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# collective bargaining

Issue 8/2010 | September

Special focus | Bargaining to exit the crisis in the private industry

This newsletter presents up-to-date information on collective bargaining developments across Europe since February 2008. It aims to facilitate information exchange between trade unions and to support the work of the ETUC's collective bargaining committee.



AMSTERDAM INSTITUTE FOR ADVANCED LABOUR STUDIES  
UNIVERSITEIT VAN AMSTERDAM



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## Austria

### Short-time work still relevant

September 22, 2010

The number of workers covered by the official "Kurzarbeitsbeihilfe" or "Kurzarbeit" (short-time support) has diminished drastically in the course of 2010. Whereas the number of subsidized short-time workers in Austria was on top with 56,700 in May 2009, their numbers decreased to 26,400 in February 2010 and 8,300 in July 2010. Yet, for some companies the arrangement remains highly relevant, like for Liebherr in Lienz. The refrigerator producer has asked the Employment Service (AMS) to permit adoption of short-time till mid-April 2011. Currently, the firm has 1,300 employed in Lienz. From July 2009 to January 2010, 80% of those employed with Liebherr Lienz already worked short-time.

English: J. Flecker, A. Schönauer (2010) *Work sharing as a crisis measure in selected European countries: Austria, Belgium, France and the Netherlands*. Vienna: FORBA

German: <http://news.feed-reader.net/131641-kurzarbeit-oesterreich.html#4819684>

<http://www.stol.it/Artikel/Wirtschaft/Liebherr-Lienz-schickt-Mitarbeiter-wieder-in-Kurzarbeit>

Special focus | Bargaining to exit the crisis in the private industry

### Negotiations in metal industry start again

September 22, 2010

The first round of collective negotiations for the about 165,000 employees in the metal sector will be held on 14 October at the Austrian Federal Economic Chamber (WKO), in Vienna. On 30 September the GPA-djp and PRO-GE unions present their exact demands. They will demand an increase in wages and a reduction of the current 38.5 hours' working week. Traditionally, the wage negotiations in the metal and mining sectors set the trend for all other sectors in Austria. Rainer Wimmer, chief negotiator for the PRO-GE union, is clear, "The right signal to the workers after the economic crisis is decent and fair wage and salary increases." The negotiations are expected to be tough this year, with the WKO employers' representatives making it clear they want cheaper labour, claiming the 1.45% increase negotiated in 2009 was unbearable. The unions have declared that the flexibility model proposed by the employers will be no theme for negotiations, definitely if it would imply the abolition of allowances. In April 2010, the WKO industry section unilaterally called off negotiations on working time flexibility for the metalworking and mining industry, which came as a surprise to the unions. By then, the main employers' claims were an extension of the reference period for calculating overtime pay to two years (instead of one year) and for paying overtime premiums only after the 45th weekly working hour, and only when 150 hours of the annual time credit have been exceeded.

English: <http://www.imfmetal.org/index.cfm?c=24098&l=2>

<http://www.eurofound.europa.eu/eiro/2010/04/articles/at1004019i.htm>

German: <http://www.gpa-djp.at/servlet/ContentServer?pagename=GPA/Page>

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## Belgium

Special focus | Bargaining to exit the crisis in the private industry

### Job security until 2020 at Ford Genk

September 28, 2010

On 28 September, unions and management at car producer Ford in Genk signed an agreement guaranteeing job security until 2020. The unions have agreed to put their signature to a savings

plan. In return the management is offering the workforce job security to 4,500 workers; the plant will assemble three new models, versions of the Mondeo, Galaxy and S-Max. Personnel costs will be cut by 12%. In the years to come wage increases will be 2% lower than envisaged, and facilities such as free company coach travel and the works canteen will be scrapped. Rohnny Champagne of the ABVV Metal Union said that the workforce was in broad agreement with the plan, though some people were unhappy about the loss of wage increases. He added that the promise of job security until 2020 of course made the medicine more acceptable. If one of the three new models planned for the plant is not a success, a fourth new model is held in prospect.

Dutch: <http://www.abvvmetaal.be/index.php?option> .

Special focus | Bargaining to exit the crisis in the private industry

### **Repeated dismissal threat at InBev**

*September 14, 2010*

On 5 January 2010, AB InBev, a Belgian-Brazilian multinational brewing group, announced a large restructuring plan that included cutting 304 jobs at its Belgian sites, within the context of a global plan with 800 job losses in western Europe. The national legal framework on information and social dialogue (the "Renault procedure") started immediately after the announcement. The InBev management justified its decision by the fall in alcoholic consumption in Belgium. Nevertheless, unions and workers rejected this explanation since the group seemed to have escaped the economic crisis given large profits achieved in 2009. After a number of strikes and lengthy negotiations, the restructuring plan was suspended and a new period of information and consultation decided, after which new negotiations would take place. Yet, these negotiations actually seem to be near a deadlock. The InBev management continues to emphasize the need for cost reductions as well as for higher investments in marketing and innovation. The unions involved said to continue their opposition against dismissals, adding that the workload at InBev Belgium is already quite high.

English: <http://www.eurofound.europa.eu/eiro/2010/02/articles/be1002029i.htm>

Dutch: [http://www.express.be/sectors/nl/horeca/opnieuw-vakbondsonderhandelingen ...](http://www.express.be/sectors/nl/horeca/opnieuw-vakbondsonderhandelingen...)

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## Bulgaria

Special focus | Bargaining to exit the crisis in the private industry

### **Agreement for textiles sector negotiated**

*September 16, 2010*

In April 2010, after tough negotiations the social partners in the Bulgarian textiles and leather industry renewed their national collective agreement. The agreement was reached between the Bulgarian Association of the Knitwear Industry, the Federation of Independent Trade Unions in Light Industry at CITUB and the Federation of Light Industry at Bulgaria's second largest union CL Podkrepa. It preserved a pact on wages and jobs. The parties agreed that the minimum wage for knitwear workers should be not less than 110% of the national minimum wage during normal working hours. Also, additional paid leave for those working under hazardous health conditions and compensation for work carried out during irregular hours have been agreed. It has to be noted that the agreement is mainly followed in larger companies, although the government has formally extended it to small and medium-sized businesses. Most recently, representatives of the Bulgarian textile industry have stated that they have been overwhelmed with orders and had to turn down some of them due to lack of capacity. In July and August 2010, orders in the sector increased by 18 to 22%. The vice-president of the employers' association, Bertram Rollmann, said, "The problem is the lack of employees we lost during the crisis. We could employ up to 30,000 people in the next year."

English: <http://www.eurofound.europa.eu/eiro/2010/06/articles/bg1006019i.htm>

[http://www.novinite.com/view\\_news.php?id=120226](http://www.novinite.com/view_news.php?id=120226)

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## Cyprus

Special focus | Bargaining to exit the crisis in the private industry

## **Peace seems to return in hotel sector with new agreement**

*July 30, 2010*

On 1 June 2010, after 18 months of hard bargaining, the unions representing 16,000 hotel workers, the Federation of Hotel Industry Employees (?UXEB) and the Union of Hotel and Recreational Establishment Employees (SYXKA), agreed to accept a proposal by government mediators to renew their collective agreement. The Ministry of Labour and Social Insurance believed that the proposal, effective retrospectively from January 2009 to December 2011, balanced the various demands and needs of both sides of industry. The unions said they made only moderate pay demands because of the effects of the global financial crisis. No pay rises were envisaged for the first year apart from a Euro 150 lump sum on 31 December 2010. For the next two years, marginal increases in wages will be granted, with both sides' contributions to the health fund not exceeding 1.5% or the rate of average productivity over the past three years. However, the Association of Cyprus Tourist Enterprises (STEK) rejected the mediation proposal without even examining it, whereas the larger PASYXE hotel employers' association voiced concerns about the content of the agreement. In this situation, the unions made it clear they could not rule out the possibility of industrial action. Finally, by the end of July PASYXE said to accept the mediation proposal despite the difficult situation it was facing due to ailing tourism, and industrial peace seems to have returned in the hotel sector.

English: <http://www.eurofound.europa.eu/eiro/2010/06/articles/cy1006019i.htm>

<http://www.cyprus-mail.com/cyprus/peace-returns-hotel-sector/20100730>

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## **Czech Republic**

### **Union confederation calls for support for public sector workers**

*September 30, 2010*

Public sector workers are facing an across the board cut of 10% in salaries as well as the prospect of a new pay structure that could result in cuts of up to 40% for some categories of workers. On 21 September, the CMKOS union confederation organised a national demonstration in Prague, in protest at planned changes to the labour code and attacks on public sector workers, in which health personnel, firefighters and police staff played an active role. The health sector union announced it will take strike action on 15 October if the government pushes ahead with its plans. A meeting on 30 September between Prime Minister Petr Neas and the unions brought no solution, though both sides said to be willing to continue negotiating.

English: <http://www.epsu.org/cob/379>

[http://www.ceskenoviny.cz/news/zpravy/thousands-of-people-protest-in-prague ...](http://www.ceskenoviny.cz/news/zpravy/thousands-of-people-protest-in-prague...)

[http://www.praguemonitor.com/2010/10/01/pm-unions-meeting-shows-no-progress ...](http://www.praguemonitor.com/2010/10/01/pm-unions-meeting-shows-no-progress...)

Czech: [http://www.cmkos.cz/uvodni-strana/aktuality/2459-3/vyzva-krizoveho-stabu ...](http://www.cmkos.cz/uvodni-strana/aktuality/2459-3/vyzva-krizoveho-stabu...)

Special focus | Bargaining to exit the crisis in the private industry

### **New agreement at Skoda Auto**

*August 4, 2010*

In early August, the management of Skoda Auto and the company union affiliated with the Czech Metalworkers' Federation KOVO (OS KOVO) reached agreement on the wage component of the collective contract expiring 31 March, 2011 and covering 29,000 workers. Wages will be increased by 2.7% backdated 1 April, 2010. Also, employees will be rewarded with a lump-sum payment of CZK 10,000 (Euro 400), "as recognition of their performance and flexibility in the difficult and turbulent year 2009." Moreover, the company contribution to the additional pension insurance is increased by CZK 50 (Euro 2). Already in April 2010, the other issues in the collective agreement had been agreed, but wage negotiations dragged on. Initially, the employer had offered a wage increase of maximum 2% and a lump-sum payment of CZK 1,000, and extended validity of the contract until 30 June 2011. In subsequent rounds of talks, the company increased its offer to a 2.5% wage hike and a CZK 8,000 lump-sum payment, but this proposal was rejected again by the union side.

English: [http://new.skoda-auto.com/COM/about/info/news/News/Pages/2010\\_17 ...](http://new.skoda-auto.com/COM/about/info/news/News/Pages/2010_17...)

<http://www.eurofound.europa.eu/eiro/2010/04/articles/cz1004019i.htm>

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## Denmark

### **Flat-rate claim to protect low-paid workers**

*September 22, 2010*

The public services union FOA is arguing for a flat-rate pay claim in the next municipal sector negotiations. The current three-year agreement expires by the end of March 2011. The union points out that the bargaining environment is currently quite tough, with the government demanding a freeze on public sector spending. FOA says that low-paid workers have seen their nominal pay increase by around 40% over the last 10 years, in contrast to the 100% increase enjoyed by managers. The union is also concerned about more redundancies begin planned in hospitals and calls on municipalities to take more initiatives on redeployment and retraining.

English: <http://www.epsu.org/cob/379#a6850>

Danish: <http://www.foa.dk/Forbund/Presse?newsid ...>

Special focus | Bargaining to exit the crisis in the private industry

### **Collective agreement provisions against social dumping**

*September 17, 2010*

After the successful renewal of collective agreements in April, Harald Børsting, president of the LO union confederation, commented "I am extremely pleased to say that we have also addressed the issue of social dumping in the collective agreements with a view to combating wage dumping at the expense of Danish workers." According to a mediation proposal resulting from collective bargaining, employers' associations Confederation of Danish Industry (DI), Danish Construction Association (DB) and LO have agreed to work to act against social dumping, in particular in transport and construction. Furthermore, the associations have agreed to encourage their member companies to refrain from using foreign contractors that fail to observe Danish collective agreements. The central organisations have also agreed on ensuring speedy industrial disputes procedure in cases that involve social dumping. However, in construction the social partners were not able to reach agreement on chain ("third party") liability, the unions maintaining the demand for such liability. In September, the need to defend jobs against the growing threat of social dumping was confirmed by the congress of the Fagligt Fælles Forbund (3F) union (See also this *Collective Bargaining Newsletter* Year 3 February and July-August 2010).

English: LO, *Danish Labour News* (<http://www.lo.dk/~media/LO/English/DLN ...>)

<http://www.itfglobal.org/news-online/index.cfm/newsdetail/5113>

<http://www.eurofound.europa.eu/eiro/2010/03/articles/dk1003031i.htm>

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## Estonia

### **Employers' proposals broadly criticized**

*September 1, 2010*

Trade unions and most parties represented in parliament have criticized a manifesto with proposals that the Estonian Employers' Confederation has unveiled by the end of August. Political parties criticized the proposal to raise the pension age from the current level of age 63 to at least 67 and to ban support strikes that are allowed under the Collective Labour Dispute Resolution Act. Harry Taliga, president of the Confederation of Trade Unions, stated that employers aim to change the country's principles of social security. The employers' manifesto proposes to change the burden of social tax to fall on the employees instead of employers, by cap social tax payments to three average monthly wages, lower corporate taxes and abolish social tax from business income. Taliga asserted, "This will by no means improve employment rates nor bring high-paid jobs to Estonia." The current debate has to be seen at the backdrop of a fall of Estonia's gross domestic product (GDP) of 14% in 2009 and an unemployment rate of nearly 20% in the first quarter of 2010.

English: [http://balticbusinessnews.com/article/2010/08/31/Employers\\_proposals\\_draw ...](http://balticbusinessnews.com/article/2010/08/31/Employers_proposals_draw ...)

<http://www.baltictimes.com/news/articles/26878/>

<http://www.eurofound.europa.eu/eiro/2010/06/articles/ee1006019i.htm>



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## Finland

### **Union calls for more attention to social clauses in procurement**

*September 22, 2010*

The president of the JHL public service union, Tuire Santamäki-Vuori, has called on public authorities to take social criteria into account when purchasing services from the public sector. She pointed out that many local authorities have forgotten that it is possible to incorporate social criteria into procurement. According to Santamäki-Vuori, they should not be focusing on the lowest cost bids that risk delivering low quality services and poor employment conditions.

English: <http://www.epsu.org/cob/379#a6850>  
<http://www.jhl.fi/portal/en/news/archive/?bid=313>

Special focus | Bargaining to exit the crisis in the private industry

### **Industrial unions seek closer bargaining cooperation**

*September 9, 2010*

On 8 September, the leaders of five industrial unions (the Electrical Workers' Union, the Paperworkers' Union, the Union of Salaried Employees TU, the Wood and Allied Workers' Union and TEAM) and the Construction Union announced their determination to cooperate closely during the on-going round of collective bargaining. At this stage cooperation primarily means an exchange of information and common analyses of inflation and other economic factors. Concrete forms of support are still open and to be considered later on if needed. The union leaders have not yet sought to specify their pay demands except for the Union of Salaried Employees TU, which is going for an increase of close to 3% in the wood mechanical industry. The announcement of the six union leaders follows the proposal of confederation SAK's president Lauri Lyly to have a common minimum union demand in the upcoming negotiations (See also this *Collective Bargaining Newsletter* Year 3 July-August 2010).

English: <http://www.artto.kaapeli.fi/unions/T2010/n26>  
<http://www.artto.kaapeli.fi/unions/T2010/n25>

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## France

### **Massive protest on two national days of action**

*September 23, 2010*

On 23 September, according to union estimates about three million French filled the streets in an effort to force the Sarkozy government to drop their plan to raise the retirement age two years to 62. In total 230 union demonstrations were reported. The Ministry of the Interior argued there were less than one million protesters, 11% less than the official estimate on the national day of action on 7 September, whereas unions said the numbers were 20% up. President Sarkozy has indicated he is willing to make marginal concessions but remains firm on the central pillar of increasing the retirement age from 60 to 62 and pushing back the age from 65 to 67 for those who want full retirement benefits. The reform proposal passed a vote in the lower house of Parliament but still faces other hurdles, including an upcoming debate in the Senate, before becoming law (See also this *Collective Bargaining Newsletter* Year 3 May, June and July-August 2010).

English: [http://www.google.com/hostednews/ap/article ...](http://www.google.com/hostednews/ap/article...)

Special focus | Bargaining to exit the crisis in the private industry

### **Agreement to improve job security of skilled workers**

*September 3, 2010*

On 17 May 2010, the employers' association (UIMM) and the trade unions (CFDT, CGT-FO, CFE-CGC and CFTC) signed an agreement to improve the job security of skilled workers in the metal industry. The agreement strengthens the management of employment and skills at company level by

establishing a so-called period of mobility allowing workers with two years' service to take up a new post with another employer while retaining the right to return to their previous employment. When the former contract of employment is severed, the employee leaves the company with the agreed compensation and, if applicable, rights to unemployment benefits unaffected. A representative of the CFDT metal union commented that the agreement is an innovation that improves the job security of skilled workers, "because up till now, in order to try a new post in another company, an employee had to resign with the risk of regretting this if the new job was not successful". The agreement also contains several provisions that aim to strengthen the management of employment and competences, in particular by reinforcing the role of the Qualifications Observatory within the metal sector.

English: <http://www.eurofound.europa.eu/eiro/2010/07/articles/fr1007041i.htm>

French: [http://www.uimm.fr/fr/pdf/accords\\_metal/2010-05-17\\_Accord-national ...](http://www.uimm.fr/fr/pdf/accords_metal/2010-05-17_Accord-national...)

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## Germany

Special focus | Bargaining to exit the crisis in the private industry

### **Agreement reached for North-western steel industry**

*September 30, 2010*

On 30 September, after eleven hours of negotiations agreement has been reached between IG Metall and the Employers' Association Steel (AGV Stahl) covering 85,000 workers of the steel industry in North Rhine-Westphalia, Lower Saxony and Bremen. In the week before the agreement, IG Metall and the steel workers had underlined their demands with warning strikes, in which about 18,000 steel workers participated. The wage part of the new agreement is valid until 31 October 2011 (14 months) and includes a lump sum payment of Euro 150 for all workers as compensation for September 2010; a wage increase of 3,6% as of 1 October 2010, and a larger percentage increase of the apprentice's pay of Euro 40. Further, from 1 January 2011 on all temporary agency workers in the steel industry will receive equal pay. If an agency does not pay equal wages, the steel company in question will be liable for the gap in the agency worker's pay, an arrangement which neutralizes a loophole in German law. The agreement was discussed by the collective bargaining commission in the morning of 30 September with overwhelming approval. The final decision on adoption will be taken on 7 October (See also this *Collective Bargaining Newsletter* Year 3 July-August 2010).

English: message of EUCOBAN network of EMF / EFFAT / ETUF-TCL / EMCEF

German: <http://www.igmetall-nrw.de/Nachricht.29.0.html>.

### **Collective agreements also advantageous for wholesale staff**

*September 28, 2010*

According to recent research based on the continuous *WageIndicator* web survey (in Germany called *Lohnspiegel*), wholesale dealers (*Grosshandelskaufleute*) earn considerably more if covered by a collective agreement than their colleagues not covered by collective agreement. Based on answers of about 1,500 respondents, it has been calculated that this occupational group earned on average gross monthly Euro 2,881 if covered by agreement, or 13% more than the non-covered (Euro 2,508). About 26% of the responding wholesale dealers were women; they earned on average Euro 432 or 16% less than their male colleagues (See also this *Collective Bargaining Newsletter* Year 3 March 2010).

German: <http://www.lohnspiegel.de/main/zusatzinformationen/grosshandelskaufleute>

### **Union calls for training to be maintained in eldercare sector**

*September 28, 2010*

The Ver.di services union has criticised the government for not maintaining the provision of training in elder care. The union points out that over 14,000 people, over half of whom were on state benefits, had benefited from training in elder care. Ver.di sees this as successful both in terms of helping the unemployed get new skills and find jobs but also in beginning to address what is a growing problem of staff shortages in the care sector. However, the government has decided not to continue the training scheme beyond the end of 2010.



English: <http://www.epsu.org/cob/379#a6850>

German: <http://presse.verdi.de/pressemitteilungen/showNews> .

Special focus | Bargaining to exit the crisis in the private industry

### **Siemens protects 128,000 jobs in Germany**

September 22, 2010

In an agreement signed 22 September with the Works Council and the IG Metall union, the Managing Board of engineering giant Siemens has agreed to protect the jobs of 128,000 German employees of Siemens AG indefinitely. Under the pact, the works council must approve lay-offs, effectively providing a job guarantee for Siemens workers. The deal applies to all employees at Siemens subsidiaries within Germany, with the exception of the troubled IT-branch SIS. The Siemens conglomerate employs 400,000 people in 190 countries, among them 128,000 in Germany. The new job guarantee agreement will dissolve a two-year 2008 accord, which included a savings program worth billions of Euros to prevent the loss of thousands of jobs following the financial crisis. Works Council and union regard the deal as an acknowledgement by Siemens of the sacrifices its employees made during the crisis by accepting pay cuts and working shorter hours.

English: <http://www.thelocal.de/money/20100922-29991.html>

German: <http://www.spiegel.de/wirtschaft/unternehmen/0,1518,718797,00.html#ref=top>

Special focus | Bargaining to exit the crisis in the private industry

### **Can industry minimum wages counteract the spread of low-paid work?**

September 20, 2010

According to a recent report of the Institute for Labour and Qualification (IAQ) of the University Duisburg - Essen, in 2008 the incidence of low pay (defined as the share of employees earning less than two-thirds of the median hourly wage, or Euro 9.06 in 2008) in Germany was 20.7% -- slightly less than the 21.5% share of 2006, but much higher than the 1995 incidence (below 15%) and also still quite high compared with other industrialized countries. In 2008, the low-pay incidence was with 29.9% among females more than double that among males. Across industries, the share of low-paid was highest in cleaning (78.4%), hospitality (60.5%) and security (54.0%). In retail the low-pay incidence was 34.0%, in the care sector 26.7%. The IAQ researchers go into efforts to conclude industry collective agreements that the government, if covering 50% of employees at national level, based on the Posted Workers Act can declare generally binding. In 2010 this has been realized for low-pay sectors such as waste treatment (January, 130,000 employed), commercial cleaning (March, 860,000), and the care sector (August, 810,000). Though the coming into being of these industry-specific minimum wages may diminish the share of the very low-paid, the researchers make the reservation that the agreed minimum wage rates remain quite low, below the low-pay threshold of Euro 9.06 (See also this *Collective Bargaining Newsletter* Year 2 December 2009 and Year 3 March, May and July-August 2010).

English: G. Bosch, C. Weinkopf (2010) *EWERC EC project Minimum Wage System and Changing Industrial Relations in Europe. National Report Germany*. Duisburg - Essen: IAQ  
(<http://www.mbs.ac.uk/research/europeanemployment/projects>.)

Special focus | Bargaining to exit the crisis in the private industry

### **Modest pay increases in first half year**

August 10, 2010

In July, the Institute of Economic and Social Research (WSI) presented its interim report on the 2010 collective bargaining round, evaluating agreements concluded in the first half of the year. These affected about 7.1 million employees or 37% of all employees covered by collective agreement. Calculated on an annual basis, the average pay increase in wages based on collective agreements will be 1.7%, well below the average increase of 2.6% in 2009. The average increase in eastern Germany was estimated to be 2.0%, bringing this average above that in western Germany (1.7%). In particular the eastern wage hikes were considerably higher in the food industry (3.9% against 2.3% in the western part) and in raw materials and production industries (3.4% against 2.1%). Overall, average collectively agreed pay in eastern Germany will amount to 96.2% of average western German pay levels in 2010, slightly above the 96.1% reached at the end of 2009. As the WSI notes, the effects of

the economic crisis had an impact on bargaining in a number of important industries. In particular, in the metalworking and steel industries the bargaining parties were keen to conclude agreements which included measures to help maintain existing employment levels, most frequently through the extension of short-time arrangements (See also this *Collective Bargaining Newsletter* Year 3 February 2010).

English: <http://www.eurofound.europa.eu/eiro/2010/07/articles/de1007029i.htm>

German: [http://www.boeckler.de/pdf/p\\_ta\\_hjb\\_2010.pdf](http://www.boeckler.de/pdf/p_ta_hjb_2010.pdf)

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## Greece

### Mass strikes and demonstrations continue

*September 30, 2010*

On the European Day of Action, 29 September, public transport and other services in Athens went on strike from 12 to 16 PM. GSEE, the General Confederation of Greek Workers, and ADEDY, the Civil Servants' Confederation organized a mass demonstration outside the European Union offices in the capital. The union confederations accuse the Papandreou government to follow closely the EU and IMF guidelines, focusing on budget cuts and lowering wages and benefits. Against this backdrop, it remains interesting to remind a survey held in May 2010 on the views of Greek employees and unemployed about the new labour market measures just announced by then, including the lowering of the minimum wage for workers under 25 of age. 86% of respondents considered these measures socially unjust. The views of respondents about the most appropriate way of addressing the crisis were of great interest. Of various measures suggested to alleviate the country's financial difficulties, most popular were criminalisation of major tax evasion (88% in favour), criminalisation of corruption in the public sector (88%), taxation of the church (87%), a bipartite agreement with Turkey on joint military spending cuts (72%), and a drastic reduction in armament programs (64%).

English: [http://greece.greekreporter.com/2010/09/29/european-action-day-strike-wave ...](http://greece.greekreporter.com/2010/09/29/european-action-day-strike-wave...)

<http://www.eurofound.europa.eu/eiro/2010/07/articles/gr1007019i.htm>

Greek: [http://www.vprc.gr/uplds/File/teleytaia%20nea/Oikonomikh ...](http://www.vprc.gr/uplds/File/teleytaia%20nea/Oikonomikh...)

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## Hungary

### Agreement after strike of Malév pilots

*September 24, 2010*

On 13 September, pilots of Malév Hungarian Airlines held a two-hour warning strike at Budapest Ferihegy Airport, in front of the terminal. The strike was held between 10 and 12 AM, deliberately in order to cause minor delays, as the union of pilots HUNALPA explained. According to the union the strike was a protest against the failure of talks with the Malév management on a collective agreement. After the warning strike, an agreement has been concluded.

English: Máté Komiljovics, union correspondent

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## Ireland

Special focus | Bargaining to exit the crisis in the private industry

### Union leaders reject employers' call for pay freeze

*September 30, 2010*

IBEC, the country's main employers' association, has called upon unions not to entertain any claims for pay rises in 2011 or 2012 on the basis that wage levels remain significantly out of line with many of the country's key trading partners. Jack O'Connor, President of SIPTU and the Irish Congress of Trade Unions (ICTU), has challenged IBEC's assertion that a pay freeze to 2013 would support jobs. "Jobs are the critical issue, but a blanket pay freeze is not the right way to go", he said, arguing that "A much more subtle approach is required. Our exports are booming but domestic consumption is still declining. Persuading people to spend again is the key to jobs." O'Connor stressed that Irish labour costs fell by 2.9% in 2009 and are expected to fall by a further 5.1% in 2010. Eamon Devoy of

the ICTU's private sector committee also rejected IBEC's call, stating: "A unilateral call for a pay freeze is a recipe for conflict. Far from helping our economic recovery it will undermine it further."

English: <http://www.siptu.ie/PressRoom/NewsReleases/Headline/Name,11961,en.html>  
<http://www.irishtimes.com/newspaper/breaking/2010/0930/breaking34.html>

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## Italy

### **Union confederations call for reform of tax system**

*September 27, 2010*

On 9 October, the CISL and UIL confederations will be demonstrating in Rome to call for an extensive reform of the Italian tax system. The key issues of the joint platform include: a stronger commitment and more effective controls to fight tax evasion and tax fraud; less taxation on employees' wages and pensions, and automatic adjustments linked to the Ipca index to neutralize fiscal drag. The confederations stress that the current priority is not wage moderation, but higher pay by lowering taxation and using the productivity lever. According to the new bargaining system part of the savings obtained in each public administration by reorganizing service provision can be used for additional salaries and particularly to reward increases in productivity. Since last year, productivity payments enjoy a 10% fiscal benefit, but only in the private sector, and the CISL public sector federation wants these benefits to be extended to public workers.

English and Italian: report CISL FP International Office (Mirko Checcacci)

### **Private health deal finally agreed**

*September 22, 2010*

After 56 months, workers in the private health sector are getting a pay increase. The last collective agreement on pay effectively expired at the end of 2005 and the three trade union federations have been trying to negotiate a new agreement with the AIOP employers' organisation ever since. On average pay will increase by Euro 103 a month as of September 2010. The three federations are pleased that the national agreement has been maintained and that the increase goes some way to recognising the value of workers in the sector.

English: <http://www.epsu.org/cob/379#a6850>

Italian: <http://www.fpcgil.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/15212>  
<http://www.fp.cisl.it/>

Special focus | Bargaining to exit the crisis in the private industry

### **Fiat union leaders look at Germany for new contract model**

*September 20, 2010*

Trade union leaders want carmaker Fiat to provide job guarantees and give workers a greater say in company policy to win their support of the company's efforts to boost productivity. Union leaders at Fiat's leading Italian plant at Melfi in the southern region of Basilicata are looking at German carmakers such as Volkswagen in providing a model for a deal between employer and workers to fight fierce competition from lower labour cost countries. "In the German model one can see how it is possible to be competitive even with salaries which are much higher than in Italy," the secretary general of the CISL union for Basilicata told a group of foreign reporters (See also this *Collective Bargaining Newsletter* Year 3 July-August 2010).

English: [http://economictimes.indiatimes.com/news/international-business/Fiat-unions ...](http://economictimes.indiatimes.com/news/international-business/Fiat-unions...)  
via [http://www.labourstart.org/cgi-bin/show\\_news.pl?country=Italy](http://www.labourstart.org/cgi-bin/show_news.pl?country=Italy)

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## Netherlands

### **Employers break off care sector negotiations**

*September 22, 2010*

Employers in the nursing home and care sector have broken off negotiations with the unions with failure to agree over pay and the personal budget scheme as well as maternity improvements, flexibility and training. Unions were looking at achieving an increase of around 3.5% over two years, whereas the employers offered only 2.5%. Union action in support of the collective bargaining claim has been going on over recent workers and further action is planned. The unions argue that the employers are missing a good opportunity to make working in the sector more attractive and so tackle recruitment problems.

English: <http://www.epsu.org/cob/379#a6850>

Dutch: <http://www.abvakabofnv.nl/nieuws/nieuws/geen-resultaat-caozorg-vvt>

<http://www.mijnvakbond.nl/Overleg-CAO-VVT-vastgelopen?referrer=266>

### **Union confederations publish wage demands**

*September 21, 2010*

The two largest union confederations have published their wage demands for 2011. FNV, the largest confederation, asks for a 2% wage increase and 1% to be reserved for maintaining employment, repairing of pension claims and training. The CNV confederation demands a 1.5% wage increase, equal to the projected inflation in 2011. Against the argument of the employers' federations that the realisation of the FNV demands will frustrate the recovery of the Dutch economy, Catalene Passchier, FNV's collective bargaining coordinator, argues that the current wage demands remain quite moderate and will be accompanied by demands for decent work. Edith Snoeij, president of the Abvakabo FNV public service union, has announced that her union will also claim a 2% wage hike, while the newly formed centre-right government coalition will most likely proclaim zero wage growth for public servants.

Dutch: *De Volkskrant*, 21 September 2010;

<http://nos.nl/artikel/186146-bonden-15-tot-2-procent-meer-loon.html>

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## Norway

### **Energy deal with commitment to improve skills**

*September 22, 2010*

Unions have agreed a new deal with the KS employers' organisation representing energy companies. There is a basic increase of NOK 4,500 (Euro 569) and the agreement also establishes a minimum wage for the sector, ensuring that no one is paid below NOK 310,000 a year (Euro 39,200). There are also increases for daily allowances and a commitment that all workers should get the opportunity to upgrade their skills at least once every two years.

English: <http://www.epsu.org/cob/379#a6850>

Norwegian: <http://www.elogit.no/id/12220.0>

[http://www.fagforbundet.no/forsida/tariff/?article\\_id=55463](http://www.fagforbundet.no/forsida/tariff/?article_id=55463)

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## Poland

### **Protest against public sector freeze**

*September 23, 2010*

On 22 September, around 5,000 public service workers, including policemen and firefighters, protested in central Warsaw against plans to freeze their salaries in 2011. The protesters marched to parliament where they handed in a petition demanding a repeal of austerity measures planned in the 2011 draft budget. "The government's idea of freezing wages is ridiculous. Who will do the work of the police, the fire service or the public administration? In two or three years they will have all moved to work in the private sector instead," said Robert Osmycki, head of the firefighters' section of the Solidarity union, "Who then will provide security for the state and for society?" It may be noted that Poland has weathered the global financial crisis relatively well, with GDP growth expected to exceed 3% in 2010, though the centre-right government is struggling with a budget deficit of about 7% of GDP (See also this *Collective Bargaining Newsletter* Year 3 July-August 2010).

English: [http://www.gulf-times.com/site/topics/article.asp ...](http://www.gulf-times.com/site/topics/article.asp...)  
via [http://www.labourstart.org/cgi-bin/show\\_news.pl?country=Poland](http://www.labourstart.org/cgi-bin/show_news.pl?country=Poland)

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## Portugal

### **Union pleased at support for national strike**

*September 22, 2010*

The STAL local government union believes that the public sector pay freeze and other attacks on local government workers have resulted in a high level of support for the one-day national strike on 20 September. The union says that workers supported the strike even in areas where it is not so strong. The strike was in protest at government policies but in particular at its attempts to undermine collective bargaining in local government and to impose new working time regulations (See also this *Collective Bargaining Newsletter* Year 3 July-August 2010).

English: <http://www.epsu.org/cob/379#a6850>;  
Portuguese: [http://www.stal.pt/index.php?option=com\\_content&task=view&id=538&Itemid=1](http://www.stal.pt/index.php?option=com_content&task=view&id=538&Itemid=1)

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## Romania

### **Week of protest against austerity measures**

*September 27, 2010*

From 20 September on, union confederations and public sector unions jointly organised a week of protest throughout the country against the government's austerity measures as well as the 25% cuts in public sector pay, that the government in June imposed by law with effect from 2 July and applying until 31 December 2010. The key demands were for pay cuts to be rescinded and for a stop on planned redundancies. The demonstrators also protested against the changes in the Labour Code and the new Pension Law. It has been estimated that 34,000 public servants took part in strikes during the week of protest. On 27 September, Interior Minister Vasile Blaga announced his resignation after 6,000 police officers, angry over a 25% wage cut, marched to the presidential palace.

English: [http://www.financiarul.ro/2010/09/21/trade-unionists ...](http://www.financiarul.ro/2010/09/21/trade-unionists...)  
<http://www.balkans.com/open-news.php?uniqueid=72502>  
[http://www.voanews.com/english/news/europe/Romanias-Interior-Minister ...](http://www.voanews.com/english/news/europe/Romanias-Interior-Minister...)  
<http://www.eurofound.europa.eu/eiro/2010/08/articles/ro1008019i.htm>

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## Slovakia

Special focus | Bargaining to exit the crisis in the private industry

### **Wage increase at Volkswagen**

*July 9, 2010*

From March 2010 on, the automotive industry in Slovakia is overcoming the recession and unions are demanding higher wages. Volkswagen Slovakia, hit by the economic downturn in 2009, has agreed a wage increase of 3%, with a one-off payment to employees of Euro 215. The unions had threatened strike action in March, when initial bargaining failed, but within a few weeks an agreement was met for 2010-2011. Bohdan Wojnar, the company's Human Resources Director said: "Our qualified and motivated employees are the basis of our business success. Our team, despite difficult economic conditions, worked to their full potential in order to supply our customers with first-class cars in top quality. This hard work has paid off now." Zoroslav Smolinský, chair of the plant trade union, stated: "We managed to reach what we wanted."

English: <http://www.eurofound.europa.eu/eiro/2010/04/articles/sk1004019i.htm>

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## Slovenia



## **Launch of work-to-rule Monday**

*September 27, 2010*

On 27 September, tens of thousands of workers, including police, medical staff, journalists, customs officers and firefighters, launched an open-ended work-to-rule Monday in protest against government's austerity measures. About 80,000 employees, representing 21 unions, took part in the protest, in particular in Ljubljana. Instead of demonstrating, they performed the legally required minimum of work. Public sector union leader Janez Posedi said the unions want Prime Minister Borut Pahor's centre-left cabinet to abandon plans to freeze public sector wages until 2012.

English: [http://www.earthtimes.org/articles/news ...](http://www.earthtimes.org/articles/news...)

via [http://www.labourstart.org/cgi-bin/show\\_news.pl?country=Slovenia](http://www.labourstart.org/cgi-bin/show_news.pl?country=Slovenia)

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## **Spain**

### **Tens of thousands stage general strike**

*September 30, 2010*

The European Day of Action in Spain took the form of a general strike, taking tens of thousands to the streets. The first general strike since 2002 set off demonstrations in more than 80 cities and towns to protest the austerity measures imposed by the Socialist Zapatero government. At midday, the two main union confederations said the strike was being heeded by 70% of employees and was a clear signal to the government to retract the reforms. By contrast, Labour Minister Celestino Corbacho said the strike had wide support in manufacturing, the automobile sector and in ports, but moderate backing in health, education, catering and the retail sector. "The strike was not called to topple the government, but it's up to the government if it wants to stay there," argued Ignacio Fernandez Toxo, leader of the CCOO union confederation, "If the government doesn't rectify, it is taking a suicidal path."

English: [http://www.google.com/hostednews/canadianpress/article ...](http://www.google.com/hostednews/canadianpress/article...)

via [http://www.labourstart.org/cgi-bin/show\\_news.pl?country=Spain](http://www.labourstart.org/cgi-bin/show_news.pl?country=Spain)

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## **Sweden**

Special focus | Bargaining to exit the crisis in the private industry

### **Unions work with SKF to minimize impact of crisis**

*September 21, 2010*

At the regular annual meeting of the SKF World Union Committee, on September 14 to 16 in Gothenburg, union members reported on a range of measures that had been negotiated with the company at national and plant level to reduce the impact of the economic crisis on employment. Measures such as shorter working time and leave banking had enabled SKF to weather the downturn in 2009 and maintain employment levels, ensuring that qualified and experienced workers remain in place now that orders are starting once again to increase. Discussing the future challenges for unions in SKF, Committee members identified outsourcing and precarious work as important, with the need for more information sharing and better communication between the members of the committee.

English: <http://www.imfmetal.org/index.cfm?c=24082>

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## **Switzerland**

### **Dispute with ISS continues**

*September 22, 2010*

The VPÖD/SSP union is continuing its long-running dispute with the ISS multinational over the collective agreement covering workers at Geneva airport. The company says that a consultation with employees has produced a majority in favour of a new collective agreement negotiated with a newly formed union called Push. The VPÖD/SSP has challenged the outcome arguing that employees were in a difficult position as the new collective agreement was better than the individual terms that employees had been offered but worse than the collective agreement negotiated by VPÖD/SSP and



terminated by the company in the summer. The city of Geneva has called upon ISS to stop wage dumping (See also this *Collective Bargaining Newsletter* Year 3 July-August 2010).

English: <http://www.epsu.org/cob/379#a6850>

French: [http://www.ssp-vpod.ch/actualites/nouvelles/ansicht/article ...](http://www.ssp-vpod.ch/actualites/nouvelles/ansicht/article...)

German: <http://www.vpod.ch/aktuell/nachrichten/ansicht/article/stadt-genf>.

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## United Kingdom

### **Union threatens equality fight over job cuts**

*September 27, 2010*

The largest public sector union, UNISON, has warned that the battle for public services could tie up Britain's legal system for decades with court claims against employers for failing to carry out equality impact assessments before cutting jobs and public services. Councils have spent years dealing with legal challenges to settle equal pay claims and union leaders warned they were ready to open a new front. The union has more than 30,000 equal pay claims live in the courts against more than 300 councils and 200 NHS trusts. Dave Prentis, UNISON general secretary, said: "The vast majority of our members are women and we have spent decades fighting for equal pay and to ensure that women are treated fairly in the workplace. We will not stand back and see all that work undone by councils cutting jobs indiscriminately."

English: <http://www.localgov.co.uk/index.cfm?method=news.detail&id=92064>

via <http://www.labourstart.org.uk/>

Special focus | Bargaining to exit the crisis in the private industry

### **National collective agreement at Sun Chemical**

*September 21, 2010*

Unite union representatives working for Sun Chemicals Ltd have signed a new national agreement, which is a first national agreement across the whole company, covering all current collective bargaining arrangements. The seven senior workplace reps cover all Sun sites in the UK and all grades of staff from shop floor, laboratory, technical, sales, in-plant and administrative staff. Unite regional officer, Louisa Bull, commented: "This agreement is a real breakthrough for Unite members at Sun Chemicals. Our reps, members and the management have shown real vision in reaching this agreement. I am pleased that staff working for Sun Chemicals now have a modern and progressive union to represent them at work and we offer our congratulations to all concerned."

English: [http://www.unitetheunion.org/news\\_\\_events/latest\\_news ...](http://www.unitetheunion.org/news__events/latest_news...)

[http://www.printweek.com/RSS/Business/News/1030136/Sun-Chemical-sign ...](http://www.printweek.com/RSS/Business/News/1030136/Sun-Chemical-sign...)

### **Union prepares court cases against two airlines**

*September 18, 2010*

The British Airways cabin crew dispute is set to return to the courts. On 17 September, the Unite union said it will lodge an appeal at the high court over the withdrawal of travel concessions for almost 7,000 of its members who went on strike earlier this year. A Unite spokesman said: "Sadly, one year on this dispute remains unresolved. We are being forced to defend our members and their rights to just treatment in the courtroom because BA refuses to play fairly at the negotiating table." One day later, it turned out that Unite has also accused BMI, Heathrow's second-largest airline owned by Lufthansa, of breaching staff contracts after failing to uphold a three-year pay deal in 2007 that included annual pay rises. Brian Boyd, a Unite national officer, argued: "Staff agreed to defer the increase to help the company during difficult times. They are still waiting for the company to honour its end of the bargain. Staff have not had an increase in earnings since 2008" (See also this *Collective Bargaining Newsletter* Year 3 May and June 2010).

English: <http://www.guardian.co.uk/politics/2010/sep/19/unite-court-ba-airline-dispute>

<http://www.guardian.co.uk/business/2010/sep/20/bmi-high-court-pay-freeze>

## **TUC fiercely opposes budget cuts**

*September 15, 2010*

The yearly gathering of the Trades Union Congress (TUC) has taken a fierce stand against the cuts in public spending announced by the new Conservative - Liberal Democrat government coalition, estimated at 25% for most departments. The impact of Ireland's austerity measures should also be a warning to the government that cutting jobs and services risks threatening Britain's economic recovery, TUC general secretary Brendan Barber told delegates. Moreover, "Decent public services are the glue that holds a civilised society together, and we diminish them at our peril," said Barber, adding "Cut services, put jobs in peril, and increase inequality - that is the way to make Britain a darker, brutish, more frightening place." Most recently the TUC position gets growing support. A growing number of reputed economists and think-tanks, including the Organisation for Economic and Co-operation and Development (OECD), suggest that fast-track belt-tightening could be the wrong medicine at the wrong time.

English: <http://uk.reuters.com/article/idUKLNE68C02R20100913>  
[http://www.heraldscotland.com/mobile/news/politics ...](http://www.heraldscotland.com/mobile/news/politics...)

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