0 | +1,6 | -0,1 | +0,1 | -0,9 | -1,0 | -1,7 | -1,0 |
| Switzerland | n.d. | | | +1,2 | +1,6 | n.d. | | | | +1,7 | +0,3 | n.d. |

If we look at the goal of reaching a balanced participation of productivity growth the picture is more diffuse. Within the period 2000 to 2005, only the German collective agreements lay regularly above the margin “Inflation plus Productivity”. On the other hand, there is also just one country (Poland) where that margin could not be reached at all within that timeframe. There is no clear pattern as regards the other countries in respect of fully meeting with the EMF co-ordination rule. This again makes it very clear that it there is not much sense in picking out one year and comparing it with another single year. We are in the sixth year of the EUCOB@ REPORT. This data basis allows us to see whether the trade unions were able to attain the goal of maintaining purchasing power plus achieving a balanced part of productivity growth on the average over these six years.

6 Empirical Results: Average OIR and BPPG 2000 – 2005

As we can see in Chart 3 it is possible to identify three patterns concerning the average results in the years 2000 to 2005:

- a) Countries above inflation and above the full amount of productivity growth
- b) Countries above inflation but below the full amount of productivity growth
- c) Countries below inflation and below the full amount of productivity growth

a) Countries above inflation and above productivity growth:

The value of the collective agreements in Belgium, Denmark, Germany, Hungary, Norway, the electro-technical sector in the Slovak Republic and Switzerland have been on average equal to or above the sum of Inflation plus productivity growth in the years 2000 to 2005.

b) Countries above inflation but below the full amount of productivity growth:

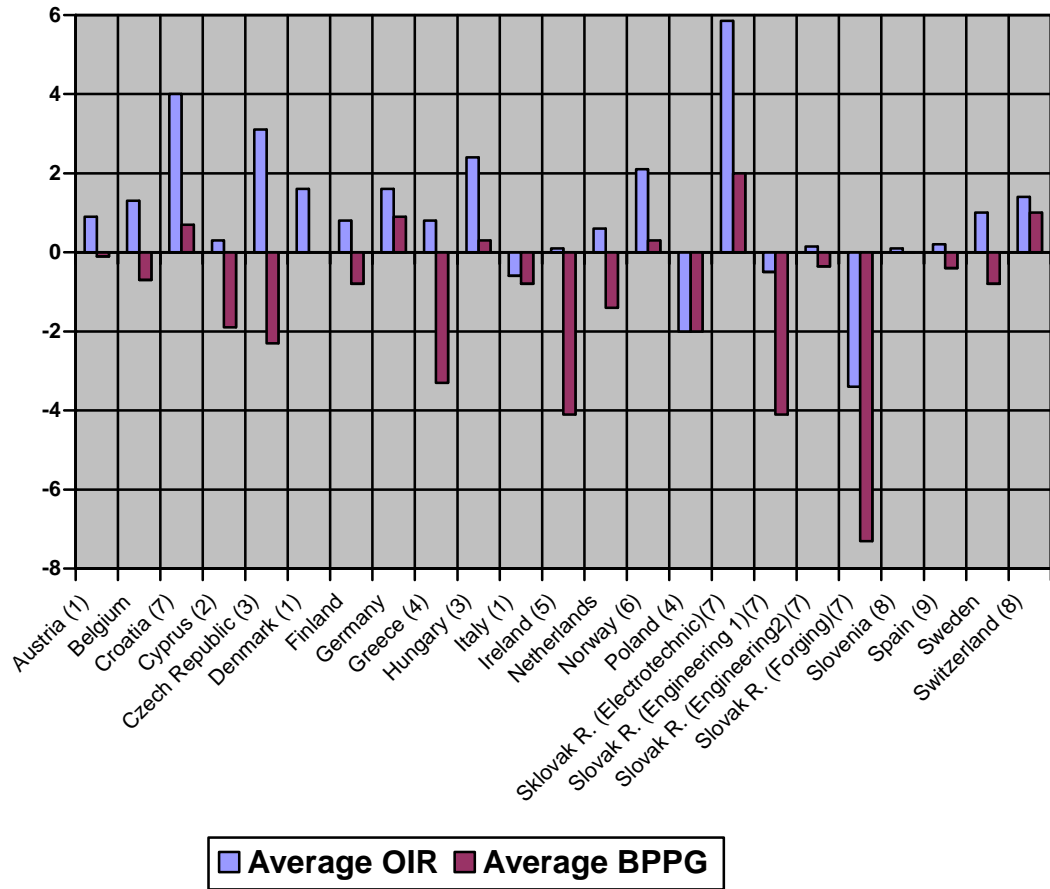
Beside the above mentioned countries - which achieved the full amount of inflation plus productivity - most of the remaining countries reached a positive OIR, i.e. they reached at least the inflation rate: Austria, Cyprus, Czech Republic, Finland, Greece, Ireland, Netherlands, Engineering 2 in Slovakia, Spain and Sweden.

Agreements where it was possible to reach the inflation rate but which are just slightly below (up to -2%) the whole amount of “inflation plus productivity” (on average in the period 2000 to 2005) have been signed by the trade unions in Austria, Cyprus, Finland, the Netherlands, Engineering 2 in Slovakia, Spain and Sweden. The gap between reaching the whole amount of inflation and productivity was more than 2% in the Czech Republic, Greece, Ireland.

c) Countries below inflation and below productivity growth:

Italy, Poland, the engineering 1 and the forging and foundry sector in the Slovak Republic secured agreements where VOWA was on average below the inflation rate and below productivity growth and hence did not achieve the minimum goal of maintaining purchasing power within that timeframe.

Chart 3: Average OIR and BPPG 2000-2005



(1) 2000-2004; (2) only 2004, (3) 2003-2005; (4) 2000-2002; (5) 2000 + 2001; (6) without 2002; (7) 2004-2005; (8) 2003 + 2004; (9) only 2005;

However, the EMF has pointed out on several occasions that it is important not to reduce the co-ordination approach to rules and formulas, and insists instead on a political approach. Being below the full amount of inflation plus productivity growth does not necessarily mean that the trade unions “breach” the EMF Coordination Rule or that automatically social dumping is occurring.

The EMF Wage Coordination Rule says that the trade unions via their collective agreements have to cover at least price development. Furthermore, they should reach a “balanced participation of the productivity growth”, referred to as “BPPG” in this report. As previously mentioned, and this was part of the compromise to establish the EMF Coordination Rule, there are different definitions of what “BPPG” actually is. The full productivity growth, half of it, a third or even less? For future assessments it

would be helpful to let the trade unions define what they think BPPG is, from their point of view, and if consider they have reached it or not.

Furthermore, the problem of wage-drift is becoming bigger. It has to do with the increasing number of ‘deviating’ collective agreements at company level. This can lead to the contradictory situation where the trade unions sign agreements at sectoral level that are completely in line with the EMF Coordination Rule but these are transgressed or undermined by ‘deviating’ agreements at company level. This can lead to a significant wage increase at company level despite a moderate wage policy (as in the Netherlands some years ago) or to a situation in which wages grow less at company level than what was agreed at sectoral level (as currently in Germany), even if additional agreements only freeze the current wages or reduce the share of incomes that has been paid above the wage patterns agreed at sectoral level,.

However, from a EMF perspective, there are at the moment no indicators based on our EUCOB@ information that wage dumping is taking place. Wage moderation is mostly a part of national social pacts or sometimes it is just difficult for trade unions to successfully achieve their current demands. These figures are important but they are only one side of the ‘co-ordination medal’.

The other side is the political impact on the EMF policy as a whole and the policies of the EMF affiliates. The basic impact of the co-ordination rule in the EMF view has been to establish a moral claim and trade union policy that no negotiations are a national issue alone, but that all have implications beyond national borders and consequently are a shared responsibility.

The Select Working Party (SWP) of the Collective Bargaining Policy Committee (CBPC) is preparing a political assessment of how the EMF Co-ordination Rule has been implemented in national trade union policy. One result is that the EMF Coordination Rule could not until now be implemented as a trade union policy in all countries. This evaluation will be presented at the EMF Collective Bargaining Conference in October 2005. Further information on the implementation of the EMF coordination approach can also be found in the book “Europäisierung der Gewerkschaften” written by Jochen Gollbach (2005).

7 Appendix

Table 27: EUCOB@ CORRESPONDENTS (update September 2005)

| COUNTRY / ORGANISATION | NAME | E-MAIL | TELEPHONE |
|-------------------------------|---------------------------------|---|---|
| A - Austria | | | |
| GMT | <i>Anderle, Manfred</i> | <i>Manfred.Anderle@metaller.at</i> | <i>Tel: +43 1 501 46 213 Fax: +43 664 26 22 30</i> |
| B - Belgium | | | |
| ACLVB | <i>Roelandt, Johan</i> | <i>johan.roelandt@aclvb.be</i> | <i>Tel: +32 2 558 51 50 Fax: +32 475 39 89 55</i> |
| CCMB | <i>Diesbecq, Nathalie</i> | <i>Nathalie.Diesbecq@acv-csc.be</i> | <i>Tel: +32 2 244 99 32 Fax: +32 2 244 99 90</i> |
| CMB | <i>Biebaut, Frans</i> | <i>Fbiebaut@abvmetaal.org</i> | <i>Tel.: +32 2 627 74 13 Fax: +32 2 627 74 90</i> |
| CNE | <i>Keirsbilck, Felipe van</i> | <i>felipe.vankeirsbilck@acv-csc.be</i> | <i>Tel: +32 2 53 89 144 Fax: +32.02.538.58.39</i> |
| LBC-NVK | | | |
| SETCA-BBTK | <i>Polenus, Carlos</i> | <i>cpolenus@bbtk-abvv.be</i> | <i>Tel: +32 475 41 96 28 Fax: +32 25 11 05 08</i> |
| BUL - Bulgaria | | | |
| TU METALICY - CITUB | <i>Renata Metodieva Pertova</i> | <i>metalicy@netbg.com</i> | <i>Tel: +359 29 88 48 21 Fax: +359 29 88 27 10</i> |
| TUOFEMI | | | |
| NFTINI | | | |
| CH - Switzerland | | | |
| UNIA | <i>Ambrosetti, Renzo</i> | <i>Renzo.Ambrosetti@unia.ch</i> | <i>Tel: +41 31 350 23 66 Fax: +41 31 350 22 22</i> |
| SYNA | | | |
| CY - Cyprus | | | |
| OVIEK-SEK | <i>Panayiotis, Frangos</i> | <i>sek@sek.org.cy</i> | <i>Tel: +35 72 28 49 849 Fax: +35 72 28 49 850</i> |
| CZ - Czech Republic | | | |
| OS KOVO | <i>Soucek, Jaroslav</i> | <i>- Studnicna.Lucie@cmkos.cz - Sakarova, Dana@cmkos.cz</i> | <i>Tel.: +420 23446 2138 Fax: +420 234 46 22 65</i> |
| D - Germany | | | |
| IGM | <i>Welzmüller, Rudolf</i> | <i>Rudolf.Welzmueller@igmetall.de</i> | <i>Tel.: +49 69 66 93 26 44 Fax: +49 69 66 93 22 00</i> |
| DK - Denmark | | | |
| CO-Industri | <i>Bundvad, Jens</i> | <i>JB@co-industri.dk</i> | <i>Tel: +45 33 63 80 00 Fax: +45 33 63 80 90</i> |
| IDA | <i>Wallin, Lotte</i> | <i>low@ida.dk</i> | <i>Tel.: +45 33 18 46 18 Fax: +45 33 18 48 92</i> |
| E - Spain | | | |
| CC.OO | <i>Blanco, Juan</i> | <i>jblanco@fm.ccoo.es ; internacional@fm.ccoo.es</i> | <i>Tel: +34 91 30 81 181 Fax: +34 91 31 92 543</i> |
| FTM-ELA | <i>Llabori, Jon Ander</i> | <i>eladonosti@maptel.es</i> | <i>Tel: +34 94 40 37 700 Fax: +34 94 40 37 711</i> |
| MCA-UGT | <i>Magàn Moreno, Isabel</i> | <i>gtecnico@mca.ugt.org</i> | <i>Tel: +34 91 58 97 50 807 Fax: +34 91 58 975</i> |
| EIR - Ireland | | | |
| SIPTU | <i>McCartney, John</i> | <i>jmccartney@siptu.ie</i> | <i>Tel: +353 18 74 97 31</i> |
| SIPTU | <i>Kelly, Barbara</i> | <i>BKELLY@SIPTU.ie</i> | <i>Fax: +353 18 74 96 39</i> |
| F - France | | | |
| FGMM-CFDT | <i>Landas, Blandine</i> | <i>Blandine.landas@fgmm.cfdt.fr</i> | <i>Tel: +33 1 56 41 50 70 Fax: +33 1 56 41 50 96</i> |
| FEAE-CFDT | | | |
| FOM | | | |
| FO DÉFENSE | | | |
| FM-CFTC | <i>- CORREA, Patrick</i> | <i>p.correa@cftcmetallurgie.com</i> | <i>Tel: + 33 1 43 65 56 95</i> |

| | | | |
|--|--|--|---|
| | - MARCANTONI, Marc-Antoine | Marc- Antoine.MARCANTONI@fr.thalesgrou p.com | Fax: + 33 1 43 65 98 71 Tel: +33 1 46 13 35 08 Fax: +33 1 46 13 33 79 |
| FTM-CGT | | | |
| FNTE-CGT | | | |
| FIN – Finland | | | |
| Metalli | Löhman, Jorma | jorma.lohman@metalliliitto.fi | Tel.: +358 9 770 7233 mobile: +358 400 500 820 |
| TU | | | |
| IL | Joint correspondent: Pertti Porokari | pertti.porokari@insinooriliitto.fi | Tel: +358 201 801 801 mobile: +358 40 583 3476 |
| TEK | | | |
| GR - Greece | | | |
| POEM | Tsioumpris, Dimitrio | poem@otenet.gr | Tel: +30 14 17 41 59 Fax: 30 14 17 47 81 |
| H - Hungary | | | |
| VASAS | Bálint, Adrienn | balint.a@vasasszakszervezet.hu | Tel: +36 13 33 41 75 Fax: +36 13 33 83 27 |
| I - Italy | | | |
| FIOM-CGIL | Petrucci, Sabina | s.petrucci@fiom.cgil.it | Tel: +39 06 85 26 21 Mobile : +39 33 57 50 11 18 |
| UILM | Patrizia Pitrouaci | UILM@UIL.it | Tel: +39 06 85 26 21 Fax: +39 34 87 81 05 89 |
| FIM-CISL | Gianni Alioti | gianni.alioti@cisl.it | Tel: +39 06 852621 Fax: +39 348 9026909 |
| IS - Iceland | | | |
| Samiðn samband iðnfélaga | | | |
| L - Luxembourg | | | |
| OGB-L | - Casagrande, Marco - Wolff, Robert | Marco.casagrande@ogb-l.lu Robert.wolff@ogb-l.lu | Tel: +352 29 68 941 Fax: +352 40 63 61 |
| LCGB | | | |
| M - Malta | | | |
| GWU | Parnis, Michael | mparnis@gwu.org.mt | |
| N - Norway | | | |
| Fellesforbundet | Sjovoll, Hallstein | hallstein.sjovoll@fellesforbundet.no | Tel: +47 23 06 31 00 Fax: +47 23 06 31 01 |
| Handel og Kontor i Norge - HK | | | |
| EL & IT Forbundet | Andersen, Jan O. | jan.andersen@elogit.no | Tel: +47 23 06 34 00 Fax: +47 23 06 34 01 |
| Norges Ingeniørorganisasj on – NITO | Breen, Lasse | lasse.breen@nito.no | Tel: +47 90833573 Fax: +47 22 17 24 80 |
| NL - Netherlands | | | |
| FNV Bondgenoten | Stigt, Jacqueline | JacqStig@bg.fnv.nl | Tel.: +31 65 10 17 964 Fax: +31 30 27 38 690 |
| CNV- Bedrijvenbond | - Wevers, Jan - Donners, Michel | j.wevers@cnv.net m.donners@cnv.net | Tel. : +31 30 6 348 209 Mob: +31 06 51 60 21 43 Fax: +31 30 63 48 200 |
| De Unie | ter Halle, Han | hll-h@unie.nl | Tel: +31 345 85 10 86 Fax: +31 652 52 086 |
| VHP – Metalektro | | | |
| P - Portugal | | | |
| SIMA | Simoes, José | simap@net.vodafone.pt | Tel: +35 12 18 40 10 36 Fax: +35 12 14 09 851 |
| FEQUIMETAL | Balecho, José | fequimetal@mail.sitepac.pt | Tel: +35 12 18 81 85 61 Fax: +35 12 18 81 85 55 |
| PL - Poland | | | |
| NSZZ Solidarnosc | | solidmet@silesia.top.pl | Tel: +48 32 25 38 723 Fax: +48 32 25 38 723 |
| RO - Romania | | | |
| NTUF | Ms. Oana Mirea | - metaromimagine@cartel-alfa.ro | Tel: +4 021 12 66 39 |

| | | | |
|--|------------------------------------|--|--|
| METAROM | | - oana_mirea@k.ro | Mobile: +4 0721 858 151 |
| F.N.S. U Metal | | | |
| F.N.S. Solidaritatea 90 | | | |
| S - Sweden | | | |
| Svenska Metall | Ingrid Hansson | ingrid.hansson.fk@metall.se | Tel: +4687868435 Fax: +46 82 08 170 |
| SIF | Sellgren, Tore | tore.sellgren@sif.se | Tel: +46 85 08 972 42 Mobile: +46 70 589 72 42 Fax: +46 85 08 97 019 |
| LO | Goransson, Ingemar | Ingemar.goransson@lo.se | |
| CF | Anders Tihkan | anders.tihkan@cf.se | Tel: +46 86 13 81 64 Fax: +46 87 96 71 02 |
| SK - Slovak Republic | | | |
| Odborovy ZVÄZ KOVO | Mifka, Anton | hrusecka@ozkovo.sk | Tel:+421 2 555 653 83 Fax: +421 2 555 653 87 |
| SL - Slovenia | | | |
| SKEI | Ivanovic, Bogdan | - Ivanovic.skei.mb@siol.net - skei@sibdikar-zsss.si | Tel: +386 24 61 26 24 Mobile: +386 41 73 54 38 Fax: +386 61 32 29 73 |
| TU - Turkey | | | |
| Birlesik Metal-IS DISK | 1- Gaye Yilmaz 2- Mehmet Beseli | - gaye@birlesikmetal.org - info@birlesikmetal.org | Mobile: 0090 532 445 05 56 Mobile: 0090 535 670 61 76 Tel: +90 21 63 80 85 90 Fax: +90 21 63 73 65 02 |
| UK-United Kingdom | | | |
| AMICUS | Hayward, Jonathan | Jonathan.Hayward@amicustheunion.org | Tel: +44 20 74 20 89 62 Fax: +44 20 74 20 89 98 |
| TGWU | | | |
| GMB | | | |
| ISTC | | | |
| ASSOCIATED MEMBERS | | | |
| HR - Croatia | | | |
| Sindikat Metalaca Hrvatske - SMH | | smh@smh.tel.hr | Tel: +385 14 65 50 18 Fax: +385 14 65 50 23 |
| YU - Serbia | | | |
| GSM Nezavisnost | | | Tel: +381 11 32 38 226 Fax: +381 11 32 44 118 |
| EIF | | | |
| EFBH | Buelen, W. | wbuelen@efbh.org | |
| EMCEF | Reibsch, Reinhard | rreibsch@emcef.org | |
| EPSU | Pond, Richard | rpond@epsu.org | |
| ETUC | Janssen, Ronald | rjanssen@etuc.org | |
| ETUC | Keune, Maarten | mkeune@etuc.org | |
| ETUF-TCL | Itschert, Patrick | fse.thc@skynet.be | |
| Further members on the mailing list | | | |
| B | Delcroix, Jean-Paul | Jean-paul.delcroix@fgtb.be | |
| B | Voets, Luc | Luc.voets@abvv.be | |
| B | Lamas, Rafael | Rofael.lames@fgtb.be | |
| D | Weinert, Rainer | weinert.berlin@t-online.de | |
| D | Schulten, Thorsten | Thorsten-Schulten@boeckler.de | |
| D - IG Metall | Schild, Armin | Armin.Schild@igmetall.de | |
| D - IG Metall NRW | Wetzel, Detlef | Detlef.Wetzel@igmetall.de | |
| D - Verdi | Sadowsky, Robert | Robert.Sadowsky@igmetall.de | |
| D - Verdi | Sterkel, Gabriele | Gabriele.sterkel@verdi.de | |
| IMF | Mureau, Anne-Marie | ammureau@imfmetal.org | |
| IMF | Blum, Ron | rblum@imfmetal.org | |
| NL - FNV Bondgenoten | Paulides, Lineke | linepaul@bg.fnv.nl | |
| Nordic Metal | Börgö-Etaat, Anna- | post@nordiskametall.org | +46.8 786 8340 |

| | | | |
|---------------------------|------------------------|------------------------------------|--|
| | <i>Lena</i> | | |
| <i>S - Svenska Metall</i> | <i>Persson, Gina</i> | <i>gina.persson.fk@metall.se</i> | |
| <i>S - Svenska Metall</i> | <i>Nilsson, Göran</i> | <i>goran.nilsson.fk@metall.se</i> | |
| <i>S - Svenska Metall</i> | <i>Olsson, Jan-Ake</i> | <i>jan-ake.olsson.fk@metall.se</i> | |
| <i>UK</i> | <i>Gennard, John</i> | <i>j.gennard@strath.ac.uk</i> | |

8 References:

Gollbach, Jochen: Europäisierung der Gewerkschaften, Hamburg 2005

Maynard, Jean Pierre and Sunter, Deborah: Hours of Work and Productivity: concepts and measures, Statistics Canada, Presented to the Paris Group, July 2003.

ILO: Resolution concerning statistics of hours of work, adopted by the tenth International Conference of Labour Statisticians, October 1962.