



TRADE UNIONS, COLLECTIVE BARGAINING AND SOCIAL DIALOGUE IN LOCAL AND REGIONAL GOVERNMENT IN THE EU MEMBER STATES, EEA AND CANDIDATE COUNTRIES

PART II: NATIONAL REPORTS

EUROPEAN
FEDERATION
OF PUBLIC
SERVICE
UNIONS

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FEDERACIÓN
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DIENST

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by the Labour Research Department**

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National reports

Austria

Background

Unions

Austria has a single trade union confederation, the ÖGB, to which around a third of all employees belong. Figures from the ÖGB indicate that there are 1.25 million trade union members in Austria (2007). Around a fifth of them are retired and a recent independent report estimated union density in Austria at 35.4%¹. This figure relates to 2002 and membership has fallen since then. Trade union organisation is stronger among manual workers and public sector employees than among non-manual workers.

The ÖGB is affiliated to the ETUC.

The ÖGB is divided into nine separate unions and the largest are the GPA-DJP (non-manual private sector plus printing, paper and journalism) with 265,000 members; the GÖD (central and regional government) with 230,000; the GMTN (metal, energy, textile and food workers) with 223,000; the Gewerkschaft vida (railway, transport, hotel and catering workers) with 159,000; and the GdG (local government workers) with 150,000.

A major merger between five of the unions including both the two largest, planned for 2005 failed to be completed, but smaller mergers have taken place. The food and agricultural union merged with the much larger metal and textile workers union in May 2006; the printing, paper and journalists' union merged with the non-manual private sector union GPA in November 2006 and there was a three-way merger between the railway workers, transport workers and hotel and catering workers in December 2006 to create the new union vida.

Trade union membership in Austria has fallen in recent years and this trend has been intensified by the financial crisis that hit the then union-owned bank BAWAG in 2005 and the subsequent political fallout. According to the ÖGB's own figures, the unions lost 6.6% of their members between the end of 2005 and the end of 2007. In 2006 alone, when the crisis of confidence in the ÖGB was at its height, 63,400 people, around 5% of the total, left the unions.

Collective bargaining

Negotiations in Austria are primarily conducted at industry level. Any plant level negotiations are subordinate to the industry level agreements. There are often separate agreements for the manual and non-manual workers, reflecting the division in the Austrian unions, although this is becoming less frequent.

There is no central wage norm set by the ÖGB, but in general unions aim for an increase in real earnings in line with economic growth.

¹ Union membership statistics in 24 countries by Jelle Visser, published in Monthly Labor Review January 2006

In the private sector negotiations normally take place between the unions on the one side and the chambers of commerce on the other. (There are only a very few areas, such as parts of the finance industry and parts of the printing and newspaper industry, where the negotiations are with employers' industry associations.) As all employers must by law belong to the chambers, the result is that the agreements signed have a very wide application in Austria, covering 98% of the workforce.

In recent years some collective agreements have allowed a limited amount of the annual pay increase to be negotiated at local level, provided the overall increase in the paybill is slightly higher than the general increase. This option has only been taken up in a minority of cases. But where it has, the negotiations have been between the works council and company management with priority often being given to improving the position of the low paid.

Negotiations are normally annual and at a national level with the metal workers usually setting the negotiating pace.

Social Partnership

“Economic and social partnership” is the phrase used in Austria to refer to the voluntary and informal cooperation of employers' associations and trade unions in economic and social policy with a view to striking a compromise that both sides can accept. Essentially it is a bipartite system which, if need be, may also contain tripartite elements (by involving the government). Social partnership is comprised of the following four associations:

- Austrian Trade Union Federation
- Federal Chamber of Labour
- Austrian Federal Economic Chamber
- Conference of Presidents of the Austrian chambers of Agriculture

The formal structure is provided by the so-called “Parity Commission”, originally set up in 1957, which brings together the senior representatives of the government and the social partners. The Advisory Council for Economic and Social Affairs is a sub-committee of the Parity Commission which makes recommendations based on the reports of joint working parties.

The result is a system which depends on dialogue and negotiation where those involved look for compromise solutions.

This system appeared to be under threat in the period after 2000, when the extreme right Freedom Party (FPÖ) formed part of the government coalition and the trade unions moved into open conflict with the government. However, following the sharp decline in the FPÖ's influence, the social partnership approach now seems to have been fully restored.

Local and regional government

There are two levels of local and regional government in Austria, nine regions (Länder) and 2,357 municipalities (Gemeinden) of which three-quarters (73%) have 2,500 inhabitants or fewer. Under the Austrian constitution, Vienna, the capital, combines the function of both a region (Land) and a municipality (Gemeinde). Vienna is narrowly the largest region in terms of population accounting for 20% of the national total.

Outside Vienna, there is a division of tasks and responsibilities between the municipalities and the regions, although the complex nature of the Austrian structure means that there can

be regional and local variations. Generally, the municipalities are responsible for social services, planning, refuse disposal, water, sewage, roads, urban transport and public order. The responsibilities of the regions include: tourism, sport and leisure, the environment, some aspects of transport, energy distribution, law and order, public health and the provision of hospital care. The regions have legislative powers, in some cases – such as tourism or the ambulance service they have these powers independent of the central government; in other areas, such as long-term health-care institutions they can legislate within a framework of national laws.

The financing of the system is complex, with taxes being raised at the national, regional and municipal levels but money also being transferred, largely from the national level to regional and municipal authorities.

In total some 330,000 people are employed in regional and local government (see Table 1). This is equivalent around 10% of the 3.4 million people employed in Austria. This is more than double the 141,000 people who are employed in central government. However, the figure for employment at regional and municipal level includes 69,000 teachers, whose employer is the regions, but whose pay and conditions are set by central government, which also directly bears their cost. The figures also include 89,000 employed in hospitals. Other than in Vienna, these are now operated by legally independent bodies, but they are still included in the official statistics.

Table1: Employees in regional and municipal government

Level of government and area of work	Number of employees
Regions (excluding Vienna)	
General administration	44,160
Teachers	58,477
Hospitals	59,826
Companies	619
Elderly care homes	3,573
Total regions (excluding Vienna)	166,655
Vienna	
General administration	28,119
Teachers	10,178
Hospitals	28,880
Companies (includes municipal transport and utilities)	12,303
Total Vienna	79,480
Municipalities (excluding Vienna)	
Individual municipalities	73,354
Groups of municipalities	12,798
Total municipalities	86,152
Total regional and local government	332,287
Sources: Gebarungen und Sektor Staat Teil II – 2006 (Regional figures) and Statistisches Jahrbuch – 2008 (municipal figures); both published by Statistik Austria	

In the period 1997 to 2002 there was no significant change in the number of those working for local and regional government in Austria, as a survey in 2004 concluded². However, the survey also found that the fact that hospitals had been transferred to legally independent bodies had made a difference to the numbers employed by each authority. Since then there has been a reduction in the numbers working for local and regional government. But the detailed picture is distorted by the fact that more than 10,000 employees were transferred in 2005 and 2006 from hospitals operated by the municipalities in Lower Austria to the regional level. (Among other things, this has an impact on which trade union is responsible for them.)

The majority of those working for local and regional government have a normal employment contract. However, there are some with a special status (Beamte or pragmatisierte Bedienstete). Those with special status are most common in Vienna, where around half of those employed are Beamte, less common in the regions, where 36% of those employed have Beamte status, and they are found least frequently in the municipalities, where only 12% are Beamte.

Beamte are protected against dismissal, once they have completed a probation period, but in return they have an obligation to follow the instructions of their employer – the state – and to behave in an appropriate way, which continues outside their working hours and after their working life has ended. Their pay and conditions are formally set by law rather than by collective bargaining (see below). There are no specific areas of local and regional government which are reserved for Beamte and the proportion of those working in the Austrian public sector who have this special status has declined in recent years.

Unions involved in local and regional government

There are two unions with members in local and regional government in Austria – the GÖD, which organises those working at region (Länder) level (as well as those working at national level), and the GdG, which organises those at municipal level – the Gemeinden. The GdG also organises all those employed in Vienna, which is both a region (Land) and a municipality (Gemeinde), with the exception of the teachers, who are organised in the GÖD.

The GÖD has 230,000 members, which includes those employed at national level. The GdG has 150,400. A significant number of the members of both unions are retired.

Austrian unions are political independent but they have close links to the parties through the system of political groupings, which have formal rights within the union structures. In the GdG, as in the majority of Austria's unions, the biggest grouping is the FSG, linked to the social democrats (SPÖ), but there is a minority christian grouping the FCG, with links to the Austrian Peoples' Party (ÖVP). In the GÖD this position is reversed. Here the FCG is the strongest grouping, holding around 60% of the seats on the executive compared to 40% for the FSG. The strength of the political groupings within the leadership of the unions reflects the support that their candidates receive in the elections for employee representatives – Personalvertretung – in individual workplaces

European affiliations in the GÖD are split on political lines. The FCG grouping in GÖD is affiliated to Eurofedop, and the GÖD's president Fritz Neubauer is also the president of Eurofedop. The FSG grouping in GÖD is affiliated to EPSU. The GdG as a whole is affiliated to EPSU, where it has a representative on the executive committee. It is also affiliated to Eurofedop.

² Entwicklung der öffentlichen Beschäftigung in Österreich, Bernhard Grossmann & Eva Hauth, Statistik Austria 2004

Collective bargaining in local and regional government

After a brief interlude from 2000 to 2002, when, as a result of political pressure, there were separate negotiations for employees in national, regional and local government, a common set of negotiations were re-established in 2003. The negotiations involve representatives of the national government, the regional government and the municipalities (where both the Gemeindebund – the smaller communities – and the Städtebund – cities and towns – are present on the employers' side), and GÖD and the GdG on the employees' side. They cover employees at all three levels of government, and in practice the key negotiating role for the employers is played by the representative of central government. Because of the importance of the negotiations for the government's overall budget, there is sometimes high-level political involvement.

Once negotiations have been concluded, appropriate changes are made to the legislation which sets the pay and conditions for those with special status – Beamte.

Negotiations normally take place annually, towards the end of the year, with the increase being paid in January.

The most recent negotiations were concluded in December 2007 and came into effect on 1 January 2008. They provided for a 2.7% increase plus a one-off flat rate payment of €175. This was equivalent to an overall increase of 2.8% at the top of the scale and 3.8% at the bottom, with an average increase of 3.3%. The latest inflation figure available when the settlement was signed was 2.8% (October 2007).

Social dialogue in local and regional government

In line with the social partnership approach which influences the whole of Austria's industrial relations, there is also a social partnership approach in the public sector, including local and regional government. This attempts to solve problems through partnership and compromise and means that a wide range of issues are discussed and negotiated with the unions before decisions are taken.

This is in addition to the system of elected employee representation which exists in each area of the public sector. The elected employee representatives (Personalvertretung), have extensive information and consultation rights, which are similar to those enjoyed by works councils in the private sector.

Belgium

Background

Trade unions in Belgium are divided between two larger competing confederations, the CSC/ACV and the FGVB/ABVV, as well as the much smaller CGSLB/ACLVB. The two largest CSC/ACV and FGVB/ABVV are linked to the christian and socialist movements respectively, while the CGSLB/ACLVB is linked to the liberals. All three confederations are affiliated to the ETUC.

Collective bargaining in the private sector is highly structured, with a national two-year deal providing a framework for lower level negotiations. With legislation limiting pay increases to forecast pay costs in Belgium's neighbours and automatic pay indexation linked to inflation, negotiators have only limited room for manoeuvre.

There is a long tradition of **social dialogue** in Belgium – known as concertation in French or overleg in Flemish – going back at least to 1944. There is a Central Economic Council (CCE/CRB), which brings employers and unions together to discuss broader issues, and a National Labour Council (CNT/NAR), where employers and unions negotiate the national two-year deal for the whole of the private sector.

Local and regional government

There are three levels of local and regional government in Belgium, although at the highest level, the situation is complicated by the fact that there are both Regions and Communities with different responsibilities.

There are three Communities, the Flemish, the French and the German (by far the smallest), which are largely responsible for education, social affairs, culture and health and are linguistically based/ There are also three regions, Flanders, Brussels and Wallonia, which are responsible for issues such as planning, development, housing, environment, energy and transport, and are geographic entities. The Flemish Community and the Flanders Region have merged, but elsewhere there are overlapping responsibilities – for example, the German Community is in Wallonia and the French and Flemish Communities both have responsibilities in the officially bi-lingual Region of Brussels.

The next level of local government is provided by the 10 provinces which have more limited areas of responsibility in the field of the environment, culture, social services, housing the economy and transport (In Brussels the responsibilities normally given to the provinces are in the hands of the Region of Brussels.) The final level is provided by 589 communes, which deal with waste disposal, some aspects of primary education, the local economy, the local police and a range of administrative services. In addition each commune has a centre for social welfare (CPAS/OCMW) which is responsible for social services.

Figures collected by the national office of social security show that there are 722,750 people employed in the public sector in Belgium³, and figures for the body responsible for social security at provincial and communal level indicate that 340,621 – almost half – work at this level. The detailed figures are set out in Table 1.

Table 1: Employees in provincial and communal government by type of employer

³ Emploi salarié (ONSS) du troisième trimestre 2007

Type of employer	Brussels	Flanders	Wallonia	Total
Province	0	6,529	11,921	18,450
Police	5,719	16,089	10,542	32,350
Communes	17,805	73,501	47,878	139,184
CPAS/OCMW	8,270	53,115	25,050	86,435
Inter-communal institutions	1,927	8,256	25,070	35,253
Others	12,961	13,349	2,639	28,949
Total	46,862	170,839	123,100	340,621

Source: Statistiques semestrielles (2nd Quarter 2007) ONSSAPL

Some of those working in the public sector in Belgium have a special status as “agents statutaires/ ambtenaren statutairen”. However, at provincial and communal level, the number with this special status is falling. Currently, of the 340,621 employees at this level, 141,236 have this special status (also known as “agents nommés”), 141,811 have a normal employment contract and 57,574 are employed on a normal contract but are subsidised by the state⁴.

Unions involved in local and regional government

All three national confederations have unions specifically concerned with the public sector. They are the CSC - Services Publics (CSC-SP)/ACV - Openbare Diensten (ACV-OD) for the CSC/ACV, the La Centrale Générale des Services Publics (CGSP)/ De Algemene Centrale der Openbare Diensten (ACOD) for the FGTB/ABVV and the SLFP/VSOA for the CGSLB/ACLVB.

The socialist CGSP/ACOD is the largest of these three unions with a declared membership of 299,000 in 2006. However, this is explained by the fact that the CGSP/ACOD covers the whole public sector (divided into 10 groups), while the CSC-SP/ACV-OD, which states that it has more than 150,000 members, is only one of three CSC/ACV unions in the public sector. The others cover transport and communications and education. The liberal SLFP/VSOA is much smaller.

All three unions are affiliated to EPSU, as are the two unions of the CSC/ACV and FGTB/ABVV which represent non-manual workers and more senior managers: the CNE/LBC in the christian confederation and SETCA/BBTK. They represent some employees in the semi-state sector. In addition the CSC-SP/ACV-OD is also affiliated to Eurofedop.

Collective bargaining in local and regional government

The public sector in Belgium is not covered by the legislation that regulates collective bargaining in the private sector, although it too is governed by a highly-structured framework of negotiations.

There is a committee for the whole of the public services, which is known as “Committee A”. In principle, like the CNT/NAR for the private sector, Committee A negotiates a framework agreement for the whole of the public sector every two-years. It also agrees some minimum terms and conditions such as pensions, arrangements in case of accidents and leave

⁴ Statistiques semestrielles (2nd Quarter 2007) ONSSAPL

arrangements, which apply across the whole of the public sector. “Committee B” and its various sectoral committees is where negotiations for central government employees and employees for Belgium’s three regions and communities are conducted. “Committee C” covers provincial and communal services, although in practice there are separate committees in the different regions as well as for local services, such as the fire service which have the same terms and conditions across the country. Finally there are negotiating committees in each of the provinces and communes, which formally implement the recommendations coming from the Committee C committees in the regions, as well as dealing with purely local issues.

The union members of these negotiating committees come from the three main union confederations. They are the only three which meet the criteria of being judged “representative”. The employers are represented by ministers, either from the central government, or from the regions/communities, although the associations of local government employers are present at the Committee C meetings as technical advisers. The negotiations at local level (commune and province) are between the unions and the local administration.

The 1974 legislation which set up this committee structure for the public service in Belgium, also set out the issues where negotiations was required,

In broad terms there should be negotiations on pay, changes to the special status of some public servants, pensions, trade union relations, the organisation of the social services and the general arrangements for working time, work organisation and employment structures. There is no requirement for these negotiations to end with agreement, but there must be an attempt to find an agreement and the results must be recorded in either an agreement or a statement that the two sides have failed to agree.

Social dialogue

The 1974 legislation also drew up a separate set of issues where “concertation”, or social dialogue, is required before the employer can take action. These are:

- concrete decisions on employment structures, length of work and the organisation of work;
- all problems of health and safety; and
- proposals intended to improve human relations or increase productivity.

The requirement for these consultations to take place applies at all levels of the committee structure, and although the outcome is not a negotiated agreement, the process should give the unions the opportunity to present a reasoned opinion on the proposals.

Bulgaria

Background

There are two main **trade union confederations** in Bulgaria. The larger of the two is KNSB (often known by its initials in English as CITUB), which emerged from the reformed official trade union movement of the communist period, while the second, Podkrepa came out of the opposition movement. Both confederations now work together reasonably well, although their relations with a much smaller union grouping, Promyana, are very strained.

Legislation provides for **collective bargaining** at three levels: industry level, company level and municipal level – where the terms and conditions of municipal employees are negotiated. In practice in the private sector, the key focus for bargaining is at company level.

Bulgaria has a tripartite Economic and Social Council, which came into existence in 2003. It provides a forum for consultation between employers, unions and other bodies in civil society, and it presents its opinions to the government. In another indication of **social dialogue**, in September 2006 a three-year national pact, setting out a framework for Bulgaria's economic and social development was agreed for the between the unions and employers in September 2006. As well as proposals on pay this pact covered a wide range of issues, including taxation, education and health.

Local and regional government

There is only one level of local government in Bulgaria, the municipalities (obshtina) of which there are 264. There are also 28 districts which are part of the decentralised state administration and six regions, which have essentially planning functions.

The responsibilities of the municipalities are extensive, covering waste collection, water supply, planning, road maintenance, social services, culture, sports and leisure and tourism. They are also the key bodies dealing with health and education, although there are links with central government for the management of these services.

Those working in the municipalities include both public servants with a special status and those employed on essentially the same basis as employees in the private sector.

Unions involved in local and regional government

The main unions involved in local government in Bulgaria are: FNSDUO (FITUGO – Federation of Independent Trade Unions Governmental Organisations in English) which organises at both national and municipal level and is part of KNSB with 18,700 members⁵; FSZ (FTU-HS Federation of Trade Unions – Health Services in English) also part of KNSB, which organises in the health services, which is an important part of local government's area of responsibility, with 18,600 members⁶; Podkrepa Services Union; and The Federation of Construction Industry and Water Supply – Podkrepa, which is primarily a construction union but also has members who work for the municipalities. All four unions are affiliated to EPSU.

⁵ KNSB website

⁶ Ibid

There are also teachers unions from both confederations, which represent teachers employed by the municipalities.

Collective bargaining in local and regional government

For those employed as normal employees negotiations are conducted at local level between the unions and each municipality. However, there is no collective bargaining for those with special status, whose pay is set unilaterally by the government. The Bulgarian unions have taken a complaint to the Council of Europe over the fact that these workers have no right to take effective strike action.

Social dialogue in local and regional government

There is social dialogue in Bulgarian local government. It takes place in the Municipal council for tripartite cooperation. As well as dealing collective bargaining issues, this body also covers health reform in the municipality, restructuring and privatisation and labour disputes. There is also social dialogue in the healthcare sector where a Sectoral Council for Social Cooperation in Health has discussed violence at work and health and safety.

Cyprus

Background

There are two major **trade union confederations** in Cyprus, the PEO and the SEK, both of similar size with some 70,000 members each. There are also important autonomous unions representing public sector workers, bank employees and teachers, and a smaller confederation DEOK has around 7,500 members.

In the private sector, **collective bargaining** takes place at both industry level and company level, within the framework for negotiations provided by the industrial relations code, agreed between representatives of employers, unions and government in 1977.

Although there is no formal structure for tripartite **social dialogue** along the lines of the economic and social committees that exist in many other EU states, one of the basic principles of Cyprus' voluntary system of industrial relations, is close cooperation between unions, employers and government. This produced the industrial relations code referred to above, and there are tripartite technical committees which examine all proposed labour legislation.

Local and regional government

There are two levels of local government in Cyprus, six districts and below them 33 urban municipalities and 350 rural communities.

Municipalities and communities deal with issues such as waste disposal, social services, planning, development and road maintenance. Districts are responsible for public health, but health provision – such as the operation of hospitals – is in the hands of central government (Ministry of Health). Education is run by central government (Ministry of Education and Culture), but district schools committees are considered to be non-profit making organisations.

The municipalities employed 2,835 and other local authorities 1,141 in 2005 (many fewer than central government, which employed 49,068) number have grown slowly over 10 years. There are 1,188 employed in district schools committees⁷.

Those employed in municipalities and other local authorities have normal employee contracts. There are some public servants with special status, but they are only in central government.

Unions involved in local and regional government

The main union in local government in Cyprus is PASYDY, which organises public sector employers at central level as well. It is not affiliated to three main confederations – it has 15,000 members and states it organises 90% of non-manual public servants. FPSEK, an SEK union, has 1,000 members at district level in schools councils; FSGE is the SEK union organising at municipal/communal level; the DEEKDODO is the DEOK union organising at municipal/communal level; and SIDIKEK is the PEO union at municipal/communal level.

⁷ Labour Statistics, Statistical Service, Republic of Cyprus, 2005

There is also KTAMS (Turkish Civil Servants) which organises employees in the north of island which is politically separate.

PASYDY, FPSEK, FSGE SEK, and KTAMS all affiliated to EPSU. DEEKDODO has no European level affiliation, although the confederation DEOK to which it belongs, has recently joined the ETUC. The PEO confederation is affiliated to the WFTU.

Collective bargaining in local and regional government

Bargaining in the public sector is centralised in Cyprus. Wages and key conditions for public employees are set in national level negotiations for the whole of the public sector, although representatives from districts and municipalities are involved. Local negotiations are then limited to minor matters.

Social dialogue in local and regional government

There is formal social dialogue in local government – particularly on health and safety issues. There is also a Joint Staff Committee for the whole of public sector, made up of two government officials and two representatives appointed by PASYDY. It sets out general principles on a range of issues including appointment and promotions, hours and leave, discipline and retirement benefits. In addition, the joint committee discusses training, welfare and legislation which affect the conditions of employment of public servants.

Czech Republic

Background

CMKOS is by far the largest **trade union confederation** in the Czech Republic with 611,000 members in 2004, but there are others, notably ASO with around 170,000 members in 2004, which was created by two unions breaking away from CMKOS. There is also KUK, a confederation of unions covering workers in the area of culture, with some 59,000 members.

In the private sector, the most important level of **collective bargaining** in the Czech Republic is at company level, although in a majority of companies no bargaining at all takes place.

The Czech Republic has had a formal forum for **social dialogue** since the forerunner of the Council of economic and social agreement (RHSD) was established in 1990. This played a major role through a series of “general agreements” providing a framework for collective bargaining, particularly in the early 1990s. The Council continues to meet and, together with other forms of dialogue, influences government policy, with CMKOS and ASO taking part.

Local and regional government

There are two levels of regional and local government in the Czech Republic: 14 regions (kraje) and 6,200 municipalities (obce).

The municipalities are responsible for waste and water supply, transport, housing, social services, development and planning, forest management, and the municipal police. They are also responsible for primary education. The regions are responsible for the road networks and regional public transport, other aspects of social services, regional development and the environment and secondary education. The regions also provide health care – they own hospitals and polyclinics for example, although much of the funding comes from health insurance funds.

Employees in regional and local government are normal employees, with a similar status to those working in the private sector.

Unions involved in local and regional government

The major union in local and regional government in the Czech Republic are all affiliated to CMKOS. They include:

- Statorg (Trade Union for State Bodies and Organisations), which represents employees in central and local government and is the most significant body representing employees in local and regional government;
- OS ZSP (Trade Union of the Health Service and Social Care), which represents health and social care workers and has 41,400 member, of whom 33,900 work in regional and local government;
- UNIOS, which has membership in manufacturing, public utilities, the provision of gas, housing cooperatives and public services and health; it has 15,600 members;

- OSH, which organises firefighters and has 6,500 members, all in local and regional government;
- OS DLV (Union for workers in woodworking forestry and water industries), which organises workers in the water industry, forestry and environmental areas, as well as workers in wood and paper manufacturing; and
- OS PKOP (OS pracovníků kultury a ochrany přírody – the Union of workers in culture and environmental protection).

In addition ECHO, which organises chemical and energy workers, has some involvement in the sector, and there are also teachers unions with substantial membership in local and regional government.

All these unions are affiliated to EPSU.

Collective bargaining in local and regional government

Pay and key conditions in the local and regional government sector in the Czech Republic are set centrally by the government after discussion with the unions. However, there is scope for some minor issues to be determined at local level through negotiations.

Social dialogue in local and regional government

The Czech unions responding to the survey consider that there is formal social dialogue in local government. The topics being discussed include salaries, work and safety conditions, accident insurance, the labour code, and employment terms and conditions.

Denmark

Background

Unions

There are about 2.1m trade union members in Denmark, although these figures include some unemployed and retired members as well as students and self-employed. Taking this into account, a recent independent report estimated union density in Denmark at 80% in 2005⁸ – perhaps the highest rate in Europe. One reason for this high level of membership may be trade union involvement in the administration of unemployment funds, but it is certainly not the only one.

Most union members belong to unions in one of the three main confederations. By far the largest trade union is the LO, which had 1,340,000 members in December 2005, and organises both manual and non-manual workers. The next biggest confederation is the FTF, with some 363,000 members (January 2006). It organises public sector employees like civil servants and nurses as well as some private sector non-manual workers, particularly in banking and finance. The third largest grouping is the AC, with 256,000 members, including 75,000 students (January 2006) It organises graduate level employees in the public and private sectors. Although there is some competition for members between these three confederations, relations between them are generally good and in April 2006 LO and the FTF signed a new cooperation agreement providing for arbitration to resolve conflicts over membership.

In addition there are other groupings. LH, one of the most important, organises 87,000 managers and supervisors.

All three main confederations are affiliated to the ETUC; LH is affiliated to the CEC.

The LO, FTF and AC are all divided into a large number of separate unions.

The union structure in LO is complex with various types of unions, both professional and general. Many of the craft unions are relatively small but there are also unions with a much wider membership such as: HK (shop and clerical workers' union) with 363,000 members; FOA (public employees) with 206,000 members, and Dansk Metal (metalworkers) with 143,000 members. The largest union in LO, with 381,000 members, is 3F which was formed by a merger between the general workers' union SID and the union for women workers KAD in January 2005. There are attempts to limit competition for membership through demarcation agreements, but it still exists in some areas.

The FTF and AC are organised on a combination of an occupational and industry basis. The FTF's largest affiliates are the teachers' union (Danmarks Lærereforening) with 66,000 members, the nursing union (Dansk Sygeplejeråd) with 55,000, BUPL for professional staff in childcare institutions with 60,000 and the finance union with 44,000. The largest AC affiliates are the society of engineers with 61,000 and the association of lawyers and economists with 47,000.

The individual unions are independent but the central organisations, particularly LO, play a critical role in negotiating the framework agreements which have shaped the Danish system.

⁸ Workplace representation in Denmark – structure and role, Herman Knudsen, paper to HIVA-EZA conference, November 2006

The proportion of employees organised in unions has fallen slightly in recent years from something over 80% in the mid-1990s, even if it remains at very high level. There has also been a shift in membership between the main union confederations, reflecting the changes in the labour market, with the FTF and AC, who organise more highly skilled employees, benefiting at the cost of the LO.

Collective bargaining

Collective bargaining in Denmark operates within a clearly defined structure. At the highest level there are the framework agreements between the LO and the Danish employers' federation, which set the rules for issues which in many other countries would be regulated by the law. The most important agreement at this level is the general agreement which covers the right to organise, rights on dismissal and industrial disputes

Agreements covering pay and conditions, which in the 1960s and 1970s were largely also signed at this national level, are now dealt with at the level of individual industries. These industry level agreements also leave room for further negotiations at company level, and in recent years this level of bargaining has grown in importance. An indication of the importance of company level negotiations is given by the fact that only 17% of all employees have their pay set entirely by industry level negotiations.

In total, nearly 100% of public employers and around 70% of private employers are bound by collective agreements. This means overall coverage is around 80%.

One other factor in the final outcome of negotiations is the frequent intervention of the official conciliator, appointed by the Minister of Labour, to resolve disputes. In the last resort, the government can intervene to impose a settlement.

Social dialogue

Cooperation between the government, unions and the employers' associations is a key element of Denmark's industrial relations structure. Labour market policy, in particular, has been developed in this way and there is a national Employment Council, which advises government. It is made up of representatives of the main union confederations, the main private sector employers' associations and the Danish local government association, KL. As already noted, many of the issues, which in other states would be subject to legislation, are dealt with through national collective agreements in Denmark – the system of employee representation is one example – and, where there legislation is planned on labour market matters, unions and employers are consulted in advance.

Local and regional government

There are two levels of local government in Denmark. These are the five regions (regioner) and 98 municipalities (kommuner). The system has recently been radically reformed. Following the recommendation of an independent commission, central government initiated a process of mergers intended to ensure that all municipalities had at least 20,000 inhabitants. The decision on who to merge with was left to local authorities but by the end of the process, at the end of 2005, the number of municipalities had been reduced from 271 to 98. More or less at the same time, there were changes at the next tier of local government, which were intended to produce a clearer division of responsibilities between the different levels. At the start of 2007 the 14 counties that had previously existed were abolished and replaced by five regions. This change reduced the role of this level of government – the

regions (previously the counties) – and extended that of both the central state and the municipalities.

The municipalities now have very extensive responsibilities. They include: childcare; schools for children aged 7 to 17; cultural and sporting facilities, including libraries; social services; care for the elderly, including care homes; the integration of refugees and migrants; payment of social benefits; measures to encourage employment, including running job centres; environmental protection; local services to business; and some health care, including preventative treatment and dental services.

The main responsibilities of the five Danish regions are in the area of health care. They are responsible for hospitals, doctors in general practice and psychiatry. The regions also have a role in regional development, drawing up regional plans, and in transport and the environment.

One of the other changes introduced by the reorganisation is that only the municipalities now have revenue raising powers. The regions' finance now comes from the municipalities and central government.

Local and regional government is a major employer in Denmark. Figures from the national statistical office show that in 2006 almost 700,000 people were employed in the municipalities and the counties (see Table 1). This is more than a quarter (26.1%) of the total 2.55 million employed in Denmark, and many more than the 177,000 (6.9%) employed in central government.

Table 1: Local government employment 2006

Level of local government & type of employment	Men	Women	Total
Counties (full-time)	42,305	135,867	178,172
Counties (part-time)	4,461	10,082	14,543
Municipalities (full-time)	93,086	329,879	422,965
Municipalities (part-time)	13,511	39,781	53,292
Total	153,363	515,609	668,972

Source: Danmarks Statistik, Statistical Yearbook 2007

Since 2006, local government reorganisation has abolished the counties, replaced them with regions, and transferred responsibilities. The body that keeps track of pay developments in the local government sector (Det fælleskommunale Løndatakontor) estimates that there are now around 100,000 employed at regional level and that some 15,000 have been transferred to central government and out of local government altogether. This leaves some 500,000 employed at municipal level.

The figures in Table 2 indicate the position for regions and municipalities together as of February 2008. The figures, which are broken down by occupations, are also compiled on a different basis to those in Table 1 as they are for full-time-equivalents (FTEs) rather than individual employees.

Table 2: Local government employment by occupation February 2008

Occupation	Number of employees (FTEs)
Social and health workers	117,977
Teachers	76,910
Kindergarten staff	59,231
Nurses	47,719
Administrative staff	42,605
Cleaning staff	20,663
Academic staff	7,092
Other occupations	251,242
Total	633,439
Source: Personaleomsætning February 2008 (KL)	

Since 1990 growth in the numbers employed in local and regional government has slowed. Between 1998 and 2006, for example, the number employed grew by only 3.0%, from 649,400 to 669,000. The transfer of some functions⁹ from the counties to central government will mean an actual fall in employment in 2007.

The vast majority of those employed in local and regional government are employees with normal contracts. However, some 10% of the staff have a special status, that of a "tjenestemand", which provides greater protection. Those with this special status have a statutory pension scheme, and are entitled to three years' salary if they are made redundant. However, they are not permitted to take industrial action. While their pension and some other basic employment conditions are set by legislation, their pay and other conditions are subject to negotiation in the same way as normal employees¹⁰. The proportion of staff with this special status, which was always lower in local and regional government than in central government, has fallen in recent years as a result of a deliberate policy to restrict it to "men and women in uniform", such as firefighters, prison staff and the police, and very senior civil servants.

Unions involved in local and regional government

There are more than 60 unions involved in local and regional government, including unions in all three of the main confederations, reflecting Denmark's diverse union structure.

There are 12 LO affiliates with members in local and regional government, of which by far the largest is FOA, which has 202,000 members in the sector. Other major LO affiliates in the sector are: HK/Kommunal, with 69,000 members; 3F with 33,500; SL (social educators, working with children, young people and adults who need special care due to physical or mental disabilities, or social problems) with 30,400; and Dansk Metal, with 5,100. These unions, plus the other LO affiliates, are also all members of the OAO, a union umbrella body, which aims to influence developments in the public sector and also to play a role in collective bargaining. The OAO is a new organisation, created on 21 June 2007 from the merger of the DKK and StK bodies, which previously played a similar role at local/county and central government level, respectively.

⁹ Some 150 secondary schools were moved from the counties to the central state on 1 January 2007, but this is only intended to be a temporary solution, as in the long term they are to become "self-governing institutions".

¹⁰ For details on this and other aspects of union organisation and collective bargaining in local and regional government in Denmark see "The cooperation and collective bargaining system within the public sector in Denmark", produced by KTO

There are 37 FTF affiliates, with members in local and regional government, although this includes 11 who work in the area of health, which is a regional responsibility. Outside health, the largest FTF affiliates are: the teachers' union (Danmarks Lærerforening) with 65,900 members; BUPL, representing staff in childcare institutions, with 55,500, and the social workers' union (Dansk Socialrådgiverforening) with 7,900 members. Unlike other FTF affiliates, the social workers' union is also a member of OAO. Within health, by far the largest FTF affiliate in local and regional government is the Danish nurses union (Dansk Sygeplejeråd), which has 55,000 members. Other major affiliates in this sector include the union for dieticians and nutritionists with 7,100 members, that for physiotherapists with 6,500, dbio (for biomedical laboratory scientists) with 5,400, and ETF (for ergonomic therapists) with 5,800. FTF affiliates in local and regional government are grouped in the FTF section for local and regional government - FTF-K. (There are two others FTF-S for central government and FTF-P for the private sector.)

There 15 AC affiliates in local and local government. The largest is the body representing Danish doctors (Lægeforeningen) whose 21,900 members (including 3,000 retired members) are divided between junior hospital doctors (YL) with 8,700 members, medical specialists (FAS) with 7,900, and general practitioners (PLO) with 4,700. The only other AC affiliate with more than 5,000 members in local and regional government is DJØF, which represents lawyers and economists and has 6,300 members in the sector.

Outside the three main confederations, only LH, with 4,200 members has significant involvement in local and regional government.

Most of the larger organisations in the three main confederations, listed above are members of EPSU. However, the unions for dieticians and nutritionists, physiotherapists and ergonomic therapists are not affiliated to EPSU, and nor are the smaller unions. The umbrella organisation OAO is, on the other hand, affiliated to EPSU, although for employees in national government, as is KRIS which has an international co-ordination and liaison role for 13 unions in local and regional government.

Collective bargaining in local and regional government

Collective bargaining in local and regional government takes place at both national and local level, with the national agreement providing a framework which leaves room for negotiations at local level on elements of pay and working conditions. The agreements normally run for three years.

Negotiations at national level take place between the employers and the unions' bargaining groups, or cartels. There are two bargaining cartels for employees in local and regional government: KTO, which brings together 47 member unions with 527,000 members; and the health cartel (Sundhedskartellet) made up of 11 unions with 120,000 members. The unions in the health cartel used to be part of KTO but left at the end of 2003 to form the new structure, as they felt that their pay levels were falling behind other groups. Once agreements have been signed by the negotiators they have to be ratified by the members of the individual unions in separate ballots.

Until the reorganisation of local government in 2007, the employers at municipal and county level made up a single bargaining unit but that has changed. There are now separate negotiations for municipal and regional employees. At municipal level, KL, the municipal employers' association, negotiates with KTO. At regional level RLTN negotiates with KTO and the health cartel.

The 2005 bargaining round was the first time that there had been separate negotiations for staff represented by the KTO and the health cartel – the health cartel only came into existence in 2003; before that KTO negotiated on behalf of all local government staff. The 2008 bargaining round has produced a further fracturing of the system.

At the municipal level, KTO reached agreement with the employers' association KL in March 2008. This provided a 12.8% increase over three years from April 2008 plus a number of other improvements. However, the agreement was not acceptable to either FOA, the largest union in KTO, or BUPL, the union representing staff in childcare institutions. Both called for higher amounts for the largely female staff that they represented and both organised industrial action, which led to further talks. FOA reached a separate settlement with KL in early May, which provided additional money for staff groups represented by FOA. BUPL negotiators accepted a compromise proposal from the official government conciliator. However, while FOA members voted in favour of the agreement, BUPL members rejected the conciliated settlement. At the time of writing, the final outcome of BUPL's dispute with KL is unclear.

Negotiations with the regional employers, RTLN, followed a similar pattern. KTO again reached agreement in early March, with this settlement also providing 12.8% over three years. But this was not acceptable to FOA, which refused to sign. The health cartel, negotiating separately, was also not prepared to settle on terms similar to those agreed with KTO. Industrial action by both groups followed. Further negotiations between FOA and RTLN produced an improved offer which union negotiators accepted in late May. At the time of writing, this offer had been endorsed by FOA's membership in a ballot, but the health cartel, negotiating separately, had not reached an agreement.

The fragmenting of the 2008 negotiations was in part a result of pressure to improve the pay of qualified women workers, who are concentrated in specific occupations. This pressure increased when the right wing DF party stated in summer 2007 that these groups were underpaid and said that specific sums should be set aside to pay them more. It intensified further following the negotiations in Finland in 2007 that led to pay improvements for underpaid women workers, and the report on women's pay from the Norwegian Gender Equality Commission in February 2008. One of the demands from the health cartel is for a commission to look at pay in occupations dominated by women in Denmark.

These events make it clear that there are significant tensions among unions negotiating at municipal and regional level, which prevented KTO maintaining a common position.

Social dialogue

Social dialogue is not a term used in Denmark, which instead refers to relationships between the two sides. There are formal structures for discussions between unions and employers at both municipal and regional level. Issues that have been discussed include, life long learning, the impact of reform of local government, labour market developments, and the implementation of EU directives and framework agreements, including projects on gender equality, stress and temporary work.

Estonia

Background

Estonia has two **trade union confederations**, EAKL, which is primarily a manual workers' confederation, and TALO, is primarily a confederation of non-manual unions which left EAKL in 1992. However, this division is not absolute, particularly in the case of EAKL, which includes the nurses' union.

In the private sector, by far the most important level for **collective bargaining** is the company, with unions negotiating with individual employers. However, only a quarter of employees are covered by collective bargaining.

Estonia has had an Economic and Social Council (ES) since 1999, providing a forum for national **social dialogue**. Tripartite negotiations have been important in developing Estonia's system of industrial relations and agreements have also been concluded on labour market policy and the minimum wage.

Local and regional government

Estonia has only a single level of local government. There are 227 municipalities: 194 "vald" in rural areas and 33 "linn" in urban areas. There are also 15 counties (Maakonnad), which are managed by a governor appointed by central government and so are part of central rather than local government.

Municipalities deal with primary and secondary education. They also have responsibility for social housing, planning, public transport; public utilities, including lighting and public heating, the environment, waster and refuse collection, culture and tourism. They no longer (since 2001) have a direct responsibility for health care but most hospitals are owned by them, either as limited companies or non-profit making foundations.

Most of those working in local government have contracts similar to those in the private sector. Here are a small number with special status as public servants, but the vast majority are normal employees.

Unions involved in local and regional government

The main union representing local and government employees other than teachers is ROTAL, which has the bulk of its membership in central government. In total ROTAL has 2,400 members – 200 in local government. ROTAL is part of the EAKL confederation.

Other unions with involvement in local government include the teachers union EHL and the cultural workers union EKAL, which includes some librarians and other municipal employees in membership. These are both TALO affiliates. In the health sector, which still has ties to the municipalities, workers are organised in ETTAL (Estonian Healthcare Professionals Unions), which has approximately 2,300 members and in EOL, the nurses' union. Both ETTAL and EOL are in the EAKL confederation.

In terms of European affiliations, ROTAL and ETTAL are both in EPSU.

Collective bargaining in local and regional government

There is no centralised bargaining for employees in local government in Estonia. Instead negotiations take place with individual local authorities, where the unions is strong enough to compel this, normally on an annual basis. The union ROTAL would like to have a single set of negotiations for the whole of the local governments sector but this has not proved possible.

Social dialogue in local and regional government

Although there is no formal structure for social dialogue at local government level, informal social dialogue is developing. Unions and the two associations representing municipalities in Estonia, ELL and EMOVL, have issued joint statements about developments at European level, held seminars on social dialogue for municipal authorities and discussed future administrative reforms in child care and elder care.

Finland

Background

Union

There are some 2.1m trade unionists in Finland. Not all of these are in the workforce, with a significant number being retired, unemployed or still students. But even when this is taken into account, a very large proportion of employees are union members: a recent independent report estimated that union density in Finland was 74.1% in 2003.¹¹

There are three trade union confederations in Finland. SAK is the largest with 1,046,000 members (all membership figures for January 2008). It largely organises manual workers, although around a third of its members are non-manual. STTK is in second place with 640,000 members. It organises the majority of non-manual workers. AKAVA, the third largest Finnish union confederation, has 498,000 members (including 101,000 students) and organises graduate employees. The three confederations work closely together and there has been a co-operation agreement between them since 1978.

All three confederations are affiliated to the ETUC.

Each of the confederations is made up of a number of separate affiliated unions, although the basis on which they are organised varies between them.

SAK has 21 affiliated unions, primarily organised on an industry basis. The largest SAK affiliate is JHL, the union for the public and welfare sectors, which has 222,000 members and which was created through a merger involving six unions in 2005. The next largest is PAM, which represents workers in the private services sector and has 210,000 members. The metalworkers' union with 167,000 members is in third place.

STTK has 20 affiliated unions organised both by occupation and industry. Its largest affiliate, with 133,000 members, is the health union Tehy. Close behind, with 124,000 members, is TU, the union representing non-manual workers in private industry and industrial services. The third largest is Pardia for the employees of central government, which has 70,000.

AKAVA with 31 affiliates is organised occupationally. Its largest union, OAJ, covering teachers, has 117,000 members.

The level of trade union organisation remains high in Finland, in part because unemployment benefits are often paid through the union. However, unions increasingly recognise that they need to take active steps to recruit those joining the labour market if they are to maintain their strength and influence. Young people are a particular target and the unions encourage students to join – AKAVA, for example, has 99,000 students in membership.

Collective bargaining

Collective bargaining in Finland has remained largely centralised with a national agreement between the union confederations and the main employers' associations normally setting the recommended framework for pay increases, often for two years or more. Negotiations at

¹¹ Union membership statistics in 24 countries by Jelle Visser, published in Monthly Labor Review January 2006

industry level are between the unions and the industry federation for that industry, although in some cases groups of unions, “cartels”, are involved. At company/organisation level, individual employers bargain with their local union organisations.

The industry level negotiations set rates and basic conditions for each industry, which provide a binding minimum. As a result, the collective bargaining coverage in Finland is very high, estimated at over 90% in 2000 by the OECD.¹²

However, this may change in the future as the employers have for some time pressed for greater decentralisation in bargaining and there is growing support for this view in both AKAVA and STTK.

Social dialogue

The centralised structure of pay negotiations has, in the past, made possible a series of social pacts, which have involved not just unions and employers, but the government as well. The pacts have not been limited to pay and working conditions but have included labour market policies, social issues and taxation, with the government committing itself to introduce legislative changes on the basis of agreements between the unions and employers.

More formally, Finland has an Economic Council (Talousneuvosto) which acts as a mechanism to improve co-operation between the government, the Finnish central bank and important groups outside government. The Council also has an explicit role as a forum, including unions and employers, on the monetary policy of the European Central Bank

Local and regional government

There are effectively two levels of local and regional government in Finland. These are the 20 regions (maakunnan liitto) and the 416 municipalities (kunta). (There have been a small number of municipal mergers in recent years and many more are expected in the future.) There are also five provinces, which are in effect part of central government, as well as one autonomous province (Åland) with much greater powers.

The municipalities, which range in size from the capital Helsinki, with 526,000 inhabitants, to Sottunga in Åland, with just 127 (figures from 2006), are the key bodies in the Finnish system of local government. They have substantial autonomy, including the right to levy taxes, and the Association of Finnish local and regional authorities estimates that central government only finances about one fifth of total municipal spending.

The responsibilities of Finnish municipalities are extensive. They are responsible for education, from pre-school provision, through primary and secondary schools to vocational institutions and polytechnics; they provide other education and cultural services, such as adult education and libraries; they run social services, including child day-care and services for the elderly; they provide health care, both primary health care, provided by doctors and health centres, as well as specialist medical care, provided through hospitals, and dental care; they are responsible for water and energy supply, refuse collection and waste management, road maintenance, land use and environmental protection; they also attempt to promote economic activity and employment.

Many services are provided jointly by several municipalities working together. There are 200 joint bodies, running services, such as health centres or vocational training institutions,

¹² OECD Employment Outlook, 2004

which some of the smaller municipalities cannot provide on their own. The 20 hospital districts, which provide specialist medical care in Finland, are also municipal joint bodies.

The regional councils, which define regional planning policy and are responsible for regional development, are also statutory joint bodies of the municipalities in the region. Their members are elected by the municipalities in the region.

With such wide-ranging responsibilities, it is not surprising that local government is a major employer. Figures from the Commission for Local Government Employers (KT), the employers' association for Finnish local government, show that there were 428,000 people employed in local government in 2006. This is equivalent to one-fifth of total employment and means that numbers employed in local government are almost three and a half times larger than the 124,000 employed in central government.

Table 1 indicates the proportion employed in different service areas and it shows that more than 80% work in health care, education and social services. The vast majority (96%) are employed on a monthly salaried basis; the remainder are hourly-paid. Among the monthly salaried staff, 86% are full-time and 75% have permanent contracts. More than three-quarter (78%) of all those employed in local government in Finland are women.

Total municipal personnel 2006	Service area
Health care	30.8%
Education and culture	26.9%
Social welfare services	25.8%
Municipal enterprises and services	4.7%
Community planning and public works	4.3%
General administration	3.5%
Property	2.2%
Public order	1.8%
Total	100.0%

Source: Commission for Local Authority Employers

Employment in local government more than doubled in the 1970s and 1980s from 200,000 to more than 400,000. The numbers fell in the early 1990s, when Finland faced severe economic difficulties following the collapse of the Soviet Union and as a result of other problems, but have subsequently grown slowly. Current estimates from the Commission for Local Authority Employers are that by 2010 the number employed is expected to fall by 10,000.

The majority of those employed in local government are employees with a normal contract. However, around 35% have a special status as "municipal officeholders" They normally have specific statutory duties, or their work involves acting directly on behalf of the local authority; in other words their work involves the use of public power. Municipal officeholders are subject to certain restrictions in terms of other work that they can do. However, overall their terms and conditions are determined in the same way as those with normal employee contracts.

Unions involved in local and regional government

The level of union density in local government is very high: the Commission for Local Government Employers (KT) estimates that 88% of local government employees are union members.

All three Finnish union confederations, SAK, STTK and AKAVA, have affiliated unions which organise in the municipal sector.

The largest is the SAK affiliate JHL. It has some 222,000 members, of whom 121,000 are in local and regional government. The largest group of its local government membership are in social care – 31% of the total, followed by health care – 17%, education – 13% and housing – 10%.

The main STTK unions with membership in local government are: Tehy, which organises health care professionals, especially nurses, and social workers and has 133,000 members (including 15,000 student members) of whom 74% work in the municipal sector – equivalent to 86,000 people; Jyty which organises non-manual employees in local government and in church bodies and has 68,000 members in total; the nurses union SuPer, which has 67,000 members in total; and STHL, the union of public health nurses, which has around 8,000 members. There are also other STTK unions which have some members employed by local government. These are a firefighters' union SPAL – with some 3,200 members, the forestry union Meto – with 8,600 members, and SLPL, a union for ships' officers with 2,700 members.

AKAVA, whose affiliated unions are smaller, has a large number of unions with members in local government. The three largest in terms of their local government members are the education union OAJ, which has 117,000 members in total, the Finnish Medical Association, which has 21,400 in total, and the social workers' union Talentia, which has 19,400. Other AKAVA unions that have membership in the municipal sector include the professional engineers union (UIL), which has a total membership of 72,600, the graduate engineers' union (TEK) with a total membership of 68,000, and the AKAVA special branches union (Akavan Erityisalat), which has 21,200 members and groups together 22 specialist member associations such as youth and sports specialists and educational administrators. In total, figures from AKAVA show that 38% of its total membership was employed in municipal government at the start of 2007. This is equivalent to some 150,000 employees.

Municipal unions have had a varied experience recently with regard to membership. While JHL, the SAK affiliate has seen membership fall slightly from 225,050 in January 2006, when it was first established through a merger, to 222,400 in January 2008, the membership of Tehy, the largest STTK affiliate in the municipal sector, has grown over the same from 124,000 to 133,000. The membership of the social workers' union, Talentia, has gone up from 17,300 to 19,400 in the same period. JHL consider that the reasons for its membership loss include privatisation, which is reducing membership, and less interest in trade unions among younger employees. However, there are also changes in the structure of the labour force, which have produced a fall in the numbers of employees with fewer qualifications and an increase in the numbers of highly skilled employees.

The largest unions in the municipal sector are all affiliated to EPSU. They are the SAK affiliate JHL, the STTK affiliates Tehy, SuPer and Jyty and the AKAVA affiliates AKAVA special branches and Talentia. In addition the bargaining grouping KTN, which brings together technical and other services, is also affiliated to EPSU, and this includes the other STTK affiliates, STHL, SPAL, METO and SLPL, as well as engineers in AKAVA. There are, however, some AKAVA unions who are not affiliated to EPSU, including the Finnish Medical Association. The teachers' union OAJ is affiliated to the European Trade Union Committee for Education ETUCE.

Collective bargaining in local and regional government

In addition to any national-level framework agreements reached between the union confederations and the employers' associations at national level, there is both sector-wide and local bargaining in the local government sector. The sectoral level agreements typically last around two or three years in terms of pay. The current agreements for the bulk of those employed run from 1 October 2007 until 31 January 2010. Within the framework of these sectoral agreements, individual local authorities can agree variations on both pay and working conditions, although the extent of these variations, particularly on pay, has varied over time.

There are five main agreements covering employees in local government. By far the largest is the general collective agreement (KVTES) which covers 305,000 employees (71%) of the total and sets the terms and conditions of a wide range of municipal employees, including kindergarten teachers, nurses, home helps and administrators. There are separate agreements for teachers (OVTES), covering 66,000, for the technical sector (TS) – 26,000, for hourly-paid employees (TTES) – 16,000, for doctors (LS) – 14,000 and then for other smaller groups, such as actors, musicians and icebreaker crews – around 1,000. (The most recent negotiations have, however, complicated this picture – see below.)

The negotiating parties are the Commission for Local Authority Employers (KT) on one side and four union bargaining groups or cartels, on the other. The union bargaining cartels are: Unioni, which brings together JHL, the largest municipal workers union, largely organising manual workers, which is part of the SAK confederation, and Jyty, organising non-manual employees in local government, which is part of the STTK confederation; JUKO, which is the negotiating body which brings together most AKAVA affiliates; TNJ, which in the past brought together the health professionals union Tehy and another nurses' union SuPer – both STTK affiliates; and KTN, which brings together unions in technical and other services, including some other STTK affiliates, STHL, SPAL, METO and SLPL, as well as engineers in AKAVA.

All four union bargaining groups are signatories to the main KVTES agreement covering the vast majority of municipal employees. The teachers' agreement and the doctors' agreement are both signed by JUKO alone. The technical agreement is signed by Unioni, KTN and JUKO; and the hourly-paid agreement is signed by a single union, JHL, on its own.

In fact the most recent negotiations in 2007 disturbed these arrangements, as Tehy, the largest health professionals' union, refused to sign the main KVTES agreement. The 28-month settlement, which was worth around 11.0% in total, included 2.0% to be paid to highly-qualified female staff, who were seen as low-paid in relation to their male counterparts – the recently elected government had made this part of its electoral programme. However, Tehy, the vast majority (93%) of whose membership is female, considered that this was insufficient. Following further negotiations and the threat that 13,000 of Tehy's members would resign from the health service, a new agreement, solely for Tehy members was signed in November 2007. This provides increases above those paid to members of other unions over the four years of the agreement, although the extent of the increase is disputed between the union and the employers. While Tehy considers that the deal in total is worth between 22% and 28% over four years, the employers estimate it is worth only between 15.7% and 17.7%. Nevertheless the fact that Tehy signed its own agreement represents an important division in the union side. There is no longer any cooperation between Tehy and another nurses' union SuPer in the union bargaining group TNJ.

Social dialogue in local and regional government

In Finland the term social dialogue is only used in respect of discussions relating to the European Union. Within Finland the phrase used is “cooperation between employees and employers”. Within the municipal sector, cooperation was in the past regulated by a general agreement on a joint consultation procedure. However, since September 2007 cooperation in the sector has been regulated by law.

This law applies to cooperation at the level of individual municipalities and requires at the very least that there is consultation and discussion between employees or employee representatives (normally unions) where there are changes with significant implications for employees in the organisation of work, the service the local authority provides, in the municipalities themselves or in the cooperation between them. This includes redundancies, transfers, the use of agency workers and outsourcing, as well as many other issues.

There are also discussions at national level between the employers' association KT and the unions on a range of topics. These include: the quality of working life, the development of cooperation between employers and employees, health and safety, and the further training needs of older workers. Collective bargaining also goes beyond immediate pay and conditions issues. The current KVTES agreement, for example, also covers topics such as the use of temporary employees, the arrangements for union representatives and other procedural issues.

France

Background

Unions

Official figures from the national household survey show that there are some 1.9m trade unionists in employment in France. This means that 8.2% of all employees in France are in unions. In addition the unions have a number of unemployed and retired members, adding another 400,000 to this total.¹³

There are five main union confederations with membership across the whole of the economy. They are the CGT, CFDT, CGT-FO (better known as FO), the CFTC and the CFE-CGC which primarily represents professional and managerial employees. These five are all considered "representative" at national level. This status automatically gives them rights to negotiate or to nominate candidates for elections (for the CFE-CGC this just applies in respect of professional and managerial staff). There are also other union groupings, such as the FSU, UNSA, and Solidaires. They have significant influence, particularly in the public sector, but they do not at present have the legal status of the five "representative" confederations, although in specific cases they can ask a court to accord them "representative" status.

There is considerable rivalry between the confederations, but the reasons for the differences are not always clear and there can also be a gap between the political positions put forward by the leadership and those supported by the membership.

There are two methods to measure the relative support for the separate union confederations – their membership numbers and the votes they get in the various elections for employee representatives which take place in France.

In membership terms, the CFDT states it is in the lead with 804,000 members at the end of 2006. The CGT states it had 712,000 at the end of 2004, while FO is estimated to have some 300,000. However, these figures have been disputed by some observers.¹⁴

In terms of support in the elections, the main test is the five-yearly election of members of union members of the employment tribunals, although this only covers the private sector. Here, in the latest elections in 2002, the CGT was in the lead, with 32.1% of the vote, followed by the CFDT with 25.2%, FO with 18.3%, CFTC with 9.7%, the CFE-CGC with 7.0%, UNSA with 5.0% and Solidaires with 1.5%.

All the main confederations are organised on similar lines with a parallel structure of industry federations and geographical groupings. However, although there may be tensions between the different elements, power is concentrated at the level of the confederation.

The decline in overall trade union membership, which was continuous between the mid 1970s and the early 1990s, appears to have been stemmed, with the proportion of employees in unions slightly higher in 2003 than 10 years earlier. French trade unionism is much stronger in the public sector, where around 15% of employees are in unions, than in the private sector, where the figure is only 5%.

¹³ Mythes et réalités de la syndicalisation en France, DARES October 2004

¹⁴ An article in the magazine *Liaisons Sociales* in September 2007, suggested the CGT had 510,000 members, the CFDT 450,000 and FO 310,000.

Despite their weakness in terms of membership, French trade unions have been able to mobilise their members for mass action, and, on occasion, change government policy. The most recent example was forcing the government to withdraw its plans for a new employment contract for young workers in 2006.

Collective bargaining

Collective bargaining in the private sector can take place at least three levels: at the national level covering all employees; at the industry level which can involve national, regional or local bargaining; and at company or plant level.

The framework for collective bargaining in the private sector has been changed by new legislation, approved in April 2004. In essence, this makes it easier for company agreements to diverge from industry level agreements. In the past, company level agreements could only improve on the industry level agreement by which the company was covered. The new legislation also makes it more difficult for an agreement to be signed by one union in the face of opposition from the others. However, as yet there is no clear evidence that this has led to substantial changes

Industry level bargaining is the most important level for collective bargaining, in terms of numbers covered. However, some of the agreements signed have only limited importance in determining pay as many of the rates they set are below the national minimum wage, which then supersedes them.

Overall, formal collective bargaining coverage is very high. Studies by the ministry of labour's research arm DARES estimated that the proportion of employees covered by collective bargaining in the market sector outside agriculture was 97.7% in 2004 and that 58.6% of employees were covered by company level bargaining in 2005.¹⁵ However, another DARES study emphasises that negotiated general pay increases are only part of the picture for most French employees. In 2004, only 34% of those whose pay went up depended on a general increase; 49% saw their pay increase because of a combination of a general increase and individualised pay rise, and 17% depended entirely on an individualised pay rise.¹⁶

Social dialogue

Formal social dialogue is well developed in France. There is an economic and social council, the CES. This is a statutory consultative body with 231 members, of which 69 come from the unions, 65 from the employers, 19 from co-operatives and similar mutual bodies, 10 from family associations and 68, who are nominated by the government.

In addition a report into social dialogue found that there were more than 100 other bodies providing space for formal discussions between unions and employers.¹⁷

¹⁵ La couverture conventionnelle et les conventions collectives de branche du secteur concurrentiel non agricole, DARES, November 2006 and Négociations collectives et grèves dans le secteur marchand en 2005 : la moitié des entreprises d'au moins 50 salariés a négocié, June 2006

¹⁶ L'individualisation des hausses de salaire de base en 2004 : près de six salariés sur dix concernés, DARES, March and November 2006)

¹⁷ Pour une modernisation du dialogue social : rapport au Premier Ministre, Dominique-Jean Chertier, April 2006

Local and regional government

There are three layers of government below the national level in France – regions, departments and municipalities – and, in contrast to states with a more federal structure, none of these levels has a legislative role.

There are 22 regions¹⁸, of which by far the largest in terms of population is the Île de France around Paris with 11.4 million inhabitants. Corsica, in contrast, has only 277,000, although despite being the smallest, its island location and history mean it has more extensive powers than other regions. The main powers of the region are in planning, economic development, occupational training, the construction and maintenance of higher level secondary schools (lycées) and transport.

Below the regions there are 96 departments, which also range widely in size. The largest in population terms is Nord with 2,576,000 inhabitants around Lille in the north of France, followed by Paris with 2,154,000. The smallest is Lozère in the south, with only 77,000. Departments have a wide range of functions, including the provision of social services, economic development, maintenance of the national road network and some transport responsibilities, and the construction and maintenance of schools for the first stage of secondary education (collèges).

Below this level there are 36,600 municipalities (communes). The vast majority of these (87%) have fewer than 2,000 inhabitants, but there are ten which have more than 200,000. These include Paris which has 2,154,000 and is both a department and a municipality. (The figure for Paris is for the administrative area. Greater Paris, including several departments, has some 9.6 million inhabitants.) All municipalities have the same range of powers, irrespective of their size. As well as a range of civic functions, such as the registration of births, marriages and deaths, they are responsible for social services, including child care and elder care, the construction and maintenance of primary schools, housing, some public health measures, cultural activities and the municipal police. Paris, Marseille and Lyon – the three largest communes in terms of population – are further divided into districts (arrondissements), which have some although not all of the powers of the municipalities.

In contrast to some other countries, the health service is not part of local government in France. In addition, although schools are built and maintained by the local authorities, teachers are employed by the state at national level.

There are 1.61 million people employed in local government in France (Fonction publique territoriale), equivalent to 1.46 million employed full time (figures as at 31 December 2005).¹⁹ This compares with 2.54 million employed by the state at national level, including million 1.16 in education, and 1.02 million employed in the state hospital service, including other public health institutions. This means that employees in local government account for just under one third (31.1%) of the 5.18 million employed in the public services.²⁰

Almost two-thirds (61.6%) of those employed in local government are working at municipal level, and the percentage rises to 79.7% if municipal and inter-municipal agencies are also included, as table 1 shows. Very few are employed in the regions.

¹⁸ This does not include French territories overseas. The same applies to the numbers of departments and municipalities.

¹⁹ These and the subsequent statistics in the section come from Rapport annuel fonction publique: Volume 1, Faits et chiffres 2006,2007, DGAFP 2007

²⁰ The public sector as a whole, including state-owned companies, private sector bodies funded by states (largely in schools and hospitals), subsidised employees and those employed by other public bodies, employs 6.86 million – 28% of all those employed in France.

Table 1: Personnel by type of organisation

Type of organisation	Number of employees	Percentage
Municipalities	993,905	61.6%
Municipal agencies	109,954	6.8%
Inter-municipal agencies	183,079	11.3%
Departments	201,601	12.5%
Departmental agencies	89,737	5.6%
Regions	15,116	0.9%
Other local agencies	19,829	1.2%
Total	1,613,221	100.0%

Source : Rapport annuel fonction publique: Volume 1, Faits et chiffres 2006-2007, DGAFP 2007

Table 2 gives an indication of the type of work performed by those employed in local government – employees work in eight occupational groups. It shows that the largest percentage of employees (44%) is in the technical area (public works), although there are also substantial numbers working in administration and in the social field. The majority of public servants in France have a special status (see below) and the table also indicates the proportion in each group who do not have this status.

Table 2: Personnel by type of occupation

Occupational group	Proportion of employees	Percentage without special status in occupational group
Administrative	23.2%	12.1%
Technical	44.0%	17.3%
Cultural	4.4%	17.3%
Sport	1.3%	28.8%
Social	10.3%	23.6%
Medical-social	4.8%	22.0%
Medical-technical	0.2%	24.3%
Fire and rescue	3.0%	0.6%
Police	1.4%	3.2%
Entertainment	5.7%	64.2%
No occupational grouping	1.3%	92.2%
Unknown	0.3%	98.8%
Total	100.0%	20.9%

Source : Rapport annuel fonction publique: Volume 1, Faits et chiffres 2006-2007, DGAFP 2007

In principle those employed by the state in France should be public servants with a special status – that of *fonctionnaire titulaire*. Public servants with this status have both a right to join unions and to strike, but do not have full collective bargaining rights (see below). They must be recruited, except at the lowest level through an open competition, and once recruited their career is with the service rather than with an individual employer. Promotion is through length of service or competitive examination and there is a three-level hierarchy – A, B and C – based on educational qualification. Public authorities should only employ people outside this framework, so-called “non-titulaires”, in exceptional circumstances – to meet short term needs of unexpected demands, or if there are no suitably qualified public servants with this status.

In practice, the “non-titulaires” make up 14.8% of the 5.2 million public servants in France. However, in local and regional government, the percentage is higher at 20.9%. One reason

for this, as the annual report on the public service indicates, is that there are certain occupations, notably those linked to information technology, which are currently not included within the occupational groupings for public servants in local government. Many of the “non-titulaires” are also taken on for only part of the year; this is frequently the case, for example, for those working in entertainment, where the proportion of “non-titulaires” is high.

Of the overall 1.61 million employed by local government and linked agencies – 1.23 million are public servants with special status; 325,000 are “non-titulaires” and 55,000 are child carers.

The number employed in local government has risen in recent years, in part driven by the new tasks they have undertaken as a result of centralisation. Between 1994 and 2005 total employment went up by almost a third (31%) from 1.2 million to 1.6 million and between 2004 and 2005 it increased by 2.5%.

Unions involved in local and regional government

As at national level, a range of unions are present within local government. All five nationally representative union confederations have federations, sometimes more than one, with members in local government.

The main federation in the CGT is CGT-FSP, which covers employees in local government (municipalities, departments, including the fire and rescue service) as well as water companies in the private sector and other areas, such as funeral services. It does not include public servants at national level or in the hospital service. It states it has 64,300 members (December 2006). The other CGT organisation with membership in local government is section of UFICT-CGT, which organises senior staff (primarily in grades A and B). (The UGTFF-CGT, another CGT union grouping, organises staff in central government and excludes those employed in local government.)

The main CFDT federation is INTERCO-CFDT. It organises employees in local government and in other areas, including private water companies. It states it has 35,000 members in total, of whom 26,500 are in local government, mostly (72%) in the municipalities. Its membership rose steadily between 1989 and 2002 but fell in 2003 and 2004. Since then number have stabilised (2005) and are now again increasing (2006). As with the CGT there is another CFDT organisation, CFDT-UFFA, which organises employees in central government.

The main organisation in FO which represents employees in local government is the public service branch of the FSPS-FO. (The FSPS-FO as a whole also includes members in the hospital service.) The public service branch of the FSPS-FO organises employees in local government, as well other services such as water. The only published figures on membership are those in a European report on union representativeness published in 2001, which stated that the FO in local government had 50,000 members.²¹

Almost certainly the next largest union body in local government is UNSA-Territoriaux, set up in January 2006. It belongs to a large body UNSA-Fonctionnaires, which in turn is part of UNSA. There are no published figures on membership.

²¹ Institutional representativeness of local public sector trade union and employers' organisations in the EU, Université Catholique du Louvain, 2001

The CFTC federation for local government is FNACT-CFTC. The only published figures on membership are those in the European report on union representativeness, referred to above, which stated that the FNACT-CFTC had 12,000 members.

CFE-CGC members in local government are included in the UFCFP, whose members include senior public servants across all three sectors, national, local and hospital. The UFCFP does not list any specific federation covering local government, but the representativeness report stated that the CFE-CGC had 4,400 members in local government.

At European level, CGT-FSP, INTERCO-CFDT, FSPS-FO and UNSA-Fonctionnaires are affiliated to EPSU; FNACT-CFDT is affiliated to Eurofedop; the UFCFP is affiliated to CESI and the CFE-CGC is affiliated to the CEC.

Another indication of the relative strength of the various unions in local government is the support they receive in the elections to the joint consultative bodies – the CAP, which deals with individual career development and the CTP, which deals with issues of work organisation and, except where large numbers of employees mean there is a separate committee, health and safety. These elections, which are organised for the three levels of the public service hierarchy – A, B and C, take place at the same time every six years, after the municipal elections.

In the most recent elections to the CAP in December 2001, the CGT was in the strongest position, getting almost a third of the votes (31.6%) followed by the CFDT with 26.3% and FO with 21.2% (see Table 3). The turnout was 66.2%. Looking back over the last 20 years, the CGT has been consistently in the lead, while the CFDT overtook FO in 1995.

Table 3: Results of the elections to the CAP in local government December 2001

Union	Votes cast	Percentage of votes
CGT	185,671	31.6%
CFDT	154,386	26.3%
FO	124,874	21.2%
UNSA	56,402	9.6%
CFTC	35,690	6.1%
Solidaires	7,467	1.3%
CFE-CGC	6,960	1.2%
Others	16,352	2.8%
Total	587,802	100.0%

Source : Rapport annuel fonction publique: Volume 1, Faits et chiffres 2006 -2007, DGAFP 2007

Collective bargaining in local and regional government

The possibility of collective bargaining in the whole of the public sector, including local government, is complicated by the fact that terms and conditions of the vast majority of the workforce – those with special status (fonctionnaires titulaires) – are set by legislation and regulations. In other words the final decision is taken by the government. In strictly legal terms, therefore, there is no collective bargaining. On the other hand legislation passed in 1983 states that trade unions are entitled to conduct “negotiations with the government” before decisions on pay rises are taken, and to “debate questions relative to the conditions and organisation of work”.²²

²² Loi n°83-634 du 13 juillet 1983 Loi portant droits et obligations des fonctionnaires, Article 8

The key mechanism for increasing pay of public servants is through an increase in the value of the points on which all salaries are based, and there are normally annual discussions/negotiations on this issue. From the point of view of local government it is important to emphasise that these central discussions/negotiations cover the whole of the public service – central government, local government and hospitals.

The whole process has been criticised by the unions and the 2006 Chertier report on social dialogue also pointed to severe problems in this approach.²³ These included:

- that there is no calendar for negotiations or for increases, with the timetable often depending on political considerations;
- that they are conducted centrally and cover five million people;
- that the negotiations take little account of other influences on the pay of public servants, who also receive payments linked to the specific job they do; and
- that their impact on public finances is so large that the most senior political figures become involved and the room for genuine negotiations disappears.

Although the unions do not share all these views, it is clear the process has major flaws.

In addition to these discussions/negotiations on pay at central level, there have also been negotiations within each of the three public services on other issues, although the only agreement signed for local government at national level was on training in 1990. There were, however, local negotiations with individual local authorities on the reduction of working time, following legislation in 2001. Individual local authorities also have some freedom to vary pay arrangements for bonuses and other supplements, although within national limits.²⁴

Social dialogue in local and regional government

The formal structure of social dialogue in local government in France is well developed, although the boundary between collective bargaining and more general social dialogue is poorly defined. At national level there is a national council for local government, the CSFPT, which must express its opinion on legislative proposals which may have an impact on public servants employed in local government. There are also local committees dealing with work organisation, CTPs (see above), in each local authority employing at least 50 people – authorities with fewer employees than this are linked to a larger authority. There are separate local committees, CAPs (see above), at departmental level dealing with career development. In fact there is a separate CAP for each of the three levels of the public service hierarchy. These are all joint committees with elected employee members. The unions take the seats in line with the support they receive in the elections, although at national level the membership of the committees also guarantees seats to nationally representative trade unions. These bodies only represent public servants with special status. The “non-titulaires” are not covered.

INTERCO-CFDT identifies the key issues at national level as being the concerns linked to the status of public servants, salaries and the struggle against precarious employment. It sees the key local issues as being arrangements for bonuses and supplements, working conditions and giving public servant status to temporary and other similar workers on precarious contracts.

²³ Pour une modernisation du dialogue social : rapport au Premier Ministre, Dominique-Jean Chertier, April 2006

²⁴ Rapport Fournier: le dialogue social dans la fonction publique, 2002

Germany

Background

Unions

There are some 8.3m trade union members in Germany. However, this includes a substantial number of retired trade union members, now 20% of the total and growing. As a result, a recent independent report estimated union density in Germany was 22.6% in 2003²⁵, and it has fallen since then.

The main trade union confederation in Germany is the DGB, which aims to recruit all types of worker. It is by far the largest confederation, and the unions affiliated to it have 6.6m members (end 2006).

Traditionally DGB unions have been organised primarily on an industrial basis. However, since the start of the 1990s there have been a number of major mergers, which have fundamentally changed the picture. A majority of the members of DGB unions are now in two very large unions – IG Metall, which organises in metalworking and other sectors and has 2,333,000 members, and Ver.di, which was created in 2001 from a merger of five unions in the service sector, and has 2,275,000 members (end 2006). Many Ver.di members are in the public sector. The third largest DGB union, with 729,000 members, is IGBCE, which primarily covers chemical and energy workers. There are five other smaller unions.

DGB unions face significant competition from non-DGB unions only in the public sector and former public sectors, where the DBB has 1.27m members. There is also a smaller Christian confederation, the CGB, with around 300,000 members and a handful of small unions representing specific occupations, such as airline pilots, doctors and air traffic controllers. The DGB is affiliated to the ETUC and the DBB and the CGB are both affiliated to CESI

The DBB is made up of 45 unions each covering a specific area of the public sector or former public sector, such as teachers in vocational colleges or those working for the German border police. Many of its members are in public services with a special status, who by law cannot take industrial action and whose pay and conditions are not negotiated (see section on local government). But the DBB also organises workers with normal employee rights, and in negotiations in the public sector, which are led by Ver.di, it represents 350,000 members.

There are 16 individual unions in the CGB.

Overall union membership has fallen steadily since German unification. The DGB has been most severely affected losing 43% of its membership since its peak in 1991, despite absorbing the DAG with 460,000 members through the creation of Ver.di. (Union membership in the former East Germany, which initially was high, fell very sharply as overall employment there declined.) Trade union membership is strongest among manual workers in manufacturing and in the public services, but much weaker among workers in the private services sector.

Collective bargaining

²⁵ Union membership statistics in 24 countries by Jelle Visser, published in Monthly Labor Review January 2006

Collective bargaining at industry level between individual trade unions and employers' organisations is still the central arena for setting pay and conditions in Germany. Separate agreements between trade unions and specific employers are rare, although there are some exceptions such as the agreement covering the motor company Volkswagen.

Figures from government-backed research body the IAB for 2005 show that 67% of employees in the former West Germany are covered by collective agreements – 59% signed at industry level and 8% at company level. In the former East Germany the overall figure is lower – 53% covered by any agreement – and only 42% are covered by industry agreements, compared with 11% by an agreement signed at company level.

Social dialogue

In the sense of ongoing discussion between unions, employers and the government on major issues, social dialogue has a long history in Germany. However, the unions feel that there is a need for social dialogue to be further developed. In particular, there is no formal institutional structure for social dialogue similar to the tripartite economic and social councils that exist in many other EU states.

Local and regional government

There are three levels of government below national level in Germany, the region (Bundesland), the district (Kreis) and the municipality/town (Gemeinde/Stadt). There are 16 regions, around 320 districts and some 14,000 municipalities/towns. Because of the federal nature of German government, the distribution of responsibilities varies from region to region.

In broad terms the responsibilities are divided as follows. The regions, which also have legislative functions, are responsible for culture, education, the environment and the police and share responsibility for social policy and justice with central government. The districts are responsible for the collection of refuse, road construction and maintenance and youth and social assistance, and can take up functions in the areas of economy and tourism. The municipalities/towns are responsible for urban planning, water management, social and youth work and the building and maintenance of schools. Larger towns take over some of the responsibilities of the districts and there are 118 towns and cities in Germany, which are not part of a district and take on all their responsibilities (kreisfreie Städte); these include relative small towns, like Neumünster or Suhl, as well as major cities, like Frankfurt (Main) or Munich. Berlin, Hamburg and Bremen are in a particular position, as they are both cities without districts (kreisfreie Städte) and regions (Bundesländer).

Figures from the Federal Statistics Office show that in total 3,355,000 were employed in regional and local government in June 2005²⁶. Of these 2,077,000 were employed at regional level and 1,278,000 at local level (districts and municipalities/towns). More than four out of ten (43% or 1,442,000) were civil servants with a particular status (Beamte), which means that their pay is set by law rather than negotiated and they have no right to take strike action. However, while 61% of those employed at regional level were civil servants of this type – principally teachers, police and those employed in the justice system – the proportion of civil servants at local level was much lower, at only 14%.

²⁶ Statistisches Bundesamt Fachreihe 14/ Reihe 6, Januar 2007

Table 1 indicates the numbers of public employees by working in different areas at regional level and shows that almost half work in education, with close to another quarter working in the areas of public security (police) and justice. In addition to the 2,077,000 listed in the table, there were another 262,000 employed in other bodies, largely also in the area of education, with a separate legal structure.

Table 1: Employees at regional level

Type of work	Number of employees	Percentage
General administration	261,482	12.6%
Public security (primarily police)	283,41	13.6%
Justice (courts and prisons)	183,205	8.8%
Education, science and culture (includes both schools and universities)	1,018,724	49.1%
Social security	43,893	2.1%
Health, environment and sport	23,697	1.1%
Housing and planning	18,512	0.9%
Food, agriculture and forests	22,262	1.1%
Energy and water (monitoring and planning)	5,147	0.2%
Traffic and transport	25,140	1.2%
Companies (mostly energy and water companies)	9,453	0.5%
Other bodies with special status (such as some hospitals and universities)	181,996	8.8%
Total	2,076,852	100.0%

Source: Statistisches Bundesamt Fachreihe 14/ Reihe 6, Table 4.1 January 2007

Table 2 provides similar information for public employees at local level (districts municipalities/towns) and shows a more even split between a range of functions. In addition to the 1,278,000 employees listed in the table, there were another 392,000 employed in other bodies owned by local authorities but with a separate legal status. The majority were employed in the areas of health, sport and leisure.

Table 2: Employees at local level

Type of work	Number of employees	Percentage
General administration	227,960	17.8%
Public security	85,951	6.7%
Fire service	28,096	2.2%
Schools	105,219	8.2%
Science, research and culture	58,611	4.6%
Social security	254,203	19.9%
Health, sport and leisure	59,256	4.6%
Building, housing and traffic	111,519	8.7%
Public bodies, including waste disposal	87,555	6.9%
Companies	14,095	1.1%
Other bodies with special status (half the employees work in hospitals and similar institutions)	245,330	19.2%
Total	1,277,795	100.0%

Source: Statistisches Bundesamt Fachreihe 14/ Reihe 6, Table 5.1 January 2007

Unions involved in local and regional government

The largest union in local and regional government is Ver.di with almost 300,000 members at local level and tens of thousands at regional level. Ver.di is affiliated to EPSU

The most important DBB union in local government is the komba gewerkschaft with 70,000 members at regional and local level. There are also some much smaller DBB unions involved, including VDSträ, covering street and traffic technicians, and DVG covering general administration. As part of the DBB, they are linked to CESI, as is GÖD, the main public sector union within the CGB.

Relations between Ver.di and the DBB have in the past sometimes been tense. However, in August 2007 Ver.di and the DBB launched a joint “Initiative for public services”. The aim is to protect public services against further cuts under the slogan “enough saved”.

Collective bargaining in local and regional government

Until October 2005 pay and conditions for employees in the public sector (at national, regional and local level) were governed by separate agreements for non-manual and manual employees. These arrangements, which were first introduced in 1961, had become extremely complex and difficult to manage and were accepted by both employers and unions as inappropriate for modern conditions. (They did not cover civil servants (Beamte), although legislation setting their salaries, frequently reflected the collectively negotiated arrangements.)

In 2003 employers and unions agreed that work should begin on drawing up new arrangements, and after two years the broad principles of a new agreement were reached, although in 2004, in the course of the negotiations, one of the groups of employers – TdL, the employers’ association representing the regional authorities – withdrew. As a result the agreement in principle signed in February 2005 only applied to local and central government. Further negotiations on the details of the arrangements followed and in October 2005 a new agreement for public services (TVöD) came into force. This agreement provided a single set of arrangements for both non-manual and manual workers established a single revised pay scale for employees at both national and local level, as well allowing greater flexibility in working time and a better framework for obtaining and valuing qualifications. A common 39-hour week was introduced for all employees at national level, where previously those in the West had worked a 38.5-hour week, while those in the East worked 40 hours.

In 2006, with the regional authorities still outside the deal and calling for an increase in working time, and several local authorities also pressing for longer hours, there were a series of major conflicts between the unions and the employers, involving weeks of strike action. Compromise deals with local authorities grouped on a regional basis were reached first, and a settlement with TdL for the regional authorities was agreed in May 2006. The two sides signed a new agreement for the regional authorities, known as TV-L, in August 2006. This is very similar in its provisions to the agreement signed for national and local government, the TVöD.

The current situation is therefore that there are two separate but similar nationally negotiated agreements for employees in regional and local government, the TV-L for the regions and the TVöD for the local authorities (and national government). The potential for variations in hours between different local authorities, which was part of the 2005 settlement,

was removed by the settlement in 2008. All full-time employees in the former West Germany are now on a 39-hour week and those in the former East Germany work 40 hours.

The unions involved in negotiations at both national and local/regional level are Ver.di and the Tarifunion of the DBB.

Social dialogue in local and regional government

There is no formal social dialogue in local government at national level, where unions are guaranteed a hearing.

At local level, however, there is a system of personnel councils (Personalräte), elected by the employees, who must be informed and consulted on a range of issues. Each official body with at least five employees has the right to set up a personnel council, with representatives from the different types of employee (those with special status, manual and non-manual workers). In some cases the employee representatives must agree to the employer's proposal before it can be carried out, with recourse to arbitration and the courts if agreement cannot be reached. The precise rights vary from region (Bundesland) to region.

The rights and responsibilities of the personnel councils are similar to those of works councils (Betriebsräte) in the private sector. Overall however, their powers are not as great as those of the works councils.

Personnel councils are not union bodies, although the unions provide substantial support for their work, and many members are also union activists.

Greece

Background

There are two main **trade union confederations** in Greece: the GSEE, which organises private sector employees and employees in firms and sectors under public control (such as banks and transport and utilities like electricity and water-supply) and ADEDY, whose membership is only public servants, although these include teachers as well as those working in ministries and local authorities.

Collective bargaining in the private sector takes place at national, industry and company level. The national agreement, normally negotiated every two years, is important as it sets the minimum wage. Industry level negotiations are more important than company level negotiations in terms of numbers covered but employers are pushing for more company level deals.

Since 1994 Greece has had an Economic and Social Council (OKE), modelled on the European Economic and Social Committee, with equal numbers of representatives from employers, unions and other interest groups, such as farmers, consumers and local government. However, there are also other forms of **social dialogue**, notably the two-yearly negotiations between employers and unions on the General National Labour Collective Agreement, which set the minimum wage but also covers a range of other issues, such as training and productivity.

Local and regional government

There are three levels of local and regional government in Greece: 13 regions (peripheria), 54 prefectures (nomoi) and 1,033 municipalities. (There was a massive reorganisation at the municipal level in 1998, which cut the number of municipalities from almost 6,000 to just over 1,000.) The highest level of regional and local government – the region – is primarily an arm of central government, as it is headed by a representative appointed by the centre, although its council represents the prefectures.

The regions are responsible for regional economic development. The prefectures manage local services, deal with urban development, build schools, look after open spaces, encourage economic development and have a very limited role in health. The municipalities are the most significant level of local government and they are responsible for public transport, the upkeep of schools, local roads, waste collection, public cleaning, medical dispensaries, provision of shelters for homeless people, cultural events, care for the elderly and nurseries, as well as also having an economic development role. Many municipalities have also set up their own municipal enterprises providing a range of services.

In contrast to many other EU states, both education and health are largely outside the responsibilities of local and regional government. They are managed through the central government, although there are local structures.

Total public sector employment, excluding the military and those employed by semi-state bodies, totalled 486,600 in June 2006. Of these, 436,600 were permanent staff with special

status as public servants, 16,200 were contract staff on open-ended contracts and 33,800 were fixed term contract staff.²⁷

It is estimated that there are some 90,000 employees in the municipalities and prefectures with two-thirds working at municipal level²⁸. The majority of employees have a special status as public servants and are covered by a code governing their appointment, treatment and conditions – it determines leave, sickness and disciplinary arrangements, for example. The remainder have contracts similar to those in the private sector, which may be indefinite, or fixed term, or for a specific purpose. There has been a tendency for the numbers of employees on fixed-term contracts to increase.

Unions involved in local and regional government

The most important union in local government in Greece is the POE-OTA, which has some 62,000 members. There are also two, much smaller union bodies POP-OTA with 3,500 members and OME-OTA with 750. (Figures for all three unions come from POE-OTA.) The relations between the three unions have been marked by disagreements in the past, and POE-OTA's basic view is that the two other unions should merge with it.

Together with representatives of central government and KEDKE, the organisation for the municipalities, representatives of both POE-OTA and POP-OTA sit on the special administrative board, which among other things, operates as a disciplinary board for senior local government officials. All three unions, POE-OTA, POP-OTA and OME-OTA are affiliated to ADEDY, which in turn is affiliated to EPSU.

There is also a union representing employees at prefecture level – POSYN. It is also affiliated to ADEDY.

Collective bargaining in local and regional government

There is a distinction between those who have a special status as public servants and those who are employed on the same contractual basis as private sector employees.

The pay and conditions of those with special status as public servants are set centrally, and although in principle there is collective bargaining, and unions are able to submit proposals on pay increases, in practice pay is set unilaterally by the government. The key role is played by the Ministry of the Interior, Public Administration and Decentralisation and the Ministry of Finance, with KEDKE, the organisation which represents the municipalities, playing only a subsidiary role. Key conditions such as leave, promotion, transfer rights and discipline, are included in the "Code of Municipal and Community Officials" which is in the form of legislation.

The pay and conditions of those, the minority, employed on the same contractual basis as private sector employees are negotiated annually, although again it is central government which represents the employers, and central government plays the central role in determining employees' conditions.

²⁷ Budgeting in Greece: Working Party of Senior Budget Officials, OECD June 2008

²⁸ Institutional representativeness of local public sector trade union and employers' organisations in the EU, Institut des Sciences du Travail, Louvain, December 2001

Social dialogue in local and regional government

There is a formal system of social dialogue in Greece and the key issues discussed are the insurance system, labour relations and the extent of responsibilities of local government organisations.

Ireland (this section needs revision)

Background

Unions

There are some 565,000 trade unionists in the Republic of Ireland, and the labour force survey of 2004 shows that 35% of all employees are union members.

Unions belong to a single trade union confederation in Ireland, the ICTU with 56 individual affiliated trade unions. The ICTU covers both the Republic of Ireland where there are 555,000 members and Northern Ireland, where there are 219,000 (figures from 2006). The affiliated unions include unions based in both Northern Ireland and the Republic of Ireland as well as some based in Great Britain. There are no significant employee groupings outside the ICTU.

Although the ICTU plays an important part in relations with government, it is a grouping of independent and autonomous unions rather than a confederation which dominates and directs the unions which belong to it.

By far the largest union affiliated to the ICTU is SIPTU, a general union, with membership in many industrial sectors. SIPTU has 210,000 members in the Republic of Ireland, 38% of the ICTU's membership in the Republic. The next largest unions in the Republic are the public services union IMPACT, with 54,000, the retail workers' union MANDATE, with 39,000 members, the Technical Engineering and Electrical Union (TEEU) with 37,000 and the teachers' union INTO with 33,000 (figures as at end 2004).

The ICTU is affiliated to the ETUC.

Despite a rise in the number of union members of around 100,000 in the last ten years, the proportion of employees who are union members has fallen. The labour force figures show a decline from 46% in 1994 to 35% in 2004. This reflects changes in the labour market. In particular unions have found it difficult to break into many of the growing sectors of the economy such as electronic companies and private services, many of which belong to foreign multinationals.

Unions are much stronger in the public sector – where around two-thirds of employees are members – than in the private sector – where the proportion is less than a third.

Collective bargaining

Collective bargaining can take place at both company and industry level (often for regions) and has no clearly defined structure. In the private sector, particularly in newer industries, it is more likely to take place at company level while in the public sector, such as in the health service or the civil service it is at national level. There are no statistics on the coverage of collective bargaining – the proportion of employees affected.

Negotiations are normally between unions or groups of unions and individual employers or employers' federations. The negotiations in companies will often be undertaken by the shop stewards, although often with the support of the full-time union official. Trade unions need a licence to negotiate and the system aims to exclude unions which are very small or financially unviable.

Collective agreements can be signed at any time during the year and usually last 12 months.

However, since 1987, national pay pacts have provided a framework for bargaining in Ireland (see Social dialogue below). Agreed between the unions, employers and government, they are not legally binding but have been widely observed.

The national pacts set pay increases in advance. The current pact, Towards 2016, provides for staged increases. Unlike some earlier pacts there is no explicit opening for local pay bargaining.

Social dialogue

Ireland has had a body providing a forum for social dialogue, the National Economic and Social Council (NESC) since 1973. As well as representatives of the government, the unions and the employers, it also has members from the agriculture and farming industry and community organisations. There are also independent members. Its role has from the start been to analyse developments and report to the Prime Minister on strategic economic and social issues.

However, in the late 1980s it played in developing the first of a series of social pacts (the first was the Programme for National Recovery), which deal with pay but also broader economic and social issues.

These pacts are not negotiated within the NESC but directly between the parties, principally between the unions and employers, with the government intervening on key issues and to encourage agreement. They do not have legal force but unions and employers' organisations are expected to exert discipline on their own members.

The national pay pacts themselves are wide ranging. As well as pay, Towards 2016, for example, covers pensions, compliance with labour standards, and work-life balance issues.

Local and regional government

Local government in Ireland consists of a number of local and regional authorities at three levels employing around 30,000 people. These employees constituted just 13% of employment in the public administration employment in Ireland in 2005 – the lowest proportion in Western Europe in 2005, indicating that the great majority of employment in this sector continues to be centralised in Ireland.

The primary units of local government are at county/city level, covering 29 county councils, five city councils, five borough councils and 75 town councils. Secondly there are eight regional authorities, who co-ordinate some of the county/city and sub-county activities and have a monitoring role in relation to the use of EU structural funds, and thirdly two regional assemblies, which promote the provision of public services in their areas and manage and monitor the impact of operational programmes under the Community Support Framework.

The local authorities are democratically elected bodies and each has an elected council whose functions are defined by law. The day-to-day management of the local authority, including staffing matters, is vested in a full-time chief executive, known as the county or city manager. The manager and staff carry out “executive functions” which are within policy parameters as determined by the council, rather than by law.

The main functions of local government are:

housing and building – provision of social housing, assessment of housing needs, housing strategies, homelessness, housing loans and grants, Traveller accommodation, voluntary housing, private rented sector and housing standards

roads and transportation – road construction and maintenance, traffic management, public lighting, collection of motor taxes, driver licences, taxi licensing

water and sewerage – water supply, waste water treatment, group water schemes, public conveniences

planning and development – Adoption of development plan, decisions on planning applications, urban or village renewal plans and works, heritage protection, industrial and tourism infrastructure and support

environmental protection – waste collection and disposal, waste management planning, litter prevention, the fire service, civil defence, air/water pollution controls, burial grounds, building safety

recreation and amenity – public libraries, parks and open spaces, swimming pools, recreation centres, the arts, culture, museums, galleries and other amenities

agriculture, education, health and welfare – making nominations to vocational education committees and harbour boards, processing of higher education grants, veterinary services

miscellaneous services – maintaining the register of electors for elections, financial management, rate collection, provision of animal pounds

(Health services in Ireland are not the responsibility of local government but come under the Health Service Executive and delivered via its four administrative areas.)

Employees in local government are paid according to a fixed grading structure with eight grades ranging from clerical officer to county/city manager.

Unions involved in local and regional government

Impact is the Irish Municipal, Public and Civil Trade Union. It has 54,000 members, including 12,000 in local government covering housing, firefighting, libraries, museums and other cultural services, road maintenance, cemeteries, parks and gardens, planning, finance and administrative staff, water and waste collection and disposal.

Impact's membership is generally stable, with growth in special assistants to teachers. There is tension, however, over the increasing use of outsourcing in waste management and precarious project-based employment.

Impact is affiliated to EPSU.

Amalgamated Transport and General Workers Union, which has a regional office in Dublin, is part of the UK-based general union Unite (T&G section) which covers local government workers.

Unite (T&G section is affiliated to EPSU).

SIPTU services Industrial Professional Technical Union is the largest Irish union representing over 200,000 members in many sectors, including local government. It includes the former Irish National Painters and Decorators Trade Union, which provides some of the local government membership.

SIPTU is affiliated to EPSU.

UCATT is a specialist craft union for construction workers organising in both Ireland, where it has some 15,000 members, and the UK, where it has 120,000. It has members in local government.

UCATT is not affiliated to EPSU but is affiliated to the European Federation of Building and Woodworkers.

Collective bargaining in local and regional government

Pay bargaining for local government is conducted at national level with the Local Government Management Services Board. This represents all local government employers in Ireland and also includes representation from the central government Department of the Environment.

Bargaining on other conditions such as health and safety, leave, hours flexitime and sick leave are conducted on a sectoral basis.

Collective bargaining in the public services, as elsewhere in the economy, is now conducted within the parameters of social partnership agreements.

The current one is a 10-year Framework Agreement entitled “Towards 2016”. This specifies that “no cost-increasing claims by trade unions or employees for improvements in pay or conditions of employment” will be made before 2016 beyond those specified in the agreement.

The Agreement sets out staged pay increases for public servants until 2008/9?. Meanwhile the Public Service Benchmarking Body will carry out benchmarking reviews of the pay of public service employees, comparing it with the private sector, and will report the findings in the second half of 2007.

The Agreement precludes strikes on pay or any other issues covered by the Agreement while it is in operation, and disputes which cannot be resolved through negotiations are referred to the Labour Relations Commission and, if unresolved, referred to the Labour Court.

The pay increases are dependent on the themes of Public Service Modernisation, which are set out in the Framework Agreement being adhered to. The key elements of this in relation to local government are the maintenance of a stable industrial relations environment, the full implementation of a Performance Management and Development system, further development of workplace partnership in local authorities and the management and measurement of performance.

It commits the parties to development of partnership structures in local authorities under the auspices of the Local Authority National Partnership Advisory Group (LANPAG), which consists of management and unions in local authorities. This is committed to “partnerships

that provide opportunities for increased employee and trade union involvement in decision-making, which utilises a joint problem solving approach and achieves consensus on the implementation of change”.

The joint chairs of LANPAG are representatives of the Local Government Management Services Board and the SIPTU union.

Social dialogue in local and regional government

Social dialogue also takes place with local/regional government representatives on topics including lifelong learning (a return to learning initiative) public private partnerships and information and consultation.

Italy

Background

Unions

Italian trade unions have more than 12m members, which means that there are more trade unionists in Italy than in any other EU state. However, a high proportion of them are retired (half across the three largest confederations). Taking this into account, a recent independent report estimated that union density in Italy was 33.7% in 2003²⁹

There are three main trade union confederations in Italy. The largest is the CGIL, which has 5,605,000 members, although only 2,596,000 of them are employed. The second biggest is CISL with 4,427,000 members, of whom 2,191,000 are employed. And the third largest is UIL, which has 2,061,000 members of whom 1,212,000 are employed (Figures for 2007).

In the past these confederations had fairly clear political affiliations. CGIL, which was the only union confederation until the second World War, was close to the communist party; CISL was created by Catholic trade unionists, who were also active in the Christian Democratic Party, while UIL was closest to the socialist party. However, changes in the political structure (none of these parties still exist in their previous form) and changes within the confederations mean that this political categorisation is no longer appropriate.

All three confederations are affiliated to the ETUC.

The three confederations are all organised in industry federations in a similar way, with separate federations for metalworking, transport, construction and so on. The public sector federations are the largest in all three confederations, although there are variations between the three in how public sector employees are divided into federations.

There are other groupings of trade unions outside these dominant confederations. These include: CISAL, which states it has 1.7m members in “autonomous unions” particularly in public and finance sectors; CONFSAL, another grouping of autonomous unions; and UGL, formerly called CISNAL and at that point close to the right-wing party Alleanza Nazionale, which states it has two million members. In addition there are some unions in particular industries and occupations, such as FABI in banking, that are not attached to any confederation. There are also unions representing managers, such as CIDA and Unionquadri and the “cobas”, groups of rank-and-file workers working in specific areas such as the railways or the airlines, who have frequently been involved in industrial action. Overall these groupings certainly add to the total of union members, although the numbers claimed by some of the confederations seem exaggerated.

CISAL and CONFSAL are both affiliated to CESI at European level. CIDA is affiliated to the CEC, and several public sector federations of UGL are affiliated to Eurofedop.

Trade union membership has grown in Italy since the late 1990s. Some of the growth has been among retired members but the employed membership of both CGIL and CISL has increased.

²⁹ Union membership statistics in 24 countries by Jelle Visser, published in Monthly Labor Review January 2006

Collective bargaining

A national agreement signed in July 1993 introduced a new structure into collective bargaining in Italy. Normal pay and conditions negotiations now take place at two levels: at industry level – the most important – and at company/organisation or, sometimes, district level. This is in addition to national level agreements between employers and union, which have been used to implement EU-level initiatives – such as the agreement on teleworking – and also provide a framework for lower level bargaining (see section on social dialogue).

Industry level negotiations are intended to ensure that pay keeps pace with inflation and also deal with a range of non-pay issues such as hours, information rights and work organisation. Pay increases should be negotiated every two years; negotiations on non-pay issues should take place every four years. Pay negotiations at company level should provide a mechanism for the employees to take account of particular company level developments, such as improved productivity on the one hand, or the risk of job losses on the other. In addition company level negotiations also deal with changes introduced by the company such as the introduction of new working methods. Company level negotiations on pay should also take place every four years, although not at the same time as industry level negotiations for the industry to which the company belongs. On non-pay issues, company level negotiations take place as required, although they can only be negotiated if the national agreement does not deal with them or if it specifically provides for them to be dealt with at company level.

One important point to note on collective bargaining in Italy is that there are often lengthy delays – sometimes of months or years – between the date an agreement runs out and the date the next agreement is signed. Normally there is some compensation for this in the final agreement in the form of lump-sum payments.

There are currently (summer 2008) discussions on a reform of the collective bargaining structure. In broad terms the unions are looking to make changes which provide a more accurate estimate of future inflation and to change the length of the industry-level deals from two years for pay and four years for conditions to three years for both. The employers are looking for a revision which gives greater weight to company-level bargaining.

Social dialogue

There have been a number of tripartite agreements in Italy over the last 20 years, including the 1993 agreement which both established a new structure for collective bargaining and a new basis for employee representation at the workplace. These agreements have normally involved all three main union confederations, the major employers' associations and the government, although the CGIL was not a signatory to the 2002 "Pact for Italy". They have covered labour market reforms and government spending as well as pay, and the involvement of unions and employers in agreeing major changes is part of the Italian system. The most recent agreement of this type was that on pensions and welfare reform signed in July 2007. This introduced major changes to the system and was ratified in a referendum of the employees and unions affected.

In addition Italy has since 1957 had a national economic and labour council, the CNEL. It is a constitutional body and it has an advisory function and also reports on a wide range of issues. The unions have 44 representatives in the 121 member body and the employers have 37.

Local and regional government

There are three levels of local and regional government in Italy: twenty regions (regioni) – 15 normal regions and five with additional powers (the five with additional powers are the border regions with linguistic minorities – Valle d'Aosta, Trentino Alto Adige/Süd Tirol, and Friulia Venezia Giulia – as well as the islands Sicily and Sardinia), 106 provinces³⁰ (province), including two autonomous provinces (Trento and Bolzano) with legislative powers (both in Trentino Alto Adige/Süd Tirol), and around 8,100 communes (communi).

The regions have legislative powers in areas such as local development, social services, urban planning and agriculture. In addition to these areas, they deal with some aspects of health, transport, energy and relations with other EU regions. The main responsibilities of the provinces are in the areas of the environment, waste collection, employment, civil protection and some areas of education, while the communes are responsible for social services, some aspects of urban planning, economic development, the environment and culture. However, in contrast to many other countries, the school system is not the responsibility of elected local or regional government in Italy. Schools are a responsibility of central government, although run through local offices (the situation is slightly different in the five regions with additional powers). The situation in health is more complex. Primary health services are provided by local health units and hospitals but these are not part of local or regional government. However, although the national government decides on what is an “essential” level of care and funds that basic service, the regions are responsible for the organisation of the health service and can increase the amount funded. Health is by far the largest element of regional expenditure, accounting for 70% to 80% of the total. The majority of those employed in health are, however, employed by the national health service (Servizio Sanitario Nazionale), although it is possible for the unions to negotiate pay improvements at regional level.

The financing of local and regional government in Italy is highly complex with local and regional authorities able to raise money locally as well as receiving support from central government. However, the decentralisation of services from the central state, which has been a feature of Italian politics, particularly since 2001, has not been matched by an increase in the revenue raising powers of local and regional authorities³¹. As a result both local and regional government face financial difficulties.

There are some 680,000 people working in local and regional government in Italy, equivalent to a fifth (19.2%) of the 3.5 million employed by the state in Italy³² (These figures do not include some 20,000 employed in the region of Sicily). This makes it the third largest area of public employment, behind only the schools, which employ 1,158,000, and the national health service, which employs 725,000. In total in 2003, the state employed 16.0% of all Italian employees, although the percentage of state employees at 21.4% was higher in the South and the islands, than in the North at 12.2%; it was 18.2% in the central area around Rome³³.

The communes employ the vast majority of those employed in local and regional government, followed by the provinces and the regions. The figures in the table are for permanent employees (the vast majority of those employed) and are shown separately for the 15 normal regions and the five regions with additional powers.

Table 1: Permanent employees in regional and local government at end of 2006

³⁰ This number will be increased by three in 2009

³¹ Economic survey of Italy 2007, Chapter 4, OECD 2007

³² Unless otherwise stated, all figures in this section relate to the end of 2006 and are from Conto annual 2004-2005-2006, published by Ragioneria Generale dello Stato, Ministero dell'Economia e delle Finanze

³³ Statistiche delle amministrazioni pubbliche, ISTAT, 2003

Type of body	Number of permanent employees
Normal regions	
Regions	39,424
Provinces	55,824
Communes	397,439
Local chambers of trade and agriculture	7,415
Other local and regional bodies	20,131
Regions with additional powers	
Regions	19,828
Provinces	24,658
Communes	21,152
Local chambers of trade and agriculture	797
Other local and regional bodies	6,175
Total	592,843
Source: Conto annual 2004-2005-2006, published by Ragioneria Generale dello Stato, Ministero dell'Economia e delle Finanze	

The overall number of those employed in local and regional government on a permanent basis has fallen slightly in recent years, although the fact that some authorities, particularly in Sicily do not provide the figures in the same way makes precise comparisons difficult. Figures from the finance and economics ministry show that the total number of permanent employees in local and regional government fell from 594,300 at the end of 2001 to 592,800 at the end of 2006, and as the later figure includes some 16,000 employed in schools in Trento and Bolzano, who were not included in early years, this suggests a 3% fall over five years.

Those employed in local and regional government in Italy are effectively normal employees and do not have a special status, although they are subject to a code of conduct which governs their behaviour. (Overall in the public sector, only a small number of employees, such as magistrates, police and members of the armed forces have a special status.) The vast majority of those employed in local and regional government are on permanent contracts, most (79.6% of the total) employed full time. Only 7.7% are on temporary or training contracts and 5.2% are agency staff or employed doing "socially useful work" – a mechanism for providing employment to the unemployed.

Table 2: Employees in local and regional government by type of contract

Type of employment contract	Number employed
Permanent full time	541,596
Permanent part time (up to 50%)	16,970
Permanent part time (more than 50%)	34,273
Temporary and training contract*	52,435
Agency staff and those on "socially useful work"	35,162
Total	680,436
* Calculated on the basis of full-time equivalents	
Source: Conto annual 2004-2005-2006, published by Ragioneria Generale dello Stato, Ministero dell'Economia e delle Finanze	

Unions involved in local and regional government

There are around 60 unions with members in local and regional government in Italy. However, the regular elections to RSUs – the union-based workplace employee representative bodies – provide a mechanism for judging the extent of support for each union. The results are collected and analysed by the state agency ARAN, and they show that the public sector federations of the three main confederations, Funzione Pubblica CGIL (CGIL FP), the Federazione Lavoratori dei Pubblici Servizi CISL (CISL FPS) and UIL Federazione Poteri Locali (UIL FPL) are dominant.

The details of the latest RSU elections reported by ARAN show that together these three unions accounted for more than four-fifths (81.05%) of the RSU delegates elected. Only two other union groupings had more than 5% of the delegates: the CSA autonomous unions, which are part of CISAL, got 7.33% of the delegates, and DICAPP, another of grouping of autonomous unions (SNALCC, FENAL and SULPM), which is part of the CONFISAL confederation, got 5.74% of the delegates. The more than 50 other unions, which were often only present in a single province, only accounted for 5.88% of the delegates between them.

Table 3: RSU election results in local and regional government 2002

Union	Number of delegates	Percentage of delegates
CGIL FP	94,991	36.18%
CISL FPS	76,427	29.11%
UIL FPL	41,362	15.76%
CSA (CISAL)	19,238	7.33%
DICCAP (CONFISAL)	15,067	5.74%
Others	15,446	5.88%
Total	262,531	100.00%

Source: Rilevazione dei risultati elettorali nel comparto scuola (RSU anno 2003) e delle deleghe (anno 2002) relative al personale dei comparti; ARAN

As well as winning the largest share of the votes in the RSU elections, CGIL FP is also the largest union in the sector in membership terms, with 404,697 members. CISL FPS has 326,625 and UIL FPL 196,918 (All figures come from the confederations and relate to 2007.)

However, there are differences in the way that the three federations are organised which should also be taken into account in comparing the membership figures. While both CGIL FP and CISL FPS cover local government, health, central government and a number of other areas, although there are slight differences in the precise coverage, UIL FPL is largely limited to local government and health. (In all three confederations employees in schools are organised in a different union.) CGIL FP also provides detail on the division of its membership between the main sectors. In 2007 32.4% of its membership was in local and regional government, equivalent to 131,000 members. Both CGIL FP and CISL FPS have grown in membership recently, CGIL FP by 12.2% from 360,756 in 2000 to 404,697 in 2007, and CISL FPS by 3.0% from 317,118 in 2000 to 326,625 in 2007. There are no similar figures for UIL FPL.

In terms of European affiliations, both CGIL FP and CISL FPS are affiliated to EPSU but UIL FPL is not.

Collective bargaining in local and regional government

The arrangements for collective bargaining in the local and regional government sector are highly structured and involve negotiations at both national and local level. As in the private sector the agreement at national level runs for four years for conditions and two years for pay, although, here too, there are plans to change to a three-year rhythm.

At national level, the first stage in the process, which is the same for all areas of the public sector, is the publication by the government of an economic and planning document, the DPEF, which among other things identifies the amount of money available to cover pay increases across the public sector. This is then followed by a budget law which allocates the funds necessary to pay the increases. This process involves discussions between the government and the main union confederations on the extent of pay increases across the whole public sector which will be permitted within the financial framework.

Within this framework the sectoral committee for local and regional government (there are sectoral committees for each area of the public sector – health, schools, universities and so on) draws its formal bargaining guidance (*atto di indirizzo*), which it passes on to the negotiating body ARAN. (ARAN is a central, essentially technical, organisation, employing around 70 people, which negotiates on behalf of all parts of the public sector. It has been in existence since 1993.) In drawing up the bargaining guidance, the sectoral committee, which is made up of representatives of local and regional authorities, will discuss its plans with the central government. In addition, before the guidance can be finally passed on to ARAN, it must be submitted to the government for final approval.

At this point the negotiations proper start. The employers are represented by ARAN, which will refer back to the sectoral committee as appropriate. The trade unions negotiate on behalf of the employees, although only those with the support of at least 5% of the employees are involved in the negotiations. This means that only CGIL FP, CISL FPS, UIL FPL, CSA and DICCAP are involved.

When these negotiations have been completed, the two sides sign a draft agreement (*ipotesi di accordo*). This is then submitted for approval to the union members and also to the sectoral committee, who indicate the expected financial implications of the agreement. These financial implications are provided to the Court of Accounts (*Cort dei Conti*) which must certify that they are compatible with the financial figures in the budget. Only if the Court provides this assurance, does the agreement come into force.

This process leads to very lengthy delays, although the main delay come in the period before formal guidance is given to ARAN. The last agreement for regional and local government, which covered the period January 2006 to December 2009 in terms of conditions and January 2006 to December 2007 in terms of pay, only came into force in April 2008 – more than 27 months after the agreement should have started. However, it was only on 2 December 2007 that ARAN received formal guidance and from then on progress was relatively rapid. The negotiations produced a draft agreement on 28 February 2008 and the agreement, having received the approval of the Court, came into force on 11 April.

In fact, the key pay components of the deal had been concluded several months earlier when the government agreed on 29 May 2007 to provide sufficient resources to pay an increase worth €101 a month for the key grade of staff in the central government and equivalent increases elsewhere in the rest of the public sector. This increase, to be backdated to 1 February 2007, amounted to €91 for the key C1 grade in local and regional government.

The national level negotiations also provide a framework for additional increases at local level. As in the private sector, this second level of negotiation is to take account of changes in productivity and work organisation at local level. Negotiations to produce an agreement at the local level – the so-called *contratto integrativo* – are undertaken by the local authority or groups of local authorities involved, which may be assisted by ARAN and the local trade union representative body, the RSU. The agreements cover a range of issues, including incentive payments and payments for specific responsibilities, local canteen arrangements and mechanisms for dealing with changes in employment levels. Once signed, the agreements must be passed on to ARAN.

The arrangements described above apply to negotiations covering staff who are not senior managers (*dirigenti*). Although there is a separate agreement for senior managers, their pay and conditions are negotiated in the same way between the unions and ARAN and they normally follow the negotiations for the rest of the staff.

Social dialogue in local and regional government

Social dialogue, sometimes described as *concertazione* in Italian, forms a key part of the relationship between unions and employers in local and regional government in Italy. At local level the national agreements place an obligation on local bodies to consult with the unions on a range of issues such as the hours during which services will be provided, the transfer of activities or individuals and job changes. The agreement signed in 2004 also required local authorities to set up joint committees with the unions to look at the issue of harassment (*mobbing*).

At national level, there are ongoing discussions with the unions on issues linked to pay and conditions, such as job reclassification, the quality of public services and outsourcing.

Latvia

Background

There is only one **trade union confederation** in Latvia – the LBAS, which has 165,000 members. There are more than 100 other unions, not affiliated to the LBAS, that have been registered but less than a quarter are active and most are small.

In the private sector, company level bargaining is the most important level of **collective bargaining** in Latvia, with relatively few industry level agreements. Only around one-fifth of employees are covered by collective agreements and there are no negotiations for large parts of the private sector.

The National Tripartite Co-operation Council (NTSP) provides a framework for **social dialogue** between the employers, unions and government at national level where the three groups are equally represented. The council discusses labour legislation and played a major role in developing the Latvian system of industrial relations. It also discusses the national minimum wage.

Local and regional government

There are two levels of local and regional government in Latvia: 26 districts (rajons) and 530 lower level bodies (pasvaldiba) in both rural and urban municipalities. Seven larger towns and cities are both districts and municipalities. There is an ongoing intention to reduce the number of local government units.

The local municipalities are responsible for water and heating, primary and secondary education, public transport, civil defence and public order, forestry, culture, social services, housing support and planning. In the mid 1990s, they also had primary responsibility for the provision of health care services, other than specialist care, which remained a central government responsibility. However, this has subsequently changed. While local government bodies still own the former hospitals and polyclinics, they are now mostly rented out to private practitioners or have become self-managing institutions. They are responsible for access to health services and the promotion of health living³⁴.

The districts, whose governing councils are made up of representatives of the municipalities have a responsibility for public transport and civil defence and also provide education for teaching staff.

Some senior officers in the central government have a special status as civil servants. However, those working in local and regional government have the status of employees.

Unions involved in local and regional government

The largest union with members in local and regional government is the LAKRS (Latvian Union of Public Service and Transport Workers). It has 15,100 members and is the fourth largest union in Latvia. The vast majority of its members – 12,300 – are in local and regional

³⁴ Health Services in Transition – Latvia: Health System Review; WHO 2008

government with the biggest concentrations of membership in local transport, street sweeping and water.

Other unions involved in local and regional government include:

- LVPUFDA (Latvian Union of employees of State Institutions, Self-governments and Finance Sector) which has 5,300 members;
- LPDA (Latvian Union of Latvia Self Government employees) which has 3,000 members and is a member of the Latvia local government employers' association LPS and
- LAB "Enerģija" (Latvian Union Enerģija), which represents energy workers and has around 7,000 members, including some in energy facilities still owned by local authorities.

In addition there are two other unions primarily operating in the area of healthcare, where local government involvement has been much reduced. These are:

- LVSADA (Latvian Health and Social Care Workers' Union), which has 17,000 members, mostly in healthcare, but with around 900 in the area of social care; and
- LAADA (Latvian Nursing and Healthcare Personnel Trade Union).

There is also a teachers union LIZDA.

At national level, all of these unions are affiliated to Latvia's only union confederation the LBAS.

At European level, LAKRS, LVSADA and LAB "Enerģija" are affiliated to EPSU, and LVPUFDA and LĀADA affiliated to CESI. The teaching union LIZDA is affiliated to the ETUCE.

Collective bargaining in local and regional government

Collective bargaining in local authorities in Latvia is extremely decentralised. In areas where the unions, principally LAKRS, are strong enough, there are negotiations with individual local authorities. Elsewhere the local authorities set pay and conditions unilaterally. Sometimes there are separate agreements for different categories of local government employees, such as waste collection, transport and social care workers.

Social dialogue in local and regional government

In the view of LAKRS there is social dialogue in local and regional government, with the issues discussed being wages and health and safety at work. In addition, one of the stated aims of the Latvian Association of Local Government Employers (LPDDA) is "improving social dialogue and shaping concordant labour relations between employers and their employees". However, it is unclear how extensive or effective social dialogue is in reality.

Lithuania

Background

There are three **trade union confederations** in Lithuania. The largest is the LPSK with 120,000 members, followed by Solidarumas with 52,000 members and the LDF with 20,000 members. There are also a small number of members in independent unions which do not belong to the three confederations. There have recently been moves to promote closer cooperation between the three main confederations, and in April 2007, the leaders of the three confederations met and agreed to set up a coordination centre to work towards a merger and to undertake joint activities.

In the private sector, **collective bargaining** is largely limited to the company level and even there only affects a small minority of employees – perhaps 10%. Industry level agreements are legally permitted but are very rare.

At national level there is a highly structured system of **social dialogue** between unions, employers and government with the Tripartite Council of the Republic of Lithuania (LRTT) at the top and several specialist councils, covering issues like labour relations, health and safety and training underneath. All three union confederations are represented on these councils. The Tripartite Council in particular has played a key role in developing the country's system of industrial relations and also makes proposals to the government on the minimum wage.

Local and regional government

There are two levels of local government in Lithuania: 10 counties (Apskritis) and 60 municipalities (Savivaldybė).

The municipalities have responsibility for planning, tourism, sport and culture, sewage and water, environmental protection, traffic and transport and the promotion of local economic activity. They are also responsible for pre-school, primary and secondary education, employing teachers and other staff. They also play a central role in health care and run primary care institutions.

The role of the counties is more in co-ordination and ensuring that national policies are implemented. For example, each county has a strategic education plan and it must approve the appointment of the heads of municipal education authorities. They also have a role in regional economic development.

Reforms introduced by the Law on Public Service in 1999, further amended in 2002, divided those working in the public sector Lithuania, both in central and local government, into two categories, civil servants and public employees.

Civil servants carry out a range of core tasks linked to policy making and the operation of state power. They cannot be dismissed, except for serious breaches of discipline, and their pay and conditions are set by legislation rather than through collective bargaining

Public employees are primarily involved in the provision of public services, and their employment contracts are similar to those employed in the private sector.

In total there are some 57,000 civil servants and 220,000 public employees³⁵. However, it is not clear how these are divided between central and local government.

Unions involved in local and regional government

The following unions in the LPSK union confederation, the largest in Lithuania, are among those that represent employees in local and regional government

- LVPF (Lithuanian Trade Union Federation of Public Service) which has 3,300 members, of whom some 2,300 work in local government, primarily in water supply;
- LVTPS (Lithuanian Trade Union of State Employees), which organises in both central and local government and has some 3,000 members;
- Lietuvos energetikos darbuotojų profesinių sąjungų federacija (Lithuanian Federation of Energy and Electrical Workers Trade Unions);
- Lietuvos kultūros darbuotojų profsąjungų federacija (Lithuanian Federation of Trade Unions of People Working in the Sphere of Culture);
- VRSPS (Lithuanian Trade Union of Constables and Police Employees).

In the health sector – also largely a municipal responsibility – the LPSK affiliates are LSADPS (Lithuanian Trade Union of Health Care Employees) and LSSO (Lithuanian Nurses' Organisation). The education unions are LMPS (Lithuanian Teachers' Union) and LSDPS (Lithuanian Trade Union of Education Employees).

The next largest confederation, Solidarumas, also has unions representing workers in local and regional government among its 12 industrial federations, including a union of public services, a union of energy workers, and one of medical employees.

LDF, the smallest confederation, also has members in local and regional government.

In terms of European affiliations, the following LPSK affiliates, the LVPF, the LVTPS, the Federation of Energy and Electrical Workers and the LSADPS, all belong to EPSU. The LPSK education unions, LMPS and LSDPS are in the education confederation ETUCE. The LDF confederation as a whole is affiliated to Eurofedop, although its teachers' union is in the ETUCE. CESI also has a Lithuanian affiliate, listed in English as the Lithuanian Municipal Trade Unions Community.

Collective bargaining in local and regional government

As already noted, there is no collective bargaining for those with the status of civil servants working in local and regional government. Their pay and conditions are set by law. In contrast, the pay and conditions of the majority of those working in local and regional government – those with the status of public employees – are subject to collective bargaining. However, as negotiations are decentralised to the level of individual local authorities, in practice they only take place where there is a sufficient union presence. Where there are no unions, pay and conditions are determined by the employers alone.

³⁵ The development of civil service system in Lithuania, statement by Osvaldas ŠARMAVIČIUS, Director of the Civil Service Department under the Ministry of the Interior, January 2006

Where negotiations do take place, there may be separate negotiations for different groups of employees, such as those working in healthcare, water supply or local transport.

Social dialogue in local and regional government

The LVPF (Lithuanian Trade Union Federation of Public Service) considers that there is formal social dialogue in local and regional government covering issues such as wages, working conditions and social guarantees and benefits.

There are also local social dialogue bodies at the level of Lithuania's 46 labour exchanges, which bring together representatives of the employers' associations, the unions and local authorities to discuss the implementation of labour market policy.

Luxembourg

Background

There are two main **union confederations** in Luxembourg, OGB-L and LCGB, as well as other important union groupings outside the confederations in the specific sectors of finance and the public service. For example, the union ALEBA is the largest union grouping in banks and insurance companies, and the CGFP and the is the largest union for central government employees. Overall union density is relatively high at around 45%.

In the private sector, the key levels of **collective bargaining** are at industry and company level, and the relative balance between the two varies from industry to industry. There are precise rules on what must be included in agreements and only unions which are “representative”³⁶ or have the support of at least 50% of those covered by the agreement can sign them.

Luxembourg has an extensive tradition of **social dialogue** at national level and has had an Economic and social Council, made up of representatives of employers, unions in the private and public sector, other groups, such as farmers and the professions, and the government since 1966. It produces regular reports and opinions on specific issues. There are also a number of other tripartite bodies. In addition employers and union can reach agreements on a range of issues at national level. The European agreement on teleworking was implemented in Luxembourg in this way. Finally, there is also process of consultation through the various employer and employee chambers, built in to the Luxembourg system of law making. There are six chambers, including a chamber of commerce, a chamber of non-manual employees, a chamber of agriculture and a chamber of manual employees. They can submit proposals to the government and they must be consulted before legislation can be passed in their area of competence.

Local and regional government

There is only one level of local government in Luxembourg – the communes. There are 116 communes and they have powers in the following areas: planning and the environment, water and waste management, the police and emergency services, road maintenance and traffic management, culture and sport, and social assistance. They are also responsible for pre-school and primary education.

Those working at local level are divided into three categories: public servants who have a special status (fonctionnaires), non-manual employees (employés) and manual workers (ouvriers). While they are not considered state servants in the same way as those working for the central government, they are all nevertheless subject to a series of regulation which are similar to those which apply to central government employees.

The official statistics office produces annual figures on the number of public servants with special status and non-manual employees employed in the communes. In 2006 there were 4,078, a figure which has risen consistently in recent years – in 2001 there were 3,467³⁷. Figures on the number of manual workers in local government are not collected in the same

³⁶ Whether or not a union or union confederation is representative depends on the support it receives in the regular election to the chambers of labour

³⁷ Annuaire statistique 2007, STATEC

way. However, in 1998 there were 4,352³⁸. These figures compare with a total of 22,000 employed in central government.

Unions involved in local and regional government

There are four unions with members in local government in Luxembourg:

- the FGFC, which only organises in the local government sector, and is in turn made up of 19 affiliated associations, covering groups of employees such as fire fighters or manual workers, as well as organisation for the employees in the town of Luxembourg;
- the FNCTTFEL, which organises in transport, particularly the railways, as well as across the public sector;
- the LCGB Secteur Public, which represents all categories of employees in both central and local government but is strongest among manual workers; and
- the OGB-L syndicat Services publics, which primarily represents manual workers in both central and local government, although it also has members among all categories of employees.

The varying areas of organisation of the unions make it difficult to compare their relative strength. However, the elections for the representatives of communal public servants with special status and non-manual employees, which take place every five years, indicate that FGFC has the greatest level of support among this group of employees. In the most recent elections in 2003, it gained 66.7% of the votes followed by the FNCTTFEL with 20.5%, the LCGB Secteur Public with 7.1% and the OGB-L syndicat Services publics with 5.4%. The position among manual employees is less clear, but the OGB-L syndicat Services publics and the LCGB Secteur Public are in a much stronger position than among non-manual staff.

In terms of national affiliation, the LCGB Secteur Public and the OGB-L syndicat Services publics are part of the two main union confederations in Luxembourg. The FGFC is not affiliated to any national body, although it has close ties with CGFP, which represents employees in central government. The FNCTTEL is, however, part of the CGT-L, a confederation which also includes the OGB-L and is primarily active at international level. It is the CGT-L which is affiliated to the ETUC, for example.

In terms of European affiliations, the CGT-L Secteur Public, which brings together both the OGB-L syndicat Services publics and the FNCTTEL, is affiliated to EPSU, as is the LCGB Secteur Public. The LCGB Secteur Public is also affiliated to Eurofedop. FGFC is affiliated to CESI.

Collective bargaining in local and regional government

There is a clear distinction between the system of collective bargaining for public servants with special status and non-manual employees at communal level, on the one hand, and that for manual workers in the communes, on the other³⁹.

For the first group, public servants with special status and non-manual employees, negotiations are conducted nationally in a central commission made up of representatives of

³⁸ Institutional representativeness of local public sector trade union and employers' organisations in the EU, Université Catholique De Louvain Institut des Sciences du Travail, 2001

³⁹ See Les relations professionnelles au Luxembourg by Franz Clément Reprem - CEPS/Instead June 2008

the communes and the ministry of the interior on the employers' side, and representatives of three unions, the FGFC, the LCGB and the FNCTTFEL, representing the employees. When the negotiations have been concluded there is appropriate legislation to give them effect.

However, for manual employees, bargaining is conducted at local level, with the individual commune as the employer. This can be done in three ways. Some communes simply agree that the pay and conditions of their manual employees should be the same as for manual workers employed by the central government, which are set through negotiations between the ministry for public service and the LCGB and OGB-L. (These are the negotiating partners for manual employees. For public servants with special status and non-manual employees, negotiations take place between the ministry for public service and the CGFP.) Other communes come together to negotiate and the subsequent agreements apply to manual workers in several communes. And in other cases, individual communes negotiate separate deals with unions representing their own employees. The precise composition of the union side in these negotiations will vary from commune to commune, depending on the level of union support. However, the OGB-L and the LCGB play a much more important role in these negotiations. In contrast to the position for public servants with special status and non-manual employees, the final outcome of these negotiations is a collective agreement rather than legislation.

The situation will, however, shortly change as the legal differences between manual and non-manual employees are set to disappear in 2009.

Social dialogue in local and regional government

There are at least two formal social dialogue mechanisms which involve public servants with special status and non-manual employees at local government level (in the communes). First the central commission where their pay and conditions are negotiated also has a consultative role for a range of issues affecting their legal, financial and social situation. Second, public servants with special status and non-manual employees in local government are involved in the overall process of consultation through the employer and employee chambers (see background section on social dialogue). One of the six chambers is the chamber for public sector employees (although not public sector manual workers), where those in local government are guaranteed seats. The public sector employees' chamber must be consulted on a range of issues, and, example, regularly expresses its opinion on the national budget.

Malta

Background

The two largest **union groupings** in Malta are the GWU, with 46,500 members and the UHM with 25,900. Although they are both unions rather than union confederations, the fact each covers such a wide range of industries and occupations makes them similar to union confederations in other states. Some occupations are organised in independent unions – these are MUT for teachers, the MUBE for bank employees and the MUMN for midwives and nurses. In addition The UHM, MUT and MUBE as well as some smaller unions are all members of the Confederation of Malta Trade Unions, although it is the member unions rather than the Confederation that are dominant.

In the private sector, the key level for **collective bargaining** is the company level. There is also protection for those not covered by collective bargaining through a series of wage orders for specific industries that set minimum terms.

In the area of **social dialogue**, Malta has a tripartite body, the Malta Council for Economic and Social Development (MCESD). This brings together unions, employers and government. Tripartite negotiations have so far not played a central role in collective bargaining and attempts to develop a social pact to improve Malta's competitiveness have not been successful.

Local and regional government

There is essentially only a single level of local government in Malta, the 68 local councils (11 cities and 57 towns and villages). These councils are grouped into three regions. However, these regions – two in Malta and one in Gozo – are administrative areas and do not have specific responsibilities.

The responsibilities of the local councils are fairly limited. They are the upkeep and maintenance of local roads, maintenance of parks, gardens and beaches, street cleaning, collection of household waste, street lighting, public libraries, and the enforcement of local laws relating to traffic, building and local licences. They also undertake social, cultural and education activities, such as exhibitions.

This limited range of responsibilities is reflected in the relatively small number employed by Malta's local councils. In 2005 the total number employed by Malta's local councils was 348 (241 full time and 107 part time). Of these 193 were administrative staff (178 full time and 15 part time), 17 technical staff (5 full time and 15 part time) and 138 other staff (58 full time and 80 part time)⁴⁰.

Total public sector employment in Malta is 42,600, of whom 30,400 work for central government, 8,900 in independent statutory bodies and 3,200 in companies in which the state holds a majority stake⁴¹.

⁴⁰ Local Government 2005, National Statistics Office Malta

⁴¹ Economic Survey October 2007, Ministry of Finance Malta

Employees in local government, like others employed in the public sector in Malta, do not have special employee status and are employed on a similar contractual basis to those in the private sector.

Unions involved in local and regional government

Both the two main union groupings in Malta, the GWU and the UHM, organise employees in local government, although neither union has published details on the number of members they have in this relatively small sector.

In the GWU local government employees are in the Government and Public Entities Section of the union. In UHM they are in the Government Employees' Section.

At European level, the GWU is affiliated to EPSU and the UHM is affiliated to Eurofedop.

Collective bargaining in local and regional government

Pay and condition for public employees are set in negotiations between the unions and the government. The most recent agreement, signed in October 2005, was backdated to 1 January 2005 and runs for five years. The agreement covers all those employed in both central and local government.

Social dialogue in local and regional government

There is no social dialogue specific to local government in Malta, which is not surprising, given the relatively small size of the sector. However, unions have been involved in discussions about the future of the public sector as a whole, covering issues such as budgets, health and safety and qualifications. The 2005 agreement for the public service employees contains a specific commitment from the government to consult on the introduction of Public Private Partnerships.

Poland

Background

Unions

There are probably between 1.5 and 2 million trade unionists in Poland – precise figures are very difficult to obtain, as union membership figures are not published. In 2006 the European Foundation for the Improvement of Living and Working Conditions estimated union density at 16%.

The trade union movement is sharply divided between two main confederations of broadly equal size, NSZZ Solidarnosc and OPZZ. There is a third smaller grouping, the Forum or FZZ, and there are also a large number of other unions, sometimes operating just in one workplace, which are not part of any of the three confederations but together have significant numbers of members. NSZZ Solidarnosc and OPZZ are both affiliated to the ETUC. FZZ is affiliated to CESI.

There are political differences between NSZZ Solidarnosc, which grew initially from the strikes in the Gdansk shipyard in 1980, and OPZZ, which was founded in 1984 and has remained in being throughout the political and economic transformation of Poland. As a result, relationships between the main union confederations are often tense, although this may be more obvious at national than at local or workplace level. FZZ is largely made up of unions which had earlier split from OPZZ, who joined together in 2002 so that they would be in a large enough grouping to take part in formal consultation with the government.

Union structures in Poland are very decentralised. A union can be founded by ten employees and there are thousands of registered trade unions. However, there are differences in structure between the two main confederations. The structure of OPZZ is based on individual workplace unions which come together in industry federations and regional groupings which then form the confederation. There are 100 industry federations affiliated to OPZZ. By far the largest grouping affiliated to OPZZ is the teachers' union ZNP, which states that it has 300,000 members. The structure of NSZZ Solidarnosc is much more centralised, a single organisation with industrial and regional subdivisions. This difference in structure is reflected in the numbers employed in the confederations' head offices. While there were around 150 employed in the head office of NSZZ Solidarnosc in 2006, the figure for OPZZ was 19 and for FZZ just eight.⁴²

At its congress in September 2006 NSZZ Solidarnosc announced it had 634,000 members. OPZZ affiliated to the ETUC in 2006 on the basis of 401,000 members, but a better estimate may be around 650,000. FZZ currently probably has around 250,000 members. Union membership has declined sharply since the early 1990s as a result of industrial restructuring, privatisation and unemployment. A survey by the public opinion polling company CBOS published in November 2006 found that 14% of respondents who were employed said they were union members, with 5% saying they belonged to NSZZ Solidarność, 4% that they belonged to a union affiliated to OPZZ, 3% that they belonged to a union affiliated to FZZ, and 2% that they belonged to another union.⁴³

Collective bargaining

⁴² Capacity building for social dialogue in Poland, European Foundation for the Improvement of Living and Working Conditions, 2006.

⁴³ Układy zbiorowe pracy, łamanie praw pracowniczych i „szara strefa” w zatrudnieniu, CBOS 2006

Most collective bargaining in Poland takes place at company or organisation level. There are very few agreements at industry level, although they are more important in some parts of local government, notably covering education. In 2002 the ministry of labour estimated that in total industry level agreements covered 4,300 employers and 1 million employees, although in some cases the agreements often did little more than restate the existing labour legislation.

Collective agreements at the level of individual organisations or companies are much more significant. Collective agreements should be registered and figures from the labour inspectorate show that 220 collective agreements together with 1,792 additional protocols (the usual mechanism for renewing agreements) were registered in 2005. This total of 2,012 agreements and protocols registered is, however, substantially down on the figures for earlier years, which were 3,528 in 2003 and 4,144 in 2000. Only unions can sign collective agreements on behalf of employees.

Employers in financial difficulties have since 2002 been able to suspend collective agreements and other elements of their contractual obligations towards their employees, such as the rules on pay, for up to three years. By law this should be agreed with the trade union organisation in the workplace or with other representatives of the workforce subject to approval by the local joint commission of unions, government and employers.

Social dialogue

Poland has a Tripartite Commission, which brings together unions, employers and government. Discussions between these three groups produced important agreements in the first half of the 1990s and the commission was established on a new basis in 2001, including a regional structure and a structure for specific industries. On the union side its members are NSZZ Solidarność, OPZZ and FZZ. The Tripartite Commission must be consulted on legislation concerning the labour market, state benefits and employment rights. It also plays a role in setting the minimum wages, although the minimum wage for 2008 was agreed in August 2007 between NSZZ Solidarność and the government without the Tripartite Commission being involved in the final stages.

Local and regional government

Legislation passed in 1998 established three layers of local government, the region (województwo) the district (powiat) and the municipality (gmina). There are 16 regions, which are responsible for economic development, the environment, employment and social policy and regional road management, 379 districts, responsible for road building and maintenance, secondary education, civil protection, the environment and employment, and 2,478 municipalities, which deal with public transport, social services, housing, environment, culture, health and primary and pre-primary education. A total of 65 of the districts are urban areas, ranging from medium-sized towns like Siedlce and Chorzów to major cities like Łódź and Gdańsk, where the functions of both the district and commune are combined. In addition Warsaw, the capital, has special arrangements with a city council and separate municipalities within it.

The employment status of those working in the public services varies according to where they are working and the jobs they are doing. Those employed by the state centrally, including those undertaking tasks for the central administration at local level, in more senior posts are civil servants with a special status. Under legislation passed in 1998, these civil servants have specific rights and duties and their progress through the five grades of the civil

service is overseen by a central agency. A major survey by the French CNFPT and EUROPA association in 2005 reported that only 10% of those employed in public administration were civil servants with this special status.

Those working in local government are employees in the more usual sense, although there is specific legislation covering them. The same is true for employees in the education and health services, which in part are a local government responsibility.

The 2005 CNFPT survey⁴⁴ estimated that there were 145,000 employed at municipal (gmina) and district (powiat) level. However, this figure does not include those employed in the education and health services, and an earlier publication suggested that in 1997 some 1.28 million people were employed in local government – 25% of all public employees.⁴⁵

Unions involved in local and regional government

All three of the main union confederations have affiliated unions or sections with members in local government. In the case of NSZZ Solidarność it is the subsections of the public service secretariat Służb Publicznych, an EPSU affiliate. In the case of OPZZ, the main union with members in local government is the federation FZZPGKiT, which is also affiliated to EPSU. FZZ also has a grouping of unions in the public sector, including those for local government. Although this grouping includes parts of Solidarność 80, which broke away from NSZZ Solidarność, and the union Kadra, many of the unions involved are local, covering specific occupations and workplaces. In addition there are local unions in local government which are not affiliated to any of the three large confederations.

Figures from the CBOS study do not provide details of union membership at local government level, but they indicate levels of membership in education and health and public administration, although, as the sample was relatively small, the figures need to be treated with caution. In education and health 33% of employees responding to the survey said that they were in a union, compared with the overall average of 14%. OPZZ was the strongest union confederation in terms of membership, with 17% of employees in these sectors belonging to its affiliates, compared with 7% in NSZZ Solidarność and 5% in FZZ. In public administration the overall level of unionisation was only slightly above the average at 15%: here 4% of employees were in FZZ unions, and 3% in OPZZ unions; the survey did not identify any members of NSZZ Solidarność. These results in part reflect the relative strength of FZZ unions in public administration. However, they also indicate that a high proportion of union members in public administration were in unions not affiliated to any of the main confederations.

Collective bargaining in local and regional government

Other than the small proportion of local government employees who are civil servants with special status, the majority of employees in local government are covered by the same legislation on collective bargaining as all other employees. This means that they can either be covered by agreements signed at the level of a single employer (układy zakładowe), in this case signed by individual local authorities, or by multi-employer agreements (układy ponadzakładowe), covering several local authorities.

⁴⁴ Les fonctions publiques locales en Europe, by Patrice Azan, published by CNFPT, 2005

⁴⁵ Decentralization: Experiments and Reforms: Local governments in Central and Eastern Europe, Chapter 5 – Poland, by Andrzej Kowalczyk, published by Local Government and Public Reform Initiative 2000

In practice most agreements are signed at the level of a single local authority, as individual local authorities are very reluctant to hand over responsibility for negotiations to a grouping of local authority employers.

There are, however, multi-employer agreements covering employees in education and some utilities, which are in force until the end of 2008.

Pay levels in local authorities are also greatly affected by the annual Budget Act, which should be subject to consultation in the Tripartite Commission. As well as setting the overall financial framework, it also fixes basic figure for wages and a multiplier for different grades. In August 2007, after discussion in the Tripartite Commission, the government reached agreement with NSZZ Solidarność to increase the amount available for public sector salaries by 9.3%.

In practice most bargaining in local government takes place at a very local level. Individual local unions, which may have only limited links with their national federations/confederations, or in some cases may not belong at all, bargain with individual local authorities. Only if there are serious difficulties do higher levels of the union structure become involved.

Social dialogue in local and regional government

As well as national level social dialogue, there is a formal structure for social dialogue at regional level in Poland (WKDS), and well as for a number of industries. However, these do not include local government, although there is a tripartite body for health.

Portugal

Background

There are two main **trade union confederations** in Portugal, the CGTP-IN and the UGT. However, trade union structures are complex and fragmented with almost 350 autonomous individual unions. Relationships between the two main confederations are sometimes difficult, in part reflecting their different political traditions: The CGTP-IN, the larger of the two, initially had close links with the communist party, while the UGT was set up by unions with social democratic and liberal-conservative links.

In the private sector, negotiations at industry level, between employers associations and the unions, are the most important element in Portugal's **collective bargaining** system, although there are differences between industries, with company agreements being more important in the financial sector and utilities.

Portugal has had a tripartite Economic and Social Council (CES) with representation from employers, unions and other groups such as the professions and consumers, since 1991. The CES has both a consultative role, producing opinions on a range of issues, as well as a role in looking for agreements through **social dialogue** –concertação social – in Portuguese. The CES has a separate committee, Comissão Permanente de Concertação Social (CPCS), for social dialogue, which grew out of earlier arrangements and a number of agreements have been reached on issues such as such as training, health and safety and working conditions.

Local and regional government

Portugal has three levels of local and regional government. These are parishes on the lowest level, municipalities in the middle and regions at the top. However, regions only exist currently in Portugal's two territories in the Atlantic, the autonomous regions of the Azores and Madeira; they have not yet been set up in mainland Portugal. There are also districts, but these are local structures of the central government.

In total there are 308 municipalities (278 are in mainland Portugal and 30 in the islands) and 4,259 parishes (4,050 on the mainland and 209 on the islands). However, in terms of functions the municipalities are more important, and the parishes can be seen as a subordinate structure. Municipalities are responsible for development, waste management and energy, transport and communications, culture, the environment and the management of municipal assets. They have limited responsibilities in the area of education – in particular the construction and maintenance of pre-school facilities and primary schools, and school transport. They have only a very marginal role in health, primarily in the area of health promotion. The parishes have responsibilities in the areas of culture and the environment. In addition to these structures, there are also groups of municipalities which work together, municipally owned companies and municipal services, which are not directly provided by the municipalities. Health and education, which in some countries are an important part of local government's role, are a central government responsibility in mainland Portugal, although the situation is slightly different in the Azores and Madeira.

In total 126,700 people are employed in local government, the overwhelming majority by the municipalities (see Table 1). This compares with 47,500 in the two autonomous regions of the Azores and Madeira and 532,800 in central government, although the basis for these

figures is membership of the state insurance scheme and is therefore slightly different to the figures in Table 1 (The figure for local government employees in the state insurance scheme is 111,000)⁴⁶.

Table 1: Employees in local government 2005

Type of authority/employment	Numbers employed
Municipalities: employees	115,623
Municipalities: seconded staff	706
Municipal services	7,233
Parishes: employees	3,158
Total	126,720
Source: Administração local em numeros 2005: DGAL 2006	

Those employed by local government, like those working for central government, are divided into essentially two categories. The majority are employed on the basis of nomination (nomeação) and have a special status but some are employed on the basis of a contract (contrato) in a similar way to employees in the private sector. The position of nominated employees – those with special status – is fixed by law and is much more rigidly controlled in terms of recruitment, career progression and pay and other terms and conditions. In addition nominated employees can only be dismissed during a probationary period or following a disciplinary procedure.

Since January 2007 there have been negotiations with the unions to change the overall system of labour relations in the public sector, with the government aiming to reduce the use of nominated employees to certain core functions and bring the contractual status of most public employees much more closely in line with that in the private sector. This would involve major changes in career patterns, pay systems, disciplinary arrangements and job security. The government proposals have been controversial with the unions, with unions linked to the CGTP-IN being more hostile than those linked to the UGT. The legislative framework for the changes is now in place, but the CGTP-IN unions remain opposed (summer 2008).

Unions involved in local and regional government

The union with the largest membership in local government in Portugal is STAL (Sindicato Nacional dos Trabalhadores da Administração Local), which has 56,000 members⁴⁷. It organises in local and regional government, including in areas of activity which have been privatised. It is affiliated to the CGTP-IN and also to the CGTP-IN's public sector federation FCSAP (Frente Comum de Sindicatos da Administração Pública), often known as Frente Comum. STAL is much larger than the two main unions with membership in local government which are part of the UGT confederation. These are SINTAP (Sindicato dos Trabalhadores da Administração Pública), which covers employees in both local and central government and has 14,000 members⁴⁸ and STE (Sindicato dos Quadros Técnicos do Estado) which covers management and technical staff across the whole of the public sector and has 4,000 members⁴⁹. The public sector federation linked to the UGT is FESAP (Frente Sindical da Administração Pública).

⁴⁶ Vínculos, carreiras e remunerações na administração pública, CRSCR 2006

⁴⁷ STAL Website

⁴⁸ EIRO report on industrial relations in the public sector in Portugal, Maria da Paz Campos Lima, May 2008

⁴⁹ Ibid.

In terms of European affiliations, STAL, SINTAP and STE are all affiliated to EPSU. STE is also affiliated to EUROFEDOP.

Collective bargaining in local and regional government

In practice, the pay and conditions of public sector employees, including those in local government – the municipalities and parishes – are set centrally by the government. There is legally a right to collective bargaining in the public sector, which should take place every year beginning on 1 September. However; although the two public sector federations the Frente Comum and FESAP both submit demands to the government and engage in negotiations and – sometimes – industrial action, the final decisions are taken by the government, which imposes a settlement. In the case of public sector employees who are nominated – those with special status, the changes take the form of legislation; in the case of those with employment contracts, these are changed. The unions have sought to negotiate collective agreements for workers covered by normal employment contracts, but this has proved to be very difficult.

There are also negotiations on the specific concerns of local government employees, again with central government, although the association of municipalities (ANMP) has a consultative role. In addition, where work has been moved to bodies outside the direct public services, the union attempts to negotiate collective agreements with the employers involved.

Social dialogue in local and regional government

Under the 1998 legislation, which introduced a right to collective bargaining in the public sector, the unions also have rights to consultation (participação) on a range of issues, including training, improvements in public services and internal rules for individual services. However, the unions have complained repeatedly that their concerns have not been addressed.

Romania

Background

There are five **trade union confederations** in Romania. Listed broadly in order of size, they are CNSLR-Frăția, BNS, CSDR, CNS Cartel Alfa and Meridian. All five are classed as representative at national level, giving them the right to negotiate national collective agreements. All the confederations have a large number of industry federations affiliated to them, and, as there are also some industry federations not affiliated to the confederations including some in the public sector, there is substantial inter-union competition. However, in 2007 three of the five confederations, CNSLR-Frăția, BNS and Meridian formed an alliance, the ACSR, which may in time result in closer cooperation.

At European level, four of the five union confederations are affiliated to the ETUC. Meridian is affiliated to CESI.

Romanian law lays down detailed rules for **collective bargaining**, including the fact that a more decentralised level of bargaining cannot agree terms and conditions that are inferior to those agreed at a higher level. This means that the national agreements, which are negotiated for the whole economy, provide minimum standards for all employees. Negotiations also take place at industry level, although these agreements, often do little more than restate the terms of the national agreement, and at company level, where the results are sometimes substantially better. There is a legal obligation on companies employing 21 or more employees to begin negotiations, although not to reach agreement.

As well as national-level negotiations between unions and employers, there are also tripartite structures at national level for **social dialogue**. The most important of these is the Economic and Social Council, the CES, which has a consultative role on new legislation and other proposals in a number of areas, including industrial relations, restructuring, economic development and privatisation. All five nationally representative unions are members of the CES, as are the following employers' organisations, PNR, UNPCPR, CNIPMMR, CoNPR, UGIR 1903, CPISC, UGIR, UNPR, CNPR, CONPIROM and ARACO.

Local and regional government

There are two levels of local and regional government in Romania. These are the local/municipal level, where there are 103 municipalities (municipii), 208 towns (orase) and 2,825 rural communes (commune), and a higher level, where there are 41 counties (judete), plus the capital Bucharest, which is considered as a 42nd county. There are also eight regions involved in development planning, but these are essentially structures which have been set up to bid for and administer EU regional funding.

The local/municipal-level bodies are responsible for the economic plans for their area, local budgets and taxation, planning applications, building and maintaining local roads (both building and maintenance), housing and local urban development, waste collection and disposal, environmental protection, parks and green spaces, water supply and sewage system, cultural and sports activities, including administering the local heritage, and local public order and security, including the fire service. Local/municipal bodies are also responsible for primary education. Local/municipal bodies will sometimes set up specific bodies to provide some communal services, such as local transport services, the provision of gas and electricity, and sanitation, water and other utilities.

The counties are responsible for economic development and planning at county level, county level roads and public transport, as well as water supply and sewage. They provide social assistance to children in the form of kindergartens and nurseries and they are also responsible for secondary and vocational education.

In contrast to many EU states health care is not one of the responsibilities of local and regional government in Romania. The one exception is a limited responsibility for public health protection at local level.

There are two categories of employees working in local and regional government. These are “public servants”, who have a special status, and contractual employees, who are employed on the same types of contract as employees in the private sector.

The position of “public servant” (funcționarul public), which exists in both central and local government, was established in legislation in 1999 (Law 188/199). It applies to those operating with state authority and covers most of the technical staff in local government as well as other administrative positions. Public servants must meet certain conditions, in terms of citizenship, physical fitness and lack of a criminal record, and they should be appointed and promoted through procedures that are both clear and based on individual merit.

The remaining staff employed in local authorities are employed on contracts of employment similar to those in the private sector. They include groups of workers such as secretaries, maintenance workers, administrative staff and drivers. Teachers are also employed on this basis; they are not public servants in terms of the 1999 legislation.

Since 2002 the national public service agency (ANFP) has collected information on the number of public servants in Romania. The report for 2005⁵⁰ shows that, in the period December 2005 to March 2006, there were 120,731 public servant posts in both local and regional and central government. There were 55,417 posts in local and regional government (including those in the prefects’ offices, which represent central government at county level) accounting for 45.9% of the total. This percentage has increased in recent years – from 40.7% in 2003 as a result of increased decentralisation. However, many of the posts remain unfilled. In 2005 at local level, there were only 42,655 public servants in place, while 12,762 posts, almost a quarter (23%) of the total, were vacant.

There appear to be no official figures on the numbers of those without the status of public servants employed in local and regional government, although an EIRO report in 2005⁵¹ referred to a figure 34,000.

Unions in local and regional government

There are two major union bodies representing employees in local and regional government. The largest is Alianța SED LEX, although the second largest FNSA is significant in some areas. Alianța SED LEX has been affiliated to CNSLR-Frăția only since 2007. In an earlier form, as USFPR (see below), it was affiliated to BNS and there was a period when it was not affiliated to any confederation. FNSA is affiliated to CNS Carta Alfa. Both organise employees in central as well as local and regional government.

⁵⁰ Raportul agenției naționale a funcționarilor publici privind managementul funcției publice și al funcționarilor publici pe anul 2005

⁵¹ EIRO report Civil servants’ trade unions reorganise and make demands, Diana Preda, May 2005

The 2003 legislation on trade unions, which for the first time gave most public servants a clear right to belong to unions without further authorisation, allows unions to be set up by at least 15 people working in the same industry and profession⁵². One of the consequences of this is that many unions are small and cover only a single institution.

This is reflected in the structure of Alianța SED LEX, which has 64,300 members⁵³, both those with the status of public servants and those employed on normal contracts, but has around 340 separate unions affiliated to it. It was set up in March 2005 replacing another public service union USFPR. It is made up of four federations of individual unions organising in particular areas, as well as county level organisations of SED LEX, which are directly part of the alliance. The four affiliated federations are: FNSF, which brings together unions in the area of finance and also includes union groups at local/municipal level; FNSAPL, which brings together union in local public administration, although some of these may be working for central government; FNSMPS, the federation for unions in the labour and social protection; and FSSR, the federation for unions in the area of statistics.

FNSA, which states it has 35,000 members⁵⁴, is also a federation of a large number of individual, normally locally based, unions. Its headquarters is in Cluj, where 12 local unions are affiliated. Like SED LEX it organises both public servants and those with normal employment contracts in both central and local and regional government.

Other unions with membership in local government include:

- Federatia Sindicatelor din Administratie Publica PUBLISIND, which is affiliated to BNS;
- Uniunea Sindicatelor Functionarilor Publici si Personalului Contractual FORTA LEGII, which is affiliated to Meridian;
- FNPR (Federatia Nationala a Pompierilor din Romania), a firefighters' union
- Federația Salariaților din Administrația Publică Centrală și Locală din România COLUMNNA, which is affiliated to CNSLR-Frăția;
- Federatia Sindicatelor Lucratorilor din Seviceile Publice and Sindicatul National al Functionarilor Publici, which are both part of a larger grouping UFS ATLAS, which has the the bulk of its members in the oil and energy sector; UFS ATLAS is affiliated CNSLR-Frăția;

In addition there are a number of unions which operate primarily in areas of communal services covering housing, transport and other local economic activities, and utilities, such as sewage and water. These include:

- SIGOL (Federatia Nationala a Sindicatelor din Serviciile Publice SIGOL), which is affiliated to Cartel Alfa;
- FSLSP (Federația Sindicatelor Libere din Servicii Publice), which is affiliated to CNSLR-Frăția;
- FSSCUP (Federația Sindicatelor din Servicii Comunitare de Utilități Publice), formerly Federația Sindicatelor Libere Independente din Gospodărie Comunală, Administrație Locativă, Lucrări și Servicii Publice;
- Federatia Sindicala TRANSLOC, which is affiliated to BNS;
- Federatia Sindicatelor Independente APA NOVA, which is also affiliated to BNS; and
- Federatia sindicatelor Libere din Ramura Servicii Publice si Gospodarire Comunala, which is affiliated to Meridian.

⁵² Law No 54/2003

⁵³ Information from the union's website

⁵⁴ EIRO report "Public sector union calls for general strike", Luminta Chivu, March 2008

In terms of European affiliations, Alianța SED LEX, SIGOL, FNPR (firefighters) and Federatia Sindicatelor Independente APA NOVA, are all affiliated to EPSU, as are a number of other unions in the utilities and health sectors. FNSA, the second largest union confederation in public administration does not have a European affiliation.

Eurofedop also has an affiliate in Romania. It is the police union SNPCC (Sindicatul National al Politistilor si Personalului Contractual), which in turn is affiliated to Carta Alfa.

Collective bargaining in local and regional government

There are separate negotiations for public servants and staff on normal employment contracts in local and central administration on the one hand, and those employed providing communal services such as housing, transport and other local economic activities, such as sewage and water and other utilities on the other.

Negotiations for public servants and those on normal contracts in local and central administration are conducted on the employers' side by the central government, primarily by the Ministry of the Interior and Administrative Reform (MIRA) assisted by the ANFP the national public service agency, which is part of MIRA and has a specific duty to participate in these negotiations. The ministries of labour and finance are also involved. The main unions involved are SED LEX and FNSA, although others may also play a role in the negotiations. Following negotiations the government implements the pay increases for those with the status of public servants through a government ordinance (ordonante).

While these negotiations set pay at national level for those working in both central and local government, individual local authorities can agree to make additional payments.

In recent years, the main point at issue for the unions, in addition to improving pay levels, has been the introduction of a uniform salary structure for public servants to make pay clearer and more transparent and so lessen the possibility of individual pay being influenced by personal or political bias. There is also a similar concern about pay for staff on normal employment contracts, as normally only minimum and maximum levels are set, allowing employers extensive discretion in determining the amount actually paid.

The latest agreement for those employed providing communal services was agreed in March 2007 and runs for four years from the period 2007 to 2011. The signatories were the FNPSR, on the employers' side, and SIGOL, FSLSP and FSSCUP, on the union side.

Social dialogue in local and regional government

There is no formalised social dialogue (in the sense of discussions between unions and employers on a wide range of issues beyond pay and conditions) for local and regional government as a whole. However, the 1999 legislation on public servants⁵⁵ as well as subsequent legislation provides for the creation of joint committees (comisiilor paritare) in individual authorities and institutions. These range in size from two members (where there are up to 15 public servants) to six members (where there are more than 150). Half are appointed by the authority and half are either appointed by the unions, or, where there are no unions, are elected by the public servants. They are to be consulted on a range of issues, including training, proposals to improve the operation of the institution and the institution's work programme.

⁵⁵ Law No 188/1999

Slovakia

Background

There is a single dominant **trade union confederation** in Slovakia – KOZ SR. It has 35 separate unions affiliated to it, almost one-third of them in the public sector, and these unions have considerable autonomy and influence. There are also two other union confederations, the Christian NKOS and the General Association of Free Trade Unions (VSOZ), but these have very limited support.

Collective bargaining in the private sector in the Slovak Republic takes place at both industry and company level. Company agreements can only improve on what has been negotiated at industry level. However, in practice industry level collective bargaining increasingly sets only minimum standards, and does not fix effective pay rates. These are determined in individual companies, either through collective bargaining or management decision, with the result that pay varies widely between companies.

In the area of **social dialogue**, Slovakia has a tripartite body, now known as the Economic and Social Council (HSR). The form and name of this body changed three times in the three years up to 2007, as a result of disagreements between the unions and the then government over its powers. In the early 1990s, tripartite social dialogue resulted in a series of general agreements which played an important role in setting bargaining guidelines and determining the structure of industrial relations. However, there have been no similar results from tripartite discussions in recent years apart from a general agreement signed for 2000.

Local and regional government

There are two levels of local and regional government in Slovakia, eight self-governing regions (samosprávne kraje), also known as “higher territorial units” and 2,924 municipalities, of which 75 are towns and cities (mestá) and 2,749 are smaller municipalities (obce).

In recent years many public services in Slovakia have been decentralised and local and regional government is now responsible for a wide range of activities. At municipal level these include the environment, refuse collection and disposal, sewerage and water supply, local roads, public transport, local development and housing. In the area of education, the municipalities are responsible for pre-school facilities and primary schools. They also undertake cultural activities, and are involved in drawing up regional development plans. In addition, since 2002 some health facilities have been transferred to them.

The eight regional authorities have responsibility for secondary schools as well as some cultural activities. They also own and operate a significant proportion of the country's hospitals and have the main responsibility for social services. The regions are also involved in planning and road maintenance and construction, as well as being responsible for regional economic development.

Those working in the public sector in Slovakia are covered by two separate pieces of legislation both initially adopted in 2001, which came into effect in 2002. These are the Civil Service Act (Act 312/ 2001) (Zákon o štátnej službe (Zákon č. 312/2001)) and the Public Service Act (Act 313/2001) (Zákon o verejnej službe

(Zákon č. 313/2001)). These two acts divide those working in the public sector into two main categories: those who have a special status – “civil servants” – and those whose status is much closer to normal private sector employees – “public servants”. “Civil servants” are those who exercise authority on behalf of the state and this status essentially covers those working in ministries in central government, although not all of those working in central government have this status. Within this category of “civil servants” there are separate arrangements for judges, police, the armed forces and those with similar roles.

Those working in local and regional government, on the other hand, are all classed as “public servants”. Although their status is very similar to that of normal private sector employees, there are some differences to take account of the fact that they are working in the public sector, such as a general requirement to defend the public interest. There are also specific provisions for teachers and for doctors and nurses. There are around 350,000 employees classed as public servants.

Unions in local and regional government

The main unions in the area of regional and local government are:

- SLOVES – the Slovak Union of Public Administration – it has some 10,000 members⁵⁶ and, as well as members in local and regional government, it has members in central government. There are separate sections for local and regional authority workers within SLOVES;
- SOZZASS – the Slovak Union for Health and Social Services – it has some 7,300 members⁵⁷ and organises employees in health and social services;
- SOZKaSO – the Slovak Union for Cultural and Social Organisation – it has some 3,300 members⁵⁸ and organises employees in its area at national and local and regional levels; and
- OZPSAV – the Union for Workers in Education and Science in Slovakia – it has 66,000 members⁵⁹ and as well as teachers they include non-pedagogical staff in education, such as administrators.

All these unions are affiliated to KOZ SR. There are also some other KOZ affiliates with members in local and regional government, although the numbers involved are much smaller. They are the transport union OZDOPRAVA and the services’ union SOZ pracovníkov služieb.

Firefighters are organised in the OZH – the Union of Fire Brigades – which has 600 members⁶⁰. However, the OZH is not a signatory to the public servants’ agreement.

At European level, SOZZASS, SZKaSO and the OZH are all affiliated to EPSU. However, SLOVES is affiliated to Eurofedop. OZPSAV, which is predominantly a teachers’ union, is affiliated to ETUCE.

⁵⁶ Figures from union

⁵⁷ *Strengthening social dialogue in the local and regional government sector in the ‘new’ Member States and candidate countries*, by ECOTEC, published by EPSU and CEMR in 2005

⁵⁸ Ibid

⁵⁹ Union website

⁶⁰ *Strengthening social dialogue in the local and regional government sector in the ‘new’ Member States and candidate countries*, by ECOTEC, published by EPSU and CEMR in 2005

Collective bargaining in local and regional government

Since 2002 the vast majority of “civil servants” and “public servants” have had a clear right to negotiate on their pay and conditions. The exceptions are groups such as judges, the police and the armed forces. The negotiations for both “civil servants” and “public servants” follow a similar regular pattern, but they result in two separate agreements, whose outcomes are not the same.

The negotiations for public servants, which cover all those in municipal and local government, as well as some in central government, begin in April or May. At this point, the eight KOZ unions with members in the public sector present their proposals for the following year. These eight include the unions listed above, with the exception of the firefighters’ union, plus the defence workers’ union (SOZ zamestnancov obrany) and the union representing workers in the Slovak Academy of Sciences (OZ pracovníkov SAV). The demands are coordinated by the Vice President of the confederation, KOZ, who send them to the Prime Minister, the association of municipalities – ZMOS and the association representing the eight regions – VUC.

Bargaining continues until agreement has been reached and there are procedures, including provisions for conciliation, if the negotiations run into difficulties. Strikes are permitted if conciliation fails but certain groups of workers, whose actions might be a threat to life and health may not take strike action. Negotiations must be concluded in time for the financial implications of the settlement to be included in the state budget for the following year, which is published in December. The new agreement then comes into force on 1 January. The agreement covers pay and other conditions such as hours, holidays, sickness absence, employee benefits, redundancy arrangements and supplementary pensions.

There are four pay scales: one for most public servants, one for teachers, one for university teaching and medical staff, and one for other specialised staff. Other than for teachers, each pay scale has 14 grades and 12 pay steps. Progress up the steps depends on experience and it takes 32 years to reach the top.

The national agreement is signed on the employers side by five ministers, the ministers of the interior, education, social affairs and the family, finance and health, as well as a representative of the association of municipalities – ZMOS – and representatives of each of the self-governing regions. On the union side the signatories are the eight KOZ unions (SLOVES – public administration, SOZZASS – health and social services, OZPSAV – education, SOZKaSO – culture, OZDOPRAVA – transport, SOZ pracovníkov služieb – services, SOZ zamestnancov obrany – defence and OZ pracovníkov SAV – Academy of Sciences) plus KOZ itself. In addition the agreement is also signed by the Christian union confederation, NKOS, and another union confederation, the General Association of Free Trade Unions (VSOZ).

The agreement signed nationally sets minimum conditions, and local and regional authorities may improve on the conditions if they are willing and able to do so. One recent example was the introduction of a shorter working week for mothers in some authorities.

The 2008 agreement, signed in October 2007, provided for a 4.0% increase in pay scales plus a 2% pensions contribution. This increase was larger than the 3.0% increase paid to “civil servants” for the same period. This difference indicates that although there are similarities, the two negotiating processes – for “civil servants” and “public servants” – do not automatically produce the same result.

Social dialogue in local and regional government

There is no social dialogue specific to local and regional government in Slovakia. However, several members of the national social dialogue forum, the HSR, are parties to the negotiations that cover the sector. From the government side they are the ministers of social affairs and the family, finance, health and education; the employers' side includes the association of municipalities ZMOS; and the union side includes representatives from the education union, OZPSAV, the health and social services union, SOZZASS, the transport union, OZDOPRAVA, and the defence workers' union, SOZ zamestnancov obrany.

The HSR deals with issues such as the funding of health and education services as well as regional development, which are all part of the responsibilities of local and regional government.

Spain

Background

Unions

There are more than 2.0m trade union members in Spain and the latest official figures for 2004 show that 16% of all employees are union members.⁶¹ Another measure of support is provided by elections to works councils; participation is high – around 75% of those entitled to vote do so; and the overwhelming majority of those elected are trade unionists.

There are two main trade union confederations in Spain at national level, the CCOO and the UGT. Both have broadly similar levels of membership. The CCOO announced a paying membership of 970,000 to its Congress in 2004 and reported in October 2007 that it had 1,128,000 members. The UGT had 840,000 members in 2004 and its membership has also been growing. In terms of the elections to works councils, both had a very similar level of support in 2002-2003 (the most recent completed round), although the CCOO was very slightly ahead with just under 39% of the elected members, while the UGT had around 37%. The current round seems to have left this position largely unchanged, although the CCOO may have increased its numbers slightly relative to the UGT.⁶² However, the dominance of the two together, with three-quarters of the total number of seats contested (76%), is clear and growing. They are also the only "most representative unions" at national level – a status which depends on their results in the works council elections and gives them rights in the area of collective bargaining. Relations between the two main confederations are normally reasonably good, although subject to certain tensions.

There are also much smaller national confederations, USO, CGT and CNT, and a number of unions in specific sectors. By far the most important of these is the CSI-CSIF in the area of public administration, where, on its own figures, it had obtained around 15% of the seats contested by March 2007.

This is the national picture but there are also important trade union groupings with a regional base reflecting these regions' demands for greater autonomy or independence. The Basque nationalist ELA is the strongest confederation in the Basque Country in terms of its vote in works council elections, with 36% of the elected union representatives. LAB is another Basque union grouping, and it has around 15% of the elected works council members in the Basque Country. In Galicia the CIG is a significant union force, although in terms of works council members it is in third place behind the two major confederations. ELA and CIG are both "most representative unions" in their respective regions.

The CCOO, the UGT and ELA are affiliated to the ETUC. The CSI-CSIF is affiliated to CESI and Eurofedop. The other confederations are not affiliated to a European body.

All the confederations are structured on an industry basis with separate federations for different sectors such as metalworking, public services, communications and transport, and financial services. However, these industrial groupings are better seen as sections of the main confederations rather than autonomous bodies.

Trade union membership in Spain has grown in recent years. Between 2000 and 2004 the membership of CCOO went up by 200,000, an increase of 25% and in the last three years it

⁶¹ Encuesta de la Calidad de Vida en el Trabajo

⁶² CCOO aventaja a UGT en más de 5,100 delegados sindicales, Cinco Dias, 17 March 2007

has grown by a further 16%. The UGT has seen a similar rise. However, a similar growth in employment has meant that union density has not increased. Figures from the government survey on the quality of working life show that the gap between union density rates in the public sector – at 29.4% – and the private sector – at 13.8% – is not as large as in some other countries.⁶³

Collective bargaining

Negotiations between employers and unions take place at three levels: national, industry and company/organisation.

National level agreements cover both major non-pay issues and, since December 2001, guidelines on pay increases for lower level bargainers. In recent years the major non-pay agreements between the government, unions and employers have been on the resolution of industrial disputes, training, the minimum wage, industrial policy and on employment in May 2006.

Below this level the structure is complex and overlapping, and attempts to create a more coherent structure, agreed by employers and unions in 1997, have not been very successful, although the overall coverage of collective bargaining is high.

Figures from the ministry of labour indicate this complexity. In 2006 three-quarters of the agreements (75%) were company agreements but they only covered 11% of employees covered by collective bargaining. At the other end of the scale national industry deals made up only 2% of all agreements, but they covered 25% of employees. In the middle were the provincial agreements accounting for 20% of the agreements signed but 54% of the employees. The remaining 9% of workers were covered by the agreements signed at regional level. These proportions have remained more or less constant in recent years.⁶⁴

Social dialogue

There is a formal structure for social dialogue in Spain, provided by the economic and social council CES. This is made up of equal numbers of representatives from the employers, the unions (CCOO, CIG, ELA and UGT), and other groups, such as farmers, consumers co-operatives, as well as four government-nominated experts. The CES is consulted by the government on economic and social issues – in some areas there is a requirement to do so – and it also publishes reports and recommendations on its own initiative.

However, many of the most important discussions between unions and employers and the government, such as on the national pay guidelines or employment, have not formally taken place within the CES. Instead they have been direct negotiations between the parties which have resulted in collective agreements – see section above.

Local and regional government

There are three levels of government below the national government in Spain. These are the regions (Comunidades Autónomas), the provinces (provincias) and municipalities (municipios).

⁶³ Que determina la afiliación a los sindicatos en España?, by H J Simon, Revista del Ministerio de Trabajo y Asuntos Sociales 2003

⁶⁴ España 2006 Economía, Trabajo y Sociedad: Memoria sobre la situación socioeconómica y laboral, CES 2007

There are 17 regions (CCAA), which vary in size from La Rioja with 294,000 inhabitants to Andalucía with 7.7 million. In addition there are two cities on the North African coast, Ceuta and Melilla, which have the status of autonomous cities. The powers of the regions vary, with some, such as Catalonia or the Basque Country, which have a historic tradition of autonomy, having greater powers than others such as Castilla y León or Murcia. Catalonia, the Basque Country and Navarra have their own police forces for example, which the other regions do not. In general terms they are responsible for education, health, social policy, public works, culture, the economy of the region agriculture and the environment. They also have a legislative role.

Seven of the regions, including the region of the capital Madrid, have no provincial structure, but in the remaining 10, which are normally larger in terms of area, are divided into 43 provinces. These also vary greatly in size, from Soria, with 94,000 inhabitants to Barcelona with 5.3 million. They have a role in co-ordinating services provided by the municipalities, as well as providing services such as waste disposal, social services and public transport to smaller municipalities.

The lowest level of local government is provided by 8,110 municipalities. Almost half of these (3,828 or 47.2%) have 500 inhabitants or fewer, but there are six with more than 500,000 inhabitants. Municipalities are responsible for household refuse, street light, the supply of water and traffic control, and depending on the size they take on wider responsibilities.

Excluding universities, which formally are part of the regional administration, there were 1.9 million people employed in local and regional government in January 2007.

The breakdown of employment is set out in Table 1. It shows that staff at regional level outnumber those at the local level (provinces and municipalities) by around two to one – 1.26 million as opposed to 602,000 – and that, at regional level, more than three quarters of those employed are in teaching and health. At local level many more are employed by municipalities than by the provinces.

Table1: Personnel by level and type of activity

Area of activity	Number of employees	Percentage
Regions		
Administration	240,182	12.9%
Non-university teaching	513,558	27.6%
Health service	452,982	24.3%
Justice (5 regions only)	31,974	1.7%
Police (3 regions only)	21,879	1.2%
Provinces	80,425	4.3%
Municipalities	521,576	28.0%
Total	1,862,576	100.0%
Source: Boletín Estadístico del personal al servicio de las administraciones públicas, MAP, January 2007		

Many of those working in the public sector in Spain have a special status as civil servants (funcionarios), who are subject to specific rules (see below). However, they are found much less frequently in provinces and municipalities than in the regions, where the majority of those employed are normal employees, with the same rights as employees throughout the rest of the economy. There is also a third category of “Other staff”, made up of “provisional

civil servants” – those doing work normally assigned to civil servants but where there are none available to do the work – and “temporary civil servants” – those working for ministers and others, taken on because they enjoy the politicians’ confidence.

Table 2 shows the distribution of personnel between the various categories of employment. It shows that while normal employees account for 319,000 of the 522,000 working at municipal level (61%), in the provinces this percentage falls to 51% (41,000 out of 80,000) and in administration at regional level its is at 38% -employees form a small minority of all of those working. The regional police is composed entirely of civil servants.

Table2: Personnel by level and employment status

Area of activity	Civil servants (funcionaros)	Employees	Other staff	Total
Regions				
Administration	116,174	91,526	32,482	240,182
Non-university teaching	368,500	36,308	108,750	513,558
Health service	277,094	19,316	156,572	452,982
Justice (5 regions only)	22,178	957	8,839	31,974
Police (3 regions only)	21,879	0	0	21,879
Provinces	31,785	40,888	7,752	80,425
Municipalities	173,445	318,649	29,482	521,576
Total	1,011,055	507,644	343,877	1,862,576
Source: Boletín Estadístico del personal al servicio de las administraciones públicas, MAP, January 2007				

Civil servants (funcionarios) have a specific constitutional role in Spain, and tasks such as the “direct or indirect participation in the exercise of public powers or the safeguarding of the general interests of the state or public administration”⁶⁵ are reserved exclusively for them. They cannot be removed, except following a defined disciplinary procedure, and they must be appointed on merit, on the basis of public exams (oposiciones). Normal employees in the public sector should also be appointed on merit.

However, in contrast to some other states, civil servants in Spain have a right to take strike action and their pay is subject to collective bargaining. (There are some conditions to this – see collective bargaining section.) Most of these rights date back to 1984 but in April 2007 new legislation was passed, which aimed to provide a common framework for all those employed in the public sector – civil servants, normal employees and other staff – while maintaining the special role of funcionarios themselves.⁶⁶

Overall the number of employees in at regional and municipal level has increased in recent years, as more functions have moved from the central state to the autonomous regions.

Unions involved in local and regional government

As well as teaching unions, the main unions involved in regional and municipal government are the public sector federations of the two main confederations – FSAP-CCOO in the CCOO and FSP-UGT in the UGT – plus the CSI-CSIF. There is a separate federation for

⁶⁵ Estatuto Básico del Empleado Publico Law 7/2007, Article 9

⁶⁶ Estatuto Básico del Empleado Publico Law 7/2007

health service employees (FSSS) in CCOO but in the UGT, health service employees are included in FSP-UGT, which is largest of the UGT's federations. In addition there are unions for the public sector belonging to the regional confederations, such as ELA-GIZALAN, part of ELA-STV in the Basque Country, and the smaller national confederations. FSAP-CCOO is – in October 2007 – in the process of merging with the CCOO union for communication and transport.

There are also unions representing specific groups of workers such as the SPPME, which represents some municipal police, and USAE and SATSE, which both represent some nurses and nursing auxiliaries.

There are no generally published figures for the membership of the unions involved in local government. However, FSAP-CCOO has stated that of its total membership of 121,400, more than 40% (52,200) are in local government, with its biggest blocks of membership in administrative personal, the provision of water, refuse collection and waste disposal, and the police. This is in line with the figures published in the report to the European Commission in 2001, which recorded that FSAP-CCOO had 48,900 members in regional and municipal government. This put it ahead of CSI-CSIF's local government membership, at a stated 42,000, but behind the membership in local government of FSP-UGT, which the report gave as 80,270, although this presumably includes membership in the health sector.⁶⁷

Another indicator of union influence is provided by the results of the works council elections in regional and local government, both for civil servants and normal employees. These are dominated by FSP-UGT, FSAP-CCOO and CSI-CSIF. Overall, in the highest-level negotiating committee for the whole of the public administration (Mesa General de Negociación de las Administraciones Públicas), which covers all the 2.5 million working in the sector, including central government, teachers and the health service, and where seats are currently allocated on the basis of the results of works council elections from 2003-2004, both CCOO and UGT have four seats, CSI-CSIF has two seats and ELA and CIG have one each.

At European level FSP-UGT, FSAP-CCOO and ELA-GIZALAN are affiliated to EPSU, while, as already noted, CSI-CSIF is affiliated to both CESI and Eurofedop. SATSE, the nursing union, is also affiliated to Eurofedop.

Collective bargaining in local and regional government

The structure of negotiations for the whole of the public service in Spain, including regional and municipal government, was changed with new legislation in 2006, which introduced a new top-level negotiating committee for the whole of the public administration (Mesa General de Negociación de las Administraciones Públicas). Before that the highest level for negotiations had been only for employees of central government, the creation of the new body provides a mechanism to negotiate on issues covering the whole of the public service. This includes the general pay increases for public employees to be included in the legislation on the budget every year.

Below this level there are similar negotiating bodies in each of the regions and each of the municipalities, although municipalities can join together in associations to negotiate. As well as these general negotiating bodies, each administration can set up sectoral negotiating bodies which deal with particular groups of employees.

⁶⁷ Institutional representativeness of local public sector trade union and employers' organisations in the EU, Université Catholique du Louvain, 2001

These lower level bodies can agree higher pay increases than those agreed at national level, although in the past at least, their legal right to do so has been called into question. However, the practice is common, both at municipal and regional level. They also have wide powers to reach agreements on a range of other issues.

Although the legislation makes it clear that most issues will be covered by collective agreements, it also establishes that some issues, such as the rights of users of public services, are excluded from collective bargaining. On pay it also states that while normally agreements will be honoured, the state reserves the right to suspend or modify them in cases where “substantial changes in the economic circumstances” result in a serious threat to the public interest.⁶⁸

For FSAP-CCOO the key issues it is pushing for in negotiation are: reductions in the number of temporary employees, higher wages and the possibility of partial retirement. The employers, on the other hand, emphasise the budgetary restrictions they face.

Social dialogue in local and regional government

There is formal social dialogue in the public services in Spain (Foro para el Diálogo Social en las Administraciones Públicas). It was set up in September 2004.

In the view of FSAP-CCOO the main recent issues for discussion have been the development at regional level of the arrangements for public employees agreed centrally in 2007, reducing the extent of temporary working, and implementing partial retirement.

⁶⁸ Estatuto Básico del Empleado Publico Law 7/2007, Article 38

Sweden

Background

Unions

There are 3.7m trade unionists in Sweden and, although there are a number of non-employed members, particularly students and pensioners, the level of union organisation is extremely high at 78%⁶⁹.

There are three main union confederations in Sweden, each dealing with a different part of the occupational structure. The largest is the LO which has 1,804,000 members and organises manual workers; the second largest is the TCO, which has 1,244,000 members and organises mostly non-manual workers; and the smallest federation is SACO which organises graduate employees. It has 586,000 members including 101,000 students and 36,000 pensioners. (All figures are for 2006.)

Both the LO and the TCO are structured more or less on an industry basis but SACO is structured on the basis of its members' occupations. All three union confederations are affiliated to the ETUC.

The local authority workers' union, Kommunal, is the largest of the 15 individual unions in LO, with 568,000 members, and it is followed by IF Metall, created through a merger of the metalworkers' and industrial workers' unions in 2006 with 440,000 members.

The largest TCO union is the union for clerical and technical employees in industry, SIF, with 347,000 members. (This will grow to about 530,000 once a planned merger with another private sector union goes through in January 2008. The new organisation will be called Unionen.) Next in size are the TCO teachers' union with 228,000 members and the union for non-manual local and central government employees, SKTF, with 169,000.

SACO's biggest union is CF, the association of graduate engineers with 105,000 members, followed by another teachers' union, LR, with 83,000 members, and Jusek, with 77,000 members, who include lawyers, business managers and computer experts.

The ending of centralised bargaining has reduced the power of the confederations and individual unions now have greater room for manoeuvre and greater influence. However, the confederations still play a role in co-ordinating union claims (see section on collective bargaining).

The proportion of employees who are union members has fallen slightly in recent years from a high point of 86% in 1995, although at 78% it remains high. In numerical terms, LO has suffered most, losing 160,000 members between 2001 and 2006. This largely reflects changes in the labour market as in 2005 LO estimated that the union density among its potential members was 83%, only half a percentage point lower than in 1990. TCO has lost 16,000 over the five years from 2001 to 2006. SACO's graduate membership, on the other hand, has increased by 72,000 over the same five-year period.

Collective bargaining

⁶⁹ Röster om facket och jobbet: Syn på fackligt medlemskap och facakets uppgifter, LO 2007

The key bargaining level for pay now is the industry level, although there is still some co-ordination at national level, as well as a lot of room for variation at company or organisation level. There are no official figures on the coverage of collective agreements but in practice it is estimated that collective agreements cover around 90% of all employees. There are normally separate agreements for manual and non-manual workers.

The Swedish mediation office (Medlingsinstitutet), a new institution set up in 2000, has divided Swedish collective agreements into seven separate categories. These range from those where the national agreement does not set a pay increase but leaves it entirely to local negotiations – so-called “figureless” agreements, to those where the national agreement fixes a common increase for all employees. Overall it estimated in its 2006 report that around 10% of employees were covered by figureless agreements and 7% by agreements setting a nationwide increase with no local variations. This means that the pay for more than 80% of employees is set by a combination of industry and local negotiations. This is often done through a nationally agreed increase on the total pay bill, with local negotiations on its distribution, sometimes with individual supplements linked to performance. Agreements also often include fallback arrangements, which set the increases to be paid if no local agreement is reached, and frequently there is also a guaranteed minimum increase for individuals.

As agreements now typically last three years, pay increases are staged over the period of the agreement.

Social dialogue

There are extensive discussions between unions, employers and the government in Sweden, and in that sense social dialogue is well established. Unions and individual employers are also involved in the management of the national labour market board⁷⁰. However, there is no formal institutional structure for social dialogue, such as the economic and social councils which exist in some other EU states.

Local and regional government

There are two main levels of local government in Sweden, the municipalities (kommuner) and the counties (Landsting). There are 290 municipalities, which range in population from Stockholm with 783,000 inhabitants to the tiny Bjurholm with just 2,541. The median size is 15,200. There are 18 counties, plus two regions, which in effect are counties with greater responsibilities for regional development.

The main county responsibilities are health, culture, leisure, training and some public transport functions. The main responsibilities of the municipalities are education, social services, childcare, roads and public protection, leisure and culture and the environment.

Those employed in the public sector in Sweden no longer have a special status. Although there is still some legislation which applies specifically to them, in broad terms they are employees like any other, with the same rights, and their pay and conditions are subject to collective bargaining.

In total there are 782,000 employed by the municipalities and 269,000 by the counties⁷¹.

⁷⁰ National Social Dialogue on Employment Policies in Europe, by Ludek Rychly and Marketa Vylitova, ILO, 2005

⁷¹ Kommunal personal 2006 and Landstingsanställd personal 2006 Sveriges Kommuner och Landsting

As Table 1 shows the vast majority of those employed at county level, over 80%, are involved in health care.

Table 1: Employees in counties: November 2006

Type of employees	Number of employees	Percentage
Health care (nurses and others)	143,804	53.5%
Professions allied to medicine (physiotherapists and others)	20,890	7.8%
Doctors	28,114	10.5%
Dental staff	13,980	5.2%
Administrative staff	38,492	14.3%
Technical support staff	5,515	2.1%
Training and leisure	3,903	1.5%
Care staff	2,549	0.9%
Economy and transport	11,774	4.4%
Total	269,021	100.0%

Source: Landstingsanställd personal 2006: Table 1.4

Those employed at the municipal level are spread over a wider range of tasks, with the majority working in education and social care, see Table 2.

Table 2: Employees in municipalities: November 2006

Type of employees	Number of employees	Percentage
Pre-school and nurseries	127,455	16.3%
Social care	317,307	40.6%
Schools	162,051	20.7%
Leisure and culture	24,165	3.1%
Technical staff (includes 5,336 in fire service)	92,901	11.9%
Administrative staff	58,345	7.5%
Total	782,224	100.0%

Source: Kommunal personal 2006: Table 3

The number of employees at county level has risen very slightly in recent years, going from 259,515 in 2000 to the current 269,021 – a 3.7% increase. There has also been an increase in the total number of employees at municipal level over the same period. It has grown from 749,876 in 2000 to the current 782,224 – a 4.3% increase.

Unions involved in local and regional government

The largest union in local government in Sweden is Kommunal, affiliated to LO. It reports that 430,000 of its members in total are employed in the counties and municipalities, with the largest number working in social care, including child care. The breakdown of its membership by category is as follows.

Area of work	Number of members
Housing	1,500
Fire fighters	4,000
Libraries, museums and other cultural services	2,000
Cemeteries, parks and gardens	9,300
Energy supply and distribution	500
Water	1,000
Waste disposal and transport	2,000
Healthcare	42,000
Social care (including child care and elder care)	322,500
Education (other than teachers)	3,200
Cleaners, school catering, cooks and assistants	43,000
Total	430,000
Source: Kommunal	

Other than the unions representing teachers, SKTF is the second largest union in local government with 110,000 members employed by the counties and municipalities. Other unions with members in counties and municipalities local government include Vårdförbundet, representing health professionals such as nurses, midwives and radiographers, which has 108,000 members, Akademikerförbundet SSR, representing graduate staff across a range of professions such as social workers, therapists and economists, which has a total of 53,000 members, the doctors' union Sveriges Läkarförbund, with 39,000 members and Ledarna, the association for managerial and professional staff, with around 65,000 members across the whole economy. Like SKTF, Vårdförbundet is affiliated to TCO, while Akademikerförbundet SSR and Sveriges Läkarförbund are affiliated to SACO.

Kommunal, SKTF, Vårdförbundet and Akademikerförbundet SSR are all affiliated to EPSU, as is the Svenska Transportarbetareförbundet and SEKO the service and communications union. Ledarna is affiliated to the CEC.

Kommunal reports that the number of members is decreasing but the level of union membership – union density – remains the same, while SKTF notes that that membership is falling in the area of social care. Figures on union density published by LO in 2007, covering members of all unions, show that union density in 2006 was 88% for manual and 90% for non-manual workers in local government (counties and municipalities). These are among the highest figures for any sector. However, there has been a slight fall since 1998 (down from 93% for manual workers and 95% for non-manual workers.)⁷²

Collective bargaining in local and regional government

There are separate collective agreements for different groups of employees in the counties and municipalities, although on the employers' side both counties and municipalities negotiate together as (SKL). National government does not have an influence on these negotiations.

Apart from the agreement covering 246,000 teachers, the main agreements are with:

SKTF, Akademikerförbundet SSR, Ledarna – 153,000 employees (non-manual)
 Kommunal – 530,000 employees (manual)
 plus two agreements covering medical staff:
 Sveriges Läkarförbund – 28,000 employees (doctors)

⁷² Röster om facket och jobbet: Syn på fackligt medlemskap och fackets uppgifter, LO 2007

Vårdförbundet – 105,000 employees (nurses and other medical staff)

There is also a separate agreement for fire fighters covering 11,000 employees many of whom are part-time. As well as Kommunal and SKTF, a breakaway from Kommunal, Brandmännens Riksförbund, also negotiates for some fire fighters⁷³.

Agreements typically last two or three years – the agreements signed in 2005 lasted for 27 months. The agreements are reached centrally but they often leave room for substantial further negotiation at local level.

For example the 2005 agreement with Kommunal in 2005 provided for an increase of 510 SEK in 2005 and 500 SEK in 2006, equivalent to a 2.95% increase in the first year and a 2.8% increase in the second. But only 175 SEK was guaranteed to individuals in each of the years, leaving an average of 335 SEK per person for local negotiation in the first year and 325 SEK in the second. The only other fixed points on pay in the agreement were minimum rates.

The agreement with SKTF, Akademikerförbundet SSR and Ledarna in 2005 guaranteed only a fallback minimum of at least 2.0% in 2005 and 2.0% in 2006 (2.5% for those earning less than 18,500 SEK a month), as well as a minimum wage.

The overall result was that in its 2006 report the Swedish mediation office noted that 5% of employees at county/municipal level were covered by “figureless” agreements – that is those where there is not national increase and all negotiations take place at local level (these are agreements with a group of SACO unions), 48% were covered by agreements with a local wage framework but no individual guarantee (such as the SKTF agreement) and 47% by agreements with a local wage framework and an individual guarantee (such as the Kommunal agreement).

Kommunal reports that the employers are pushing for more wage setting at local level, while the union is looking for guaranteed pay developments, as well as greater influence on working patterns. SKTF also reports that the employers want no set wage increases – a policy it opposes.

Social dialogue in local and regional government

There are ongoing discussion between unions and the employers outside the two or three-yearly rounds of negotiation. There are working groups on health and safety and working time and discussion on skills development, recruitment and overall pay levels.

⁷³ Figures on employee numbers from the Swedish mediation office, Avtalssammanställning 2005