

COLLECTIVE BARGAINING NEWSLETTER



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This newsletter presents up-to-date information on collective bargaining developments across Europe. It aims to facilitate information exchange between trade unions and to support the work of the ETUC's collective bargaining committee.

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AUSTRIA

New agreement in private electricity industry

January 29, 2008

The two ÖGB union confederation affiliates, Gewerkschaft Metall-Textil-Nahrung (metal, textiles and clothing, GMTN) and Gewerkschaft der Privatangestellten, Druck, Journalismus, Papier (functionaries, printing and journalism, GPA-DJP), jointly representing workers in the private electricity industry (EVU), negotiated a 3.7% increase on pay and other allowances in a 12-month deal from 1 February 2008. The agreement also includes a €250 lump sum payment. This is about 0.6%pts higher than the average pay rise for 2008 agreed thus far in Austria.

(English: http://www.epsu.org/spip/cob.php3?id_mot=249#a3596;

German: http://www.gpa.at/servlet/ContentServer?pagename=GPA/Page/Index&n=GPA_0.a&cid=1200959080722)

BELGIUM

ABVV/FGTB confederation formulates wage and social benefit demands

February 13, 2008

Based on an analysis of DULBEA, the Department of Applied Economics of the Free University Brussels, ABVV/FGTB, one of the two major trade union confederations in Belgium, has recently formulated demands in order to maintain workers' purchasing power and to augment social benefits. One of the proposals to improve the position of those drawing social benefits is to link benefits with the development of purchasing power, including a 1% minimum increase each two years for each and 2% for the lowest incomes. Further, energy cost bills should be lowered, also by means of an energy fund for house isolation. In the bilateral national negotiations with the employers for 2009-2010, ABVV/FGTB will strive towards increasing the wage share in the GNP through the revised increase of the real gross wages and the establishment of a guaranteed minimum monthly wage.

(Dutch: <http://www.abvv.be/code/nl/fram004.htm>; French: <http://www.abvv.be/CODE/fr/fram004.htm>)

CYPRUS

Union confederations demand pay increases above productivity levels

January 28, 2008

Although neither Cypriot employers' associations nor trade unions follow a clear formula when calculating wage demands, their calculations go back to two basics: labour productivity and implementation of the system of pay indexation. Recently, in discussing the renewal of the 178 collective agreements due to expire in late 2007 / early 2008, the Pancyprian Federation of Labour (PEO) and the Cyprus Workers' Confederation (SEK) decided to demand increases that would outstrip productivity. In particular SEK mentioned several reasons for such wage increases: the robust situation of the Cypriot economy, characterized by an adequate growth rate; unemployment, which has remained under control at low levels; controlled inflation, despite the recent upsurge in inflationary pressures. PEO also highlights the need for the convergence of wages in Cyprus with wage levels in the more advanced countries of the former EU15. This new basis for wage demands runs counter to both the employers' and government's official positions.

(English: <http://www.eurofound.europa.eu/eiro/2007/12/articles/cy0712019i.htm>)

DENMARK

Danish confederation pleased with state workers' agreement

March 10, 2008

On February 18, the Danish Central Federation of State Employee Organisations (CFU), affiliated to the LO, reached agreement with the government on renewal of the collective agreement for the 170,000 state workers. Wages will be raised by 12.8% over the next three years, be it that the actual increases may vary as pay rises in the state sector are linked with those in the private sector. The agreement also includes a second paid day off to care for sick children. LO-President Harald Børsting said to be very pleased with the agreement, arguing that the state workers are ensured wage rises that are at least as favourable as the ones obtained by employees in the private sector – perhaps even better.

(English: http://www.epsu.org/spip/cob.php3?id_mot=253; <http://www.lo.dk/Englishversion/News/stateworkers.aspx>;

Danish: http://www.cfu-net.dk/sw685.asp#516_16616)

ESTONIA

New collective agreement in road transport

January 15, 2008

At the end of 2007, a new sectoral collective agreement was concluded in Estonian road transport, after intense negotiations and just before the unions were about to announce strike action. Partners in the agreement are the Union of Estonian Automobile Enterprises and the Estonian Transport and Road Workers' Trade Union (ETTA). The new agreement took effect on 1 February 2008 and is valid until 31 December 2009. This is one of the two sectoral collective agreements currently valid in Estonia.

The new collective agreement provides for increases in the minimum monthly wages effective from 1 February 2008. In the case of standard working hours, bus drivers and highly qualified repair mechanics will earn a minimum monthly amount of EEK 7,060 (€451), drivers EEK 6,560 (€419), and unskilled repair workers EEK 5,470 (€350). Minimum wages will be increased further on 1 January 2009, for which agreement has to be reached by 1 October 2008. Yet, according to ETTA, the agreement affects mainly bus drivers working outside the capital city Tallinn, by increasing their monthly wages by EEK 1,500 to EEK 2,000 (€96 to €128). ETTA declared that the agreement on the minimum wage levels will hopefully help to reduce the share of undeclared work in the sector, thereby promoting fairer competition.

(English: <http://www.eurofound.europa.eu/eiro/2008/01/articles/ee0801019i.htm>)

FINLAND

Public service union criticises employers for undermining collective bargaining

February 21, 2008

JHL, the main Finnish public sector trade union, has joined with three other unions in attacking employers who use outsourcing to get workers transferred to different and inferior collective agreements. According to these unions groups both public and private employers have recently used practices of 'collective agreement shopping', thus undermining existing collective bargaining structures. Internationally known companies, such as ISS, Sodexho, Nordea and Itella, were mentioned as 'shoppers'. As a consequence, the unions argue, workers often lose in terms of both pay and levels of annual leave.

(English: http://www.epsu.org/spip/cob.php3?id_mot=249#a3603;

<http://www.sak.fi/english/whatsnew.jsp?id=32426&location1=1&sl2=2&ao=news&lang=en>)

FRANCE

Government proposals fall short of union expectations

March 10, 2008

The results of negotiations between the public service trade unions and the Public Service Minister have fallen short of union expectations. The government has made some concessions but not enough to get some of the main unions to sign

an agreement that would end their campaign over pay. The government has moved on the need for annual negotiations and for a review of the public sector pay scale. However, the unions are unhappy about the failure to address the loss of purchasing power for public sector workers over recent years. The pay increase offered for 2008 is 0.5% from 1 March and 0.3% from 1 October, while inflation is forecast to reach 1.6%. The government is talking about providing an individual guarantee of inflation protection rather than one achieved through a general pay increase for all workers.

(English: http://www.epsu.org/spip/cob.php3?id_mot=253; French: <http://www.spterritoriaux.cgt.fr/spip.php?article2231>; http://www.fo-fonctionnaires.fr/uiafp_negociation_salariales_fevrier2008.html; http://www.cfdt.fr/actualite/fonctions_publicques/salaires_dialogue_social/dialogue_social_0079.htm)

GERMANY

Warning strikes of government workers around the country

March 10, 2008

Ver.di, Germany's largest union, continues to fight with federal and local governments across Germany over a wage and working hours' proposal of these employers (See also *Collective Bargaining Newsletter* No. 1). From February 14 on, thousands of council workers, federal employees and health workers began taking warning strike action to show their disgust at the failure of the employers to make any significant improvement to their earlier pay offer. Ver.di reports high levels of support for strike action and a rise in union membership in some areas. For February 21, for example, the union media reported over 30,000 child-care employees involved in warning strikes and related activities throughout Germany, and for February 22 over 80,000 workers in local transport and health and elderly care on strike. In the last days of February, the fourth round of negotiations failed to arrive at a settlement. In reaction, ver.di renewed its warning strike activities from 4 – 6 March, including strikes on ten airports all over the country and in Berlin public transport. On March 7, the fifth round of negotiations broke down as the employers sought to link a deal on pay with an increase in working time. This failure has led to the dispute now being referred to an arbitration committee that will report before the next round of bargaining gets underway on 29 March.

(English: http://www.epsu.org/spip/cob.php3?id_mot=253; German: http://tarif-oed.verdi.de/tarifrunden/oed-tarifrunde_2008/verhandlungen/fuenfte_runde_am_6._7._maerz; <http://www.streik.tv>)

Warning strikes win higher offer from Vattenfall

February 20, 2008

Over 7,500 employees of the Vattenfall energy company took part in a warning strike on 1 February in protest at a poor pay offer from the company and threats to undermine existing pay and conditions agreements. The strike was organized by the three major unions IG BCE, ver.di and IG Metall. They managed to secure a 3.9% pay increase backdated to 1 January 2008 as well as a commitment from the company not to attack any existing negotiated rights and entitlements. The unions also secured a preferred 12-month agreement rather than a longer-term deal.

(English: http://www.epsu.org/spip/cob.php3?id_mot=249#a3603;
German: https://vattenfall-bb.verdi.de/data/tarifinfo_ve_050208.pdf)

IRELAND

Public sector benchmarking report disappoints union leadership

January 31, 2008

The Public Service Benchmarking Body (PSBB), which compares pay and conditions between the public and private sectors, has decided that the vast majority of Ireland's 300,000 public servants should not receive any pay increase other than the rises agreed on as part of normal national pay negotiations. It concludes that "this reflects pay practices in the private sector". In its report issued 11 January 2008, PSBB recommends pay increases for just 15 of the 109 grades it examined. It estimates its recommendations to be worth €50 million a year, or 0.3% of overall public service pay costs. Public servants will, however, receive the 5% pay rise due to them in 2008 under the Towards 2016 national partnership agreement. Public sector union leaders have shown their disappointment with the results of the PSBB report. The Irish Nurses Organisation (INO) demanded that the report be reconsidered. The General Secretary of the Irish Municipal and

Civil Trade Union (IMPACT), Peter McLoone, argued that the report had concluded that most public servants should receive no pay rises for two reasons: "First, the benchmarking body changed its methodology (....) Second, it imposed a much higher premium on pensions this time." It is expected that the unions will seek to reform the benchmarking process in forthcoming talks on the next module of the Towards 2016 agreement.

(English: <http://www.eurofound.europa.eu/eiro/2008/01/articles/ie0801059i.htm>;
http://www.impact.ie/iopen24/pub/defaultarticle.php?cArticlePath=193_258_375_535)

ITALY

New collective agreement in banking

Februari 20, 2008

Employers' associations and trade unions in the banking sector have agreed upon a new collective agreement. In line with the recent recommendations of the technical working group made up of Italy's national employer association Confindustria and the three main union confederations, CGIL, CISL and UIL, the agreement is valid for three (instead of four) years, from 2008 to 2010. It increases pay and allowances for these years by totally 11.5%, and moreover pays arrears for 2006-2007 worth €1600 for the average employee.

(English: <http://www.union-network.org/UNIFinance.nsf>; Watson Wyatt Data Services, *New Industrial Relations Europe*, 2/2008)

NETHERLANDS

Municipal dispute finally over

February 21, 2008

The collective agreement covering municipal workers looks set to be signed by the unions after several months of dispute over one element of the negotiations - compensation for emergency service workers who lose out from new early retirement rules. Although this was only a small element of the overall cost of the deal, the employers refused to budge. Partial compensation of up to €500 a year will be available to those workers affected, some of who could lose up to €200 a month. Overall the agreement includes pay increases of 2.2% from 1 June 2007 and 1 June 2008 with increases of 0.5% and 1.5% on the annual lump payments. The largest union involved, ABVAKABO FNV, has announced to try to realize better results for the emergency service workers through local negotiations.

(English: http://www.epsu.org/spip/cob.php?id_mot=249#a3603; Dutch:
http://www.abvakabofnv.nl/cao/bericht/stemmen_over_onderhandelaarsakkoord_cao_gemeenten;
http://www.abvakabofnv.nl/cao/bericht/abvakabo_fnv_zet_zich_in_voor_compensatie_flo_gat)

Police union actions resumed after negotiation deadlock

March 7, 2008

On March 5 it became clear that the constituencies of three out of the four unions of police officers refused the 'final' wage offer of the Minister of Internal Affairs for the 2008-2010 collective agreement. Two days later renewed negotiations ended up in a deadlock. The largest union, NPB, affiliated to the FNV confederation, announced to fall back on the available action schemes, including demonstrative and 'public-friendly' actions like those already held in December. On March 9, because of the refusal of police officers to accompany football supporters, the match PSV Eindhoven – Ajax Amsterdam had to be postponed.

At the start of the negotiations in October, the Minister of Internal Affairs acknowledged that the wages of the countries' 54,000 police officers were lagging behind wages in the public service. In Mid-February, a compromise seemed close at hand, by which the minister offered pay increases of 3.5% in 2008, 3.3% in 2009, and about 3.25% in 2010, the latter depending on a new system of job evaluation. This offer was turned down massively by the membership of the three major unions. Especially the uncertainties for 2010 and later remain stumbling-stones.

(Dutch: <http://www.cao-politie.nl/nieuws/actueel/2008/200802-29-shtml>;
<http://www.politiebond.nl/index.php?pagina=nieuws&id=565>; <http://www.politiebond.nl/index.php?pagina=nieuws&id=567>;
<http://www.politiebond.nl/index.php?pagina=nieuws&id=568>; *De Volkskrant*, March 10, 2008)

Widespread warning strikes for metal and technique agreement

March 5, 2008

Since February 11, unions in the Dutch 'metal and technique' industry, a sector employing 410,000 workers and encompassing installation technology, assembly shops, garages and the like, have organised a series of warning strikes to build up pressure for improvements in the collective agreement. On his weblog, Jan Berghuis, responsible officer of FNV Bondgenoten states to be very satisfied with the willingness of the constituency to strike. By March 4, already 250 companies had been struck. Union demands include a general pay increase of 3.5%, and an extra 10% for young workers under 21 of age. The unions notably want to augment the attractiveness of the sector for new entrants, but the employers' association combats that the 10% rise is a feasible means to reach this goal. Serious negotiations have not been taken place yet.

(Dutch: http://www.fnvbondgenoten.nl/acties_metaal_en_techniek/van_het_actiefront;

http://www.fnvbondgenoten.nl/acties_metaal_en_techniek/weblog_jan_berghuis; *NRC-Handelsblad*, March 4, 2008)

POLAND

Solidarnosc calls for national negotiations over health service pay

February 20, 2008

The Solidarnosc union federation wants the government to take a different approach to pay issues in the health service. Solidarnosc argues that the pay rates of professional groups should be set more systematically and linked in some way to the development of average earnings and to economic growth. For quite some time there are widespread disputes over pay in the Polish health sector and, according to union President Janusz Sniadek, the government is creating social tensions and even chaos by dealing with each professional group separately rather than negotiating across the whole of the health service. The OPZZ union federation has been pleading for pay rises of up to 11% in the public sector.

(English: http://www.epsu.org/spip/cob.php3?id_mot=249#a3603;

http://www.solidarnosc.org.pl/en/archives/2008/jan/jan_24.htm; Watson Wyatt Data Services, *New Industrial Relations Europe*, 2/2008)

PORTUGAL

National strike and demonstration announced

March 10, 2008

The FNSFP public sector union federation has called a 24 hours' national strike and a demonstration on March 14, as part of its long-running campaign against government reforms of pay, employment rights and pensions in the public sector. The Federation is opposed to the government plans to overhaul the public sector salary and career structure, the introduction of individual contracts, reduction of pensions, and increase of the retirement age.

(English: http://www.epsu.org/spip/cob.php3?id_mot=253; Portuguese:

<http://www.fnsfp.pt/?pageact=art&id=881&idCanal=0>)

SLOVENIA

Broken social accord leads to mass strike

March 10, 2008

On November 17, 2007, all six private sector trade union confederations in Slovenia organised a mass demonstration demanding higher pay in Ljubljana. In the negotiations that followed, the unions asked for an immediate pay rise of 3.5% because of the rising inflation and an extra increase of basic pay, not only the starting pay which is the lowest possible basic pay determined by sectoral collective agreements, to be agreed in sectoral collective agreements. The employers were only prepared to increase the starting pay and refused to negotiate sectoral agreements. On 25 January 2008 it

seemed that a compromise was reached when the social partners concluded a tentative agreement on extraordinary pay adjustment in 2007 due to the unexpectedly high inflation in 2007. As a result, the unions cancelled the general strike which was planned for February 6. Yet, when legal experts from both sides began to draft a collective agreement on the basis of the tentative agreement, disagreements erupted anew. The employers offered a rise in overall pay instead of in basic pay; increasing overall pay would be much less favourable for workers. As a result of this broken social accord, the largest union federation, Zveza Svobodnih Sindikatov Slovenije (ZSSS), has called for a mass strike for Wednesday March 12. The strike will be joined by members from other Slovenian national trade union centres.

(English: <http://www.eurofound.europa.eu/eiro/2007/12/articles/si0712049i.htm>; <http://www.icem.org/en/78-ICEM-InBrief/2613-Labour-Unions-Mass-for-General-Strike-in-Slovenia-on-12-March>)

SPAIN

Demonstration of Spanish postal workers resounding success

February 17, 2008

On February 16, 10,000 workers from the Postal Services throughout Spain demonstrated in the centre of Madrid in favour of pay rise and greater job security for the 64,000 postal employees. The unions regard the demonstration to be a resounding success. The secretary in FSP-UGT responsible for the postal sector told the media that the recent modernization efforts of the Postal service unilaterally focused on technology and neglected the human factor. He emphasized the slogan of the union, "there can be no economic success without social success". The union secretary explained that the starting pay of postal workers is between €800 - 900, but that the problem is that this includes a variable 'health bonus' incentive of €180 that is deducted if the worker falls ill; this penalty can apply six months after the illness.

(English: <http://www.union-network.org/unipostal.nsf/70c3d04c5f60c73cc1256800001e3b89/72449d62cf01e640c12573fb0032f600?OpenDocument>)

Federations maintain strike in justice ministry

March 10, 2008

The four trade unions involved in the Ministry of Justice dispute -CCOO, UGT, CSI-CSIF and STAJ - have decided to continue their strike as the government has failed to make an adequate response to their demands. The main issue at stake is the significant pay disparity between workers directly employed by the Ministry and those who have been transferred to the regions. Unions estimate that over 60,000 legal cases have been postponed as a result of the all-out strike that began on February 4.

(English: http://www.epsu.org/spip/cob.php3?id_mot=253;

Spanish: <http://www.fsap.ccoo.es/webfsap/menu.do?Inicio:18348>;

<http://www.fspugt.es/index.php/mod.noticias/mem.detalle/idnoticia.3342/imagen.1289/relcategoria.7>)

Employer association defends compensation clauses

February 20, 2008

Many Spanish collective agreements, covering about two-thirds of all workers, contain clauses providing for purchasing power to be sustained if price inflation exceeds the level forecasted at the time the agreements were signed. The inclusion of such compensation clauses has recently come under renewed criticism as Spanish business announced to have faced an extra wage bill of €3 billion because of this. Yet, the president of the national employers' association CEOE, Gerardo Díaz Ferrán, has defended such clauses, stating that without them unions' initial wage claims would be higher. Mr. Díaz Ferrán emphasized that guarantees in clauses have to be limited to sustaining purchasing power.

(English: Watson Wyatt Data Services, *New Industrial Relations Europe*, 2/2008; Spanish:

<http://press.jrc.it/NewsExplorer/entities/es/54148.html>)

SWEDEN

New collective agreement for municipal teachers

February 20, 2008

A new pay agreement has been reached for the approximately 200,000 teachers employed by the Swedish municipalities, backdated to July 2007 and running until March 2010. The average pay increase for this period has been set on 10.2% totally. The teachers' unions said that their pay increases were lagging behind in their last wage accord, which explains the comparatively high increase.

(English: Watson Wyatt Data Services, *New Industrial Relations Europe*, 2/2008; Swedish:

<http://www.lararforbundet.se/web/ws.nsf>)

UNITED KINGDOM

Union continues to build co-ordination campaign

February 20, 2008

Public services union UNISON continues to build a co-ordinated collective bargaining campaign - Pay Matters - in response to the government's policy of trying to limit public sector pay increases to 2% (See also *Collective Bargaining Newsletter* No. 1). On February 13, the union's national executive council met to discuss progress and to review in particular developments in local government. The council called upon branches and members to build bottom up pressure for fair pay rises beyond the government's limit and called for members across public services to speak out and provide the union with examples of what a 2% limit would mean to real people providing vital services. UNISON is emphasizing in particular the need to improve the pay of those on the lowest pay rates.

On February 18, UNISON, Unite and the GMB have rejected a three-year pay offer covering local authorities in Scotland. The employers' organisation proposed rises of 2.2% in 2008, 2.3% in 2009 and a further 2.2% in 2010. UNISON regional officer Dougie Back, secretary to the trade union negotiators, said: "This level of offer is unacceptable to local government staff. It doesn't approach the current rate of inflation, let alone begin to catch up the loss staff have suffered over recent years".

(English: http://www.epsu.org/spip/cob.php3?id_mot=249#a3603;

http://www.unison.org.uk/news/news_view.asp?did=4032; http://www.unison.org.uk/news/news_view.asp?did=4037)

Minimum wage rise welcome but 'falls short'

March 5, 2008

On March 5, Prime Minister Gordon Brown announced a rise of the UK adult minimum wage by 3.8%, from UKP 5.52 to UKP 5.73 (Euro 7.57) in October 2008. The new rate for 18 to 21-year-olds will be UKP 4.77, up from 4.60, while 16 to 17-year-olds will get UKP 3.53, up from UKP 3.40. Both UNISON, the public services union, and Usdaw, the retail union, have welcomed this rise as a step in the right direction but have made some reservations too. UNISON General Secretary Dave Prentis said there was no doubt the rise would benefit many low-paid workers; "However, it falls short of its aim to protect the poor from the constant price rises in essentials like fuel, food and housing", he added. Mr. Prentis recalled that in its evidence to the Low Pay Commission last year, UNISON made the case for an inflation-busting boost to the statutory minimum wage, and called for an end to youth rates and regional variations. Usdaw's General Secretary, John Hannett, said to welcome the news: "The rise will increase the quality of life for many of our members, the majority of whom are women." Yet, he added, "We are disappointed that the Low Pay Commission's recommendation to lower the age for the adult rate of the National Minimum Wage to 21 has been rejected. Usdaw will continue to campaign for the adult rate to be paid at 18."

(English: http://www.unison.org.uk/news/news_view.asp?did=4078;

http://www.usdaw.org.uk/usdaw/news/1204725784_32613.html)

For more information, please contact the editor Maarten van Klaveren, Amsterdam Institute for Advanced Labour Studies – AIAS (M.vanKlaveren@uva.nl), or the communications officer of the ETUI-REHS Tristan Macdonald (tmacdonald@etui-rehs.org). For previous issues of the *Collective bargaining newsletter* please visit www.etui-rehs.org/publications.

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