



EPSU Collective Bargaining and Social Dialogue Conference 2007



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EPSU Collective Bargaining Annual Report 2007 – Summary

Collective bargaining developments

The overall trend in pay in 2006 followed recent years with over three-quarters of public service salary increases at least equal to or above inflation. So far the results from 2007 look less positive with nearly a third of pay increases falling below inflation. However, this is from a smaller number of results and a more comprehensive set of figures is required before drawing further conclusions.

In some of the larger countries public sector pay has been held back in recent years. The main public sector agreement (federal and local government) in **Germany** runs to the end of 2007 and has only provided for lump sum payments. In the **UK**, public sector pay increases this year remain ahead of the consumer price index but lag behind the retail price index which includes mortgage interest payments and remains the more common indicator for collective bargaining in the UK. A ballot for action over pay is currently underway in the biggest department in national administration (Work and Pensions) and as well as jobs also central to the current dispute between the UK government and the main civil service union, PCS. The union organised two national one-day strikes in January and May each followed by a two-week overtime ban. In October the union secured another large majority vote from its members in favour of further strikes but no further action has been called following the government's agreement to talks.

In **France** and Portugal trade unions are continuing their struggle not only to reverse several years of below-inflation increases but to re-establish a proper process of collective bargaining. French unions organised a national day of action in March and then had to resume their campaigning in the second half of the year when it became clear that the new Sarkozy government was continuing the policies of its predecessor towards the public sector. In fact, Sarkozy decided to take an even more confrontational approach by pushing for reforms of the special retirement regimes covering energy, transport and other public service workers. Strike action over pensions began in the middle of March and seven union federations united in a day of action on 20 November over public sector pay. In Portugal unions organised strikes or national demonstrations in May, July and October culminating in a public-sector wide national strike on 30 November.

Italian public sector unions have also encountered further problems over government commitments to funding pay increases. A national strike for 1 June was called off when it appeared that the government would support a new agreement over pay in the public sector. However, the government's failure to ensure that the budget for 2008 would include adequate provision for public sector pay increases prompted the unions to organise a national strike on 26 October.

Both national and local government in the **Netherlands** were affected by two lengthy disputes. Unions eventually secured a 13.2% increase over four years in national administration. Although the central issue of pay was resolved in local government, a

disagreement over early retirement pensions for a particular group of workers led both sides to agree to appoint an independent commission to try to resolve the dispute.

There were positive developments in **Spain**. The FSAP-CCOO and FSP-UGT public service federations have signed the first collective agreement to cover the social welfare sector. The framework agreement will cover around 100,000 workers in over 1,600 organisations. The framework agreement will establish some basic working conditions and minimum pay rates and the union federations will negotiate more detailed agreements at regional level. Following strike action and demonstrations, the federations have welcomed some initial progress on establishing a collective agreement covering some 6,000 embassy, consulate and other overseas public service workers. Negotiations will now take place on the detail of the agreement that should cover a broad range of pay and conditions.

In **Sweden** the public sector saw a series of new three-year collective agreements concluded this year with the blue-collar municipal deal again including solidarity measures to boost the salaries of lower paid women workers. In **Finland** new two-year agreements have been over the last few months with increases over the period of 11%-13%. A separate agreement was concluded with nurses and other health workers worth 22%-28% over four years.

In the New Member States public sector workers in some countries are receiving large, sometimes double-digit, pay increases partly to compensate for higher inflation but also in acknowledgement of the increasing pressure public service employers are under to recruit and retain workers in the face of continuing migration. Health workers in **Bulgaria**, for example, have seen pay rise by between 11% and 15% this year, while minimum salaries for emergency services workers in **Estonia** have been increased by over 40%.

Social dialogue

The **hospitals** social dialogue committee was formally established in September 2006 and its main areas of work cover retention of workers, cross-border recruitment and new skill needs. The committee is also working on a project to strengthen social dialogue in the hospital sector in the EU, with a specific focus on the new EU member states. EPSU and HOSPEEM have negotiated a health services declaration confirming the principles for health care in Europe in the light of European Commission plans for health services.

A formal **national administration** committee has not yet been set up but in June 2007, EU ministers endorsed an action plan for testing formal social dialogue in 2008-2009. Current work includes developing a joint position on the Commission's initiatives affecting national administration e.g revised Lisbon strategy on growth, employment and better regulation and a joint analysis focusing on recruitment/retention, training, HRM and equality/diversity objectives in response to demographic change.

Employment has been one of the main issues for the both the **electricity** and the newly established **gas** social dialogue committees with the publication of a detailed study looking at the impact of liberalisation on employment. Both committees are also looking at demographic change and skills, restructuring, social aspects of Energy Community South East Europe, the third liberalisation package, and violence at work. In addition the electricity committee is discussing corporate social responsibility.

The **local and regional government** committees' priorities include an exchange of views on demographic change and human resources management and joint statements on social dialogue and the Green Paper on Labour Law, linked to "flexicurity" debate. The Committee is undertaking a project on restructuring of local services, social dialogue and impact on employment and is drawing up guidelines on gender equality plans. Discussions on third party violence at work are also underway.