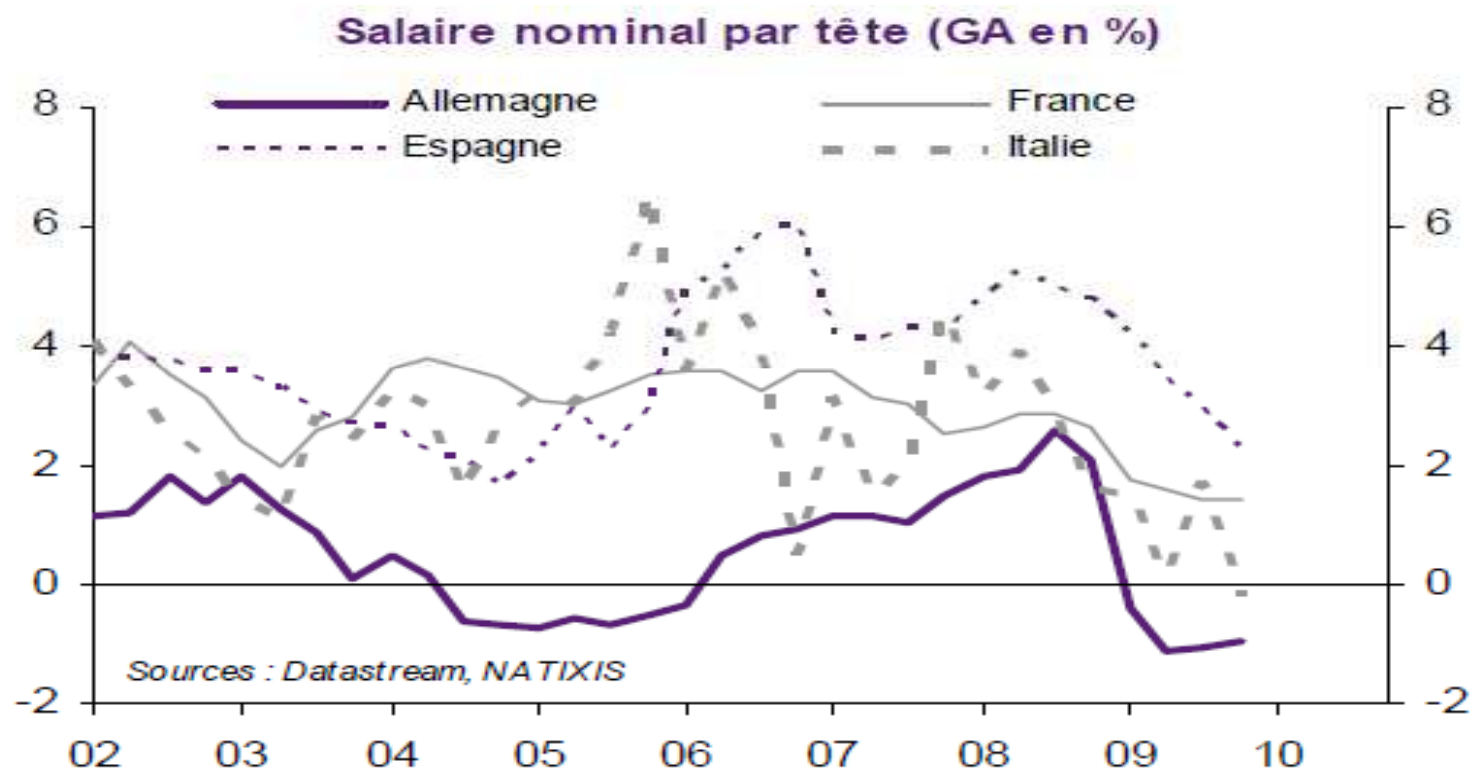


Committee on the coordination of collective bargaining

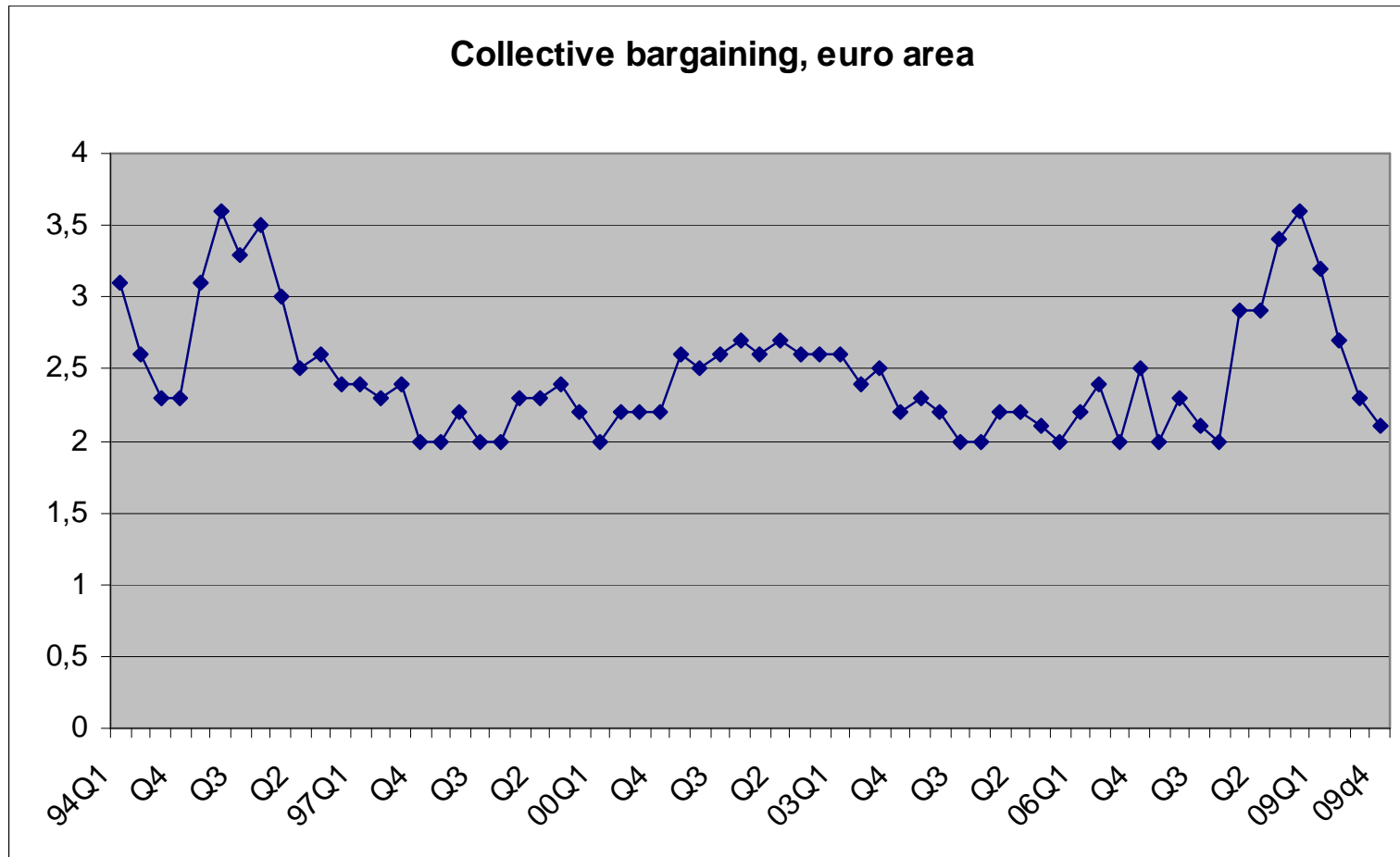
March 2010, Brussels

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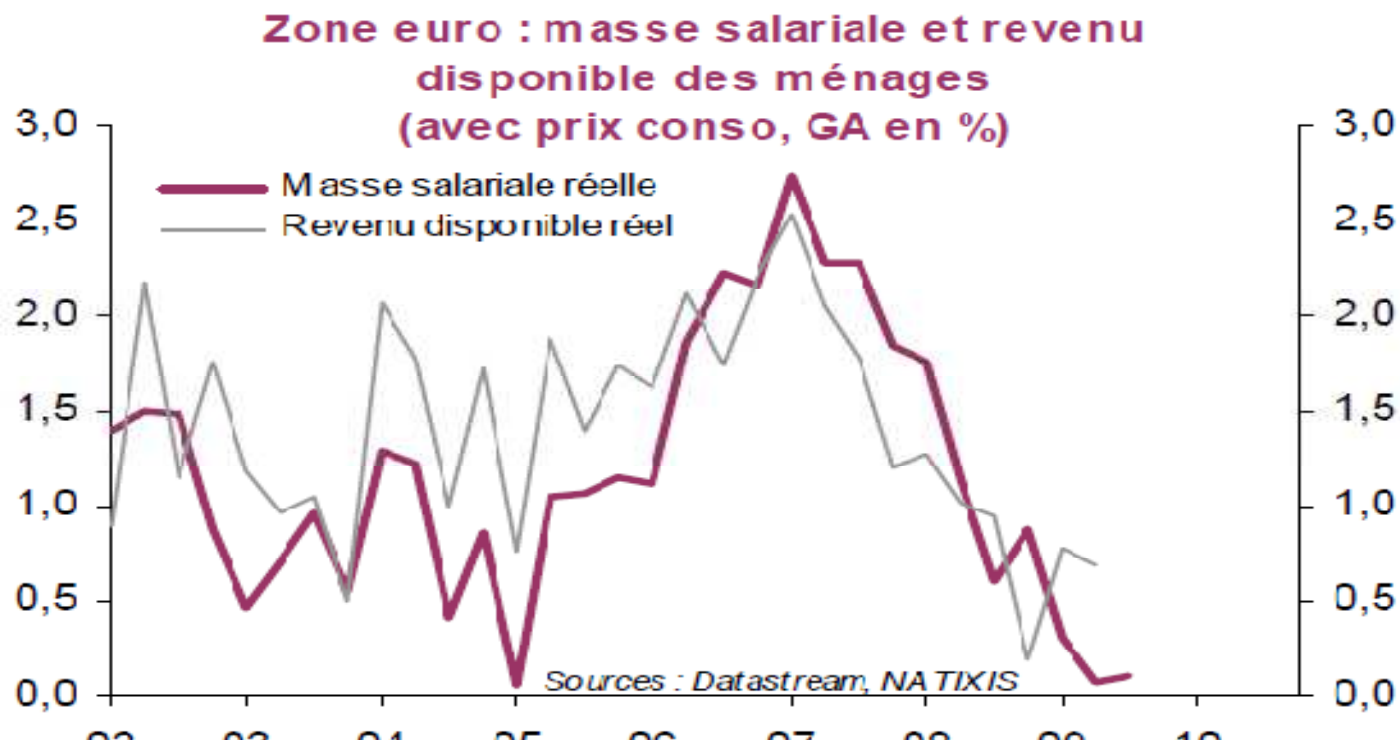
The macro picture : Wage dynamics are going down...



... although less pronounced in terms of wages per hour...



But is the recovery for real ?



Collective bargaining agreements : Main and recent developments

- Cross sector agreements
- Metal sector (eucoban)
- Other sectors

CROSS SECTOR

- Germany: 'Kurzarbeit' end 2009 was prolonged for another 12 months; concerns 1 million workers/ Legal extension of agreement in postal sector on minimum wage declared illegal.
- Ireland: 10% cut in public sector wage/ 'inability to pay' provision for minimum wages.

CROSS SECTOR

- UK local government proposes to freeze pay.
- Greece: Cut in public sector pay (7%, targeting bonus pay) proposed by government.
- Portugal: Government imposes wage freeze. Private sector: 1.9% wage increase but number of agreements in first quarter 2010 much down.

CROSS SECTOR

- Spain: Renewal of cross sectoral agreement with guidelines for wage negotiations in next three years:
 - 2010: up to 1%
 - 2011: from 1 to 2%
 - 2012: from 1.5 to 2.5%
 - Wage guarantee clauses ('indexation'): can be adapted in individual agreements
 - Commitment to negotiate on a review of the 2006 agreement on labour market reform

METAL

- October 2009, NL:
 - For 2010 a 'wage increase' in the form of 3.5 'anti crisis days' (can be transformed into 1.5% one off wage increase after consultation with workers).
 - February 2011: 1.5% structural wage increase (can be transformed into 'anti crisis days' by social partners at the end of 2010).
 - Early retirement scheme (58+): maintained. More funds for apprenticeships places.

METAL

- Slovenia, January 2010: Pay rate increases between 3 and 5%; increase in holiday pay to 730 euro
- Austria, November 2009: 1.5% (plus conflict over working time flexibility and payment postponed into future negotiations)
- Spain: 2.4% agreement concluded end 2009 after a refusal from employers to negotiate from beginning 2009.

METAL

- Germany, February 2010: 28 hours' week / 2.7% wage increase from April 2011 to May 2012 (Nordrhein Westfalen)
- VW, Germany: Renewal of jobs guarantee until 2014. Wage increase beginning 2010 of 4.2%. In return: commitment to increase productivity.
- Daimler Benz, December 2009: Jobs guaranteed at Sindelfingen until 2019 (but with 'escape clause') despite moving production to the US.

METAL

- Denmark: Wages to be negotiated locally. Measures from the central agreement: Introduction of (one to three months) of severance pay ('hybrid' construction: On top of benefits).
- Norway : agreement with a value of 3% (includes 1 to 2 NK centrally agreed, rest to be topped up in local agreements).

METAL

- Italy: Minimum pay to increase between 67 and 144 euro, three year agreement until 2012.

OTHER SECTORS

- Chemicals, Finland: Pay going up by 0.9% in 2010; pay increase in two remaining years to be negotiated later.
- Public sector, Finland: 1% for 2010
- Banking sector, Finland; 1.5% for 2010
- EDF, France: 1.2% general increase plus 1.6% for individual/pensions/seniority.
- Public sector, energy and health sector in Austria follow metal sector lead (0.9 to 1.17% to 1.6% wage increase)

OTHER

- Akzo Nobel, NL: 1.5% over 15 months
- Germany : Local and federal public sector : 2.5 to 3.5% over two years (?)
- DK, Transport sector : Trade union given right to check pay slips of overseas workers.
- BE: Trade union action trying to rescue jobs (Opel Antwerp, Inbev, Godiva,....).

The picture that emerges

- Limiting the damage to the maximum extent possible
- Low (very low) wage settlements now (but no or very few) zero wage agreements...
- ... in exchange for more tangible wage increases in future....
- ...while at the same time negotiating employment measures (company level job guarantees, prolonging 'short time work' schemes, apprenticeships and early retirement).

In line with ETUC principles ? Or too early to really tell ?

- No to wage cuts and wage freezes
- Instead, we want:
 - Nominal and real wage increases (as a matter of principle!)
 - Overall labour cost developments in line with trend productivity and inflation (Flexibility to negotiate jobs).
 - Above all, respect a 'golden rule' : No job poaching from other countries ,regions, companies.