Representativeness of the European social partner organisations: Shipbuilding sector

Introduction

This study aims to provide the necessary information to encourage sectoral social dialogue in the shipbuilding sector. Eurofound’s series of representativeness studies, carried out at the request of the European Commission, sets out to identify the relevant social partner organisations to be consulted under the provisions of the Treaty on the Functioning of the European Union (TFEU). The study thus identifies the relevant social partner organisations in the shipbuilding sector by means of both a top-down approach (listing the members of the relevant European associations) and a bottom-up approach through Eurofound’s Network of European correspondents.

The effectiveness of European social dialogue depends on the representativeness of the sector’s relevant actors: only sufficiently representative associations can participate in European social dialogue.

A national association is considered to be a relevant sector-related interest association if it meets the following criteria: (a) the association’s domain relates to the sector; and (b) the association is either regularly involved in sector-related collective bargaining and/or is affiliated to a relevant sector-related European association. A European association is considered to be a relevant sector-related interest association if it is on the Commission’s list of interest organisations to be consulted on behalf of the sector under Article 154 of the TFEU and/or participates in sector-related European social dialogue and/or has requested consultation under Article 154.

Defining the sector

For the purpose of this study, the shipbuilding sector is defined in terms of the Statistical Classification of Economic Activities in the European Community (NACE) system to ensure the cross-national comparability of the findings. More specifically, the shipbuilding sector is delineated by NACE Rev. 2 code 28.11 (Manufacture of engines and turbines, except aircraft, vehicle and cycle engines), 30.11 (Building of ships and floating structures), 30.12 (Building of pleasure and sporting boats) and 33.15 (Repair and maintenance of ships and boats).

Economic background

The European shipbuilding sector is a major player on the global market and closely linked to other sectors such as transport, security and energy. Activities in the sector are concentrated in around 10 Member States, with the largest workforces in the UK, Italy, France, Germany and Poland. Although European shipbuilders have lost market shares in the global context, especially after the economic crisis of 2008, there are about 300 shipyards in Europe, directly employing 220,000 people in the European Union. According to Eurostat, around 494,900 people were employed in the four subsectors related to the shipbuilding sector. Since 2008, the decline in the European shipbuilding workforce has been significant, decreasing by around 11,000 each year, and by 10% in total between 2008 and 2013.

In a highly competitive, globalised context the European shipbuilding sector has faced severe challenges since 2008, resulting in significant corporate restructuring. Today, the global shipbuilding market is dominated by China, South Korea and Japan. Over the past decade, European shipbuilders have specialised in high-tech vessels of smaller tonnage; these include passenger ships such as ferries, cruise-ships and mega-yachts, a market segment in which European shipyards take the global market lead.

National level of interest representation

Trade unions

A total of 73 sector-related trade unions were identified in 24 Member States; there are no sector-related economic activities in Ireland and Luxembourg, and no sector-related unions were identified in the Czech Republic or Estonia. With one exception, all these trade unions are involved in sector-related collective bargaining. From the 24 Member States studied, 9 record only one sector-related trade union, while a pluralist associational system exists in 15.
Most unions have a relatively broad or multisector membership domain. For 65% of the unions, sectional overlap is the most frequent domain pattern, followed by overlap in 29% of cases. Five trade unions show a sectional domain pattern. No union demarcates its domain in a way that is congruent with the shipbuilding sector. Union densities in the sector range from below 10% (in 65% of the cases) to 82% (in one case).

**Employer organisations**

The study identified a total of 49 sector-related organisations in 21 Member States: 45 sector-related employer organisations and 4 companies. One peculiarity of the shipbuilding sector is that employer organisations exist in only 20 Member States; there are no such organisations in Cyprus, Estonia, Hungary, Latvia or Malta. Four companies from three Member States (Belgium, Slovenia and Spain) can be seen as relevant sector-related companies, from which three companies are affiliated to the European Ships and Maritime Equipment Association (SEA Europe). Domain patterns of sectoral relatedness show certain differences and also similarities to trade unions. While sectional overlap (64%) is the most frequent domain pattern, followed by overlap (20%), two employer organisations demarcate their domain pattern as congruent. Sectionalism occurs in 11% of the cases. The employers’ side has a much less pluralistic system of sector-relatedness than the employees’ side. In 13 Member States, only one or two organisations exist. A maximum of 3 organisations were identified in all the countries, with the exception of Italy with 10 organisations. Sectoral domain density in terms of employees ranges from below 10% to over 90% in three organisations.

**Collective bargaining**

Almost all sector-related trade unions identified in this study are involved in sector-related collective bargaining. The only exception is the Hungarian trade union Vasas, which is not involved in collective bargaining. On the employers’ side, 58% (26 out of 45) are involved in collective bargaining. Traditionally, collective bargaining coverage is high in the shipbuilding sector. From the nineteen Member States with available information, seven have a collective bargaining coverage of 100%, four record coverage rates of 80%–99%, two have around 40% and three report coverage rates of 20%–30%. The lowest rates of 10%–17% occur in three Member States.

**European level of interest representation**

In the shipbuilding sector, the organisations listed by the European Commission as social partner organisations to be consulted under Article 154 of the TFEU are industriAll Europe on the employees’ side and SEA Europe on the employers’ side.

IndustriAll records 42 direct affiliates (58% of the unions identified in the study) in 19 Member States, with 41 of them engaged in sector-related collective bargaining.

SEA Europe records 20 direct affiliates (44% of the employer organisations identified) in 15 EU Member States. Only 3 of its affiliates (11% of the total number of 27 organisations involved in collective bargaining) are involved in sector-related collective bargaining.

**Conclusions**

The top-down and bottom-up analyses of the shipbuilding sector in the EU28 show that industriAll and SEA Europe are the most important EU-wide representatives of employees and employers in the sector.

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**Further information**


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