

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

Public sector negotiations about to start

October 17, 2008

Negotiations covering over 400,000 workers in the public sector will get underway on 27 October. The initial meeting, involving both the GÖD public service union and GDG local government union, normally involves a discussion about the main economic indicators. The aim is to finalise an agreement before Christmas. Last year the agreed increase was 2.7% plus a Euro 175 lump sum. The pay increase is implemented on 1st January each year. GDG chairman Christian Meidlinger has stressed that the current financial crisis should not be used to try to keep pay rises low but ensuring an increase in real incomes is a crucial part of an economic response to the crisis.

(English: <http://www.epsu.org/r/163>; German: <http://www.goed.at/14727.html>)

BELGIUM

Prison service strike suspended

October 17, 2008

Following a demonstration on 15 October the CGSP/ACOD trade union federation has said it will suspend its strike action in the prison service until 21 November. Any further strike action will depend on the outcome of negotiations over working conditions that are due on 3 November and on increases to pay that are set for 15 November. The CSC federation has also called off any strike action, informing its members that the priority now is to negotiate over the agreement covering the period 2007-2011.

(English: <http://www.epsu.org/r/164>)

Confederations unite in strike over pay

October 22, 2008

The two main trade union confederations -- FTGB/ABVV and CSC/ACV -- organised a general strike on 6 October over the failure of the government and employers' organisations to respond to the fall in purchasing power as inflation continues to rise. The unions also highlighted the financial crisis and the willingness of government to spend millions rescuing major financial institutions while failing to respond to the economic pressures facing workers and pensioners. Both confederations ask the government for a cut in value-added tax on electricity, gas and heating oil, a personal income tax reform to benefit the lowest paid, and a wealth tax.

(English: <http://www.epsu.org/r/164>; Watson Wyatt Data Services, *New Industrial Relations Europe*, 10/2008)

BULGARIA

18% minimum wage rise sought

October 22, 2008

Though in the national budget a 9% rise of the national minimum wage from 1 January 2009 is envisaged (up by 9% to BGN 240 or Euro 120 per month), the CITUB union confederation is calling for a 18.2% hike. If CITUB gets its way, the new minimum wage rate would become BGN 260 (Euro 130). CITUB put forward its claim in recent discussions between trade unions, employers' associations and the Socialist Party, the dominant faction in the coalition movement. (See also this *Collective Bargaining Newsletter* Year 1 No. 7).

(English: Watson Wyatt Data Services, *New Industrial Relations Europe*, 10/2008)

CZECH REPUBLIC

Public pay increases will vary widely

October 22, 2008

Public-sector workers will get pay rises in 2009 ranging from 1.5% for civil servants to 9.8% for teachers, according to decisions just announced by the Finance Ministry. Hospital doctors are seeking a 30% rise to bring their pay up to three times the national average wage, from what they say is twice the average wage at present. The doctors also claim that their real pay has been eroded by 7% in 2008.

(English: Watson Wyatt Data Services, *New Industrial Relations Europe*, 10/2008)

DENMARK

Wage increases in 2008 below forecasts

October 22, 2008

According to a study of the Confederation of Danish Industries (DI), wage increases under company-level collective agreements for 2008 averaged 2.8%. This figure is significantly lower than an experts' forecast of 4.9% wage growth in the private sector this year. The company awards supplement the increases in the three-year national agreement the social partners signed 21 months ago, which are worth about 1% annually.

(English: Watson Wyatt Data Services, *New Industrial Relations Europe*, 10/2008)

FRANCE

Unions mobilise over health and home care workers

October 17, 2008

Six trade union confederations are cooperating to try to secure pay increases for health and social care workers employed in the private and non-profit sectors. The CFDT, CFTC, CFE-CGC, CGT, FO and UNSA unions organised a series of demonstrations on 30 September, including a national demonstration of 15,000 workers in Paris. The unions are not just claiming a pay increase for 2008 but higher minimum rates in the relevant collective agreements and higher increases to compensate for a loss of purchasing power in recent years. CFDT information indicates that public sector workers already experienced a decline of their real earnings in 2008.

(English: <http://www.epsu.org/r/174>; French: http://www.fed-cfdt-sante-sociaux.org/article/actualite/assoc_sanitaire/action_bass_bmad_080930.php3; <http://www.sante.cgt.fr/spip.php?article3338>)

GERMANY

IG Metall suggests longer agreement

October 16, 2008

The president of German union IG Metall, Berthold Huber, said he was ready to consider a longer wage agreement than first planned for the engineering sector in an effort to respond to the uncertain economic outlook. "I'm quite prepared to react to the economic uncertainties, say by reaching a quick deal," Huber told weekly *Der Spiegel* in an interview published on 11 October. He emphasized that such a longer contract is in the interest of employers too. The original demand of the IG Metall was an increase of 8% for a period of 12 months for the sector's 3.6 million workers. (See also this *Collective Bargaining Newsletter* Year 1 No. 7).

(English: <http://www.forbes.com/afxnewslimited/feeds/afx/2008/10/11/afx5539432.html>; via <http://www.labourstart.org>); German: *Der Spiegel*, 11 October 2008;

http://www.igmetall.de/cps/rde/xchg/internet/style.xsl/view_4508_4525.htm?seitenid=469)

Ver.di postpones ballots in banking

October 17, 2008

The ver.di services union has postponed its ballots and possible strikes envisaged in banking for November 2008, because of the crises on the financial markets. Yet Uwe Foullong, member of the ver.di board, made clear that the union expects the employers to prepare for reasonable collective bargaining. In an earlier bargaining round for private and state-held banks (250,000 employees) the employers had proposed to cancel one month's salary per year in case business targets would not be reached; the co-operative bank employers even suggested to cancel two months for sales staff. These proposals were at the basis of strikes of several thousands of employees.

(German: <https://fidi.verdi.de/pressemitteilungen/showNews?id=b519bb2e-9dde-11dd-547a-0019b9e321cd>)

HUNGARY

No consensus over minimum wage hike

October 22, 2008

Earlier perspectives on an increase in the minimum wage, opened by the Social and Labour Ministry, meet fierce opposition from the employers' side. The three-year agreement that introduced a multi-tier minimum wage expires on 31 December 2008, and there is no sign yet of a consensus on how it should be replaced. Some on the business side are calling for a wage freeze, including a freeze of the nominal basic minimum wage, currently HUF 69,900 (Euro 272) per month. Moreover, they ask for the abolition of the higher minimum rates for skilled workers. Gabor Csizmar, deputy minister at the Prime Minister's office, said that a minimum wage of HUF 72,400 would preserve the current minimum wage in real terms. From the unions' side, MOSz confederation president Imre Palkovics urged that the basic minimum wage should be lifted by 45% to HUF 100,000 (Euro 394). Palkovics totally excluded abolition of the other minimum rates. In an earlier stage, the MSzOSz union confederation has proposed a 16% increase in the basic minimum, to HUF 80,000 (Euro 315) per month (See also this *Collective Bargaining Newsletter* Year 1 No. 7).

(English: Watson Wyatt Data Services, *New Industrial Relations Europe*, 10/2008;

<http://www.budapesttimes.hu/content/view/9569/159/>)

IRELAND

Progress in long-running health dispute

October 4, 2008

Members of the IMPACT union working in the health service have suspended their industrial action that began in May 2008 when they voted to refuse to cover vacant posts. The union action was prompted by the Health Services Executive (HSE) to impose a recruitment freeze. The union attacked not just the decision but the failure of the HSE to consult over the freeze. IMPACT members will now vote on a proposal to resolve the dispute negotiated by the Labour Relations Commission that includes provisions to ensure that consultation procedures will be followed in the future.

(English: <http://www.epsu.org/r/179>; http://www.impact.ie/iopen24/newsdesk_info.php?newsdesk_id=163)

Ballot halted as unions demand change to new tax

October 21, 2008

The largest ballot on the national pay deal has been postponed while unions seek an urgent meeting with the Taoiseach (Prime Minister) and the Finance Minister to demand to leave 700,000 low-paid workers, earning less than Euro 11 per hour, out of the new super levy. The SIPTU union announced that its 250,000 members will not begin a vote on the draft wage agreement for which the ballot was due to start the next day, until the government talks take place. ICTU confederation president David Begg said it must be possible for the government to introduce a threshold in the levy that would mean the lower paid workers were not hit.

(English: <http://www.independent.ie/national-news/ballot-is-halted-as-unions-demand-change-to-new-tax-1499635.html>, via <http://www.labourstart.org/>)

ITALY

Strike paralyses traffic in big cities

October 21, 2008

On 17 October a large strike against government reforms called by so-called grass-roots unions brought public transport in a number of big cities to a halt. Protest marches paralysed traffic in Rome, Milan and Turin. In Rome unions claimed some 300,000 people took part in a rally at Piazza San Giovanni to protest against low salaries and temporary contracts for workers across various sectors as well as school reforms and health cuts.

(English: <http://www.forbes.com/afxnews/limited/feeds/afx/2008/10/17/afx5568925.html>; Agenzia ANSA, 17/10/2008, via <http://www.labourstart.org/>)

NETHERLANDS

Autumn talks called constructive

October 22, 2008

During the tripartite so-called autumn talks the government agreed to reduce the employee contribution to the unemployment benefit funds (currently averaging 3.75%) to zero for 2009, and promised to allocate Euro 460 million to repair negative purchasing power effects in 2009 for elderly and people on benefit. After earlier government promises to maintain employment protection for those earning less than Euro 75,000 early and to abstain from plans to raise VAT (from 19 to 20%), the FNV union confederation moderated its wage claim to maximum 3.5% in 2009. Both FNV chairwomen Agnes Jongerius and the employers' association president judged the outcomes of the autumn talks as constructive and restoring trust between social partners. The CNV union confederation will not make its wage target public until December 2008.

(Dutch: <http://www.awvn.nl/smartsite.shtml?ch=&id=11497> (tripartite declaration); English: FNV information via EUCOBAN network of European Metalworkers' Federation; Watson Wyatt Data Services, *New Industrial Relations Europe*, 10/2008)

Atos Origin tries to outsource unions

October 20, 2008

After a collective bargaining conflict in spring 2008, leading to the first strike in the Dutch IT industry, IT firm Atos Origin (8,800 employees in the Netherlands) obviously tries to get rid of the four unions involved in collective bargaining. When Atos Origin only offered a 2% pay increase instead of the industry average of 3.5% and the unions retreated temporarily, the employer made advances to the Central Works Council (COR). The president of the bank employers' association, asked by the COR to mediate, concluded that the COR better take over collective bargaining. Now the unions are planning talks with the various works councils about their position. If they support the COR, the unions envisage that this will be the end of one of the oldest and largest agreements in the IT sector.

(Dutch: *AutomatiseringGids*, 3 October 2008; <http://www.eengoeedecaovooratosorigin.nl/>)

New 32-month agreement for social service workers

October 17, 2008

The ABVAKABO and CNV Publieke Zaak unions have agreed a new basic collective agreement for workers in the social services, child welfare and nursery sector. The agreement runs from 1 May 2008 to 1 January 2011 and includes pay increases of 2.5% backdated to 1 May 2008 and then 2% on 1 May 2009 and 1 May 2010. There will be lump sum payments of up to Euro 200 on 1 June 2008 and 1 December 2009 while the end-of-year payment in 2009 will be increased by between 2% and 5.5% and then again by between 2.8% and 8.35% in December 2010. There will also be a 1.25% pay increase on 1 January 2009 that will coincide with abolition of the contribution to the "life course" scheme that

allows workers to save towards extra leave.

(English: <http://www.epsu.org/r/186>; Dutch: http://www.abvakabofnv.nl/cao/bericht/principe_akkoord_cao_welzijn)

PORTUGAL

Unions claim widespread support for strike

October 4, 2008

According to the STAL (National Trade Union of Local Administration), around three in four local government workers supported the national strike on 1 October. This strike was the latest protest in the unions' long-running campaign to defend the pay of public service workers and the quality of services in the face of government cuts and policies promoting privatisation. (See also this *Collective Bargaining Newsletter* Year 1 No. 7).

(English: <http://www.epsu.org/r/189>; Portuguese: <http://www.stal.pt/artigo.asp?id=982>)

ROMANIA

Civil service union calls for 50% pay increase

October 4, 2008

The Sed Lex civil service union has said it will consider strike action at short notice unless the government responds to its demand for a 50% pay increase. "People are boiling ... All public sector unions demand a 50% increase," said Sed Lex president Vasile Marica. Earlier parliament, on the initiative of Social Democratic members, voted a 50% pay increase to teachers. The government challenged the legality of that move in the Constitutional Court, but lost its case.

(English: Watson Wyatt Data Services, *New Industrial Relations Europe*, 10/2008; <http://www.epsu.org/r/190>; <http://www.forbes.com/afxnews/limited/feeds/afx/2008/10/02/afx5502294.html>)

SLOVAKIA

Salary hike agreed in public sector

October 2, 2008

From January 2009 onwards public sector employees will receive at least a 4% salary rise. However the majority of public servants will experience a salary rise of at least 7%. This is laid down in the collective agreements of a higher degree agreed on by government representatives, trade unions and local municipal authorities.

Although the majority of employees in the education, health care and culture sectors is going to experience the rise of the basic wage scales by 7%, their salaries could be even higher after counting in the additional parts of the salary. According to Ján Gašperan, vice-president of the OZPSaV union confederation, the minimum rise should be at least 8.6%. He added that the education unionists were also happy with the agreement. Lately they were threatening with a strike if the higher demands on exercising the teaching profession would not be balanced with a salary rise.

(Slovakian: <http://ekonomika.sme.sk/c/4104167/ucitelom-stupnu-platy-o-7-percent-vyskumnikom-o-pat.html>)

SLOVENIA

Employer association calls for revision of social pact

October 22, 2008

Employer association ZDS is seeking immediate negotiations on a new three-way national social pact, arguing that the current one, barely a year old, was concluded in different economic circumstances and needs revision. Under the association's envisaged timetable, amendments would be agreed with the incoming government and the trade unions by

mid-2009 and then incorporated in a deal covering the period 2009-11. The 2007-09 social pact, reached after 18 months of difficult discussions, sets out general policy guidelines on wage development and taxation. It stipulates that collectively agreed pay awards should provide for real wage growth based on price inflation and productivity gains. Yet, it left unresolved the issue of whether productivity should be considered sector-wide or at individual company level, over which employers and trade unions were divided. In bidding for a new pact, ZDS categorically states that collectively agreed wages should grow "in line with productivity". However, the association also says the minimum wage should be better regulated by law and its real value "should be preserved".

(English: Watson Wyatt Data Services, *New Industrial Relations Europe*, 10/2008)

New wage system criticised

October 17, 2008

After lengthy negotiations a new salary system was introduced across the public sector this year. One of the aims of the reform was to establish a fairer and clearer salary structure for public sector workers, recognizing that some groups were particularly worse off. The agreement included provisions to make some of the bigger wage adjustments over a longer period -- up to 2011. However, the new system has been subject to criticism by several different groups of workers and is now the subject of a constitutional court case taken by a union representing child care, education and research workers.

(English: <http://www.epsu.org/r/192>; Slovenian: *The Slovenian Times*, 17 October 2008)

SPAIN

Social dialogue forum for local government

October 4, 2008

Local government trade unions and employers met on 1 October in a new social dialogue forum that unions believe will be important in ensuring that key public sector agreements are properly implemented at local level but taking account of local circumstances. Unions are particularly concerned about maintaining employment and quality of services. They agreed with the employers to submit an amendment to the basic law on public employment to maintain staffing levels in local government.

(English: <http://www.epsu.org/r/193>; Spanish:

<http://www.fspugt.es/index.php/mod.noticias/mem.detalle/idnoticia.5654/cat.1030>)

UNITED KINGDOM

Local government workers get interim pay rise

October 17, 2008

The dispute over the 2008 pay increase for local government workers in England, Wales and Northern Ireland has not yet been resolved. However, the employers have agreed to increase pay rates by 2.45% (backdated to 1 April 2008) plus UKP100 for the lowest paid workers. The increase will be implemented in November while both sides wait for the results of arbitration that should lead to a final settlement of the dispute. Meanwhile local government unions in Scotland, who are covered by a separate agreement, are being balloted over the employers' latest offer. The unions are recommending rejection of that offer, implying a 3% pay increase in 2008 and 2.5% in both 2009 and 2010.

(English: <http://www.epsu.org/r/197>; http://www.unison.org.uk/news/news_view.asp?did=4921;

<http://www.unison-scotland.org.uk/news/2008/septoct/1010.htm>;

<http://www.gmb.org.uk/Templates/Internal.asp?NodeID=97686>)

Civil service union plans industrial action

October 17, 2008

A majority (54%) of members of the PCS civil service union who voted in the recent ballot on pay agreed to support a campaign of industrial action. Collective bargaining in the civil service is decentralised and PCS has been involved in a

range of local pay conflicts over the last year. However, the union wants to co-ordinate this in a national campaign in protest at the government's imposition of a 2% limit on public sector pay increases.

Earlier in October, the PCS union revealed that six government departments have had to increase minimum rates in their collective agreements in order to comply with the national minimum wage. The UK statutory minimum wage increased to UKP5.73 (Euro 7.37) an hour for all workers aged 22 and over as from 1 October. Among the departments that need to adjust their lowest rates is the Maritime and Coastguard Agency, where PCS members have recently been on strike for higher pay.

(English: <http://www.epsu.org/r/197>; http://www.pcs.org.uk/en/news_and_events/news_centre/index.cfm/id/DE3B3CD2-5AEA-4A42-A8A212FA93B9CC10; http://www.pcs.org.uk/en/news_and_events/news_centre/index.cfm/id/4E23D726-E045-414A-960DA38745C4A7CB)

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