

EXECUTIVE SUMMARY

TIME FOR

ACTION!

**HOW POLICY CAN STRENGTHEN (MULTI-EMPLOYER)
COLLECTIVE BARGAINING IN EUROPE**

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The European minimum wage directive offers the European trade union movement a historic opportunity to rebuild its power by strengthening collective bargaining. All European countries will now be obliged to protect and promote collective bargaining and, where collective bargaining coverage is below 80%, EU Member States will be obliged to draw up and implement national action plans to increase coverage.

Based on reports from 20 national experts, the aim of this report is to support trade unions in Europe in their efforts to make the most of these National Action Plans by providing a detailed overview of a range of ideas on how to boost collective bargaining coverage. This report does not claim to be exhaustive or definitive, nor does it reflect the position of UNI Europa, the experts or UNI Europa affiliates. It is simply a list of ideas that might (or might not) be desirable or effective in different industrial relations contexts.

The ideas are structured around 5 main areas of intervention:

First, a lot of ideas refer to the need to **strengthen trade union bargaining capacity**. This could be done by removing existing barriers to union organisation and protecting

workers from anti-union practices. Next, union membership could be encouraged by limiting the cost of joining a union through tax exemptions or refunds, introducing Ghent-like structures, giving unions access to workers and facilities as well as resources for union representation, or providing direct capacity-building support to (sectoral) unions. Other proposals include the introduction of union-only benefits, the introduction of solidarity fees or even systems of mandatory union membership, and the general need to re-regulate the labour market to avoid precarious work.

The second section focuses on **employers**, emphasising the importance of willing and able employers for effective collective bargaining and the role of public policy in this regard. Enabling policies address the frequent lack of a mandate for employers' organisations to conduct bargaining and the challenge of fragmented bargaining in multi-employer systems due to sectoral definitions. Other, more enabling policies make some enterprise benefits (e.g. tax credits, training, access to subsidised employment) conditional on collective bargaining. More coercive policy proposals include compulsory membership of employers' organisations with bargaining mandates.

Thirdly, public policy has an important role to play in promoting **effective collective bargaining processes**. Such policies can focus on ensuring the availability of accurate and complete data, proposing information requirements for employers, and emphasising good-faith bargaining rules, with recommendations for the development of charters outlining fair bargaining practices. Strike legislation is identified as critical to successful bargaining, with calls for the reform of strike regulations. Incentive-based policies include the design of bargaining infrastructure, financial support for bargaining and support for mediation. Again, policy can make some benefits conditional on collective agreements, along with political pressure to encourage sectoral bargaining. More coercive measures include compulsory bargaining systems, compulsory mediation, arbitration and the setting of sectoral standards through government regulation in the event of bargaining failure. These policies are aimed at facilitating, incentivising and, where necessary, enforcing the collective bargaining process to ensure fair and successful outcomes.

Fourth, collective bargaining can be promoted by ensuring that **collective agreements are effective regulatory instruments**. To this end, public policy can use several strategies to enhance their importance. For example, policies could clarify the legal status and requirements for sectoral agreements, ensure a principle of favourability and establish a clear hierarchy of norms. Extension policies are identified as a very strong driver for increasing the coverage of collective agreements. Suggestions include limiting administrative and political discretion, making extensions automatic and considering qualitative criteria. Other measures include restricting the use of opt-out clauses, creating voluntary charters in regions without clear legislation on multi-employer agreements, and using public procurement to incentivise sectoral bargaining. More binding measures

include making agreements more enforceable through specialised labour courts, improving overall enforcement and using social inspection services to monitor compliance.

In the last part, the focus shifts to the importance of **culture**, as the cultural acceptance of (multi-employer) collective bargaining plays a crucial role in its prevalence. Policy-makers can influence this cultural perspective through various means, such as establishing monitoring mechanisms to track the extent and content of collective bargaining, ensuring bipartite or tripartite structures for monitoring bodies, and ensuring funding for research on social dialogue and collective bargaining. Education also contributes to shaping cultural attitudes, where social dialogue can be made more accessible through the public education system and business management courses. Public campaigns on the benefits of collective bargaining, involving non-traditional actors such as NGOs, journalists and activists, can also promote a positive culture around good working conditions and collective bargaining rights.



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