

Industrial relations and working conditions developments in Europe 2013



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Eurofound

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Contents

Introduction	1
1. Economic and political developments	3
2. Developments at EU level	9
3. Social partner organisations	19
4. Industrial relations processes and activity	27
5. Pay developments	41
6. Working time	49
7. Health and safety at work	57
8. Conditions of employment	69
9. Entry into and exit from employment	75
10. Skills development	81
11. Future developments at national level	87
12. Conclusions	93
Bibliography	97
Annexes	99

Country groups and codes used in the report

Country groups

EU28	Current 28 EU Member States (see below)
EU15	15 EU Member States before May 2004 (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom)
NMS13	13 New Member States that have joined the EU since 2004 (Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia)

Country codes

28 EU Member States

AT	Austria	FI	Finland	NL	Netherlands
BE	Belgium	FR	France	PL	Poland
BG	Bulgaria	HR	Croatia	PT	Portugal
CY	Cyprus	HU	Hungary	RO	Romania
CZ	Czech Republic	IE	Ireland	SE	Sweden
DE	Germany	IT	Italy	SI	Slovenia
DK	Denmark	LT	Lithuania	SK	Slovakia
EE	Estonia	LU	Luxembourg	UK	United Kingdom
EL	Greece	LV	Latvia		
ES	Spain	MT	Malta		

Other

NO	Norway
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Introduction

The annual review provides an overview of the main developments in industrial relations and working conditions in the 28 Member States of the European Union and Norway in 2013. Different countries place different emphases on areas related to industrial relations and working conditions. The items reported here comprise a selection of the overall, more detailed information included in the national reports for each EU Member State and Norway. Additional up-to-date country-level information on industrial relations is also available from EurWORK, Eurofound's new European Observatory of Working Life. EurWORK merges the former European Industrial Relations Observatory (EIRO) and the European Working Conditions Observatory (EWCO), and serves as a one-stop monitoring instrument combining news and analysis around working life.

The information in this report is based on contributions from Eurofound's network of European correspondents that covers all EU Member States and Norway. The correspondents use national sources and methodologies to provide the requested information. As the nature of the information varies from country to country, it is sometimes difficult to compare data. For this reason, the report should be viewed as presenting trends in industrial relations and working conditions within the EU and Norway. Data from harmonised sources are used where possible to provide contextual and comparative information.

The report first presents an overview of the economic and political situation in 2013 across the EU, including Norway. This is followed by a description of the major developments in industrial relations and working conditions at EU level. These first two chapters are intended to serve as contextual information leading to a better understanding and interpretation of public discussions and political debates, policies and initiatives, collective bargaining and agreements and legislative developments in the Member States and Norway. The next seven chapters are thematic and cover the following topics:

- national-level developments in the organisation and role of social partners;
- pay and wage-setting;
- working time;
- health and safety at work;
- conditions of employment, such as security, contractual arrangements, job mobility and transition, and gender equality and discrimination;
- entry into and exit from employment;
- skills development.

The report closes with a summary of the report's main findings and an outlook on potential developments in the Member States and Norway in 2014.

Economic and political developments 1

This chapter establishes the background to the annual review by:

- outlining the main economic developments – real gross domestic product (GDP) per capita, governmental deficits and inflation;
- reporting on elections, referenda and changes in government in 2013.

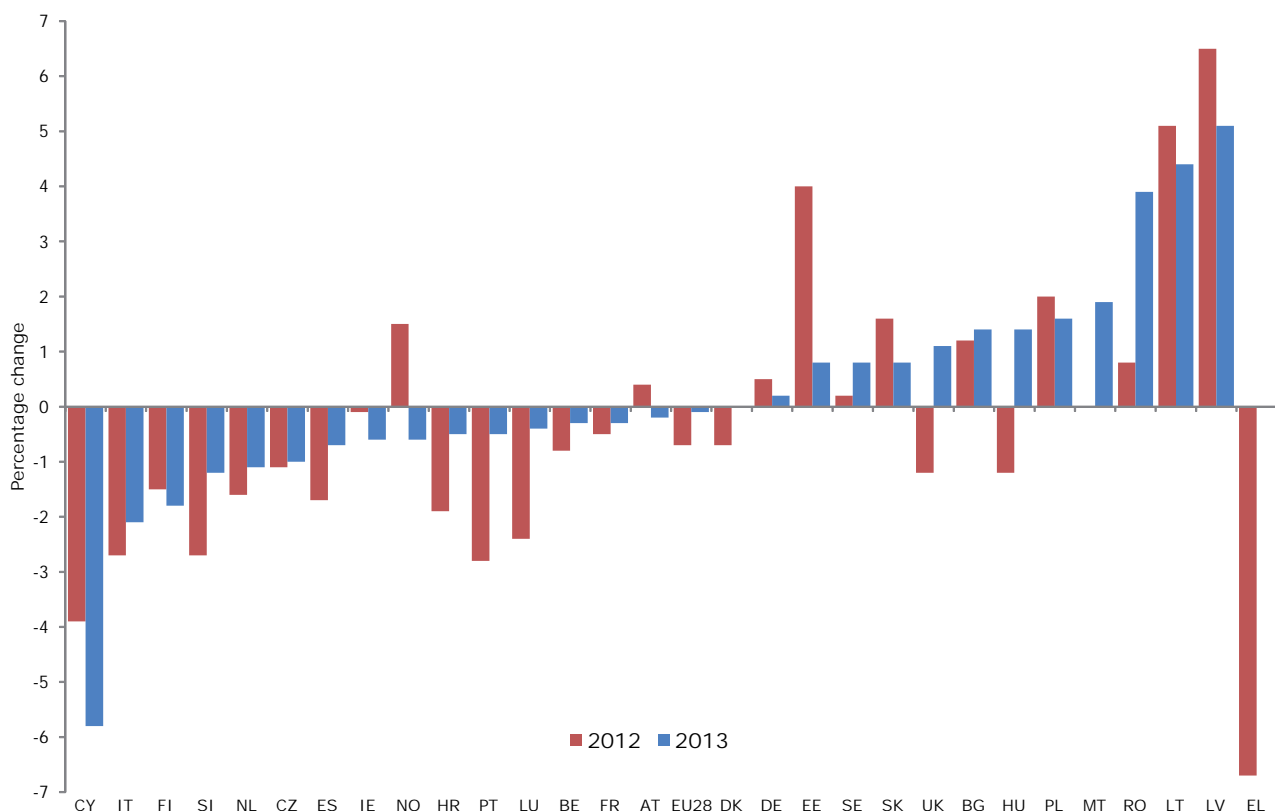
Economic developments

The year 2013 was once again marked by economic stagnation overall in the EU28, with a broad range of differences across the Member States. Large government debts and the need to reduce current deficits are a concern in several Member States, with important knock-on effects on industrial relations.

Real GDP per capita

In about half of the EU countries, real GDP per capita fell in 2013 (Figure 1). The highest decreases were reported in Cyprus (-5.8%) and Italy (-2.1%). The real GDP increased in 2013 in 12 countries. The highest increases, exceeding 4%, took place in Latvia and Lithuania. A ‘turnaround’ from negative per capita growth in 2012 to an increase was achieved only in Hungary and the UK.

Figure 1: *Percentage change in real GDP per capita in EU countries and Norway, 2012 and 2013*



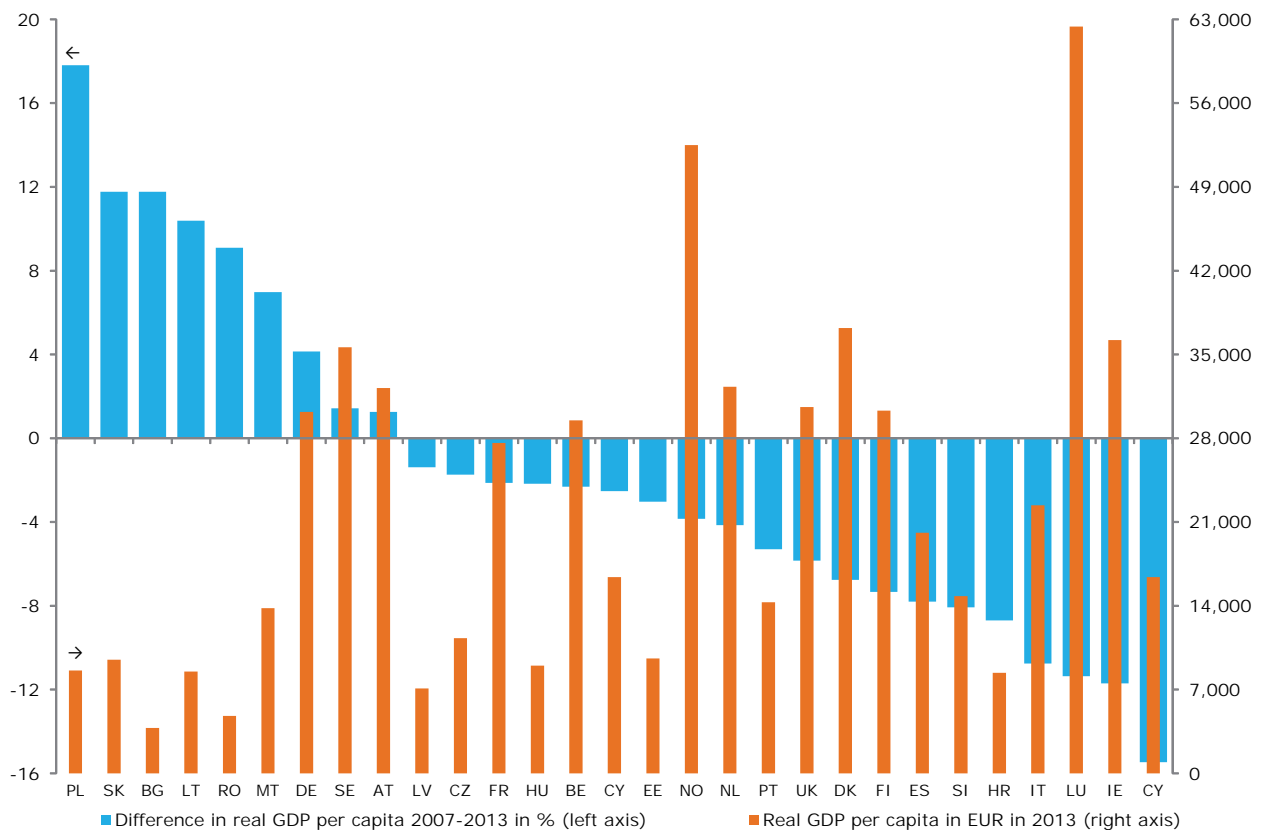
Note: No data available for Greece in 2013.

Source: Eurostat

It is important to interpret the data shown in Figure 1 in the context of the change in the volume of real GDP per capita in 2013 to its pre-crisis level in 2007 (Figure 2). With a growth rate of almost 18%, Poland was the fastest growing country over this period, followed by Slovakia and Bulgaria (both above 12%). However, real GDP per capita decreased the most in Cyprus (almost 16%), Ireland (12%) and Luxembourg (11%).

Despite a considerable decrease over the past years, Luxembourg maintained the highest GDP per capita among the countries compared in 2013 at over €60,000. Bulgaria had the lowest GDP per capita in 2013 at €3,800.

Figure 2: Real GDP per capita (€) in 2013 and development of real GDP per capita between 2007 and 2013 (%)



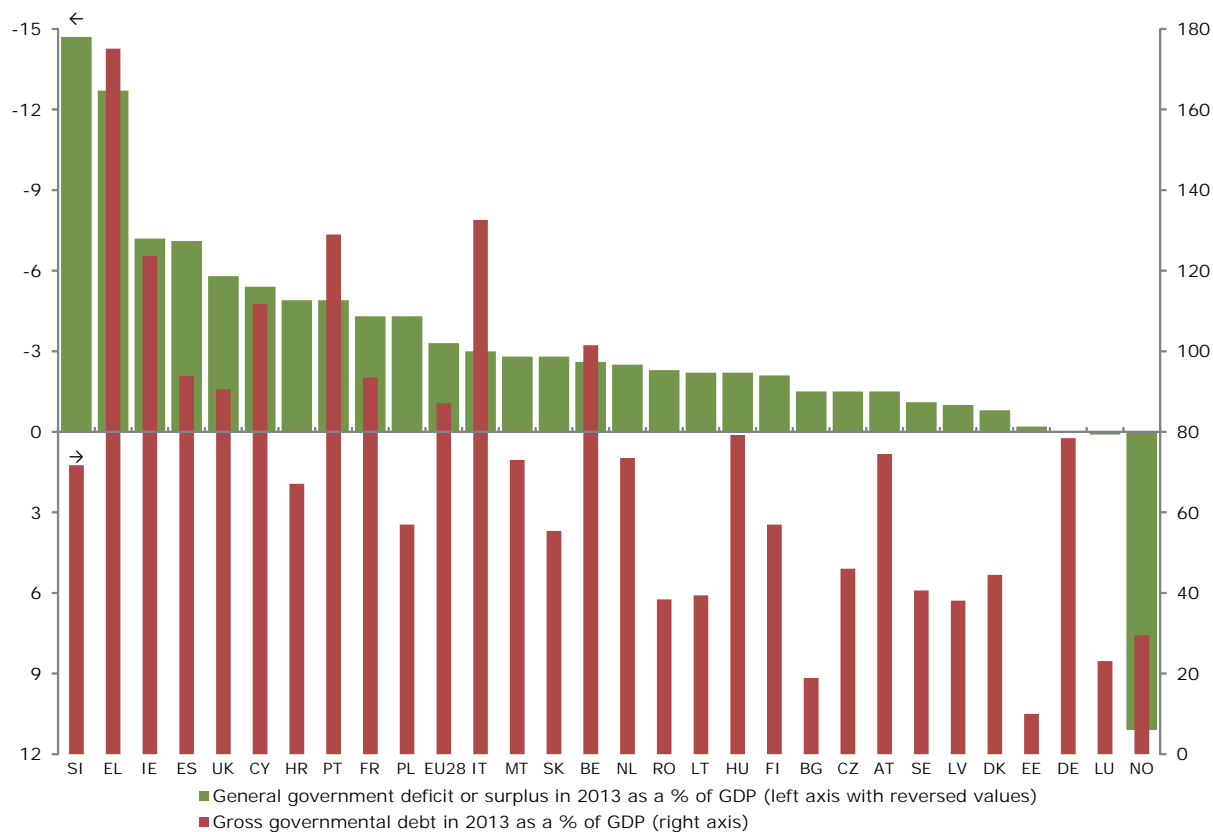
Note: No data available for Greece in 2013.

Source: Eurostat

Government debt

Within the convergence and stability criteria set by the Maastricht Treaty, it was agreed that Member States should not run excessive deficits, exceeding 3% of GDP, so as to promote stability and to prevent (further) increases in governments' debt. In 2013, the general government deficit as a percentage of GDP was the highest in Slovenia (15%) and Greece (13%) (Figure 3). Other countries that exceeded the substantial deficit level of 3% were Croatia, Cyprus, France, Ireland, Poland, Portugal, Spain and the UK. The only countries with a government surplus in 2013 were Luxembourg (0.1%) and Norway (11%). The gross government debt in 2013 was lowest in Estonia (10%) and Bulgaria (19%). Greece, Ireland, Italy and Portugal had the highest gross government debt, which exceeded 120%.

Figure 3: General and gross government deficit or surplus as % of GDP, 2013



Note: Gross domestic product at current market prices

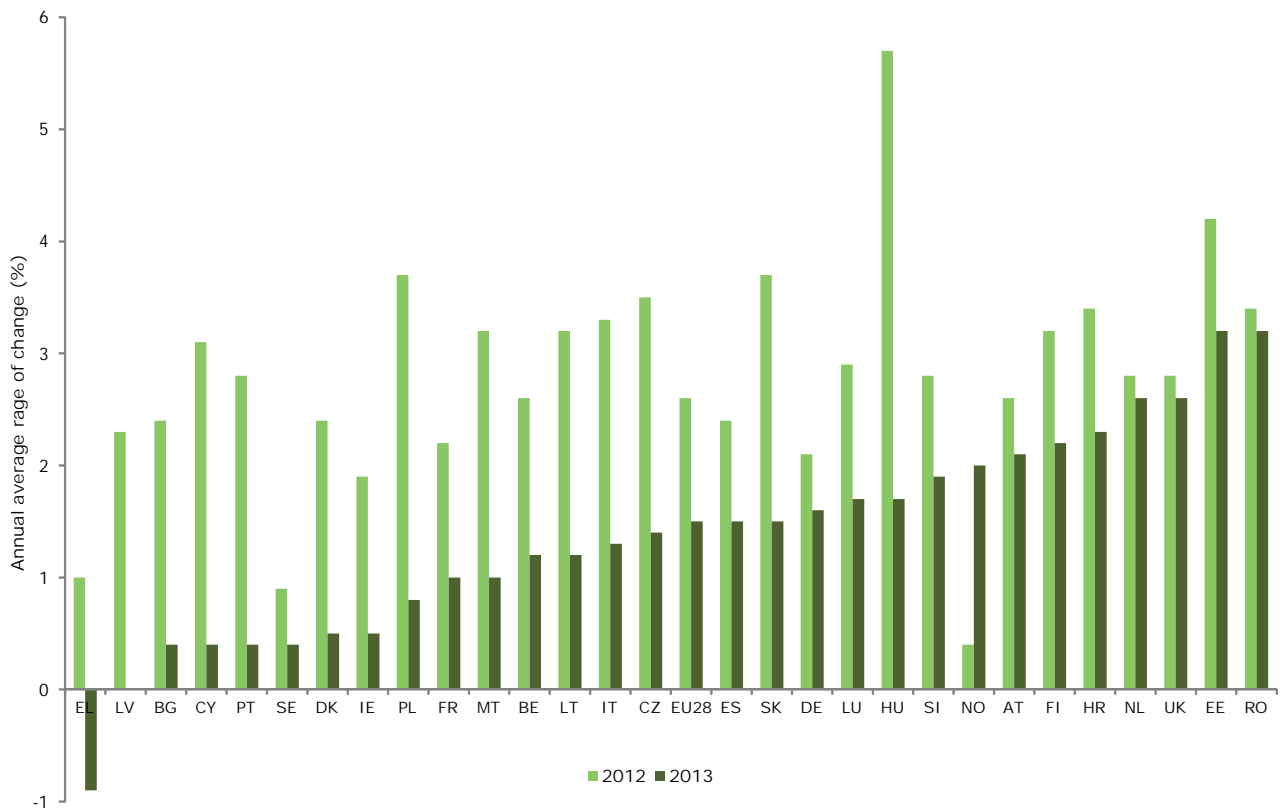
Source: Eurostat (tec00127)

Inflation

The level of inflation is another important indicator of the state of a country's economy. The annual average change in the Harmonised Indices of Consumer Prices (HICP) can be used for international comparisons of consumer price inflation. Generally speaking, high inflation increases uncertainty about prices in the economy, negatively affects people with lower incomes and has an adverse effect on savings. On the other hand, decreasing prices (deflation) can negatively influence the economy, as buyers may delay their purchases and it becomes more difficult for debtors to pay off their debts.

Expectations of the future inflation rate are an important determinant in wage-bargaining processes. Figure 4 shows the annual average rate of change in HICP in Member States and Norway in 2012 and 2013. In 2013, inflation appears to have been highest in Romania and Estonia. In the other countries, the inflation rates remained below 3%. Greece was the only economy with decreasing consumer prices.

Figure 4: Annual average rate of change in HICP, 2012 and 2013



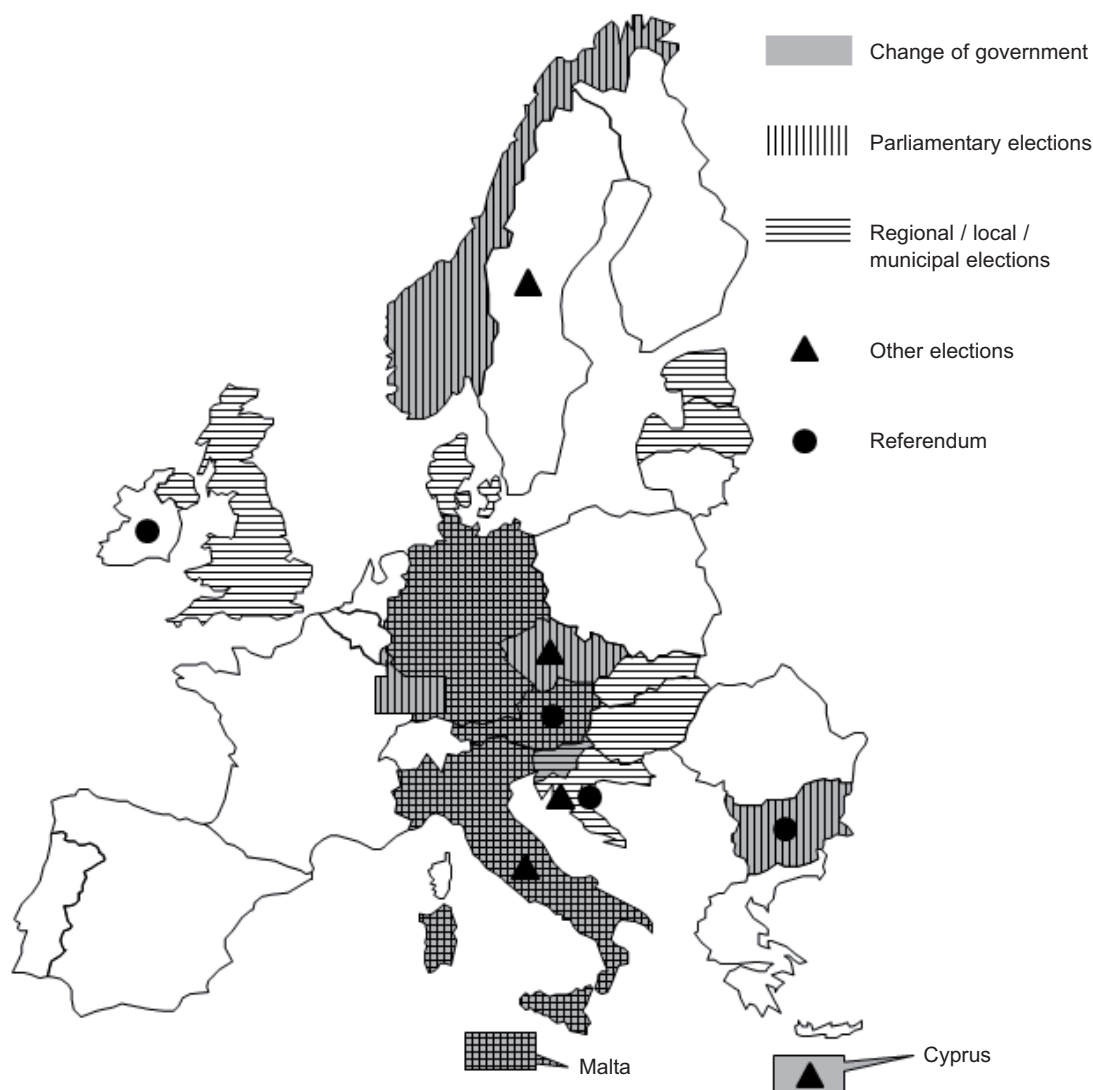
Source: Eurostat (tec00118)

Political developments

Elections and referenda

Elections and/or referenda took place in 18 EU countries and Norway in 2013 (Figure 5). There was a change of government in nine EU countries and in Norway.

Figure 5: Elections and changes of governments in EU countries and Norway, 2013



Source: Eurofound's Network of European correspondents

Parliamentary elections were held in seven EU countries and in Norway (Table 1).

Table 1: Parliamentary elections in Member States and Norway in 2013

Country	Outcome
AT	Werner Faymann's coalition government formed from the Social Democratic Party of Austria (SPÖ) and the Austrian People's Party (ÖVP) was reinstated after federal elections, even though the coalition parties suffered losses.
BG	Boyko Borisov's government of the 'Citizens for European Development of Bulgaria' (GERB) resigned in February 2013 after street protests and growing social unrest. The extraordinary elections resulted in Plamen Oresharski's fragile coalition of the Bulgarian Socialist Party (BSP) and the Movement for Rights and Freedoms (DSP), which replaced Marin Raikov's caretaker government. However, there have been continuous civil protests since June to demand the resignation of Plamen Oresharski's cabinet.
CZ	Petr Nečas's centre-right coalition cabinet made up of the Civic Democratic Party (ODS), TOP 09 and Liberal Democrats (LIDEM) resigned following a case of misuse of the Intelligence Service. Consequently, Jiří Rusnok's caretaker government stayed in power until the end of the year, although it did not pass a vote of confidence in the Chamber of Deputies. The Czech Social Democratic Party (ČSSD) and ANO 2011 came out as winners from the October's extraordinary parliamentary elections, while Nečas's government parties experienced substantial losses.
DE	After the Parliamentary elections, Angela Merkel formed a government coalition of the Christian Democratic Union (CDU), Christian Social Union (CSU) and the Social Democratic Party (SPD).

Country	Outcome
IT	Mario Monti's technocratic government stayed in office until April 2013. Following parliamentary elections, which did not deliver a clear majority, Enrico Letta's government took office with the support of the Democratic Party (PD), People of Freedom (PdL) and other small parliamentary groups. In September, PdL withdrew its support for the government but the government survived the October confidence vote following the split of PdL with the creation of the New Centre-Right party (NCD), which backed the government, and the re-establishment of Forza Italia by Silvio Berlusconi, which joined the opposition.
LU	The snap Parliamentary election that took place following the resignation of Prime Minister Jean-Claude Juncker after a spying scandal resulted in the Christian Social Party (CSV) winning the most seats. After the elections, a government coalition formed of the Democratic Party, the Luxembourg Socialist Workers Party (LSAP) and the Greens took office under the leadership of Xavier Bettel.
MT	The Labour Party (PL) obtained 55% of the votes in the general elections, bringing Joseph Muscat's cabinet to the fore.
NO	The Conservative Party (H) formed a minority government together with the Progress Party (FrP) under the leadership of Erna Solberg following Parliamentary elections in September 2013.

A number of other elections took place in the EU during 2013. Regional elections were reported in 12 Member States (Austria, Croatia, Denmark, Estonia, Germany, Hungary, Italy, Malta, Latvia, Slovakia, Slovenia and the UK). Presidential elections were held in Cyprus, the Czech Republic and Italy. In the Czech Republic, Miloš Zeman won the first direct presidential elections in the country's history. In Italy, where the President of the Republic is elected by the Parliament, Giorgio Napolitano was re-elected. In Sweden, elections to the Church Assembly took place while the Croatians voted representatives into the European Parliament for the first time.

Changes in government

In addition to the changes described above, entirely new governments took power in Cyprus and Slovenia, and partially changed governments were introduced in Greece and Portugal.

In Cyprus, after Demetris Christofias's resignation, Nicos Anastasiades was elected in the presidential election, forming a new coalition cabinet of the Democratic Rally (DISY), the Democratic Party (DIKO) and the European Party (Evroko).

In Slovenia, Janez Janša's centre-right cabinet made up of the Slovenian Democratic Party (SDS), Gregor Virant's Civic List (LGV), the Democratic Party of Pensioners of Slovenia (DeSUS), the Slovenian People's Party (SLS) and the New Slovenia-Christian People's Party (N.Si) stepped down following corruption allegations and country-wide protests. It was replaced by Alenka Bratušek's centre-left cabinet made of Positive Slovenia (PS), the Social Democrats (SD), LGV and DeSUS.

In Greece, the Democratic Left (DIMAR) exited the coalition government formed together with New Democracy (ND) and the Panhellenic Movement (PASOK), resulting in a reshuffling of the cabinet. The resignations of ministers in 2013 sparked a crisis in the Portuguese government coalition that was resolved by a reshuffle of the cabinet. Valdis Dombrovskis, the Prime Minister of Latvia, resigned in November after an incident in which the collapse of a supermarket roof resulted in 54 deaths.

Referenda

Referenda were held in five EU countries. In Austria, the electorate voted in favour of retaining compulsory military service. In Bulgaria, while voters agreed to construct a new nuclear power plant, parliament voted against the plan. In Croatia, voters agreed to add a definition of marriage to the constitution in order to prevent same-sex unions being deemed as a marriage. In Ireland, voters rejected the abolition of the Senate and agreed to establish a Court of Appeal in a referendum. In the UK, David Cameron committed the Conservative Party to the renegotiation of the country's relationship with the EU and a referendum on the outcome.

Developments at EU level 2

This chapter examines the main EU-level developments in industrial relations at cross-national, sectoral and company level. It charts the main social dialogue developments and the main legislative proposals from the European Commission, and examines the debates relevant to EU-level industrial relations. It explores issues such as the involvement of the social partners in the European Semester process, the social dimension of Economic and Monetary Union (EMU), the management of change, and actions to tackle youth unemployment. Youth unemployment is seen as one of the most pressing social policy issues of the day.

EU-level policies and processes

Social partner involvement in the European Semester process

European economic governance procedures were debated throughout 2013. The Committee on Employment and Social Affairs of the European Parliament met in February to adopt a report on the European Semester process. The report focused on issues such as job quality and youth unemployment, and a continuing emphasis on the social dimension of European economic governance (European Parliament, 2013). This was part of a contribution to the meeting of the Council of Ministers in March 2013.

Members of the European Parliament (MEPs) also debated and voted on two reports on corporate social responsibility (CSR), both comprising the response of the European Parliament to the Commission Communication on a renewed EU strategy 2011–2014 for CSR (European Commission, 2011).

A three-way dialogue between the European Parliament, the Irish Presidency and the European Commission took place on the so-called ‘two-pack measures’, which focus on stepping up budgetary surveillance in the Eurozone. Following this, an informal agreement was reached and the two-pack entered into force in April 2013.

Strengthening the social dimension of EMU

In October 2013, the European Commission published a Communication, *Strengthening the social dimension of the Economic and Monetary Union*, in which it stated that, in order to tackle employment and social challenges, there needed to be better monitoring of employment and social development, action to tackle unemployment and better social dialogue (European Commission, 2013a). In October 2013, the European Economic and Social Committee (EESC) adopted an opinion on the social dimension of EMU.

The Council also held a policy debate on the social dimension of EMU in October 2013. Ministers stressed in particular that:

- the social dimension of EMU should be reinforced;
- the role of social partners at national and EU level is essential;
- the social partners should be more closely involved in the Europe 2020 strategy.

They also stressed that coherence between fiscal, economic and social policies was necessary and that it was important to monitor economic and social indicators.

The European Commission consulted the EU-level social partners on the key employment and social challenges for 2014 ahead of the adoption of the Annual Growth Survey in the framework of the Social Dialogue Committee. This is foreseen in the Commission’s Communication on strengthening the social dimension of economic and monetary union (European Commission, 2013a). This new process aims to involve the social partners more in the EU Semester process.

REFIT process

In October 2013, the Commission published its Communication on Regulatory Fitness and Performance (REFIT), aimed at reducing the regulatory burden for companies in Europe. The focus at present is on reviewing legislation covering consultation of workers and occupational health and safety legislation (European Commission, 2013b). The REFIT process will review the entire body of EU health and safety legislation and investigate whether directives on the information and consultation of workers should be consolidated.

Consultation of the social partners

In January 2013, the European Parliament endorsed a report which calls on the European Commission to submit a proposal for a legal act on the anticipation and management of change and restructuring. It also called on the Commission to consult with the social partners before coming back with its proposal. The European Parliament's report, published in December 2012, covers rules on the long-term strategic anticipation of employment and skills needs, early preparation of restructuring operations, and management of actual restructuring processes. It contains 14 recommendations that could be partially included in a legal act (European Parliament, 2012).

In July 2013, the European Commission launched a consultation of the social partners on the issue of undeclared work, asking the social partners for their views on this issue: whether action at EU level is justified, what their preferences would be, what role they would foresee for the social partners, and whether they would be willing to negotiate an initiative in the area of undeclared work.

European framework agreements – The case of the hairdressing sector

In April 2012, the social partners in the hairdressing sector – Coiffure EU and UNI Europa Hair & Beauty – concluded a European framework agreement. The agreement aims to establish health and safety rules for hairdressers and was expected to form the basis of an EU directive. However, it has been challenged by some Member States which oppose any form of regulation in the sector. This is seen as an unprecedented development in the EU social dialogue.

In October 2013, the European Commission announced that it would not consider giving a legal basis to the 2012 social partner agreement in the hairdressing sector until a broader review of EU occupational health and safety legislation is carried out in 2015. Representatives on both employers' and employees' sides have expressed disappointment at this. This is the first time that the Commission has not acted on a request from the social partners to give legal underpinning to a social partner agreement, on the basis of Article 155 of the Treaty of the Functioning of the European Union (TFEU). Commentators noted that this development could have significant consequences for the future development of social dialogue in the EU. For example, Stefan Clauwaert, a legal expert at the European Trade Union Institute (ETUI), commented that this development was 'absolutely unprecedented', adding that it could lead to an 'unravelling of the whole social dialogue at European level' (Eurofound, 2013).

The most recent study of representativeness in this sector found that industrial relations tend to be rather poorly organised in the sector, with low unionisation rates, low employer representation densities, and high polarisation with regard to collective bargaining coverage ('in about half of the countries for which relevant data are available, collective bargaining is completely absent') (Eurofound, 2009). The study also found, however, that where collective bargaining was present, bargaining coverage tended to be very high. Overall, EU15 countries tended to have well-established industrial relations with the exception of Luxembourg and the UK, and the new Member States tended to have virtually no collective bargaining, with the exception of Slovenia.

The European Commission was aware of the issues raised by this study, but in a 2010 note on the legal situation regarding the implementation of the draft European framework agreement on the prevention of health risks in the hairdressing sector, the Commission stated that it ‘anticipates no special difficulties in confirming that Coiffure EU and UNI Europa Hair & Beauty are the only representative social partner organisations on the EU level for employers and workers in sector’ (European Commission, 2010). It did add, however, that it would need to collect additional information on the structure of representation at national level, in particular with respect to the representation of the self-employed.

EU-level legislation

In 2010, the European Union, along with the Member States and EU social partners, began work on re-evaluating a number of directives in four different areas, one of which is employment and social policy. The three directives forming the basis of the fundamental social right to information and consultation were selected for evaluation:

- Directive 98/59/EC on collective redundancies;
- Directive 2001/23/EC on transfers of undertakings;
- Directive 2002/14/EC establishing a general framework on information and consultation of workers in the European Community.

The results of the evaluation of these three directives, the so-called fitness check, were published in July. Although several shortcomings and insufficiencies were identified, it was concluded that ‘the benefits generated by these directives are likely to outweigh the costs’ (European Commission 2013c).

In November 2013, the European Commission announced proposals to include seafarers in five employment and social policy directives from which they are currently excluded. These are the directives on employer insolvency, European Works Councils, information and consultation, collective redundancies and transfers of undertakings

Finally, in December 2013, the Competitiveness Council held a debate on the European Semester 2014 for economic policy coordination and approved three sets of conclusions on industrial policy, single market policy and smart regulation.

Impact of EU legislation on EU-level social dialogue

Cross-sector level

In June 2013, the EU-level social partners concluded a framework of actions on youth employment (ETUC, 2013). They called on national social partners, public authorities and other stakeholders to come together to implement practical actions to improve the situation. Priority areas are learning and education, labour market transitions, employment and entrepreneurship.

In December 2013, the EU-level social partners announced they had not been able to reach agreement on a revision of the Working Time Directive. It is now up to the European Commission to issue a legislative proposal to amend it, based on its previous consultation and impact assessment work.

Sector level

In March 2013, the social partners in the electricity sector agreed a joint framework of actions on competences, qualifications and anticipation of change. The framework addresses a broad range of issues, including youth unemployment and climate change.

Also in March 2013, the social partners in the chemicals, textiles and metalworking sectors agreed a joint opinion on wage-setting at EU level. This followed a tripartite exchange of views on wage developments held on 1 February 2013. In the joint opinion, the signatories asserted their view that wage monitoring by the European Commission should not be regarded as any kind of first step towards action in the area of wage-setting conducted at national level.

In April 2013, the European social partners in the postal sector released details of a two-year study on how to minimise the sector's environmental footprint. This study found that many companies were developing more energy-efficient fleets and buildings. Companies were also searching for alternative fuels and thinking about reorganising mail routes so as to cut emissions. Efforts were also being made to ensure subcontractors shared and respected this commitment.

In the education sector, the joint declaration is the result of a joint social partner project carried out during 2012 and 2013. It is viewed by the social partners in this sector as a good step forward in promoting and enhancing the culture of self-evaluation of schools and teachers as a basic tool for social development.

In the steel sector, a declaration was made in June 2013 on European Steel Day stating that the action plan represents a first step in helping the sector to confront a range of economic, social and environmental challenges. The social partners contributed to this plan through engagement and social dialogue.

In the banking sector, the lifelong learning project focused in 2013 on Bulgaria, Croatia and Romania. It consisted of three workshops and a final conference in October 2013.

In October 2013, the social partners in the central government administration sector agreed guidelines on human resource management (HRM) and anticipation of change. The guidelines aim to improve human resource management in the sector, with a view to better anticipating and managing change.

Two new European sectoral social dialogue committees

There are currently 43 sectoral social dialogue committees in place at EU level. Two new committees were established in 2013.

The first was a new sectoral committee for social dialogue in the European port sector. It is made up of representatives of the European Sea Ports Organisation (ESPO) and the European Federation of Private Port Terminal Operators (FEPORT) on the employer side, and the European Transport Workers' Federation (ETF) and the International Dockers Coordination Europe, which represent dockers and port workers in European ports. The committee held its inaugural meeting in Brussels on 19 June 2013. It is expected that many new jobs will be created in the port sector in the coming years, particularly for younger workers. There is also a pressing need for different types of training to keep pace with technological developments. Health and safety is also expected to be a prominent issue in coming years, as changes affect working conditions and create new risks and hazards. The committee aims to discuss the following topics: training and qualifications for employees, making the port sector more attractive to young workers, health and safety, and increasing the number of female employees.

The second was a new European social dialogue committee in the graphical sector. The European graphical industry has around 120,000 companies and employs more than 720,000 workers, with almost 90% of companies employing fewer than 20 staff. The sector had a total turnover of around €88 billion in 2009. Unions and employers aim to tackle problems facing the sector caused by structural changes in the industry and the global financial downturn. The committee held its inaugural meeting in May 2013. In 2010, European-level social partners in the print industry identified the need to further intensify their cooperation. UNI Europa Graphical currently represents more than 335,000 employees organised in 42 affiliated organisations across 33 European countries. The union forms part of UNI Europa, the European trade union federation representing trade unions from the services and skills sector. Intergraf, the European federation for print and digital communication, brings together 24 national printing federations from 21 European countries.

Company level

In the context of discussions between the social partners and the European Commission, the European Parliament adopted an internal report in July 2013 on cross-border collective bargaining and transnational social dialogue, focusing on improving the legal situation of transnational company agreements (TCAs). Since TCAs do not refer to wages and working time, they are seen not as collective bargaining but as negotiation or social dialogue at company level. However, in the absence of any framework, the legal status of these agreements at EU and national level is unclear. The report calls for a European optional legal framework for TCAs to provide the social partners with better tools to negotiate and enforce them. It also calls for a dispute resolution mechanism and makes reference to the favourability principle and non-regression to ensure that TCAs do not undermine any other national agreements.

At company level, the following agreements were signed between multinationals and the global trade union IndustriALL.

- An agreement between IndustriALL and management at Thyssen Krupp Elevator Operating Units was signed in November 2012. The agreement establishes a framework under which employees receive rewards for suggesting health and safety improvements which are then accepted by a joint employer/employee committee.
- An agreement between IndustriALL, Building and Wood Workers' International (BWI) and Lafarge Group was signed in May 2013 to confirm an existing global framework agreement.
- An agreement was signed in June 2013 with the Italian-based power and gas multinational company Enel Group and Public Service International (PSI) and Italian trade unions, in addition to IndustriALL representatives. This agreement defines a set of guidelines aimed at establishing global level social dialogue.
- An agreement, signed on 3 July 2013 with the Renault Group and the Renault Group Works' Council, commits the parties to promoting workers' rights and sustainable development.
- Global framework agreements with the pulp and paper industry multinationals Svenska Cellulosa Aktiebolaget (SCA) in Sweden and Norske Skog in Norway were signed on 3 December 2013. The SCA agreement was the renewal of an existing agreement: IndustriALL has negotiated global framework agreements with SCA since 2004 and they are renewed every two years. The renewed agreement at Norske Skog commits the company to complying with, and respecting, human and trade union rights. It also commits it to promoting these rights in its supply chain and with its customers.
- An agreement with the chemicals group Solvay was signed on 17 December 2013. This set out the company's social and environmental responsibilities, including a commitment to respect international social standards as defined by the International Labour Organization (ILO).

Employment conditions

On the issue of employment security, debate at EU level has focused on the anticipation and management of restructuring, which has been an ongoing theme for some years. In December 2013, the European Commission proposed a quality framework to encourage employees, social partners, and regional and national agencies to follow best practice in anticipating company change and restructuring. The framework covers issues such as the strategic long-term monitoring of market developments, continuous mapping of jobs and skills needs, and measures to help individual employees, such as retraining and assistance in finding new jobs.

In July 2013, the European Commission launched a consultation asking the EU-level social partners for their views on the issue of undeclared work. The aim was to stimulate discussions on further EU measures to prevent and deter undeclared work. Plans are being put forward to promote improved cooperation between enforcement authorities in Member States, such as labour inspectorates, and tax and social security authorities.

In the area of job mobility, the Council debated a proposal for an enforcement directive on posted workers throughout 2013. In December 2013, Ministers agreed on a general approach to the text, which they hoped would balance protection for posted workers with the principle of European businesses being free to provide services anywhere in the EU. Although it is supported by employers in the construction sector, which uses large numbers of posted workers, unions have been critical.

In June 2013, the Council reached a general approach on the directive improving the acquisition and preservation of supplementary pension rights. This relates to an EU proposal dating back to 2005 (European Commission, 2005), on which the European Parliament adopted its first reading position on 20 June 2007. The proposal was amended in 2007, but has since remained blocked in the Council. In 2012, the Council called for the sustainability of pension systems to be improved and for the acquisition and preservation of supplementary pension rights of mobile workers to be strengthened. Following this request, the Cyprus and Irish Presidencies (second half of 2012 and first half of 2013, respectively) resumed work on the directive.

Gender equality issues focused mainly on European Commission proposals for legislation issued in late 2012 that would ensure that women fill at least 40% of all non-executive board member positions by 2020. It was expected that this would cover around 5,000 companies, and would apply only to publicly listed companies.

Entry into and exit from employment

The biggest social policy issue for the EU is currently the high level of youth unemployment and the difficulties that young people are experiencing in gaining access to the labour market. The European Commission has issued a number of initiatives aimed at reducing youth unemployment and easing young people's transitions into the workplace.

The social partners have also been trying to address this issue. The EU-level cross-sector social partners' work programme 2012–2014 cites youth employment issues as a priority, stating that they will focus on the link between education, young people's expectations and labour market needs, in an effort to increase employment rates among young people (ETUC et al, 2012). The social partners at EU level have also concluded a framework of actions on youth employment (see above).

The issue of the ageing workforce remains at the forefront of debate at EU level. At the Council meeting in November 2013, ministers reached agreement on a general approach to a proposal for a directive on improving the portability of supplementary pension rights (European Commission, 2007), which would provide protection for occupational pensions in the case of those working in another EU Member State.

Youth Employment Initiative

The initiative supports young people not in education, employment or training (NEET) in those EU regions having a youth unemployment rate of over 25% in 2012 by integrating them into the labour market. Funds under this initiative will be used to reinforce and accelerate measures outlined in the December 2012 Youth Employment Package. In particular, the funds would be available for EU countries to finance measures to implement the EU's Youth Guarantee Recommendation in the eligible regions.

The Youth Employment Initiative was proposed in February 2013 by the Council and agreed in March 2013. This initiative has a budget of €6 billion for the period 2014 to 2020. This initiative is complementary to other projects at national level in the Member States, including those with European Social Fund (ESF) support, aimed at setting up or implementing the youth guarantee schemes, such as reforming relevant institutions and services. Of the €6 billion funding, €3 billion will come from a dedicated youth employment budget complemented by at least €3 billion more from the ESF.

Youth Guarantee

The guarantee aims to ensure that all young people under 25 receive a good quality, firm offer of a job, apprenticeship, traineeship, or continued education within four months of leaving formal education or becoming unemployed. The guarantee was developed by the European Union, agreed by the Council in April 2013 and is now being implemented at Member State level, with the help of the European Commission.

Although this measure is not legally binding, there is European funding available for its implementation in Member States. This measure, which is backed by EU funding of €6 billion, including funds from the ESF, aims to help young people gain work experience, training and access to the labour market. Member States are putting this into practice at national level. For example, in Finland, a comprehensive Youth Guarantee scheme has ensured that, in 2011, 83.5% of young job seekers received a successful offer within three months of registering as unemployed. The Finnish scheme has led to personalised plans for young people being drawn up more quickly, ultimately lowering unemployment.

Call to action on youth unemployment

The call to action is intended to:

- accelerate implementation of the European Youth Guarantee and investment in young people;
- develop EU-level tools to help EU countries and companies recruit young people.

A Communication issued by the European Commission in June 2013 aimed to put into practice the December 2012 Youth Employment Package and the March 2013 proposals for the Youth Employment Initiative. The Commission called on all relevant actors, including the Member States, to work together to implement the measures in the Youth Guarantee, the Youth Employment Package and the Youth Employment Initiative (European Commission, 2013d).

Youth employment is one of the most pressing social concerns of the EU and the Commission is trying to put into place measures backed up by European funding to help young people and to ensure that these measures are translated into practical action in individual Member States.

Social partners' framework of actions on youth employment

In June 2013, the EU-level social partners – European Trade Union Confederation (ETUC), BUSINESSEUROPE, the European Association of Craft, Small and Medium-sized Enterprises (UEAPME) and the European Centre of Employers and Enterprises providing Public Services (CEEP) – signed a cross-sector framework of actions (ETUC et al, 2013) which aims to help young people gain access to the labour market by:

- striving to create more and better jobs;
- addressing skills mismatches;
- optimising the role of industry as a driver of sustainable and inclusive growth.

The social partners made a number of recommendations, addressing both short- and long-term goals, in each of the four priority areas of the agreement: learning and education; labour market transitions; employment; and entrepreneurship.

Under the framework, social partners have to put into place a series of practical actions in 2013 to improve the labour market situation of young people in all four areas. Progress on implementation at EU level and in Member States will be monitored on an annual basis by the EU-level social partners. An overall evaluation report will be prepared after four years.

Supplementary pension rights

The amended proposal for the proposed directive on minimum requirements for enhancing worker mobility, by improving the acquisition and preservation of supplementary pension rights, aims to provide protection related to the occupational pensions of workers moving between Member States. The Council agreed on a general approach on this text in June 2013, passing it on to the European Parliament for consideration. The aim is to improve the rights of workers moving between Member States in the area of occupational or 'second tier' pensions.

Skills development

The issue of skills development is linked to that of youth employment in the social policy debate at European level.

A European Alliance for Apprenticeships was agreed in July 2013 between the social partners, the European Commission and the Lithuanian Council Presidency to encourage the offer of high-quality apprenticeship schemes in the EU. The Alliance is based on commitments from partners through a network of ambassadors and pledges. This is a broad measure that aims to improve the quality and supply of apprenticeships across the EU and to improve the image of apprenticeship-type learning.

In March 2013, the EU-level social partners in the electricity sector adopted a joint framework of actions (EPSU et al, 2013). The transition to a low-carbon economy will have a significant impact on current and future skills and employment needs in the sector. The joint framework is intended to anticipate the changes necessary to ease Europe's transition towards a low-carbon economy. These include making the sector attractive to young people and equality mainstreaming to guarantee consistent recognition of qualifications throughout the industry, fair access to training and age diversity. In particular, the social partners state that the sector faces a number of major obstacles to meeting the EU's energy and climate objectives in the medium and longer term.

Health and safety

In March 2013, agreement was reached between the Council of Ministers, the European Parliament and the European Commission on a new directive to protect workers from the risks associated with electromagnetic fields. The range of occupations covered includes power line repairers, welders, workers who use radar, and healthcare professionals using magnetic resonance imaging machines. All Member States are expected to transpose its provisions into national law by July 2016. This is the final part of EU health and safety legislation to be adopted in the area of physical agents.

Developments at company level include an agreement on health and safety between IndustriALL and ThyssenKrupp Elevator (see above), which has been viewed as a pioneering accord.

Social partner organisations 3

This chapter examines the developments concerning the main actors and institutions. The social partner organisations covered are listed in Annex 1 by country. More information on the organisations mentioned most frequently (including their full names) can be found in the **industrial relations profile** available for each country on the Eurofound website.

In addition to the mapping of membership, the annual review also briefly maps cases of inter-and intra-organisational changes: either cases of fragmentation (the splitting up or breaking away of associations) or mergers (the combination of previously separate associations).

Developments in the organisation of social partners

Changes in representativeness criteria

Two cases with important changes in relation to the criteria of representativeness were reported by Italy and Romania.

In Italy, these changes were introduced by means of an intersectoral agreement on representativeness signed by the General Confederation of Italian Workers (CGIL), the Italian Confederation of Workers' Trade Unions (CISL) and the Union of Italian Workers (UIL). The deal includes rules for the measurement of representativeness and the effectiveness of sectoral deals.

In Romania, changes in relation to the representativeness of social partners were introduced by government in 2011. It is mandatory for all employers and trade union organisations to re-apply for the certification of representativeness based on new criteria. The process of re-application for representativeness is still ongoing: By the end of 2012, four of the five national trade union confederations had submitted to the Ministry of Labour, Family, Social Protection and the Elderly (MMFPSPV) the papers demonstrating membership. In 2013, the fifth national trade union organisation, the Confederation of Romanian Democratic Unions (CSDR), filed its application to MMFPSPV. Of a total of 13 national employer confederations, only the Romanian Employers Organisation (PR) re-applied for certification in 2012, to be followed, in 2013, by the Romanian National Council of Private Small and Medium Enterprises (CNIPMMR), the CONCORDIA Employers' Confederation (CP CONCORDIA) and the Romanian Association of Construction Entrepreneurs (ARACO).

Trade unions

2013 also brought about a number of organisational changes for trade union organisations: four completed mergers were reported along with some further discussions about potential future mergers (Table 2). Two cases of union splits were reported from Hungary (linked to the merger case) and the Netherlands (linked to an ongoing organisational change.)

Two mergers occurred in 2013 for the Belgian General Federation of Labour (FGTB/ABVV). The first one was the merger of the regional federation Mouscron and the regional federation Tournai, which became one regional federation called 'Wallonie-Picarde'. The second merger concerned the textile sectoral federation, which merged with the general sectoral federation (Centrale Générale/Algemene Centrale). Also in Belgium, the Confederation of Christian Trade Unions (CSC/ACV) discussed the fusion of regional federations. Based on the recent merger of both white-collar workers and blue-collar workers, the branch federations discussed their organisational structures and the implications of the merger for the organisational model.

A major merger case was the creation of the Hungarian Trade Union Confederation (MSZSZ). On 1 May 2013, the Autonomous Trade Union Confederation (ASZSZ), the National Confederation of Hungarian Trade Unions (MSZOSZ) and the Forum for the Co-operation of Trade Unions (SZEF) announced the establishment of an integrated trade union federation. The final congress was held on 6 December 2013 when MSZSZ was founded. There have been rumours of criticism by some of the 70 trade unions affiliated to the three federations about the merger process, but so far, only one

organisation has taken action. The Hungarian Engine Drivers' Union (MOSZ), a member of ASZSZ, suspended its membership until the merger process was complete and the new association's aims, principles and constitution had been published.

In Italy, the reorganisation of CISL, which was launched in 2012, was implemented and was expected to be completed by the end of 2014. The reorganisation includes:

- a strengthening of the role of workplace representatives in the organisational bodies;
- a merger of territorial structures;
- the merger of the manufacturing trade unions of the metalworking and chemical sectors, FIM-CISL and FEMCA-CISL, following the EU-level model of IndustriALL;
- a revision of the sectoral demarcations and the role of the pensioners' trade union, National Federation of Retired Workers (FNP).

In the UK, the only significant merger reported was that the Prison Service Union, representing around 5,000 prison and correctional staff, joined Community, a multi-sector union with around 32,000 members in a diverse range of industries. The Unite general union and the Public and Commercial Services Union (PCS) (with a combined membership of around 1.7 million) held informal discussions over a possible merger after the PCS conference authorised talks on the subject in May 2013.

In Ireland, proposals to initiate a new federal trade union structure in future years were passed by all affiliated unions at the biennial conference of the Irish Congress of Trade Unions (ICTU) in July 2013. This project is in its initial phase and cannot progress further until ICTU holds a special rule-change conference. This was expected to happen in 2014. If the project does proceed, the aim is to allow the country's more than 40 unions to form into six or seven separate groups, based on shared interests, type of worker, sector and size. Proponents of the project suggest it would take at least five years to complete; sceptics suggest it will take longer and could be compromised by 'local' or branch-related problems.

A case of further intensified cooperation among trade unions was reported for France when three organisations – the French Democratic Confederation of Labour (CFDT), the Confederation of Christian Workers (CFTC) and the French Confederation of Management–General Confederation of Professional and Managerial Staff (CFE-CGC) – signed the main national collective agreement of 2013 on labour market reform and vocational training. These three are called the 'reformist organisations' in contrast to the General Confederation of Labour (CGT) and Force Ouvrière (FO) which have not signed the main agreements.

In the Netherlands, the structure of the Federation of Dutch Trade Unions (FNV) changed dramatically in 2013. The biggest unions were split up according to sector and a 'members' parliament'/advisory body was established. The power of the two largest unions was reduced, while the voice of the members became more institutionalised in the structure of the federation. This process of change will take another year. On 1 January 2013, the union for elderly people (Algemene Bond voor Ouderen) left FNV. De Unie (the union for professionals) left the Federation of Managerial and Professional Staff (MHP) and joined the Christian Trade Union Federation (CNV).

Table 2: Trade union organisational change

Merger	BE, HU, IT, UK
Discussions about future mergers	IE, BE (fusion of regional federations), UK (merger talks failed)
Intensified cooperation among organisations	FR
Fragmentation/split	HU, NL
Workplace elections	LU
Internal reorganisations	IT, NL
Re-application for representativeness	RO

Source: Eurofound's Network of European correspondents

Employer organisations

Fewer mergers take place on the employers' side than on the employees' side. Only one was reported in 2013 in France, when the National Association of Food Industries (ANIA) decided to become a member of the Movement of French Enterprises (MEDEF) (ANIA had left the organisation in 2009).

Another case of intensified cooperation was reported in Lithuania where, at the end of 2013, four main employers' associations, including the Lithuanian Confederation of Industrialists (LPK) and the Lithuanian Business Employers' Confederation (LVDK), signed a memorandum establishing a business council for the purposes of coordinating their activities and promoting sustainable economic development in Lithuania.

A split of organisations took place in the Netherlands, whereby the former chairperson of the Dutch Federation of Small and Medium-sized Enterprises (MKB) started Dutch Entrepreneurs (ONL). ONL had 10,000 members on 1 January 2014 and, according to the national correspondent, may become of increasing importance. The background to its creation was discontent with the slow decision-making processes in Dutch industrial relations and insufficient attention paid to small and medium-sized enterprise (SME) employers since the merger of MKB with the Confederation of Netherlands Industry and Employers (VNO-NCW).

Three further cases of major intra-organisational changes were reported from Italy, Ireland and Slovenia. In Italy, Confindustria launched a broad statutory and organisational reform in October 2013. In Ireland, the main employers' organisation Ibec (formerly the Irish Business Employers' Confederation or IBEC) changed its name to reflect a new business model adopted by the organisation in 2013. It is the most significant change in the strategic direction of the organisation since IBEC was formed 20 years ago. A 'new pricing model' is to be developed, based on new 'membership propositions and service benefits'. Another case of a new pricing model was reported from Slovenia, where the Chamber of Crafts (OZ) introduced free membership.

In January 2013, the Ministry of Labour of Greece announced the upgrading of the Association of Greek Tourism Enterprise (SETE) to a coordinate institutional national social partner. SETE will now participate as a social partner in the consultation on the legally determined minimum wage. It will also take part in collective bargaining for the conclusion of the National General Collective Labour Agreement (EGSSE), along with the other national employer organisations. SETE will also be included in all collective bodies and representations of the country.

Table 3: *Employer association organisational change*

Merger	FR
Greater cooperation	LT
Split of organisations	NL
Internal organisational reforms (including new business or pricing models)	IE, IT, SI
Organisational upgrading	EL
Re-application for representativeness	RO

Membership developments

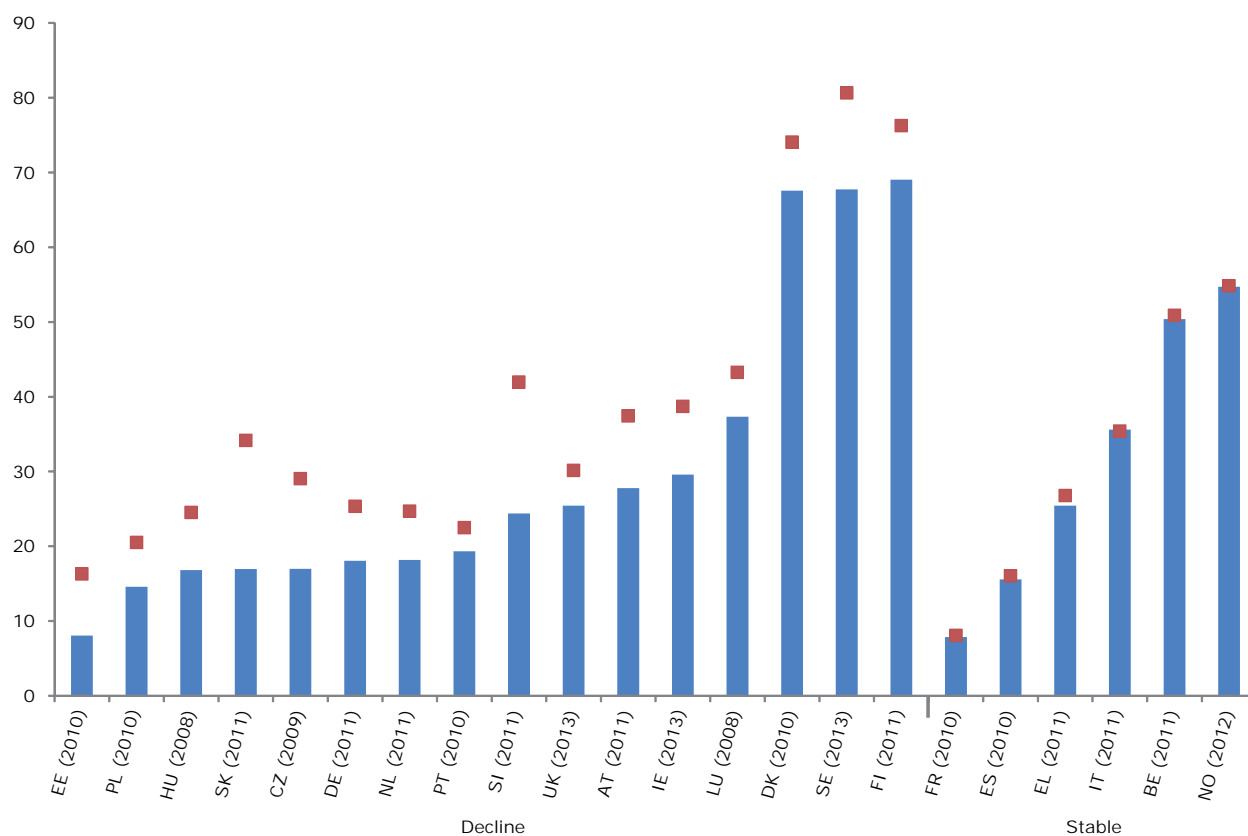
Trade unions

The general decline in both trade union membership and trade union density has been an ongoing ‘megatrend’. However, there are significant data gaps. Trend data from the Organisation for Economic Co-operation and Development (OECD) and Visser et al (2014) show that, in the majority of countries for which data are available, trade union density declined and was stable only in a small number of countries (Figure 6).

Overall, and beside a recorded decline, trade union density remained the highest in the Nordic countries, exceeding 60% in Denmark, Finland and Sweden. It stood at around 50% in Belgium and Norway, where it has remained virtually at the same level since 2000.

The decline was highest in many of the new Member States (Czech Republic, Estonia, Slovakia, Slovenia) but it was also high in Austria, Germany, Hungary the Netherlands and Poland.

Figure 6: Trade union density levels and trends (%)



Notes: No figures are available for the other Member States.
 Red squares indicate trade union density in 1999.
 Blue bars show trade union density in the latest year available.
 Source: **OECD**, *Visser et al (2014)*.

By and large, 2013 shows a decline in many countries, when looking at reliable available data, but also a certain stability ($\pm 0.5\%$) in trade union membership compared with 2012 in a good number of Member States (Table 4). As the data gaps were quite big, and administrative or survey-based data were available only in some countries, the correspondents were asked to make an assessment or 'best guess' regarding the overall development. The biggest reported declines in 2013 in the countries for which data were provided were Ireland, the Netherlands and the UK. The only Member States for which data were available that reported an increase in overall trade union membership (based on a number of unions) were Luxembourg and Malta.

Table 4: Trade union membership (in thousands)

Country	2012	2013	% change	National correspondent	Source
AT	993	989	-0.4	o	Administrative data
BE	2,132	..	..	-/o	Administrative data
BG	..	..	..	o	Estimate
CY	..	..	..	-	Estimate
CZ	537	..	..	-	Administrative data
DE	6,297	6,330	0.5	o	Administrative data
DK	1,642	1,633	-0.5	o	Administrative data
EE	36	..	..	o	Administrative data

Country	2012	2013	% change	National correspondent	Source
ES	2,472	..		-	Administrative data
EL	510	..	..	-	Administrative data
FI	1,467	..	..	o	Administrative data
FR	1,835	..	..	No data	Administrative data
HR	..	..	..	-	Estimate
HU	360	..	..	No data	Administrative data
IE	526	520	-1.1	-	Administrative data
IE	476	457	-4.0		Survey data
IT	6,148	6,131	-0.3	o	Administrative data
LU	117	..	..	+	Administrative data
LV	98	98	-0.8	o	Estimate
MT	..	..	..	+	Estimate
NL	1,330	1,265	-4.9	-	Administrative data
NL	1,262	1,235	-2.1		Survey data
NO	1,278	1,291	1.0	o	Administrative data
PL	1,540	..	..	o	Administrative data
PT	665	..	..	No data	Administrative data
SK	282	..	..	-	Administrative data
SI	..	..	..	-	Estimate
SE	2,815	2,849	1.2	o	Survey data
UK	6,538	6,445	-1.4	-	Administrative data
UK	6,455	6,449	-0.1		Survey data

Source: OECD, Visser et al (2014)

Employer organisations

Data on membership figures in terms of companies covered, employees working within these companies or the coverage rates relating these figures to the total universe of organisations or employees within the countries are, as with those for trade unions, patchy.

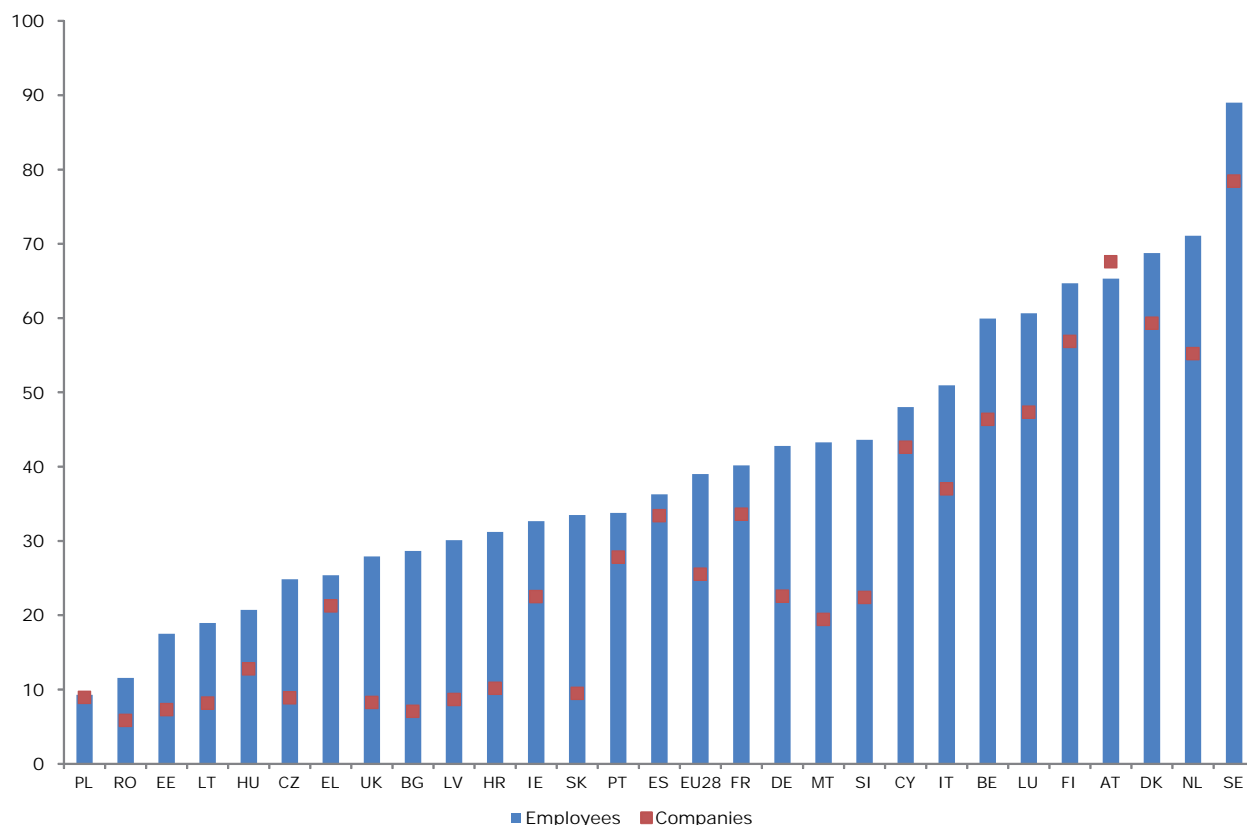
For information on individual organisations, readers are referred to the industrial relations profiles included in the country information on the Eurofound website (EurWORK Observatory) for each Member State and Norway, the national contributions for this report, or the recent representativeness study at cross-sectoral level (Eurofound, 2014a).

For the first time, however, comparative data on employer organisations involved in collective bargaining are available from the third wave of Eurofound's European Company Survey (ECS) in 2013. The data are based on more than 20,000 responses from human resources managers in companies with more than 10 employees in the EU28 carrying out private sector activities to the question: 'Is your company a member of any employers' organisation which participates in collective bargaining?'. Overall, a quarter of European companies were reported to be members of an employers' organisation that was involved in collective bargaining (Figure 7).

Big companies tend to be members of an employers' organisation more often than small companies: four out of 10 employees covered by the ECS 2013 worked in such companies. In a number of countries, this overrepresentation of bigger companies being members of such organisations is much stronger, in particular in Bulgaria, Croatia, the Czech Republic, Germany, Latvia, Lithuania, Malta, Slovakia, Slovenia and the UK. In other Member States (Austria, Finland,

France, Greece, Poland, Portugal and Spain), membership in terms of company size is more balanced, implying that smaller companies are equally represented. The Austrian case is surprising, as membership of the main employers' organisation, the Austrian Chamber of Commerce (WKÖ) is mandatory and hence a rate of close to 100% would have been expected. The result suggests that the question might not have been entirely understood by respondents, or that respondents were not aware of this institutional feature.

Figure 7: Membership of employers' organisations participating in collective bargaining (%)



Note: Companies in the private sector in the EU28 with 10 employees or more.
Source: ECS 2013

Industrial relations processes and activity 4

This chapter reports on the major industrial relation processes and on collective bargaining, social dialogue and industrial actions. It first looks at recent developments in collective bargaining, examining those Member States where legislation had an impact on social dialogue and collective bargaining. For the first time, comparative data on collective bargaining coverage across all Member States are presented (from ECS 2013). The chapter goes on to illustrate some examples of outcomes of collective bargaining and social dialogue in the various Member States at different levels: the major national agreements made in a number of countries, completed by further innovative or non-standard examples from sectoral or company level. The chapter ends with an overview of industrial action across Europe – again presenting comparative data from the ECS 2013 on various types of industrial action for the first time, illustrated by examples obtained from the network of correspondents.

Developments in collective bargaining and social dialogue

Impact of legislation

The financial and economic crisis triggered an increase in governmental unilateralism, whereby governments acted on their own without social partner consultation. This development is confirmed by a number of national reports from 2013, most often in relation to wage-setting mechanisms.

In a number of countries and particularly those requiring support from European Commission, the International Monetary Fund (IMF) or the European Central Bank (ECB) following the crisis, substantial changes to industrial relations practice had already occurred in relation to wage indexation or the determination of the minimum wage before 2013 (see Eurofound, 2014b). In 2013, only a limited number of further changes occurred – in Belgium, Ireland and the UK – in relation to sector-level wages.

However, some cases reported in 2013 point to a move in the opposite direction. In Slovakia, previously enforced legislation that hampered collective bargaining was retracted with a view to strengthening collective bargaining and social dialogue once more. In Lithuania, a long debated law on trade unions was passed favouring representation and regulating resources for employee representatives. In Italy, a court ruling granted FIOM-CGIL once again the ability to establish trade union structures within the Fiat Group in September 2013. This led to a debate on the various options available to regulate representativeness and workplace representation (see box below). In Cyprus, it was reported that, as part of a reform of the Cost of Living Adjustment, a tripartite agreement would be pursued with social partners for the application of the reformed system. Altogether these cases suggest that, while industrial relations are still ‘under strain’ in a number of countries, better news appears to be on the horizon in others.

Table 5: *Wage-related impact of legislation in 2013*

Aspect	Country	Commentary
Increased role of government in wage-setting	BE	Government austerity measures and wage moderation strongly limit the wage bargaining capacity of the social partners which is key to the two-year round of collective bargaining at cross-sector level. The impact is twofold: the government plays an increased role in wage-setting in the country, which reduces the role of social partners in that field; this constrained context puts a brake on the willingness of trade unions to enter cross-sector collective bargaining. Since the cross-sector agreement influences lower levels of collective bargaining in sectors and companies, there is a degree of uncertainty as to what trade unions and employers associations will do at all levels.
Increased role of government in wage-setting – public sector	IE	The Haddington Road Agreement (HRA) covers 289,000 Irish workers across all public service unions. It contains core measures common to all, such as: a pay freeze to the end of 2016; a tiered set of wage cuts above certain thresholds, plus a specific timetable for the restoration of many of these wage cuts; additional unpaid working hours; new overtime arrangements; and a general commitment to change. In a break with tradition, the HRA also contains specific sections dealing with key sectors such as education and health. The HRA commenced for each signatory union on the date it was registered with the Labour Relations Commission. The unions were warned individually by the government that, if any of them rejected the agreement, their members would be subject to emergency legislation (Financial Emergency Measures in the Public Interest Act), with the result that wage cuts and other mandatory changes would be imposed. The impact of such an imposed outcome would have been more draconian than the measures agreed upon.

Aspect	Country	Commentary
Review of sectoral minimum wage-setting mechanisms	IE	A review of sectoral joint labour committees (JLCs), which had set the minimum terms and conditions for various traditionally lower paid sectors up to 2011, recommended that some of the JLCs be retained, albeit with changes for the workers and type of work covered. The original legal basis for a similar sectoral wage system, known as registered employment agreements (REAs), was ruled by the Supreme Court to be invalid under the constitution. The decision was that minimum pay and conditions could no longer be enforced on new workers, although they still applied in the individual contracts of those already employed in these sectors at the time of the decision. The government indicated that it would put legislation in place that was constitutionally robust.
Review of sectoral minimum wage-setting mechanisms – agriculture	UK	The Agricultural Wages Board for England and Wales was abolished in October. This statutory body made up of employers, trade unions and independent representatives was responsible for setting minimum wage rates and other basic employment conditions for some 140,000 agricultural workers. Its abolition was strongly opposed by trade unions but was supported by the National Farmers' Union (NFU), which viewed the Board as outdated.
Decline in collective agreements after regulation of extension	PT	In December 2012, the Portuguese government passed new restrictive regulation on the extension of collective agreements. This contributed to the sharp drop in collective agreements at sector level signed in 2013.
	RO	Under new legislation, collective bargaining is compulsory only at company level in companies with at least 20 workers (that is, more than 24,000 companies). In the first nine months of 2013, MMFPSPV received 13,891 collective agreements at company level and addenda to such agreements for registration. In 2013, no sectoral collective agreements were signed and only five collective agreements at group unit level were signed, of which three were in the public sector.
Uptake of collective bargaining after change in regulation on the continuation of agreements	ES	At cross-sectoral level, the most important agreement was the one on the ultra-activity of collective agreements. The ultra-activity principle of Spanish law guarantees the continuation of a collective agreement even after its expiry date. The Law of 6 July abolished the ultra-activity principle. It set the maximum period of validity for a collective agreement at one year after its official expiry date. It stated that, from 7 July 2013, all expired collective agreements (and those not renewed) made before 7 July 2012 were to become invalid. The trend in terms of collective agreements signed per year seems to have reversed in 2013 with 1,844 agreements compared with 1,086 in 2012.
Promotion of collective bargaining	SK	Significant changes took place via the Slovak Labour Code which came into effect on 1 January 2013. The amendments had a positive impact on trade unions activities in collective bargaining because they annulled several provisions adopted by the previous government in 2011, including the 30% representativeness threshold set for trade unions to participate in collective bargaining. Other amendments increased the role of employee representatives in social dialogue (more consultations required). In October 2013, amendments to the act on collective bargaining were adopted by the Parliament which came into effect on 1 January 2014.
	CY	Each of the three largest Cypriot confederations believe that most of the measures put forward as a response to the new economic governance at EU level were, in effect, decided by the government and therefore were imposed on the social partners in a one-sided manner, a practice that constitutes a substantial change of the existing system of industrial relations which is based on the principle of tripartite collaboration. According to the section of the Memorandum of Understanding referring to the reform of the Cost of Living Adjustment, a tripartite agreement would be pursued with social partners for the application of the reformed system in the private sector by the end of 2013. However, at the time of writing (July 2014), such a tripartite agreement was still pending.
Law on trade unions, favouring membership and resources for employee representatives	LT	Following a debate lasting a number of years, the Law on Trade Unions was finally amended in 2013 and became effective on 28 June. Under the new law, all individuals (not just those with an employment contract) are eligible to join a trade union, sectoral trade unions are authorised to function in companies through their units, and members of representative bodies of trade unions are granted up to 60 working hours a year, for which remuneration is paid, to engage in trade union activities.
Information and consultation	UK	An amendment coming into force in April 2013 reduced the minimum period of consultation with employee representatives before redundancies of 100 or more employees from 90 to 45 days.
	FR	In July, the law on employment security implemented the intersectoral agreement reforming the labour market signed in January. The law introduced changes in the Labour Code (specifically, information and consultation in the framework of a restructuring) that would change social dialogue at company level.
	FR	A decree dated 27 December implementing the Employment Safeguard Act specifies the time of the consultation and the expert advice of the works council registered in a single database. It stipulates that the works council must give its opinion within one month of the employer issuing the information required by law. The database consists of all the data due to be sent regularly to the works council, as well as the information necessary for the works council's annual consultation on the establishment's strategic direction and its consequences.
Sanctions for companies that violate the work environment act	SE	Although government interference on industrial relations is uncommon, a proposal from the government on more effective sanctions for companies that violate the Work Environment Act was due to be implemented in July 2014.

Italy: Workplace representation at Fiat

An important ruling by the Constitutional Court (Ruling 231 of July 2013) covered the issue of workplace representation in relation to a lawsuit initiated by FIOM-CGIL against Fiat. The union took the case to court after they were barred from the right to establish a workplace representation structure, following the application of legislative provisions which granted such rights only to unions that were signatories to agreements applied in the workplace. The Constitutional Court established that the legislative provision limiting the right to establish a trade union workplace structure to organisations signatory to the agreements applied in the workplace (article 19 of the Workers' Statute as amended by a referendum in 1995) was illegitimate, if it excluded from this right organisations which had participated in negotiations as workers' representatives but eventually decided not to sign it, as an expression of 'trade union freedom'.

In the same ruling, the Constitutional Court indicated that the problems raised by the obstruction of the right to establish a workplace trade union structure could be addressed by the legislature. The Court also sketched some possible solutions, including the assessment of trade union representativeness through membership, or introducing the obligation to negotiate with unions over a certain representativeness threshold, or by granting workers the right to elect workplace trade union structures.

Following this ruling, FIOM-CGIL was again granted the possibility to establish trade union structures within the Fiat Group in September 2013. Moreover, an important debate emerged on the various options available to regulate representativeness and workplace representation, including through new comprehensive legal provisions. Such a debate also revived the discussion about establishing legal rules for making collective agreements generally binding, as envisaged by Article 39 of the Italian Constitutional Charter (enacted in 1947), which has not been implemented to date.

Comparative data on collective bargaining coverage in Europe

Researchers and industrial relations practitioners are faced with the same limitations regarding information on the number of employees who are covered by collective (wage) agreements in the Member States.

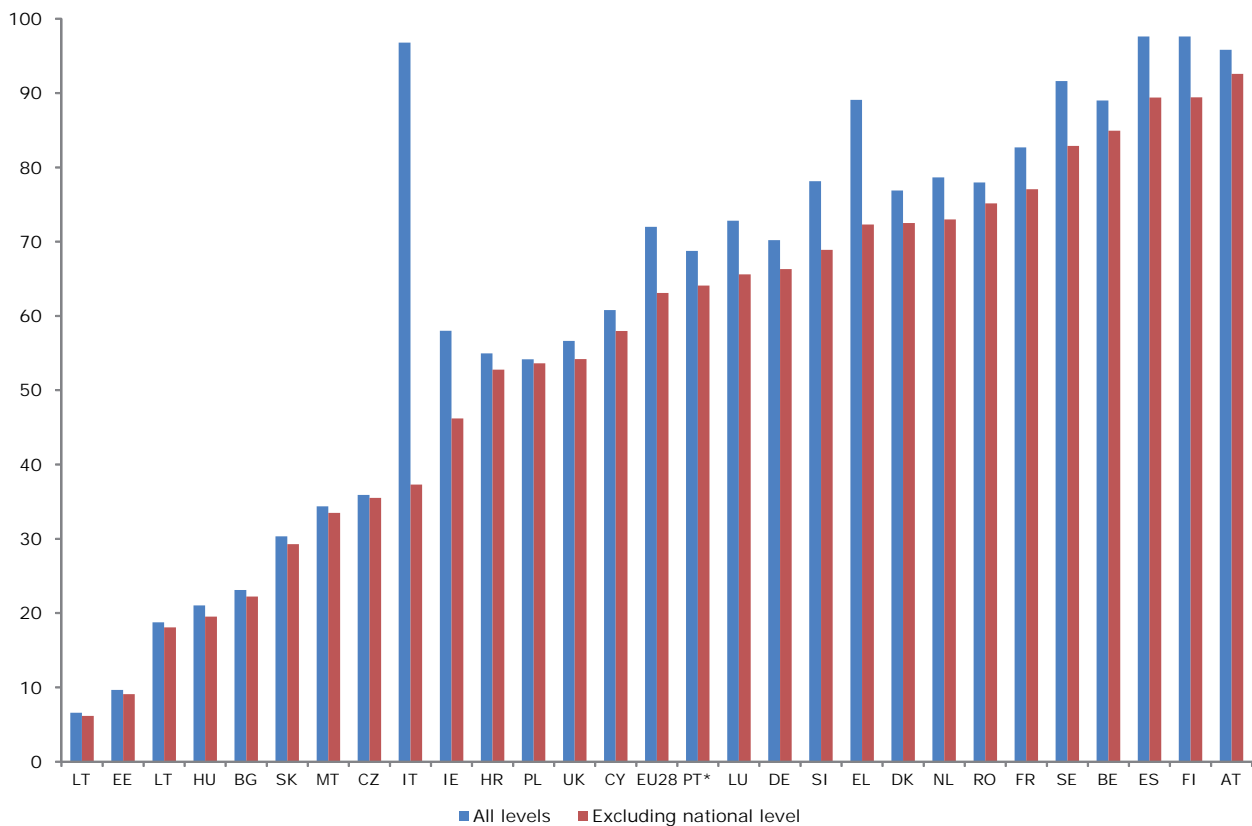
Data on collective bargaining coverage – that is, the number of employees covered by any type of collective (wage) agreement – are not generally available for all Member States (not all Member States have registers of collective agreements that are updated regularly) nor are they strictly comparable across Member States. This is because the rules regarding the collection of data (from all-embracing registers to small-scale surveys) and on what is finally reported (for example, agreements made by whom and at which level) are very different. Eurofound's third European Company Survey (ECS), carried out in 2013, in part fills this gap, making available for the first time comparable data across Europe on collective wage bargaining coverage at this level of detail.

Overall, the ECS findings show that six out of 10 European employees in private sector activities are covered by a collective wage agreement made at company, regional, sectoral or occupational level (or any combination of these levels, where multiple interlinked agreements might be in place). The figures amount to seven out of 10 when national cross-sectoral agreements are considered – for example, in Italy, Finland and Spain. It should be noted that some interlinkages between the levels exist in most Member States, with wage agreements made at higher levels usually having less detail on pay increases than those made at lower levels.

There is a high degree of heterogeneity across Member States in terms of collective bargaining coverage, ranging from fewer than 10% of employees covered in Estonia and Latvia (mainly at company level) to around 90% in Austria, Belgium, Finland and Spain (Figure 8). In most countries, coverage rates including the national-level cross-sectoral

agreements are fairly similar to the rates without them, the exception being Italy (Figure 9). In Italy, nearly all private sector employees are reported to be covered by the national-level agreement, yet fewer than 40% seem to be covered by agreements made at a lower level according to the ECS 2013. In addition, the reported findings for Portugal seem to be at odds with the reported data from the national level, which show a dramatic decline in the number of employees covered. According to the Portuguese correspondent, this can be explained by the fact that collective agreements in Portugal remain valid as a regulatory framework unless they are cancelled by the employer. What has fallen, however, is the number of updated collective agreements in Portugal with new wage negotiation outcomes (see box on p. 33).

Figure 8: *Collective bargaining coverage in private sector establishments – all levels (%)*

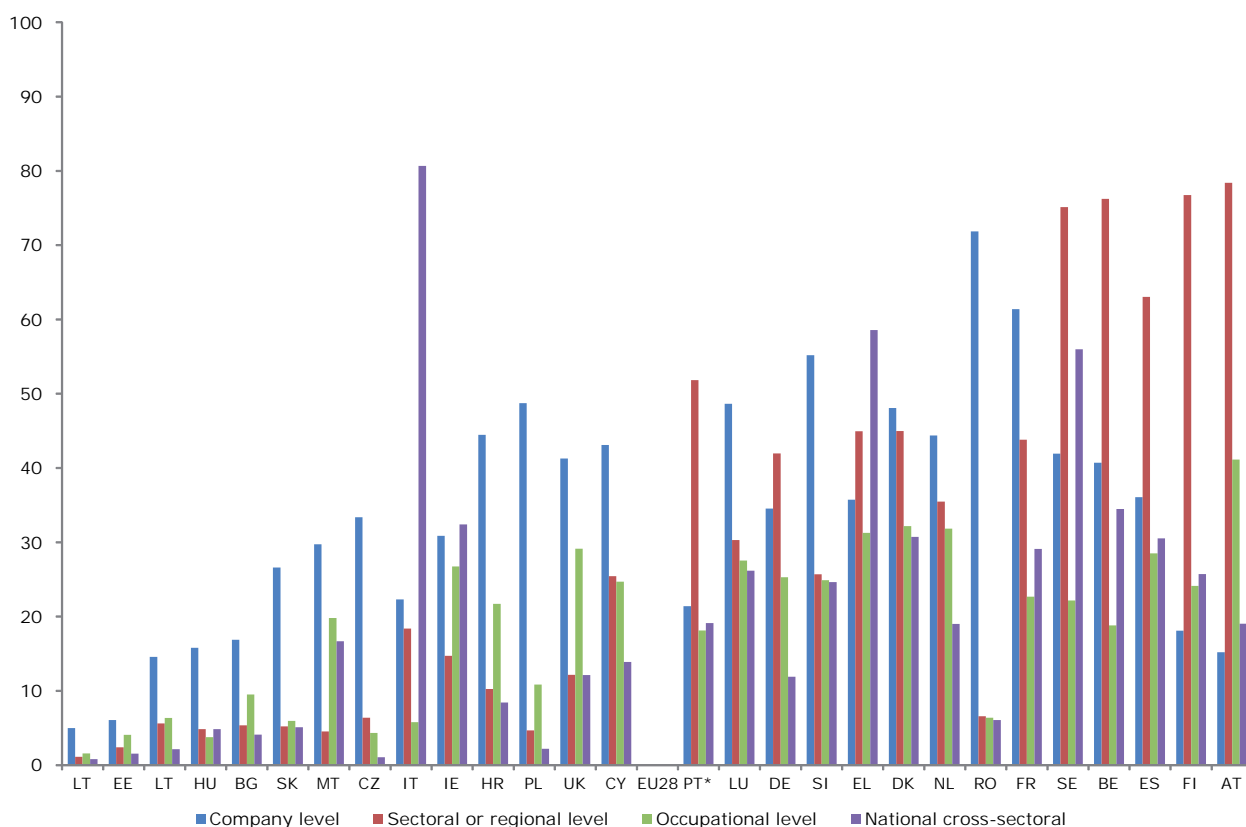


Notes: Percentage of total employees covered by collective wage agreements made at any of the different levels. Establishments with more than 10 employees, private sector activities, employee weighted.

*See note in text and box on p.33.

Source: *ECS 2013*

Figure 9: Collective bargaining coverage in private sector establishments – different levels (%)



Notes: Percentage of total employees covered by collective wage agreements made at different levels. Establishments with more than 10 employees, private sector activities, employee weighted.

*See note in text and box.

Source: ECS 2013

ECS and collective wage bargaining

The European Company Survey (ECS), carried out by Eurofound 2004, 2009 and 2013, gives an overview of workplace practices and how they are negotiated between the employer and employees. The findings are based on the views of both managers and employee representatives. The figures on collective wage bargaining coverage reported above are based on responses from almost 20,000 human resources managers in companies with more than 10 employees in the EU28 carrying out private sector activities. The managers were asked whether employees in their establishment were covered by any of the following four types of collective wage agreements:

- negotiated at establishment or company level;
- negotiated at sectoral or regional level;
- negotiated for a given occupation;
- a national cross-sectoral collective wage agreement.

Data were then weighted, using employee weights, to provide an indication of the number of employees covered out of the total workforce working in companies within the same sample.

Limitations of the data

The bargaining coverage calculation was based on the assumption that, when a collective wage agreement (at whatever level) was reported to be in place, all employees within the establishment would be covered. In some countries, this assumption could have led to an overestimate, as collective agreements cover only parts of the workforce (such as trade union members, for example, or only certain occupational groups) within a company.

Survey data statistics are usually interpreted to within ± 5 percentage points.

Outcomes of social dialogue and collective bargaining

National or cross-sectoral level

The research identified three major cases of labour market reforms that were made either in a tripartite setting (France, Slovenia) or by means of a bipartite agreement (Finland). Two further examples where bipartite dialogue was being promoted or continued to function were Slovakia (in which an industry bipartite body was established) and Ireland, where the private sector trade unions (ICTU) and Ibec maintained their jointly agreed protocols on the management of wage claims. Tripartism was not well served in Bulgaria, where one of the main trade unions, Podkrepa CL, withdrew its participation in the National Council for Tripartite Cooperation (NCTC) in November 2013. The most important bargaining level in Bulgaria is now company level, but there is also a growing role for sector- or branch-level collective bargaining.

On 11 January 2013, the social partners in France reached a landmark agreement on labour market reform, signed by all the employer organisations and by three unions. Two unions, CGT and CGT-FO, refused to sign the pact. The government adopted a bill enacting the agreement in March 2013 and this came into force in May. After nine months of negotiations, another agreement was signed by the social partners – on the quality of working life and professional equality. This agreement increases security for companies and employees, while decreasing labour segmentation, and represents a first step towards a more secure professional career. It also increases the right of employees' representatives to information and consultation aimed at a better understanding of company strategy.

The Slovenian National Assembly passed its labour market reform without a single opposing vote in March 2013. With this reform, Slovenia's employment protection index as measured by OECD should reach the OECD average. The negotiations to reach consensus between the government and the social partners lasted for five months.

In Finland, the nearly comprehensive agreement signed in 2013 included a plan to negotiate changes in the social dialogue and collective bargaining system. The agreement stipulated the formation of a working group made up of the social partners to recommend changes to the negotiation and conflict resolution systems, sanctions for violations of collective agreements, and salary increases in sectors not covered by collective agreements. The recommendations were due to be made by the end of autumn 2014.

In February 2013, the Slovak industry bipartite body for social dialogue was established. Its aims are to improve cross-sector social dialogue and to prepare the participating social partners for national-level tripartite consultations at the Economic and Social Council.

Sectoral level

Some cases show that sectoral collective bargaining is under pressure or, at least, is losing importance. The greatest decline in coverage was in Portugal (see box below), but large declines were also seen in Romania and Sweden.

In Romania, under the new legislation, collective bargaining is compulsory only at company level in companies with a workforce of at least 20 employees (that is, more than 24,000 companies). In 2013, MMFPSPV received a total of 8,726 collective agreements at company level for registration as well as the addenda to such agreements. In 2013, no sectoral collective agreement was signed and only five collective agreements at the level of group unit were signed, of which three were in the public sector.

In Sweden, the number of agreements that did not involve centralised established wage contracts increased. The National Mediation Office estimates that employees with that type of contract will increase from 420,000 in 2012 to 850,000 in 2015. The trend is for individual wage determination to become more common, though this is still exclusively for white-collar workers. The trade union IF Metall has criticised these kinds of agreements, arguing that they undermine the role of the industrial sector agreement (Industriavtalet) as setting the standard for wage negotiations.

Portugal: Sharp fall in collective bargaining

The new regulation on the extension of collective agreements has revealed itself to be a measure of major importance. In December 2012, the government passed a resolution that introduced a 50% threshold for the representativeness of employers' organisations as a prerequisite for the extension of collective agreements to the whole sector. Previously, it was sufficient for the signatories of the collective agreement to request the extension. In many sectors, the extension of collective agreements was a pervasive practice. Under the new regulation, the number of extension decrees issued by the government dropped from an annual average of 119 in the period from 1999 to 2010 to 17 in 2011, 12 in 2012 and nine in 2013. This has had serious consequences for collective bargaining.

Faced with the acute economic crisis, employers became increasingly reluctant to run the risk of signing collective agreements. In this context, the government's new restrictive regulation for extension added a further disincentive to engage in collective bargaining. Most of the employers' organisations could not count on the extension of their agreements, incurring the serious risk of creating a comparative disadvantage for their affiliates in relation to non-affiliated competitors.

Between 2010 and 2013, the number of published agreements dropped from 230 to 95, and the number of workers covered from 1.4 million to 187,000. The branch agreements suffered the deepest fall, from 141 to 27; the reduction in the number of agreements signed by groups of companies (from 25 to 18) and by single companies (from 64 to 49) was only gradual.

The changes in labour legislation made under the Memorandum of Understanding affect the position of trade unions in the system by weakening the individual and collective force of employees in industrial relations. In the case of collective bargaining, this process may be reaching a stage that will have systemic consequences because it undermines not only the trade unions' position of power but also the role of employers' organisations in the regulation of the labour market.

Note: As mentioned above, collective agreements in Portugal (unless cancelled by the employer) remain valid as a regulatory framework. The reported fall in collective bargaining relates to the number of updated collective wage agreements. This explains the observed differences between the national register figures and the higher figures regarding coverage (of 50% of employees) detected by the ECS.

The examples of sectoral collective agreements show some return to collective wage bargaining and agreed increases in the public sector (for example, in Hungary in the public water utility subsector or in Slovakia), or further suspension (in Italy) and agreed cuts (in Slovenia).

Agreements with new or innovative aspects (that is, going beyond the ‘usual’ scope of pay and working time), or going against ‘standard’ practice, were reported in the countries detailed below.

In Austria, a novel collective agreement was reached in 2013 in the retail sector, which employs some 500,000 white-collar workers. In this sector, collective bargaining usually takes place annually, but in this case a ‘double’ agreement (valid for two years) was reached, providing for two separate wage increases for 2014 and for 2015. By 2015, the monthly minimum wage is set to reach €1,500 (gross), which corresponds to the unions’ demand for a cross-sectoral minimum wage.

In Cyprus, two of the most important aspects of a new agreement in the hotels industry are the establishment of an adequate legal framework for regulating the sector’s provident funds and the creation of a monitoring committee on compliance provisions of the sectoral collective agreement. The new agreement, which is based on a mediation proposal, freezes wages and any increases in the cost of living allowance for all hotel workers.

In late October 2013, employers and unions in Italy’s craft sector signed an agreement to create a new bilateral solidarity fund to provide income support benefits for all workers not covered by the Wages Guarantee Fund. The fund will operate initially on an experimental basis until the end of 2015.

In Luxembourg, renewal of the construction industry agreement, which had expired in 2009, proved difficult. Although there had been discussions starting at the end of 2009 about new terms, the social partners failed to reach agreement. A major demonstration demanding a new agreement was attended by more than 2,500 workers, a conciliation process failed in December 2012, and finally a ballot was held early in 2013 for strike action. On 18 June, the Confederation of Independent Trade Unions of Luxembourg (OGB-L) announced that 95% of workers had voted in favour of a one-day strike on 17 July. At the end of the official conciliation process in early July and after the ‘last chance’ round of negotiations on 6 July, the social partners finally reached agreement on 10 July 2013. Disputes lasting as long as this are rare in Luxembourg.

Industrial action

Eurofound’s European industrial relations dictionary entry on ‘the right to take collective action’ states that:

The right to take collective action is a fundamental worker’s right. This right involves the recognition of the right to take collective action in cases where there is a conflict of interests, including strike action.

A long-standing trend in collective industrial relations was the relative labour quiescence across the EU28 Member States. This mega-trend has, to some extent, been shaken up by the global economic and financial crisis since 2008.

Data on industrial action since 2008

Data on industrial action across Europe are rather patchy, as there is no official up-to-date harmonised data source on industrial action. In addition, national statistics are compiled in a non-harmonised way and some countries (for example, Portugal) have even stopped publishing official figures. For this reason, this report looks at two sources to illustrate the most important industrial actions in 2013. The first is the ECS 2013, in which there was a question on whether certain forms of industrial action had been present at establishment level ‘since the beginning of 2010’ (the fieldwork was

carried out in the first half of 2013). This allowed for a comparative view of private sector establishments. The second source is national-level statistics: figures on major strikes or related research reported by Eurofound's network of European correspondents.

The most recent figures from the ECS show that almost one in 10 private sector establishments in the EU28 was faced with a strike lasting a day or more between 2008 and 2013. Only one in 100 experienced a blockade or occupation (Table 6).

Strikes of a day or more were the most prevalent form of industrial action across Europe over the three years since the 2008 crisis (9% of private sector establishments), followed by work stoppages or strikes of less than a day (7%) and work-to-rule or refusal to do overtime (6%).

The incidence of the various forms of industrial action is somewhat country-specific. Higher incidences of most forms of industrial action were recorded in many of the countries hit hardest by the crisis (Cyprus, Greece, Italy, Portugal and Spain) but also in Belgium and the UK. At the same time, most of these countries had been classified prior to the crisis as those with conflictual industrial relations regimes. On the other hand, reported industrial action levels were quite low in Estonia, Ireland, Latvia and Lithuania, countries which were also heavily affected by the crisis. In Member States with a lower strike incidence, work-to-rule, refusal to do overtime, work stoppages and strikes for less than a day (the less aggressive forms of industrial action) were the most important forms recorded. This is the case, for example, in Finland, Germany, Malta, Slovenia and Sweden.

Table 6: *Incidence of different forms of industrial action at establishment level between 2008 and 2013 (% of all establishments)*

	Work-to-rule or refusal to do overtime	Work stoppage or strike for less than a day	Strike of a day or more	Blockade or occupation
EU28	6	7	9	1
AT	0	3	0	0
BE	8	10	14	4
BG	4	4	5	0
CY	3	19	20	16
CZ	2	3	2	0
DE	13	8	3	0
DK	3	2	1	0
EE	3	0	0	2
EL	17	30	32	8
ES	7	14	26	3
FI	11	3	7	0
FR	6	8	4	2
HR	3	3	8	0
HU	0	0	0	0
IE	1	0	1	0
IT	7	19	18	2
LV	9	9	0	0
LT	3	0	0	0
LU	2	2	0	0
MT	7	0	0	0

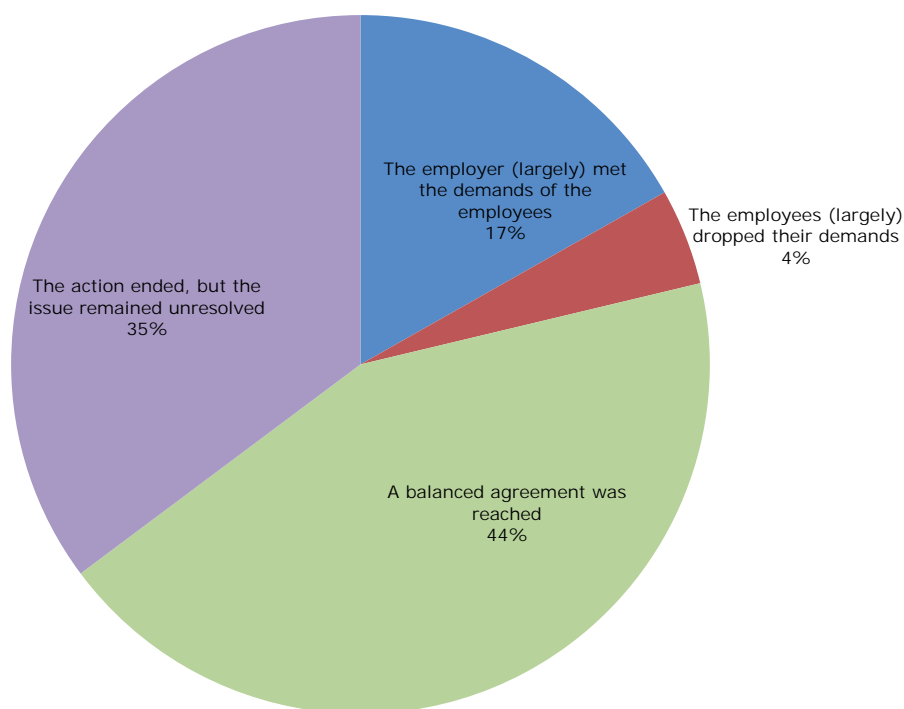
	Work-to-rule or refusal to do overtime	Work stoppage or strike for less than a day	Strike of a day or more	Blockade or occupation
NL	3	4	3	1
PL	3	1	0	0
PT	13	12	31	3
RO	0	2	0	0
SI	17	8	8	1
SK	2	0	0	0
SE	3	1	0	0
UK	10	7	26	4

Note: The data were reported by official employee representatives. As not all establishments are covered by an employee representative (and the response rate of employee representatives, where they are in place, was around 50%), the resulting picture may not be fully complete or fully representative for all private companies and should be interpreted with caution.

Source: ECS 2013, reported by the employee representative

Across the EU28, a third of these incidences were specific to the company and two-thirds were ‘general’, that is, they dealt with issues outside the organisation (for example, at sectoral or national level). Of the company-specific cases, employee representatives reported that, in 44% of the cases, a balanced agreement was reached and, in 17% of the cases, the employer largely met the demands of the employees (Figure 10). In a minority (4% of cases), employees by and large dropped their demands, while in 35%, the action ended although the issue was unresolved.

Figure 10: Outcomes of company-specific forms of industrial action between 2008 and 2013



Source: ECS 2013, reported by the employee representative

National statistics on industrial action: 2012 to 2013

The national figures provided by the correspondents show that, in 2013, the picture in terms of the incidence of industrial relations was somewhat polarised (Table 7).

A decrease in terms of working days lost was reported only for Germany, Spain and the UK.

Table 7: Overview of industrial action developments, 2012 to 2013

Increase in working days lost	AT, CY, FI, IE
Decreasing activity in working days lost	DE, ES, UK
Hardly any industrial action at all	BG, CZ, LT, MT, NO, SK
Relative labour quiescence, assessment based on incomplete data	HU, LT, PL
No (comparable) data available	BE, EE, EL, FR, IT, HR, LT, LU, LV, PT, RO, SI, SE

Note: The scope of national databases varies in terms of what types of industrial actions at which level are covered. Data should therefore be read in conjunction with the national contributions.

Source: Eurofound's Network of European correspondents, national statistical sources

Relative labour quiescence continued in Bulgaria, the Czech Republic, Lithuania, Malta and Slovakia where there was hardly any industrial action at all. In Norway, there were several major strikes in 2012 but not in 2013. In other countries (Hungary, Lithuania and Poland), the assessment regarding relative labour peace is based on incomplete data.

Lithuania: Clearer definition on the legality of strikes

Current legislation in Lithuania does not regulate industrial disputes properly. Due to the fact that there is a lack of clarity in the legislation, it is not really possible to organise strikes. In an effort to change the situation, the Parliament presented amendments to the Labour Code and the Code of Civil Procedure in October. These aimed to:

- revise provisions governing the suspension of strikes;
- lay down the rules for interpreting collective agreements;
- define clear regulations for the legality of strikes in cases of valid collective agreements.

The amendments were adopted in May 2014.

In other countries, where strike activity is generally low, while there was some increase in 2013, action levels remain relatively low. In Austria, where time lost in strikes is measured in seconds per worker and not in days, this increased slightly in 2013 from 5 to 27 seconds. A similar development was recorded in Ireland, with the number of working days lost almost doubling. Other Member States with a reported increase in 2013 in terms of working days lost were Cyprus (where an open-ended strike in the construction sector was the longest since 1948) and in Finland – mainly related to job cuts at company level.

No comparable figures were available for the other Member States.

Table 8 presents data on industrial action in Member States as reported in national data sources.

Table 8: *Industrial actions reported in national data sources*

	Year	Number of strikes	Number of working days lost	Working days lost per 1000 workers/ participants	Source	Notes
AT	2013		3,277		Statistik Austria	
	2012	n.a.	n.a.	n.a.		
BE	2013	n.a.	205,974	n.a.	Statistics Office of the National Office of Social Security	
	2012	n.a.	345,795	n.a.		
BG	2013	15	30	n.a.	Strike committee at Confederation of Independent Trade Unions in Bulgaria	All kinds of protests; working days lost refer to company level.
	2012	4	109	n.a.		
CY	2013	47	605,464		Department of Labour Relations of the Ministry of Labour and Social Insurance	
	2012	56	48,294			
DE	2013	n.a.	551,000		Institute of Economic and Social Research (WSI)	
	2012	n.a.	630,000			
DK	2013	197	930,300	378.63	Statistics Denmark, Statistikbanken, work stoppages, April 2014	Large number of working days lost is due to a lockout of school teachers.
	2012	225	10,200	4.25		
ES	2013	998	1,099,702		Official statistics on labour conflicts of the Ministry of Employment	Provisional figures (January–October 2013)
	2012	880	1,297,023			
FI	2013	121	25,999		Statistics Finland	
	2012	86	17,254			
HU	2013	1	n.a.		Hungarian Central Statistical Office (KSH), Sztrájkok	
	2012	3	n.a.	1,885 (participants)		
IE	2013	12	14,965	n.a.	Central Statistics Office (CSO)	
	2012	5	8,486	n.a.		
LT	2013					
	2012					
NL	2013	24	n.a.	19.4	Statistics Netherlands (CBS)	
	2012	18	n.a.	219.4		
PL	2013	17	12,900	230 (per paid employees in entities where strikes occurred)	Concise Statistical Yearbook of Poland 2014	
	2012	93	10,100	60 (per paid employees in entities where strikes occurred)		
RO	2013	22	n.a.	8,385 (participants)	National Institute of Statistics (INS) and MMFPSPV	Data refer to all collective labour disputes.
	2012	23	n.a.	10,500 (participants)		
SE	2013	7	10,075	n.a.	All industrial actions have been included. Four of the industrial actions resulted in a strike with working days lost and three resulted in a blockade with no working days lost.	
	2012	n.a.	n.a.	n.a.		
SK	2013	13	n.a.	n.a.	MPSVR SR	All types of labour disputes. None of registered conflicts resulted in strike or lockout.
	2012	16	n.a.	n.a.		
UK	2013	127	406,000	14.5	Office for National Statistics (ONS)	The figures are the 12-month cumulative totals to October 2013 and October 2012 respectively.
	2012	126	1,240,000	45.5		

Note: n.a. = not available

 Source: *Eurofound's Network of European correspondents*

Strike activity on the increase

Denmark: Major lockout of teachers

On 1 April 2013, the employers in Local Government Denmark (KL) and the state employer, the Agency for the Modernisation of Public Administration, locked out teachers following a failure to reach an agreement during the 2013 collective bargaining round in the local government sector (municipalities). The lockout involved primary school teachers and vocational training teachers, and involved around 69,000 teachers. The lockout was controversial, as it was the first time that a public employer had taken this action, even without the employees having announced a strike in the first place. The conflict ended after 25 days following government intervention.

Cyprus: Increase in industrial action

Although 2013 saw a reduction in the number of strikes in Cyprus compared with 2012 (56 strikes), the number of working days lost increased dramatically and there was also an increase in the number of employees affected. The enormous rise in the number of working days lost was due to the open-ended strike in the construction sector, which began on 24 January 2013 and ended on 13 February 2013, and is considered the longest strike in Cyprus since 1948. According to the Department of Labour Relations, the upward trend in strike activity since 2011 is attributed to the negative impacts of the crisis on the working environment.

Greece: Strikes in healthcare, local government and education

In Greece, 2013 was marked by a series of strikes and demonstrations by employees in the education, local government and healthcare sectors protesting against the implementation of non-active status and the dismissals of employees. The government aims to speed up progress towards the target set by the European Commission, IMF and ECB to cut 25,000 public sector jobs by the end of 2014. Legislation expressly provides for the abolition of a number of specific jobs, including school guards, municipal police and professors in specific disciplines working in secondary technical and vocational education throughout Greece. The wave of strikes staged in response by teachers, healthcare staff and other public servants peaked in September and continued until the end of 2013.

Spain: Strikes in the public sector

In Spain, there were two general strikes in the public education sector at national level. The first one was held on 9 May and the second on 24 October. Significant strikes were held in the public education sector at national level. Another important conflict occurred in the street cleaning sector, in Madrid. Strikes were held at national level in the leather tanning sector in 2013.

Pay developments 5

This chapter looks at developments in pay in the EU and Norway in 2013. It first discusses compensation per employee, which includes social security contributions, and then summarises the main outcomes on collectively agreed pay and statutory minimum wages. Because virtually no wage bargaining regime is similar to that of another, the comparability of data across countries is restricted. For more background information and intra-country comparisons, please visit Eurofound's [portal on collectively agreed pay](#).

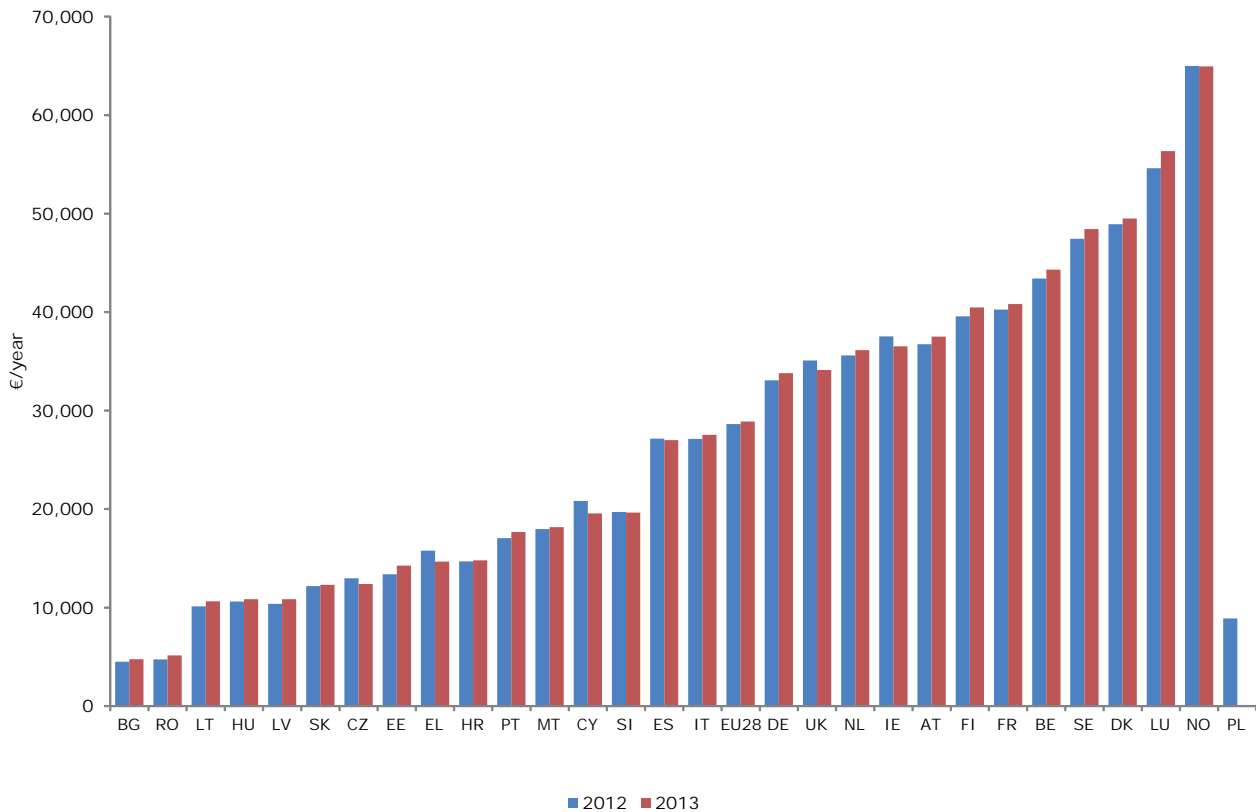
Within the framework of the European Semester, the European Commission issued country-specific recommendations in 2013 on what was needed to return to growth and jobs and these were subsequently approved by the Council. Recommendations for a number of countries relate to pay and how wages are set. To restore competitiveness, Belgium was advised to reform the wage-setting system, including indexation, to make sure wage-setting was responsive to productivity developments and reflected local differences. For similar reasons, Luxembourg was advised to reform its wage-setting system in consultation with the social partners, including wage indexation. In Finland and Italy, better alignment between productivity developments and real wage was an issue: in Italy, in particular, this could be achieved by effective implementation of the labour market and wage-setting reforms. The Slovenian government was cautioned that wage developments, including the minimum wage, should support competitiveness and job creation. France was advised to reduce the cost of labour, especially through measures to reduce employers' social security contributions. Also, developments in the minimum wage should be supportive of competitiveness and job creation. Germany, however, was advised to sustain the conditions that enable wage growth to support domestic demand. This could be achieved by reducing taxes and social security contributions, especially for low-wage earners.

Compensation per employee

Figure 11 provides a rough comparison of annual compensation per employee between the EU countries and Norway in 2012 and 2013, including social contributions paid by the employer. It is important to note that a higher compensation per employee in a particular country does not automatically translate into a higher wage or salary for employees as a number of factors, such as social contributions, may vary between the countries.

Generally speaking, Member States that joined the EU in 2004 or later have a lower compensation rate than the older Member States. Denmark, Luxembourg, Norway and Sweden have the highest annual compensation per employee. The compensation in prices between 2012 and 2013 increased in 20 countries and decreased in eight countries, the highest decreases in absolute terms being in Ireland and the UK.

Figure 11: Compensation per employee (€/year)



Notes:

Compensation per employee = $\frac{\text{Compensation of employees (tec00013)}}{\text{Employment, domestic concept (tec00112)}}$ where compensation of employees is defined as the total remuneration at current prices, in cash or in kind, payable by an employer to an employee in return for work done by the latter. In particular, it also includes social contributions paid by the employer. Tec00013 and tec00112 are variables codes assigned by Eurostat. Data for Poland are not available.

Source: Authors' own calculation based on Eurostat data

Collectively agreed pay

Before reporting on outcomes of collective wage bargaining, it needs to be borne in mind that the importance of collective wage bargaining varies between Member States. Generally, those Member States that joined the EU after 2004 have lower collective bargaining coverage than the other Member States (Figure 12). Among the older Member States, only Portugal and the UK have low bargaining coverage. Slovenia is the only newer Member State that has a high coverage.

The highest coverage of collective (wage) bargaining in Europe is found in Austria and Belgium, where virtually all employees are covered.

Furthermore, the data indicate that, in the majority of countries, coverage appears to have decreased over the past decade. In 10 countries, there has been a considerable decrease in coverage (more than 10 percentage points). No Member State experienced a considerable increase in coverage over this period.

Finally, it is important to mention the limitations of the available data. The aim is to report the most recent information, and thus the coverage in different countries does not always relate to the same year.

Figure 12: Coverage by collective (wage) bargaining agreements, 2007–2011



Notes: Figures represent a proportion of all wage and salary earners in employment with the right to bargaining. Given the data limitations, the coverage is displayed for different countries in different years (2007–2011). Source: Eurofound (2014c)

See Eurofound (2014c) for more detailed information on the 2013 developments in collectively agreed pay.

According to the available data on the average nominal collectively agreed pay, the increases in 2013 were roughly the same as, or lower than, those in 2012. In real terms, however, an opposite development took place. In the majority of countries, the change in real collectively agreed pay in 2013 was more positive than in 2012 (Figure 13). In Slovakia (2.0%) and Sweden (1.6%), collectively agreed pay increased the most in real terms. It decreased the most in the UK (-1.6%).

Figure 13: Average collectively agreed pay from national databases of collective agreements (%)



Notes: Only countries with available data are presented.
 The 2013 data for Austria and Spain (2012 and 2013) are preliminary.
 The 2013 data for Portugal capture only the first six months.
 Inflation rate determined according to Eurostat’s HICP; real developments are based on Eurofound’s own calculation.
 Source: Eurofound (2014c)

Pay indexation

Belgium, Cyprus, Luxembourg and Malta have systems of pay indexation linking wage developments to the evolution of living costs. This ensures that real wages are not overtaken by inflation. Pay indexation systems were addressed in the framework of the country-specific recommendations under the European Semester process.

In Belgium, the system of indexation is organised at sectoral level in the private sector and individual systems may differ in some details. The date of indexation is generally not fixed but the wages increase when the index reaches a given value (for example, 2%). The pay indexation agreed in 2013 was 1.3% (compared with 2.6% in 2012).

In Cyprus, the wages of all employees covered by collective agreements are readjusted annually on 1 January on the basis of the percentage change in the consumer price index. In March 2013, a memorandum of understanding on specific economic policy conditionality provided for a total freeze of the cost of living allowance for 2013 and 2014.

Although there is no ‘proper’ automatic pay indexation mechanism in Italy, the IPCA indicator (Indice dei Prezzi al Consumo Armonizzato IPCA – **Harmonised Index of Consumer Prices HICP**) is used as a reference point by those involved in collective bargaining when negotiating wage increases. The IPCA is based on the European HICP (excluding imported energy), and was 3% in 2012 and 1.8% in 2013. Italy has no indexation mechanisms for private sector wages. In the public sector, indexation is only provided for employees not covered by collective bargaining. However, such indexation was largely blocked by the wage freeze in the public sector introduced in 2010 which is still in operation.

Salaries in Luxembourg are normally adjusted when the consumer price index rises or falls by 2.5% during the previous six months. To combat the economic crisis, the government decided in 2011 that, until 2014, adjustments would take place only once a year on 1 October. Therefore, the indexation of 2.5% took place on 1 October 2013.

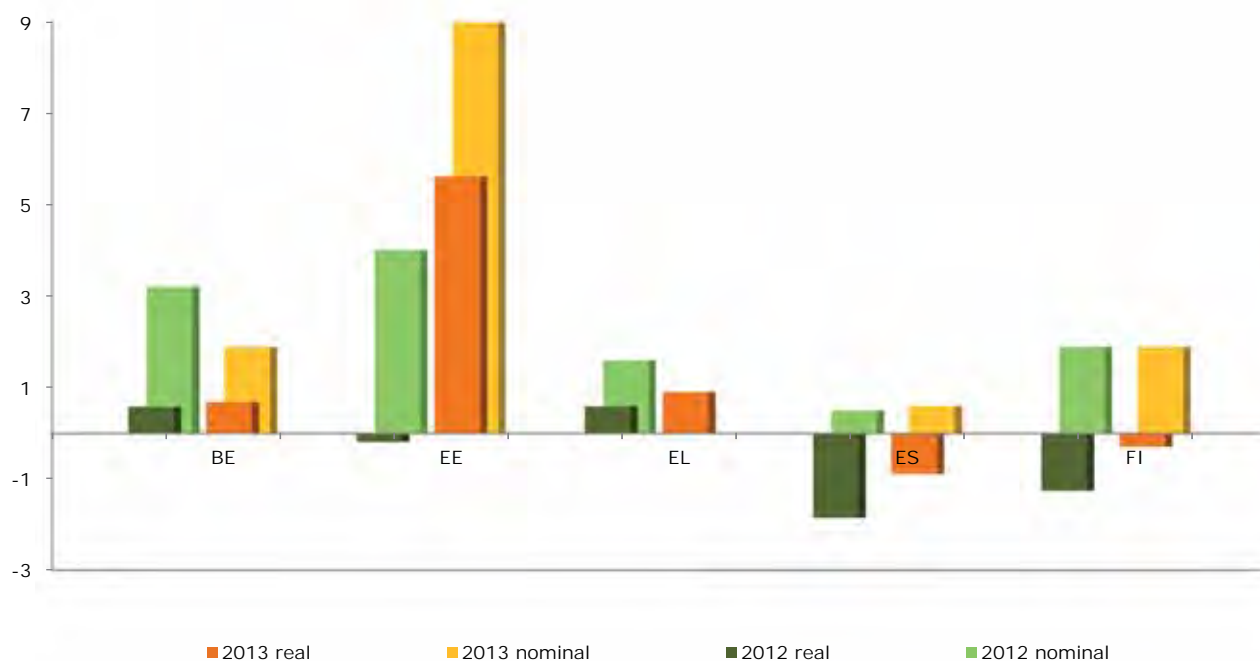
The wage indexation system in Malta is based on the average annual inflation rate as determined by the retail price index. The wage increase came into effect on 1 January 2012 and was €3.49 per week.

Central or major cross-sector agreements

In some countries, major (cross-sectoral) agreements between social partners cover either the whole or major parts of the economy and serve as a basis for further agreements to be made at different levels. Figure 14 shows the outcomes for the central or major cross-sectoral agreements in Belgium, Estonia, Finland, Greece and Spain. In 2013, the fastest growth in nominal and real pay agreed in central or cross-sectoral agreements took place in Estonia.

Although there was a 0% wage increase in nominal terms in Greece, the decrease in the consumer price index (that is, deflation) meant that the agreed pay increased by almost 1% in real terms. The agreed wage increase did not match the pace of growth of consumer prices in Spain and Finland, resulting in a decrease in real terms.

Figure 14: Outcomes of central or cross-sectoral agreements or recommendations (%)



Notes: The figures for Belgium capture 2.9% price indexation and 0.3% agreed wage evolution in 2012, and 1.9% price indexation and 0% agreed wage evolution in 2013.

The figures reported for Spain are the maximum wage increases that should be stipulated by collective bargaining.

The figures for Estonia reflect also the increase in the minimum wage and are often taken as a reference for further collective agreements.

Source: Eurofound (2014c), based on individual agreements

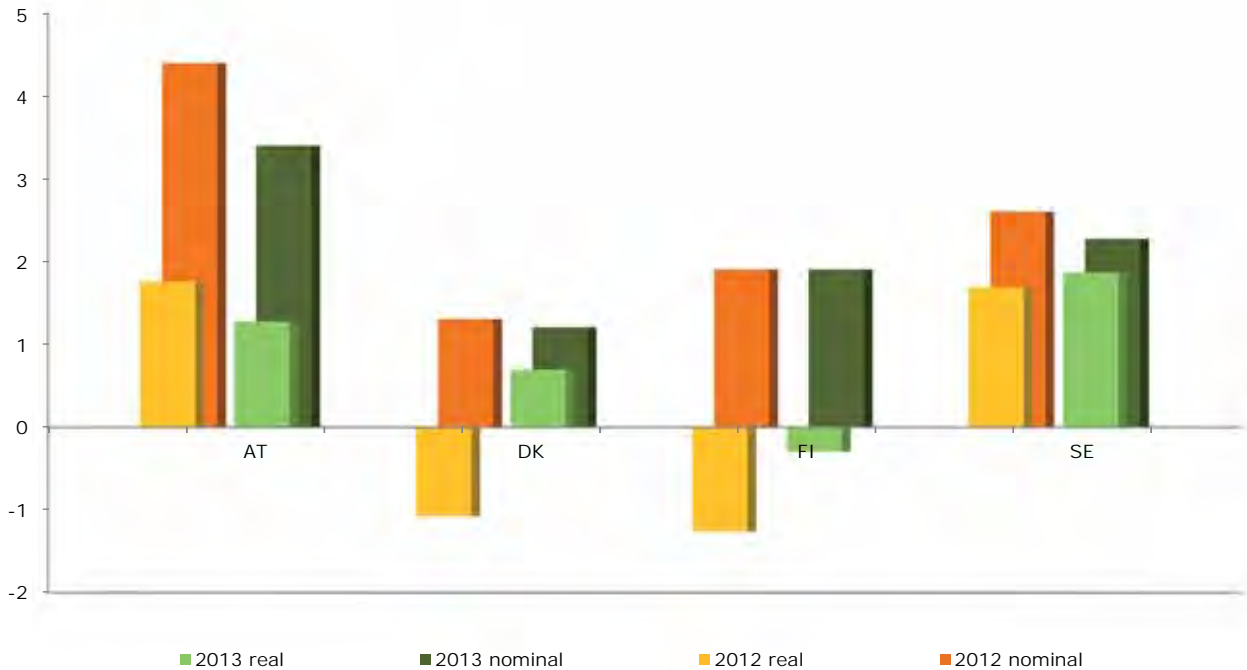
Pace-setting agreements

Pace-setting agreements are those negotiated in one sector and subsequently adopted or taken as an important reference for further bargaining in other sectors. In this way, they form the basis for collective bargaining in the other parts of the economy. In 2013, pace-setting agreements were reported in Austria, Denmark, Finland, Norway and Sweden.

The highest increases in the nominal wage were reported in Austria (Figure 15). In real terms, however, the Swedish pace-setting agreement set a higher pay increase. The increases agreed in the Finnish pay-setting agreements did not

cover the increase in the consumer prices, resulting in a decrease in real pay. When interpreting these results, it is important to keep in mind that additional increases can be agreed in subsequent sectoral or lower-level collective agreements.

Figure 15: Outcomes of pace-setting sectoral agreements (%)



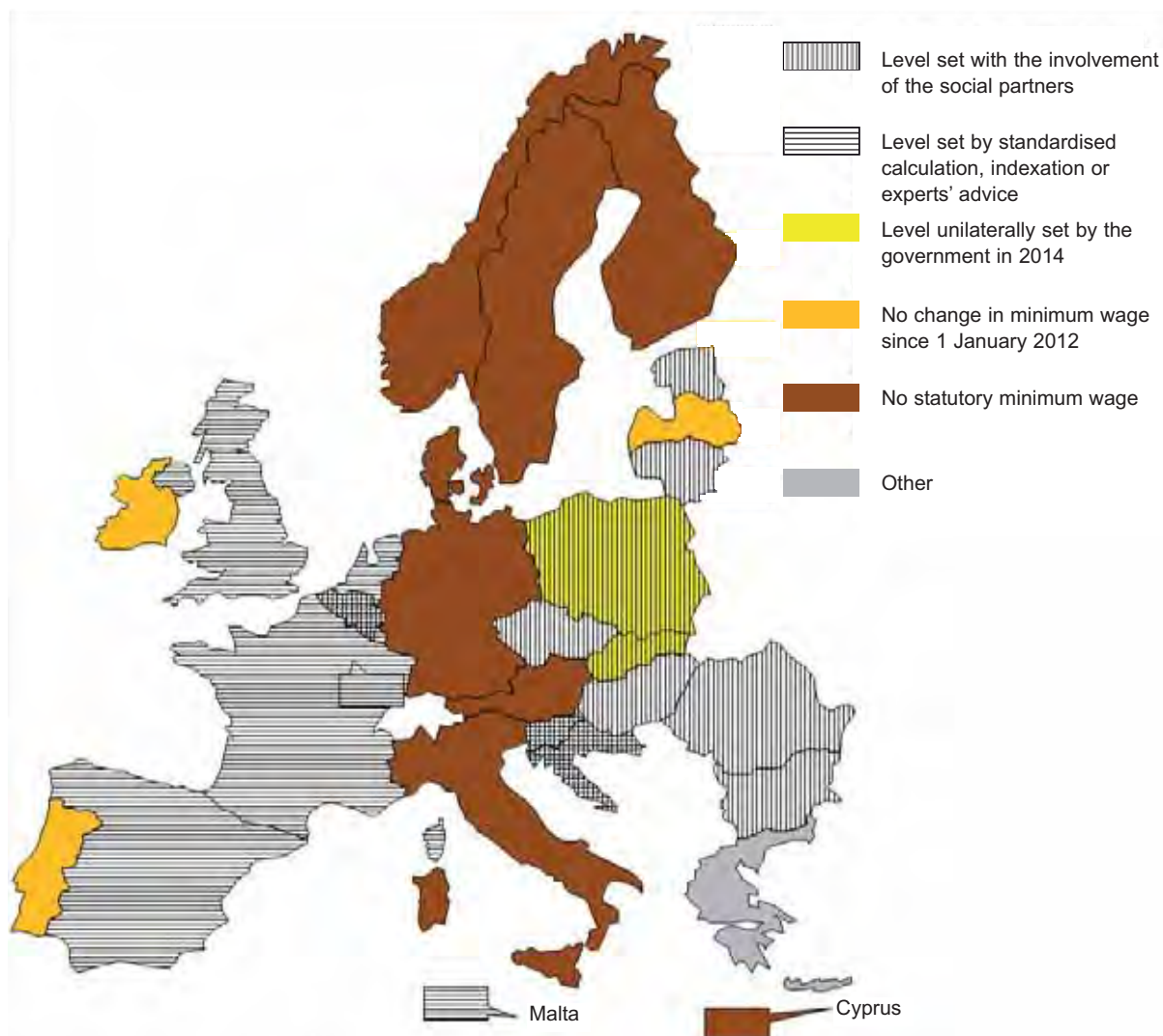
Notes: The reported figures for Austria refer to the minimum wage increase in the lowest wage groups. Data for Norway are not reported because of comparability issues. Source: Eurofound (2014c), based on individual agreements

Statutory minimum wage

More than two-thirds of EU Member States have a statutory minimum wage in place. Minimum wages in some countries are closely related to centrally agreed collective wage increases. For more information on the determination of statutory minimum wages for 2013, please refer to the report *Developments in collectively agreed pay 2013* (Eurofound 2014c). Another Eurofound study similarly examined the issue of minimum wages and investigated the question of what groups would benefit from a hypothetical minimum wage set at 60% of the country median (Eurofound, 2014d).

Eleven countries, predominantly new Member States, reported that determining the final level of the minimum wage was influenced to a large extent by the social partners (Figure 16). Nine countries, especially in western Europe, reported that standardised calculation, indexation or expert advice was used when setting the minimum wage. Three of the nine countries (Belgium, Croatia and Slovenia) reported both of these influences. In Poland and Slovakia, the minimum wage was set unilaterally by the government in 2013 because the social partners could not reach agreement. However, this was reported to be a unique situation. In Ireland, Latvia and Portugal, the minimum wage did not change during the period examined.

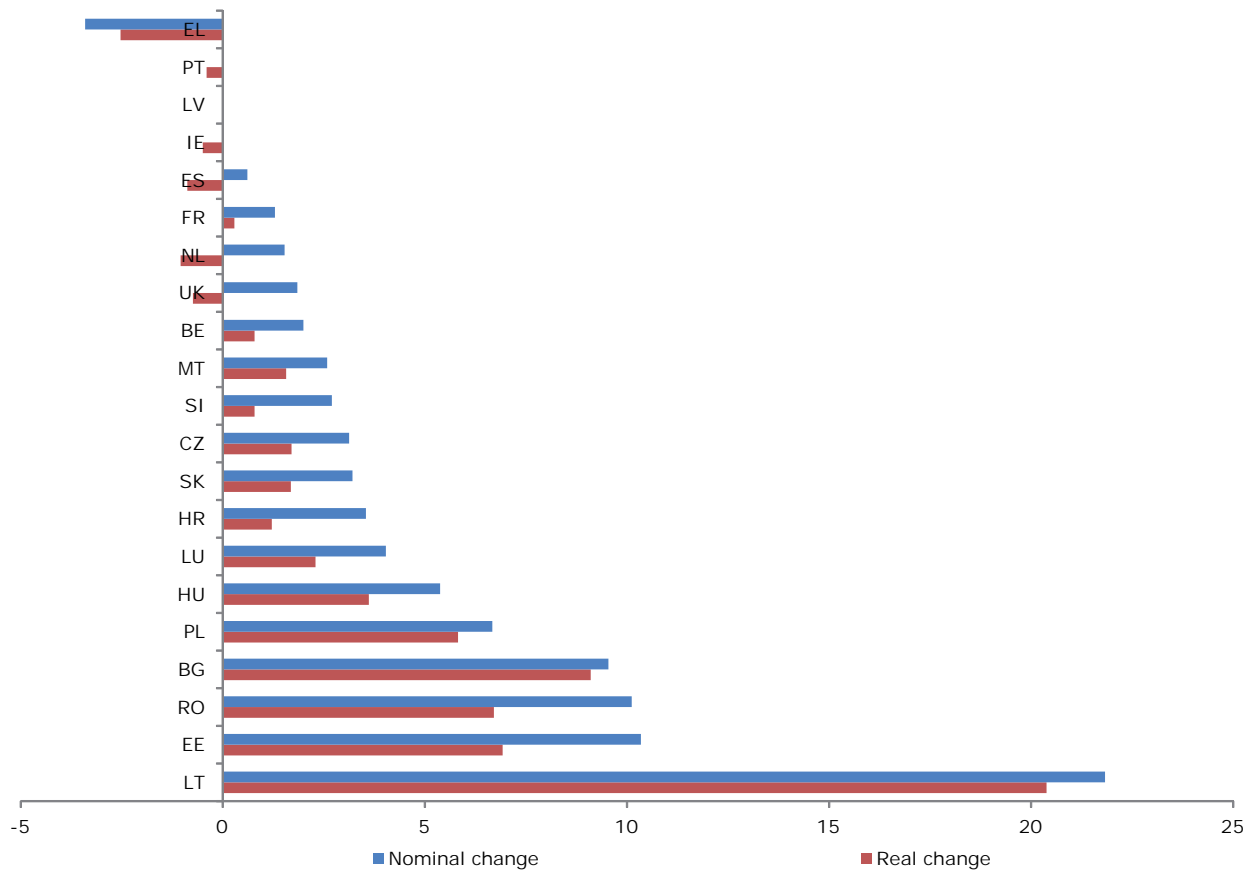
Figure 16: Determination of minimum wage in 2013



Source: Eurofound (2014c)

In real terms, the minimum wage decreased between 2012 and 2013 in six countries (Figure 17). Greece was the only country which reported a decrease in the minimum wage in nominal as well as real terms. At the opposite end of the scale are Lithuania, Estonia, Romania and Bulgaria where the minimum wage increased by about 10% or more (by more than 20% in the case of Lithuania). The annualised relative changes are displayed in Figure 17 below.

Figure 17: Percentage change in the annualised minimum wage (in nominal and real terms) between 2012 and 2013



Source: Eurofound (2014c)

In Denmark and Germany, the introduction of a statutory minimum wage was a topic of debate. In Denmark, discussions on the minimum wage were triggered by pressure on Danish labour by workers from the new Member States who work well below the minimum wage in their sector. The new coalition (CDU/CSU and SPD) in Germany decided to introduce a national statutory minimum wage of €8.50 per hour by 1 January 2015.

In the Czech Republic, the minimum wage was increased after prolonged negotiations between the social partners for the first time since 2007. Slovenia was advised by the European Commission that minimum wage-setting may need to be adjusted to restore competitiveness. The government planned to propose changes to the system in 2013 in dialogue with the social partners, but no changes were made.

The social partners in Latvia agreed to freeze the minimum wage in 2013 because of the difficult budgetary conditions. The Free Trade Union Confederation of Latvia (LBAS) agreed to the freeze on condition that the non-taxable minimum of the personal income tax would be increased. The government ignored this demand and this triggered protests from the trade unions.

As a result of national-level collective bargaining, the minimum monthly wage increased in Lithuania by 18% on 1 January 2013.

Working time is regulated in all EU Member States through collective bargaining, legislation or a combination of both. Entitlement to rest periods during working hours is a basic right of workers in the European Union. Article 31(2) of the Charter of Fundamental Rights of the European Union stipulates that ‘Every worker has the right to limitation of maximum working hours, to daily and weekly rest periods and to an annual period of paid leave’.

The Working Time Directive (2003/88/EC) starts from the consideration that ‘the improvement of workers' safety, hygiene and health at work is an objective which should not be subordinated to purely economic considerations’ and that ‘all workers should have adequate rest periods’.

Apart from minimum daily and weekly rest periods, the directive provides for a rest break where the working day is longer than six hours. In Article 4 (on breaks), the directive specifies that:

Member States shall take the measures necessary to ensure that, where the working day is longer than six hours, every worker is entitled to a rest break, the details of which, including duration and the terms on which it is granted, shall be laid down in collective agreements or agreements between the two sides of industry or, failing that, by national legislation.

Collectively agreed working time

In some countries, notably, Estonia, Latvia, Lithuania, Luxembourg, Poland and Slovenia, working time is not generally regulated through collective bargaining.

The **average collectively agreed working time** in 2013 did not change in relation to the three previous years. The average collectively agreed weekly working time in the EU27 and Croatia since 2010 is 38.1 hours. The average for the EU15 countries (the 15 EU Member States prior to enlargement in 2004) in 2013 was 37.6 hours per week and the average for the 13 new Member States (NMS13 – Member States that have joined since 2004) was 39.7 hours per week.

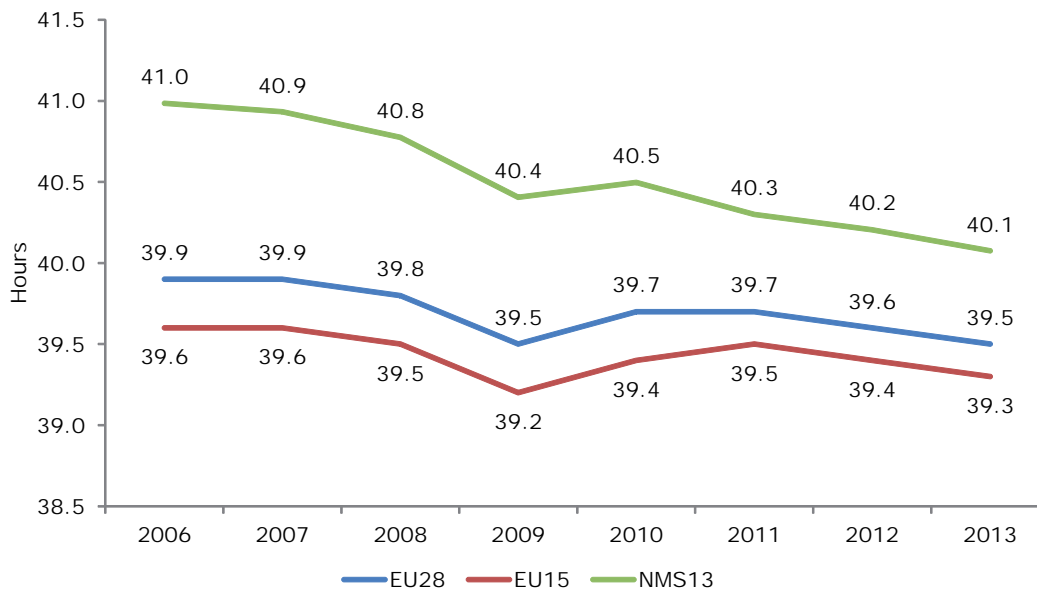
The Czech Republic, Slovakia, Spain, Sweden and the UK were the only countries registering changes between 2012 and 2013. The Czech Republic, Slovakia and the UK registered an increase of 0.1 hours per week, while Spain recorded a collectively agreed weekly working time which was 0.3 hours higher in 2013 than in 2012. Sweden registered a decrease of 0.2 hours compared with 2012. France remains the country with the lowest collectively agreed hours (35.6 hours per week). The Netherlands and the Nordic countries continued below the EU15 average in 2013 with 37–37.5 hours per week.

Figures on **actual weekly working hours** give a more accurate impression of how many hours people really work in a given week, as they take into account factors such as overtime and absence from work. Eurostat figures for the EU28 show an actual working week of 39.5 hours in 2013. This is 0.1 hours less than in 2012 and about 1 hour and 24 minutes more than the average agreed working hours in 2013. In the EU15, the working week was 39.3 hours, about 1 hour and 42 minutes longer than the agreed hours. In the 13 new Member States (NMS13), the working week was 40.1 hours, about 24 minutes longer than the average agreed working hours in that group of countries.

The annual figures for actual weekly working hours in the EU since 2006 (Figure 18) indicate that:

- the EU15 reversed the upward evolution registered in 2010 and 2011;
- the NMS13 continued the downward trend since 2010, reaching a record minimum of 40.1 hours in 2013.

Figure 18: Average number of actual weekly hours of work, 2006–2013



Number of actual weekly hours of work in main job, full-time employees.

NMS13 average calculated by the author.

Source: Eurostat, EU Labour Force Survey

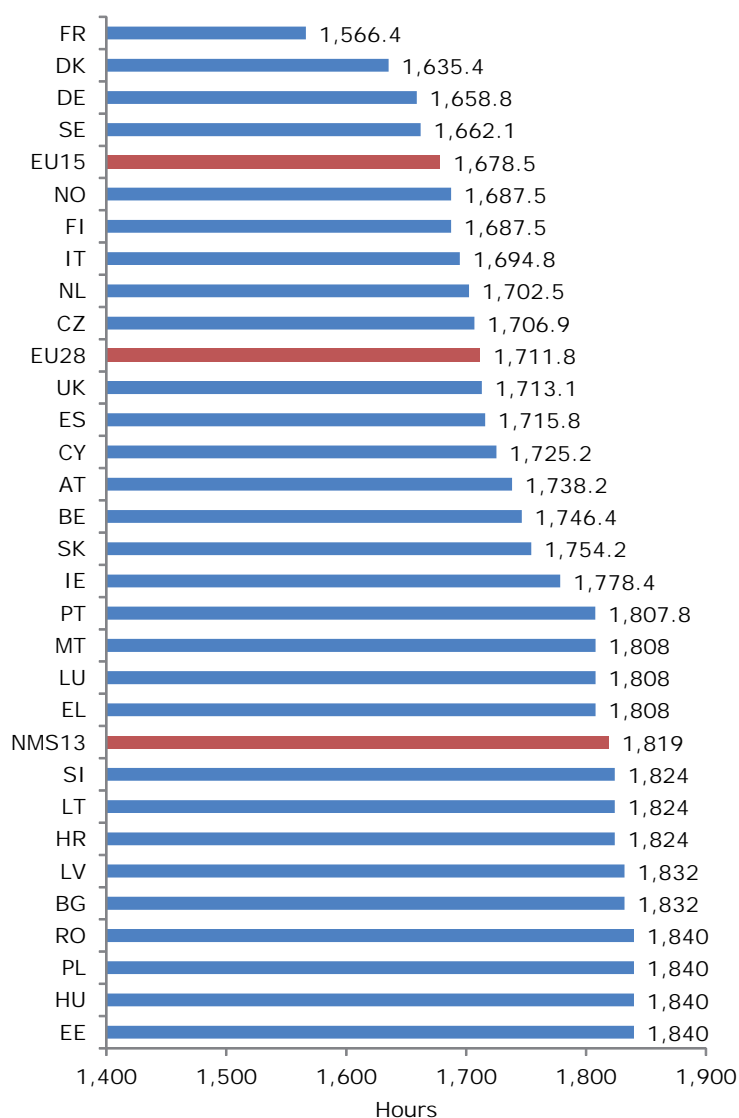
In the EU15 and the NMS13, the **actual working week** was 0.1 hours shorter in 2013 than the year before. The variation between 2012 and 2013 diverges considerably across the Member States.

- In Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Finland, Germany, Hungary, Luxembourg, Latvia, Malta, Norway, Poland and Sweden, actual working hours decreased in 2013 (by between 0.1 and 0.3 hours). In France, there was a decrease of 0.5 hours.
- Denmark, Italy, Lithuania, Romania and the UK did not show any changes.
- Greece, Ireland, the Netherlands, Portugal and Slovakia registered increases of between 0.1 and 0.2 hours. Full-time employees in Slovenia and Spain registered the largest increases in 2013: full-time employees actually worked on average 0.3 hours more per week in Slovenia and 0.4 hours in Spain compared with 2012.

In 2013, actual weekly hours worked by male full-time employees in their main jobs continued to exceed those of their female counterparts in all Member States and Norway. Across the EU28, men worked on average two hours more than women. The gap was wider in the EU15 (2.3 hours) than in the NMS13 (1.4 hours). The sharpest differences were observed in Ireland and the UK (3.3 and 3.4 hours more, respectively), in Italy (2.8 hours more) and in Denmark, Finland, Luxembourg, Malta, the Netherlands, Poland, and Norway (between 2 and 2.4 hours more).

These weekly figures, however, do not take into account other aspects affecting the total time spent working such as leave, holidays and flexible arrangements which are better reflected through annual figures. Eurofound's calculations of collectively agreed annual working hours reflect leave and holidays, but do not include overtime or flexible working time arrangements. They do, nevertheless, provide a rough picture of how many hours workers are supposed to work when collectively agreed provisions are taken into account (Figure 19).

Figure 19: Average collectively agreed annual working time, 2013



Notes: In Estonia, Latvia, Lithuania, Luxembourg, Poland and Slovenia, working time is not generally defined through collective bargaining and therefore the figure presented is calculated on the basis of a maximum working week of 40 hours.

Source: Eurofound's Network of European correspondents

In 2013, the average collectively agreed annual working time (for full-time workers) was approximately 1,712 hours in the EU28, 1,679 hours in the EU15 and 1,819 hours in the NMS13. Workers in the NMS13 thus worked, on average, 140 hours longer than their counterparts in the EU15 – the equivalent of over 3.5 working weeks in the NMS13.

The Czech Republic is the only country in the NMS13 with an average agreed annual working time below the average for the EU28. Overall, the longest hours in the EU were worked in Estonia, Hungary, Poland and Romania, while the shortest were worked in Denmark, France, Germany and Sweden. In 2013, employees in Estonia, Hungary, Poland and Romania on average worked 274 hours more than their counterparts in France; in Estonia, for example, this works out as the equivalent of six weeks and four days of work.

Within each country, there are differences in terms of working time arrangements across the different sectors of activity. Each sector is characterised by specific products/services and labour markets and different industrial relations frameworks, resulting in different contexts and practices.

In 2013, the three sectors examined were chemicals, retail trade and the civil service, representing the manufacturing industry, services and public sector, respectively. These sectors do not differ significantly in terms of average agreed normal weekly working hours in the EU: the civil service registered 38 hours, the chemicals sector 38.1 hours, and retail 38.3 hours. The agreed weekly working hours were higher in the NMS13 than in the EU15 in all three sectors. The largest difference was found in the civil service, in which the average normal agreed working week in the NMS13 was 2.3 hours longer than in the EU15. The reference working week for workers in the chemicals and retail sectors in the NMS13 was two hours longer than for workers in the EU15.

In most of the NMS13, a uniform 40-hour working week, which corresponds in general to the statutory normal week in those countries, was used in the calculation of the averages for the EU28 and NMS13. Other countries also had uniform agreed weekly working hours across the three sectors, although these were shorter (38 hours in Belgium, 37.5 hours in Norway, 37 hours in Denmark and 35 in France). Relatively little difference between the sectors was registered in most Member States but wider differences – of more than two hours (in some cases four hours) – between the three sectors were observed in Austria, the Czech Republic, Italy, the Netherlands and Sweden.

Rest breaks and rest duration

This section looks at existing national legislation regarding rest breaks and gives examples of specific provisions for certain sectors or categories of workers in collective agreements. The aim is to provide a glimpse of the actual application of the provisions as laid down in the Working Time Directive across the Member States.

The legal provisions in most of the EU Member States establish a minimum rest break of 30 minutes' duration (Table 9). The working day duration threshold in most countries corresponds to the six hours mentioned in the directive. However, the working day threshold for entitlement to those 30 minutes' break is nine hours in Ireland, five and a half hours in the Netherlands and just five hours in Sweden. The terms under which these provisions can be taken up are varied and sometimes complex, but common aspects in many Member States are that:

- the breaks cannot be taken at the beginning or end of the working day;
- they can be divided into several parts, usually through agreement between workers and employers.

The second most common situation is a break of a minimum of 15 minutes if the working day is more than six hours (four and a half hours in Ireland). This can be observed in Cyprus, Greece, Ireland, Malta, Poland, and Spain. In France and Hungary, the minimum duration is 20 minutes whereas in Denmark and Italy it is only ten minutes.

In Portugal, legislation establishes that workers should not be obliged to work more than five consecutive hours and are entitled to a break of between one and two hours. Through collective agreements, work can be performed up to a maximum of six consecutive hours, and the number and duration of breaks can differ in any way from the legal provisions.

In Belgium, Luxembourg, Romania and the UK, legislation leaves the duration and other details concerning rest breaks to agreements between workers and employers. In the UK, if the duration of the statutory rest break is not set by a collective agreement or a 'workforce agreement', the rest break must be an uninterrupted period of at least 20 minutes.

Table 9: *Minimum duration of rest breaks in the EU28 and Norway*

Countries	Minimum duration as per legislation	Working day threshold
BE, LU, RO and UK	Duration and terms set in collective agreements	
PT	60 minutes	5 hours (up to 6 hours via collective agreements)
AT, BG, CZ, DE, EE, FI, HR, LT, LV, NL, NO, SE, SI, SK	30 minutes	6 hours (5.5 hours in the Netherlands and 5 hours in Sweden)
FR and HU	20 minutes	6 hours
EL, ES, IE, MT, PL	15 minutes	6 hours (4.5 hours in Ireland, where if the working day is longer than 9 hours, workers are entitled to 30 minutes' break)
DK and IT	10 minutes	6 hours

Note: information provided refers to legislation as of end of 2013.

Source: *Eurofound's Network of European correspondents*

Specific provisions on breaks for certain sectors or categories of workers

Apart from the general provisions mentioned above, there are also provisions specific to some sectors of economic activity or occupations. The following is not the result of an exhaustive exercise to identify all the 'exceptions' to the general provisions, but illustrates rather some interesting examples which are either set out in national legal frameworks covering breaks from work or in collective agreements that have been provided by the Eurofound's network of European correspondents. The type of work performed, the workload, and the model of work organisation or organisation of working time are just some of the elements behind the establishment of specific provisions concerning extra breaks beyond those stipulated in the general rules.

In Germany, Wage Framework Agreement No. 2 in the metalworking industry of North-Baden and North-Württemberg contains provisions for extra breaks of five minutes per hour where workers are performing manual repetitive work with short repeating intervals. Similarly, the collective agreement for the meat industry, wholesale and retail sectors in France includes a provision that provides paid break times of three minutes per hour worked to each slaughterhouse employee involved in tasks whose pace is determined by machines.

The 2010 collective agreement between the United Services Union (ver.di) and German Telekom also provides extra breaks varying between 5.79 and 9.2 minutes for employees with particular workloads. Additionally, employees working at night are entitled to extra breaks of six minutes per hour of work. The collective agreement between Volkswagen and the German Metalworkers' Union (IG Metall) provides a paid break of 20 minutes for all employees working in three shift systems.

The French collective agreement for the food retail sector includes a paragraph on breaks that introduces minimum statutory paid rest at least every four hours if not regulated differently between management and employee. Break times should correspond to 5% of the actual working time. However, different rules apply to drivers in the same sector, who should be granted a break from driving of at least 45 minutes every 4.5 hours. It is also possible to replace the long break by short rest periods of not less than 15 minutes.

Austria, Greece and Italy offer examples of legal provisions establishing particular breaks for workers working in front of a computer or video monitor/screen/display. In Austria, the 'Regulation on Display Work' establishes that employees working with electronic displays are eligible to 10 minutes' paid break or change of activity after each 50 minutes of work with the display. According to Presidential Decree no. 398/1994 in Greece and Article 175 of the consolidated act on health and safety at the workplace of 2008 in Italy, those who work in front of screens are entitled to a break of up to 15 minutes for every two hours of work. Workers involved in transport of people and goods in Italy are, according to

Article 5 of legislative decree 234/2007 which regulates rest breaks, entitled to a 30-minute break when the total number of hours worked is between six and nine. The pause increases to 45 minutes when the number of consecutive hours goes above nine.

The Lithuanian Labour Code (Article 159) contains a very specific provision which states that special breaks must be provided:

when work is performed out of doors or in unheated premises, where the temperature is below -10°C, also when performing physically demanding or mentally strained work or work involving exposure to other effects adverse to health.

The characteristics of workers are also taken into account in Poland, where the Labour Code foresees an additional break of 15 minutes for people with disabilities: this is included in their working time and is intended to be used for exercise or recreation.

Public discussions and political debates about rest breaks

In 2013, important debates regarding rest breaks took place in several Member States. These were mainly related to specific sectors of activity and/or occupations, in particular the transport sector and related occupations.

From summer 2013, Brussels Airlines had to contend with social unrest about rest breaks, working schedules and overtime work. Pilots and cabin crew (about 1,200 employees) complained about the high pressure of work and the non-compliance of agreements on rest breaks and (recovery of) overtime work. They demanded workable and transparent working schedules with limited overtime work. After tough negotiations, an agreement was eventually reached in September, aimed at lowering stress at work and introducing new working schedules. Nevertheless, the social unrest in the company continued and the negotiations continued into 2014.

In Denmark, Finland and Luxembourg, some debate took place about working shifts and daily rest breaks for truck and bus drivers. In both Nordic countries, sectoral trade unions are concerned about potential breaches of the limits imposed by existing regulations and stress the difficulties in controlling and enforcing drivers' working hours. The Finnish sectoral social partners concur that the current system of control and checks is inadequate for controlling drivers' working hours. In Luxembourg, the Luxembourg Confederation of Christian Trade Unions (LCBG) asked for a revision of the rules on breaks and rest periods for bus drivers. The union complained that employees could stay at work for over 12 hours a day, including driving time, breaks and waiting times.

Similarly, in summer 2013, drivers working with Arriva, the former public transport provider in Malta, complained publicly that a new roster system which the company planned to implement would result in some of the workers working an 'inhumane' 14-hour shift with 90-minute breaks, the breaks being too short for workers to spend time at home with their families. Such issues were overshadowed by the fact that, due to substantial losses, Arriva ceased operations in Malta in January 2014 and public transport operations were nationalised.

In Greece and Ireland, the healthcare sector generated some debate about working time and rest breaks.

Greece was sued by the European Commission in the European Court of Justice due to its failure to observe the EU rules on the working time of physicians employed in public health services. Greece has failed to prove that physicians working in the public sector do not work for more than an average of 48 hours per week, including any overtime work. In practice,

physicians employed by public hospitals and health centres in Greece often work an average of 64 hours per week – and in some cases, over 90 hours per week – without sufficient breaks for rest or sleep.

A key debate on working time that took place in 2013 in Ireland concerned the length of shifts and rest breaks for junior doctors. During the summer, the Irish Medical Organisation (IMO) announced it planned to ballot members on industrial action. Following the ballot, 3,000 junior doctors took part in a one-day strike in October. They wanted to highlight what the IMO claimed were ‘dangerously long’ working hours for junior doctors. The union said they were often expected to accept shifts in excess of 24 hours and 100-hour working weeks. In October 2013, the IMO’s junior doctor committee recommended that members accepted proposals that emerged from intensive talks on the issues between the union and the Health Service Executive (HSE) at the Labour Relations Commission (LRC). Meanwhile, on 20 November 2013, the European Commission referred Ireland to the European Court of Justice for breaching the Working Time Directive in its treatment of non-consultant hospital doctors.

In February 2013, the main Slovenian social partners began negotiations for the reform and amendment of the act on the regulation of the labour market in the context of the Economic and Social Council of Slovenia. Among other topics, employers’ organisations reopened the issue of a paid break for lunch. The secretary general of the Slovenian Employers’ Association of Crafts (ZDOPS) highlighted that its members constantly warn that such provisions have a significant impact on the price of labour and the competitiveness of companies. However, trade unions managed to retain workers’ rights to a paid lunch and paid breaks.

Also noteworthy is the request by the Association of Austrian Machinery and Metalware Industries (FMMI) during the autumn collective bargaining rounds of 2013 to subtract smoking breaks from employees’ working time. FMMI suggested that either five or ten minutes of daily working time should be subtracted from smoking workers, or that they would need to clock in and out every time they smoked a cigarette. The Manufacturing Union (PRO-GE) considered this suggestion absurd. It was not implemented in the most recent sectoral collective agreement.

The gap between older and newer Member States in relation to collectively agreed working hours and actual working hours continued in 2013. Workers in the most recent Member States (NMS13) tend to work many more hours than those in the older Member States (EU15). The picture across the EU is quite diverse in terms of the practical implementation of the Working Time Directive’s provisions through either legislation or collective agreements, with particular considerations given to some sectors/occupations and situations such as weather conditions, smoking breaks, and whether the rest breaks should be paid or not. There were also interesting debates about the duration of rest breaks in relation to the length of working time in sectors/occupations such as transport and healthcare.

Health and safety at work 7

EU policy

Health and safety at work are of fundamental importance for working conditions and are a core competence of the EU as stated in Articles 151 and 153 of the Treaty on the Functioning of the European Union. The Treaty gives the EU shared competence to encourage cooperation between Member States and to adopt directives setting minimum requirements to improve the working environment in order to protect workers' health and safety (European Commission, 2014).

The European Commission and other European bodies are continuously striving to improve health and safety in the workplace. Directive 89/391/EEC on measures to improve safety and health at work serves as a legal basis for this. It encourages improvements in occupational health and safety (OSH), promotes workers' rights to make proposals relating health and safety, and seeks to adequately protect workers. Risk prevention and safer and healthier conditions in the workplace are important for the improvement of the job quality and working conditions, and for the promotion of competitiveness.

The EU Strategic Framework on Health and Safety at Work 2014–2020 identifies the challenges for health and safety at work and presents actions and instruments to address these. Its objectives are to:

- further consolidate national strategies;
- make it easier to comply with OSH legislation;
- simplify and better enforce OSH legislation;
- address the ageing of the workforce, emerging new risks and the prevention of work-related and occupational diseases;
- improve statistical data collection and develop the information base;
- better coordinate EU and international efforts to address OSH and to engage with international organisations.

The framework will be reviewed in 2016 when the results of the ongoing comprehensive evaluation of the EU OSH legislation will be available.

Main issues

The demographic trends of the past decades put pressure on the labour market. In the future, it is expected that people will have to work longer and retire later. A longer working life can be facilitated by programmes or policies that make it easier for workers to continue working up to or beyond retirement age. The highest occurrence of such programmes or policies is found in Denmark and the UK (both 23%) and the Netherlands (16%) (Figure 20). Countries in the south-eastern part of the EU and Latvia score relatively lowest.

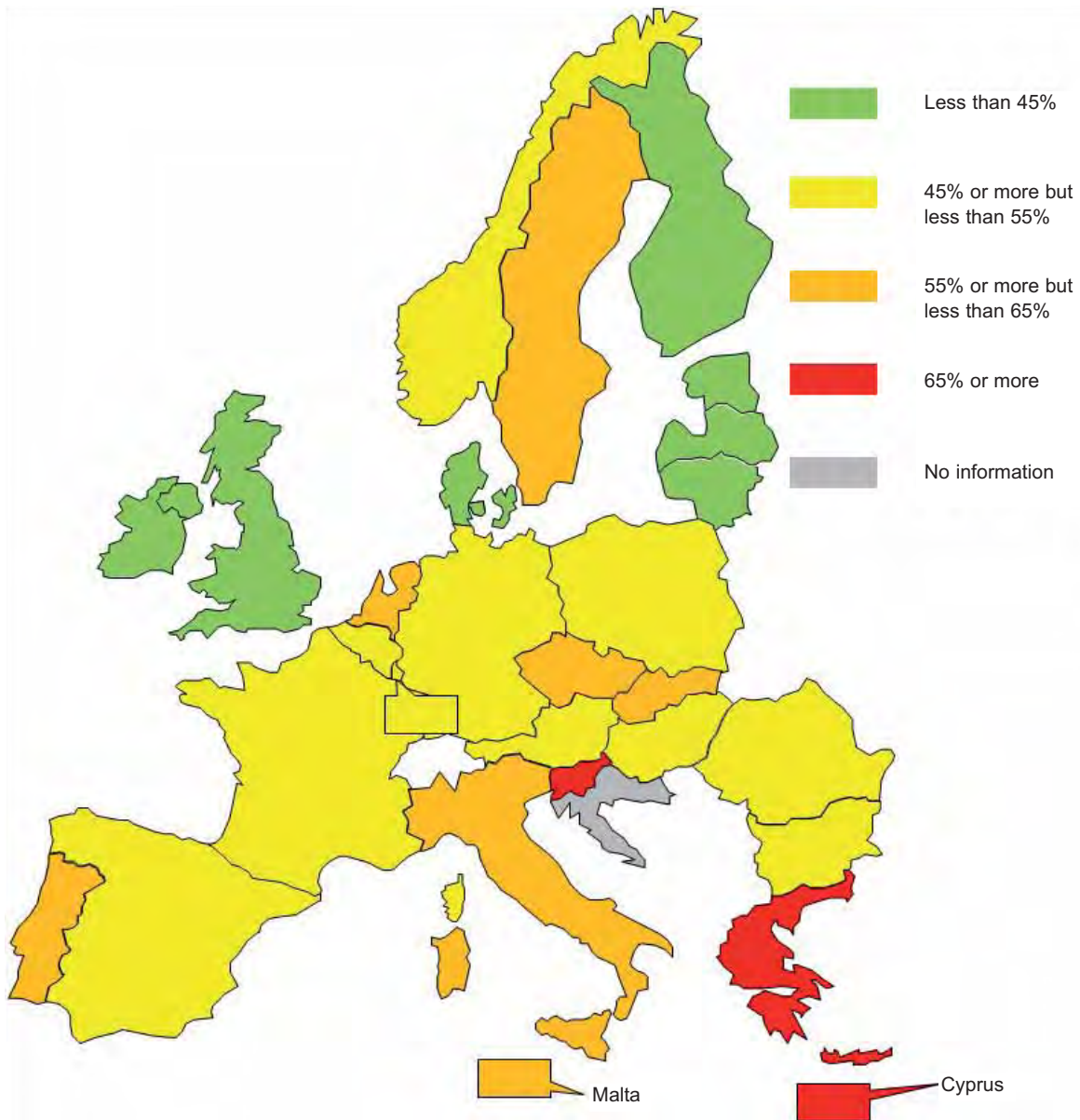
Figure 20: Percentage of workers (18 years or older) in 2013 reporting that their workplaces had programmes or policies to make it easier to continue working up to or beyond retirement age



Source: European Agency for Safety and Health at Work (EU-OHSA), Pan-European opinion poll on occupational safety and health 2013

Stress appears to be strongly related to a number of health risks, and high stress levels are therefore undesirable in the long term. Many measures are oriented to prevent high stress levels. The proportion of employees reporting that work-related stress is common at their workplace varies considerably between the European countries. It appears to be the lowest in northern Europe, with exception of Sweden. In contrast, employees in Cyprus, Greece and Slovenia most often report that stress is (fairly) common (Figure 21).

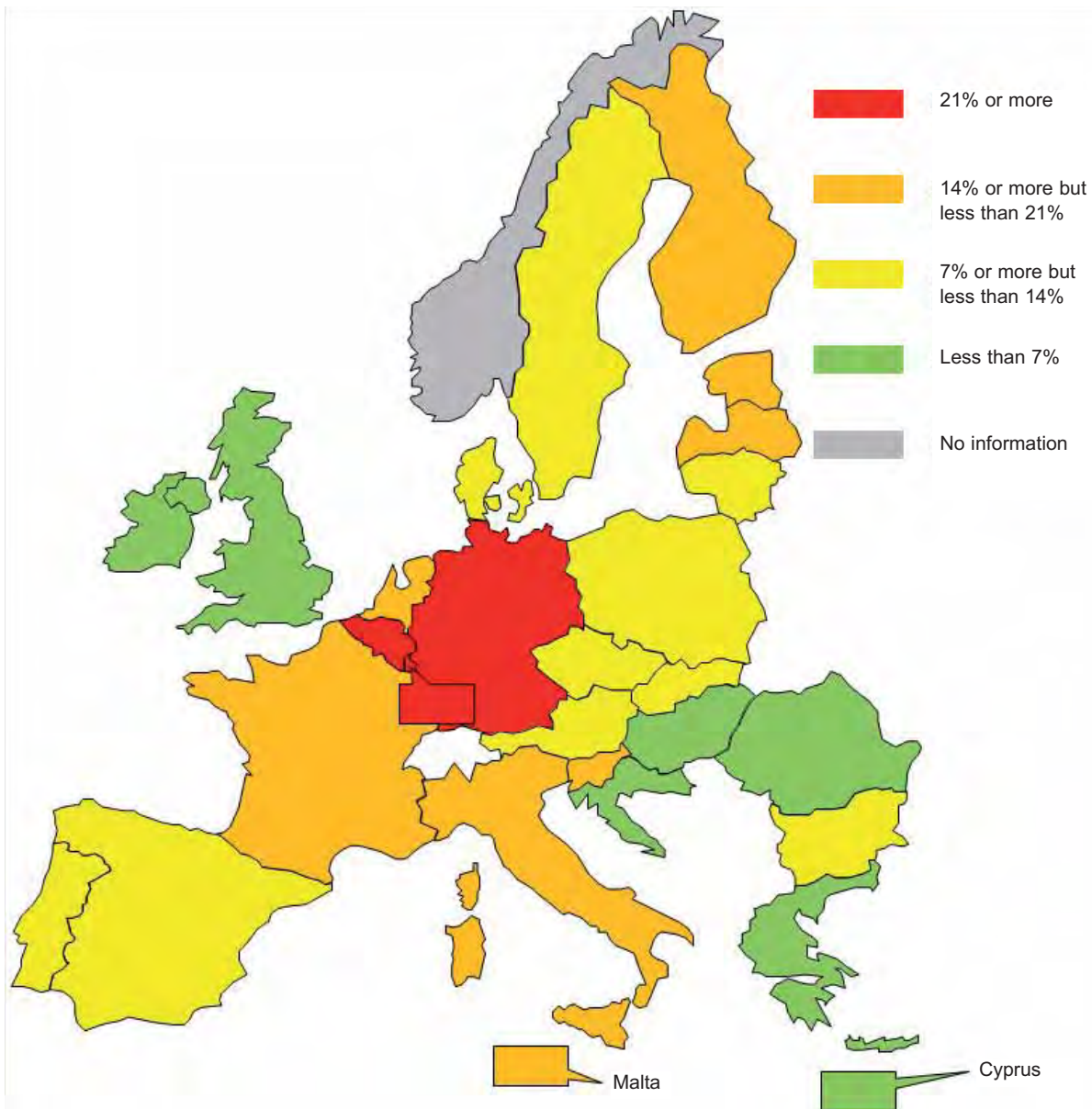
Figure 21: How common, if at all, are cases of work-related stress in your workplace?



Note: in 2013, percentage of respondents who answered 'fairly common'.
 Source: EU OSHA, Pan-European opinion poll on occupational safety and health 2013

Investing in health and safety measures is assumed to bring companies a number of benefits such as a lower number of injuries, fatalities and less sick leave. The outcomes of the ECS 2013 show that the proportion of managers reporting problems with a high level of sick leave varies between European countries (Figure 22). It was the highest in Luxembourg (31%), Germany (24%) and Belgium (23%). The Balkan countries, Hungary, Ireland and the UK had the lowest proportion of managers reporting such problems.

Figure 22: Percentage of managers reporting their establishment has high levels of sick leave



Note: in 2013, only private sector establishments with 10 or more employees included.

Source: *ECS 2013*

Health and safety policies and legislation

Eurofound’s network of European correspondents identified a number of policies, initiatives and legislative developments at national level during 2013 in the area of health and safety. The measures can be divided into five categories:

- awareness-raising;
- prevention;
- control of compliance with rules;

- enforcement of measures;
- reparation and compensation.

Awareness-raising

In a number of countries, campaigns were held, brochures were published and training was organised that aimed to address psychosocial risks such as stress or harassment. In Belgium, a number of stakeholders implemented the campaign, ‘Signals are not always clear’, to promote well-being at work and to prevent psychosocial risks such as stress, harassment, violence or burnout. Furthermore, the Federal Public Service Employment, Labour and Social Dialogue (SPF) created a blog to share and discuss reflections or studies on well-being. In Denmark, a brochure was launched with 22 recommendations on how companies could ensure a good psychosocial working environment during company changes. In Malta, the Richmond Foundation strived to increase awareness about cases of mental health at the workplace, to provide training about this subject primarily and to assist in the development of relevant policy. The Portuguese Commission for Equality at Work and Employment published an informative guide on how to prevent and combat harassment in the workplace. Furthermore, the Working Conditions Authority together with EU-OSHA organised conferences, exhibitions, competitions and training sessions within the framework of the Week for Safety and Health at Work. In Slovenia, the Association of Free Trade Unions and the Association of Employers of Slovenia carried out a project to address the poor regulation of stress, violence and harassment at work.

Several studies and surveys were performed in 2013 across Europe to study and improve awareness about health and safety issues. In Latvia, the Latvian Employers’ Confederation (LDDK) conducted working conditions and risks surveys in 2010 and 2013. LBAS conducts population surveys that include issues on safety at work. In Spain, the Trade Union Confederation of Workers’ Commissions (CCOO) conducted a study on the working conditions and psychosocial risks of teachers in private universities. A practical guide was published to raise awareness about important risks. In Poland, Solidarity and the Nofer Institute of Occupational Medicine developed a website and conducted research aimed at providing employers with HRM solutions to assess and reduce the extent of stress in the workplace. In Portugal, the Superior Institute of Education and Sciences created the Observatory for Civil Protection and Safety, which aims to analyse, evaluate, reflect and consolidate experiences in the domains of civil protection and safety. In Romania, the food industry national trade union federation, Sindaliminta, presented a report on health and safety at work in food industry.

Four countries reported on efforts to raise awareness about rights regarding health and safety or to explain the relating legislative standards. In Estonia, the Labour Inspectorate ran a campaign called ‘Know your rights’ to raise awareness of different rights that help to establish healthy and safe workplaces. In Latvia, publications by LBAS and LDDK on work protection issues strived to introduce and explain standards on safety at work (for example, concerning ergonomics, safety and hygiene). They also organised training for employers and employees on work protection issues. In Poland, the All-Poland Alliance of Trade Unions and National Labour Inspectorate trained over 500 union leaders on labour law, law enforcement and ways of communicating the law to employees. In Portugal, the Working Conditions Authority published information for micro, small and medium-sized employers on the organisation of health and safety in their companies.

A number of other initiatives took place across Europe. For example, in Belgium, the ‘Safety – Delivery’ campaign organised by the Belgian Safe Work Information Centre (BeSWIC) aspired to reduce the number of work accidents in the construction sector by communicating ways on how to deliver and manipulate raw materials. In Greece, the Hellenic Federation of Enterprises (SEV) implemented a project that aimed to improve productivity and enhance the quality of the working environment. A study of applied OSH management systems was performed and a website was set up. In Luxembourg, a communication campaign by the Union of Luxembourg Enterprises (UEL) sought to prevent work-related traffic accidents. In Portugal, the Working Conditions Authority ran a campaign to promote better conditions in the footwear industry. In Slovenia, the Association of Free Trade Unions carried out a project whose goal was to enhance workers’ occupational health and to increase the number of workers with elected safety representatives.

Prevention

Workplace accidents and protection of physical health

Six countries reported measures aimed at preventing accidents at work and protecting physical health. In Bulgaria, the national programme for health and safety 2013 contained legislative, organisational, technical, health and other preventive measures aiming at improving working conditions and prevention of work-related illnesses, occupational diseases and accidents at work. In Finland, an amendment to the Occupational Safety Act seeks to prevent work accidents associated with working time. It requires employers to assess the harms and risks related to working time. In Hungary, an agreement was signed between a regional branch of the National Association of Entrepreneurs and Employers (VOSZ) and the National Employment Office on cooperation to reduce workplace accidents and other workplace-related issues. The Lithuanian State Labour Inspectorate (VDI) planned to provide seminars and consultations for job-seekers on legal skills related to employment and a safe working environment. The measure is aimed at lowering the high frequency of work accidents in the initial stage of employment. In Poland, legislation which came into force in January 2014 was intended to improve road safety by raising the requirements on (professional) drivers by stipulating the rules of eligibility to drive. In the UK, the government implemented the directive on preventing injuries from needles ('sharps') in the hospital and healthcare sector.

Mental health and preventing psychosocial risks and stress

In four countries, measures were reported that strived to protect workers from mental health problems and to prevent psychosocial risks and stress. In Germany, the Federal Ministry of Labour and Social Affairs (BMAS), the German Confederation of Trade Unions (DGB) and the German Confederation of Employers' Associations (BDA) announced a campaign designed to improve the protection of mental health in the working environment. Unions and employers' organisations committed themselves to fostering better implementation of OSH measures and nationwide risk assessments concerning mental health at the workplace. In France, a framework agreement between the Ministry of the Public Function and several trade unions requires every public sector employer to produce a plan to prevent psychological risks. In Malta, the Occupational Health & Safety Authority (OHSA) has been developing a draft framework on work-related stress to entrench consideration within the workplace, to encourage the creation of support systems for employees and to push social partners to tackle work-related stress. The Ministry of Social Affairs and Employment in the Netherlands prepared a plan of action to prevent risks related to psychosocial risks. With the plan, the Ministry aims to put the item on the agenda of all parties involved and to encourage a sectoral approach.

Legislation in Austria and Denmark set out to protect physical as well as mental health. In Austria, an amendment of the Employee Protection Act came into effect which aims to protect physical and mental health. Employers are obliged to determine, assess and mitigate the reasons for work-related psychological pressures. In Denmark, a change to the Work Environment Act clarified that it covers the physical and psychological working environment equally.

Bulgaria, Croatia and Luxembourg reported measures that targeted discrimination, harassment and violence. In Bulgaria, the Federation of Transport Trade Unions in Bulgaria (FTTUB) and employer organisations in the transport sector implemented protection against violence at the workplace. This initiative intends to prevent workplace violence and ensure well-being at work in the transport sector. In Croatia, the Human Rights Office of the Croatian government, with the social partners, strived to strengthen the implementation of the act on the suppression of discrimination in the field of labour and employment by organising training for representatives of regional authorities.

Other forms of preventive measures consist of helplines, kits and guidelines.

Table 10 summarises some examples of recently introduced preventative measures.

Table 10: *Examples of recently introduced preventative measures*

Country	Description of measures
AT	The programme 'fit2work', implemented within the framework of the Work and Health Act, was made available in 2013. This free consulting service is for employees whose job is endangered due to health problems or for job-seekers facing difficulty finding employment due to a health condition.
DK	The Danish Working Environment Authority created a hotline offering advice about how to prevent and handle harassment at the workplace. The Fund for Better Working Environment and Labour Retention introduced 'self-help kits' providing instructions aimed at preventing attrition and burnout.
IT	The permanent commission on occupational safety and health issued guidelines for a simplified OSH management system in SMEs.
LT	The State Labour Inspectorate introduced an electronic system which enables employers to make a qualitative assessment of the state of safety and health at work and submit this information to the inspectorate.

Control of compliance with health and safety rules

In a number of countries, control campaigns were reported. In Belgium, BeSWIC's control campaign on inflammable materials in safe spaces aimed to reduce the fire risks for workers and customers. During the campaign, risks were analysed and fire extinguishers, the fire resistance of buildings, and emergency exit controls were monitored. Also, SPF evaluated the efforts of companies in the area of security in the construction sector.

In Romania, the Labour Inspection Office conducted 71,000 inspections on how health and safety regulations were observed in companies. A total of 97,000 cases of a breach of regulations were documented.

In Slovenia, the Labour Inspectorate took action against 1,000 employers regarding the enforcement of labour legislation and safety and health regulations.

In Norway, the funding and roles of the Norwegian Labour Inspection Authority and the Norwegian Petroleum Directorate were strengthened. The Labour Inspection Authority was asked to carry out more (unannounced) inspections. Regional safety officers (RSOs) were already in place in the construction sector and expanded their work in 2013 to cover the hotel, restaurant and cleaning sectors. The RSO scheme does not cover other sectors. The aim is to strengthen the safety officer scheme and efforts in sectors with working environment challenges. The RSOs inform companies without safety officers about their health and safety obligations.

In Latvia, LBAS provided legal assistance to assist employees in cases when legislative rules regarding safety at work are violated, while LDDK provided legal assistance to its members, the employers.

In Slovakia, amendments to the act on occupational health and safety seek to improve the protection of employees and their working conditions. For example, they increase employers' duties with respect to the implementation of OSH measures and tools.

The UK government passed the Enterprise and Regulatory Reform Act 2013 which deregulated certain aspects relating to health and safety. The act repealed the 2010 provisions which made employers liable, in certain circumstances, for the harassment of an employee by a third party such as a customer or supplier. It also repealed the strict liability for breaches of health and safety legislation in the Health and Safety at Work Act 1974. Employees will now have to prove negligence or fault on the employer's part to pursue a claim.

Reporting requirements for workplace accidents

Developments relating to the reporting of workplace accidents took place in 2013 in Hungary and Slovenia. In Hungary, a new regulation came into force on the registration of workplace accidents which mandated the use of a new template

to meet the reporting requirements of European Statistics on Accident at Work (ESAW). In Slovenia, the Ministry of Labour, Family, Social Affairs and Equal Opportunities (MDDSZ) implemented new rules obliging employers to immediately report any accidental death or major accident at work, and any collective accident.

Examples of sector-related measures with regard to workplace accidents in 2013 are given in Table 11.

Table 11: *Examples of sector-related measures concerning workplace accidents*

Sector	Country	Measures
Nuclear safety	MT	Two measures related to the Radiation Protection board were reported. First, the Board developed and implemented a legal notice on management of radioactive waste to protect workers and the general public against the dangers from ionising radiation. The Radiation Protection Board also drafted an amendment to the Nuclear Safety and Radiation Protection Regulation that aspires to maintain nuclear safety through international cooperation and safety-related technical cooperation.
Household activities	BE	The Federal Secretary of Work submitted a project to reinforce the current law of workers' well-being and to integrate household activities within the scope of the law.
Construction	IE	The Department of Jobs, Enterprise and Innovation introduced regulations to consolidate existing construction regulations and to bring domestic dwellings within the scope of these regulations.

Reparation, support and compensation

Projects providing support to people exposed to stress or violence were reported in Luxembourg and Slovenia. In Luxembourg, the League for Mental Health (LLHM) and the Chamber of Public Officials and Employees (CHFEP) offered face-to-face or phone interviews to support employees exposed to work-related stress. In Slovenia, the Trade Union of Workers in Healthcare (SDZMS) and partners set up a project providing support and information to people who were victims of any kind of harassment or violence at work or who would like to take action against this issue.

In France and Portugal, some changes were made to the system of insurance. In France, a new law establishes that, from 2016, sectoral social partners will recommend insurance companies for occupational coverage rather than appointing a single insurer and thus giving no choice to the companies in the sector. In Portugal, the Ministry of Finance implemented a decree introducing a progressive increase in the contribution rates for, among others, the public administration's health subsystem.

Changes relating to the provision and scope of benefits were made in Denmark and Sweden. In Denmark, the Ministry of Employment implemented a reform under which people under 40 would no longer be eligible for a disability pension and early retirement. In Sweden, the government and the Swedish Association of Local Authorities and Regions (SKL) provided financial support to improve the process of decision-making about the provision of benefits in cases of sick leave and to prioritise this issue in county councils.

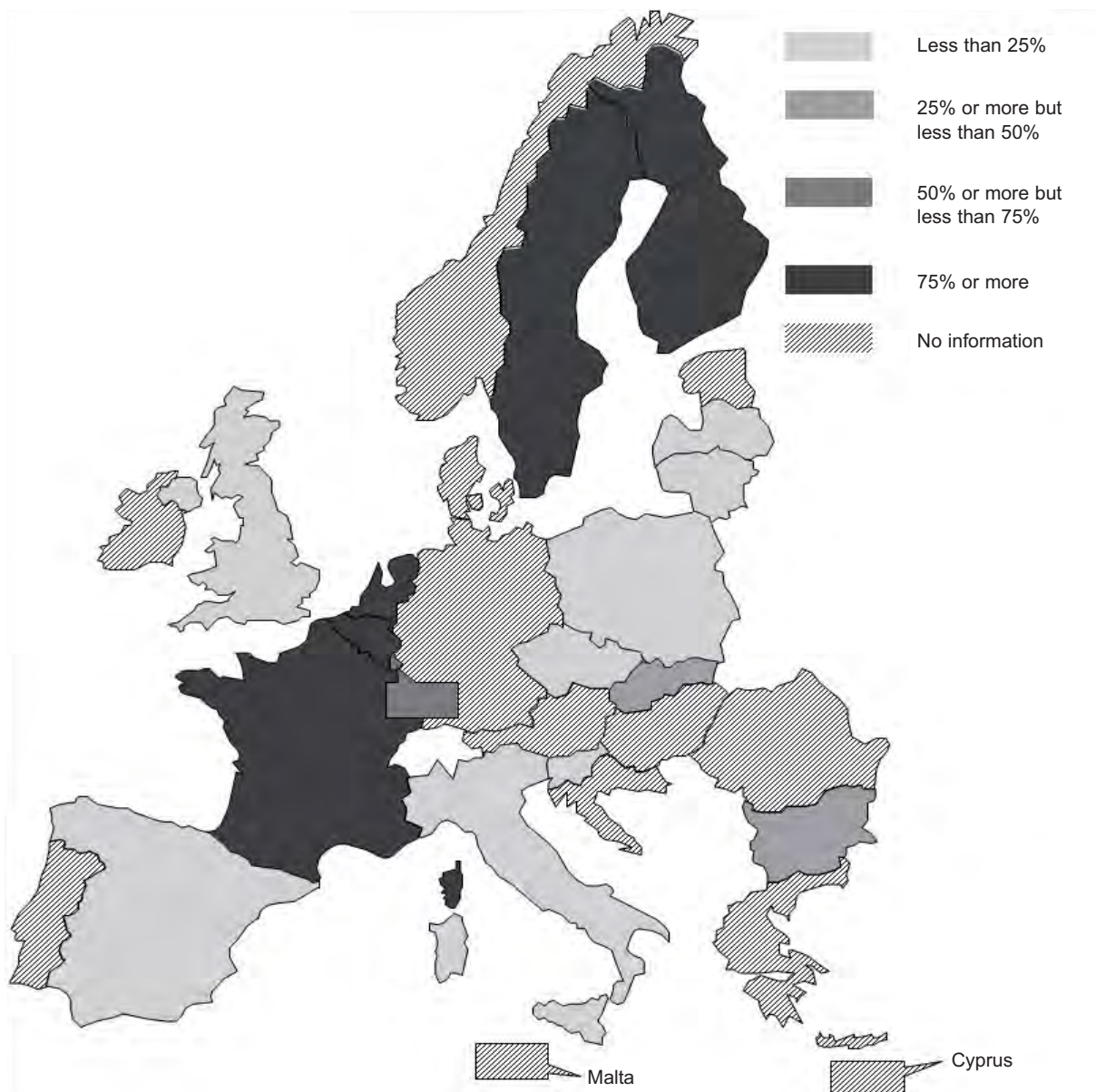
In Ireland, the Department of Justice and Equality issued a ministerial order increasing the jurisdiction limits of two of the lower law courts when awarding damages in personal injuries cases, including occupational injuries.

Health and safety as part of collective agreements across Europe

Sixteen EU countries reported on the coverage of the collective bargaining on health and safety issues (Figure 23). The highest coverage, exceeding 75%, was found in the Nordic countries, Belgium, France and the Netherlands. All other countries (with exception of Bulgaria, Luxembourg and Slovakia) reported coverage of collective bargaining on health and safety issues of less than 25% of the employed population.

The low coverage of collective bargaining on health and safety issues may not be because these issues are not included in collective bargaining but be due to the low coverage of collective bargaining in general in some Member States. For example, in Bulgaria, all collective agreements at all levels contain a special chapter on OSH and also a general provision for non-discrimination and promotion of equality at work. In the Czech Republic, measures on OSH were concluded in all higher level collective agreements and in 92% of company-level collective agreements. In the Netherlands, settlements were concluded on health in 89% of surveyed collective agreements. In Italy, almost all sectoral agreements renewed in 2013 cover OSH issues.

Figure 23: Reported coverage of collective bargaining on health and safety issues

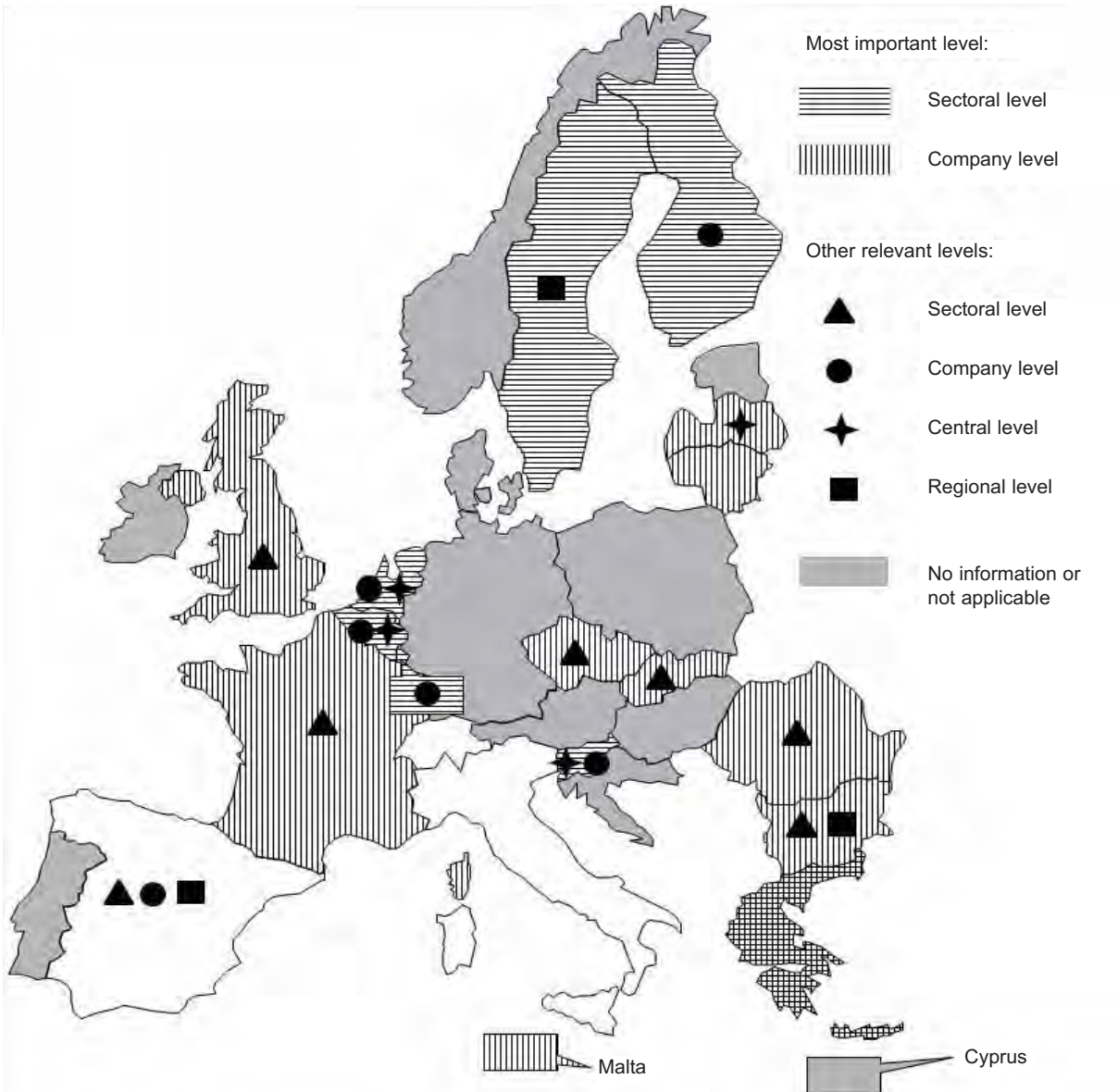


Note: As a percentage of employees in the economy.
 Source: Eurofound's Network of European correspondents

It is difficult to obtain comparable information about the level at which collective bargaining on health and safety takes place. Seventeen EU countries (excluding Italy) reported this information for 2013 (Figure 24). In ten countries, the company level was assessed as the 'most important' for collective bargaining on health and safety and as 'relevant' in

six countries. The sectoral level was reported as the ‘most important’ in seven countries and as ‘relevant’ in seven countries. Greece reported both sectoral and company level as the most important. The central level is claimed to be relevant in four countries and the regional level in three countries.

Figure 24: Relevant levels of collective bargaining on health and safety issues



Source: Eurofound's Network of European correspondents

Collective bargaining on health and safety issues was concerned with a number of topics. Discrimination, physical and psychological violence and harassment were mentioned in collective agreements in a number of countries. In Bulgaria, more attention was recently given to this issue. In the Czech Republic, the ban on discrimination occurred in 17% of higher level collective agreements and 21% of company-level collective agreements. In Spain, according to provisional data, the prevention of sexual harassment was a topic that was most often taken up in collective agreements (30%). Furthermore, almost a quarter of collective agreements tackled issues of risk prevention, gender violence, equal opportunities and discrimination. Agreements tackling the issues of well-being and harassment, violence or discrimination were also reported in Romania and Slovenia.

In Slovenia, the new provisions in the sectoral collective agreements in 2013 stated that measures for ensuring safety and health at work are at the expense of the employer, and that health and safety training is part of regular work. In Sweden, the trade union for construction workers (Byggnads) included a clause in the 2013 collective agreement that increased the employer's responsibility for safety. Employers are now obliged to respond to safety supervisors or the union's regional offices if they have a complaint about inadequate safety.

The collective agreements in other countries addressed diverse issues. In Greece, a number of collective agreements provided various arrangements ranging from allowances for dangerous and unhealthy work to childcare allowances for summer camps for children. In the Netherlands, attention was paid in many collective agreements to measures to combat the health risks arising from heavy workloads, often addressing proactive and preventive policies. In Lithuania, the number of signed sectoral and territorial collective agreements rose in 2013. These agreements generally sought to ensure healthy and safe working conditions, to apply all applicable legislation and to form OSH committees or groups in the undertakings. In Luxembourg, an agreement between the Luxembourg Bankers' Association (ABBL), the Luxembourg Association of Bank and Insurance Employees (ALEBA), OGB-L and the Luxembourg Confederation of Christian Unions in Luxembourg (LCGB) provides additional details aimed against sexual and moral harassment in the banking sector.

In the UK, an agreement on new workplace health and safety standards aimed to support National Health Service (NHS) organisations in meeting their legal duties to protect staff from injury and illness. The national broadcasting organisation, the BBC, and trade unions agreed to conduct a comprehensive joint review of employees' workloads, stress and bullying, following persistent complaints from staff and industrial action over the issue.

Although the nearly comprehensive agreement signed in 2013 in Finland did not include specific developments in the area of health and safety, it directed those issues to be resolved in implementing sectoral negotiations. In Spain, the social partners and the government were unable to renew the Strategy of Safety and Health in the workplace 2007–2012 for the period 2013–2020 because negotiations were blocked.

No significant new topics or developments in the collective bargaining on health and safety were reported in 17 countries (Austria, Belgium, Croatia, Cyprus, Denmark, Estonia, France, Germany, Hungary, Ireland, Latvia, Luxembourg, Malta, Norway, Poland, Portugal and Slovakia).

A number of other measures were taken across Europe. In France, a framework agreement was signed in the French mail service, La Poste, following a dialogue between experts and social partners aiming at avoiding suicides blamed on an oppressive work culture. Following an agreement between the state and regions in Italy, a decree set minimum standards for OSH trainers. Moreover, the permanent Commission for Occupational Safety and Health recommended improving the coordination among the actors in this area. The Norwegian government presented its Third Action Plan against social dumping including a number of measures that are to be introduced gradually. These include sector programmes (for example, restaurants and transport) and strengthening of the Labour Inspectorate. The Slovak Strategy of Occupational Health and Safety Policy 2013–2015, which was adopted by government decree in July 2013, sets out new principles of OSH policy.

Health and safety in public discussions and political debates

A number of topics related to OSH became the subject of public or political discussion during 2013.

Psychological pressures, heavy workload and violence

Discussions concerning psychological pressures, heavy workload or violence were reported in a number of countries. In the Netherlands, the risk of work pressure and other psychosocial risks, such as violence and bullying at work, became the dominant elements in discussions about occupational safety and health. In Austria, two studies sparked a discussion on the limitation of so-called 'all-in' employment contracts; their relationship with the blurring of boundaries between

work and free time and too-heavy workloads was also discussed. In Bulgaria, the Confederation of Independent Trade Unions in Bulgaria (CITUB) prepared a draft agreement on violence and stress so as to implement the agreements of EU social partners. It was expected that the agreement would be signed in the beginning of 2014 after discussions with the other social partners. Mental health and mental risks/stress were also part of the public debate in 2013 in Germany.

Capacity to work and absence

Other important topics in 2013 were the capacity to work and absence rates. In Estonia, following the increasing number of people receiving an incapacity pension, the government in June 2013 proposed reforms to the incapacity to work policy. The reforms include measures to encourage people with loss of ability back to work and to support their employment. The Swedish Minister of Health and Social Affairs expressed his concern about the increasing rate of sick leave in November. The Swedish Confederation of Professional Employers (TCO) released a proposal to change the legislation on health insurance. Furthermore, the Swedish Social Insurance Agency released a report which concludes that women with a higher rate of work at home are more exposed to health risks than those with a more equal distribution of work at home and paid work. In the UK, the Engineering Employers Federation (EEF) called for a summit with medical professionals to address the alleged failing of ‘fit’ notes to keep down sickness absence rates and to ensure an early return to work for sick workers.

Reviewing health and safety legislation

Reviewing or relaxing current policies and legislation was debated in a number of European countries. In Malta, there were concerns that legislation placed too much of the burden of responsibility on employers who argued that the primary burden of OSH should be shouldered by workers. In Ireland, cuts in the budget and staffing of the national Health and Safety Authority led to concerns about falling standards. In Poland, social partners discussed possibilities to relax legal requirements on telework to reduce the costs related to setting up a workplace at home while ensuring employee safety. In the UK, government efforts to relax some aspects of health and safety regulations, to reduce workplace inspections and to cut the funding of the Health and Safety Executive (HSE) remained controversial, especially with trade unions.

A number of other health and safety related discussions were reported from countries across Europe.

In Greece, occupations classified as arduous and unhealthy became a topic of discussion in the frame of review of social security. In Poland, the social partners in the construction sector discussed possible amendments to the health and safety regulations concerning instructions for safe execution of works as proposed by the National Labour Inspectorate. In Slovakia, there was a public discussion regarding the formulation of a new national strategy on OSH developments. To prepare the strategy, a coordination committee was set up which also had representatives from the trade unions and employers. The strategy was approved by the government in July 2013. In the UK, hot weather during the summer provided an impetus for renewed calls by trade unions and some politicians for an amendment to health and safety legislation to set an upper limit for workplace temperatures.

Belgium, Croatia, Cyprus, the Czech Republic, Denmark, Hungary, Italy, Lithuania, Luxembourg, Norway, Romania and Slovenia did not report any public or political discussion related to OSH issues in 2013.

Conditions of employment 8

This chapter highlights Member States' concerns and efforts to increase the employment rate through adjusting employment conditions in relation to contractual arrangements, job mobility, gender equality and non-discrimination.

On average, the EU faces the challenge of increasing the employment rate by 6.6 percentage points over the next six years. This section focuses on public discussions, policies, initiatives and legislation, and the inclusion of employment conditions other than pay and working time in collective agreements.

Topics attracting the most public and political interest in the different Member States focused on the flexibilisation of work and employment conditions in contractual arrangements, equality and equal opportunities, and job mobility and transition. Table 12 provides an overview of the reporting by Eurofound's network of European correspondents.

Although a number of countries were unable to provide information on the extent to which employment conditions are set out in collective agreements, 12 countries reported that employment-related conditions other than pay and working time played a role in collective bargaining and collective agreements. Most of the collective agreements dealing with employment conditions in 2013 were concluded at sectoral level.

Table 12: *Conditions of employment under the spotlight in EU Member States and Norway*

Topic	Discussions and debates	Policies and initiatives	Legislation
Flexibilisation of work and employment security in contractual arrangements	BE, CY, DE, ES, FR, IT, LV, MT, NO		DE, IT, SK, NO, UK
Equality and equal opportunities	AT, DE, DK, LU, SE	EE, HR, LT, LU, LV, SE	AT, DE, FR
Job mobility and transition	PL, PT, RO, SE, SI, SK, UK	IE, LV, MT	EL, SI
Increased employment security	IE		FR, SI, SE

Source: *Eurofound's Network of European correspondents*

EU employment strategy

In the framework of the Europe 2020 growth strategy, the objective of the EU employment strategy is to create more and better jobs throughout the EU. The EU-wide priorities for national employment policies as contained in the employment guidelines are:

- increasing the labour market participation of both women and men;
- reducing structural employment;
- promoting job quality.

In relation to these goals, the EU has set itself the target to increase the employment rate for women and men aged 20–64 to 75% by 2020.

Countries are focusing their attention on different measures to promote an increase in the employment rate. The adjustment of employment conditions related to employment security, contractual arrangements, job mobility and transition, and gender equality and non-discrimination play a role, to varying degrees, in different Member States.

Contractual arrangements, such as temporary employment contracts, are discussed in debates about:

- increasing the labour market participation of disadvantaged groups;
- reducing structural employment;
- maintaining job quality;
- finding the right balance between flexibility and security.

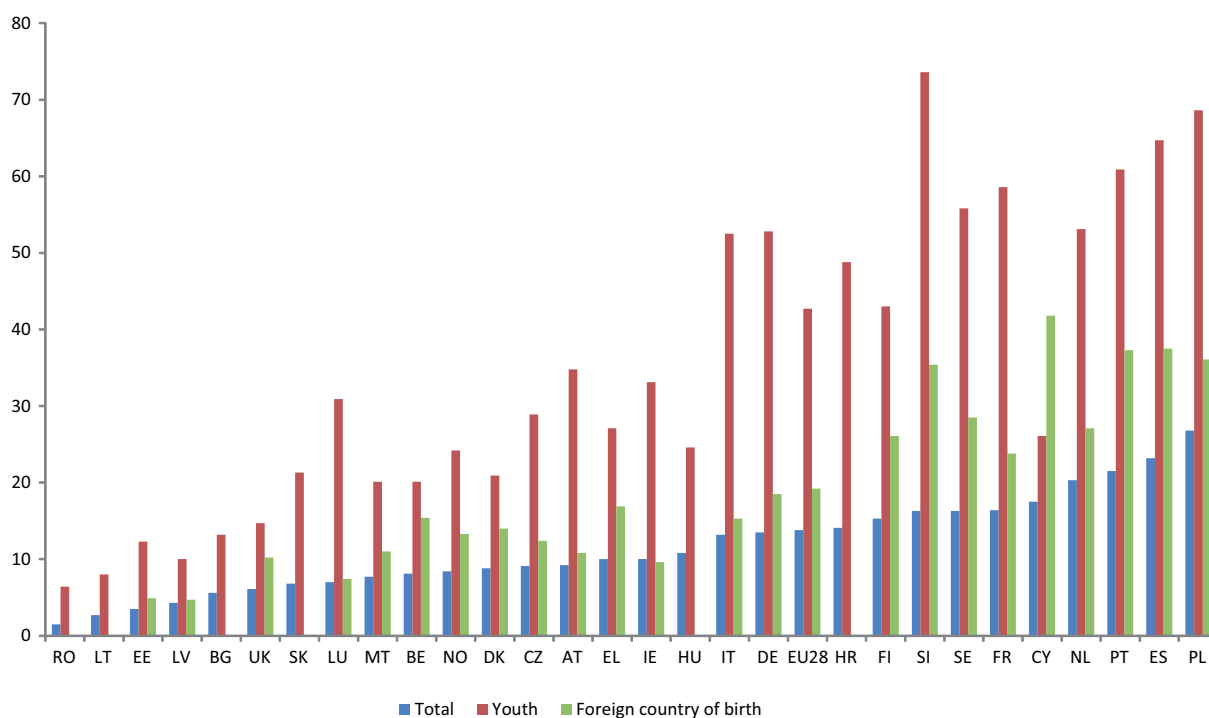
Typically, employees with temporary contracts are those who declare themselves as having a fixed-term employment contract. They might also have a job which terminates either on the completion of an assignment or on the return of an employee who was temporarily replaced.

More than a fifth of all employees in the Netherlands (20.3%), Portugal (21.5%), Spain (23.2%) and in Poland (26.8%) are temporary employees. In contrast, countries who employ fewer than 5% of their employees on a temporary basis are Romania (1.5%), Lithuania (2.7%), Estonia (3.5%) and Latvia (4.3%) (Figure 25).

Young people are disproportionately affected by temporary work contracts. More than half of young employed people have temporary contracts in Italy (52.5%), Germany (52.8%), Netherlands (53.1%), Sweden (55.8%), France (58.6%), Portugal (60.9%), Spain (64.7%) and Poland (68.6%). In Slovenia, nearly three-quarters of all young workers are employed temporarily (73.6%).

Countries in which the proportion of people on temporary contracts who were born elsewhere exceeds 30% of all foreign-born employees are Slovenia (35.4%), Poland (36.1%), Portugal (37.3%), Spain (37.5%) and Cyprus (41.8%). All of these countries also have a relatively high proportion of temporary employees and temporary young employees.

Figure 25: Temporary employees as a percentage of the total number of employees, by age and country of birth, 2013 (%)



Note: Data for foreign country of birth were not available for Bulgaria, Croatia, Hungary, Lithuania, Romania and Slovakia.
 Source: Eurostat data, 2014 (LFSA_ETPGA; data extracted 23 July 2014)

Flexibilisation of work and employment security in contractual arrangements

Precarious work

In Malta, the General Workers' Union (GWU) conducted an intensive and sustained campaign against precarious work, adopting a 'name and shame' approach. In response to this campaign, the government introduced new conditions of employment linked to contractual work with government or public entities. Following the campaign against 'junk jobs' in Poland by the Independent and Self-Governing Trade Union Solidarity (NSZZ Solidarność) in 2012, the public debate on the subject gained momentum and the government eventually presented some proposals aimed at curbing the extent of 'junk jobs'. In Cyprus, an issue of particular concern which attracted debate was the steady inflow of foreign workers (including workers from EU Member States) and the incidence of undeclared and illegal work.

UK: Zero-hours contracts

In the UK, a hot topic in 2013 was the increasing use of 'zero-hours' employment contracts, whereby the employer is not obliged to offer the worker any minimum number of hours of work. Trade unions and the opposition Labour Party expressed concern about the abuse of such contracts, which are defended by employers as providing flexibility to both themselves and workers. The government launched a consultation on possible moves to regulate some aspects of the use of zero-hours contracts.

The Growth and Infrastructure Act 2013 was adopted, introducing a new form of employment contract called the employee–shareholder contract. Under this contract, the employee is given a certain value of shares in the employer's business (exempt from capital gains tax) and in return gives up certain employment rights. These include the right to claim unfair dismissal in many circumstances and the right to statutory redundancy pay.

In contrast to the deregulation of employment conditions through zero-hours contracts and giving up employment rights under an employee–shareholder contract, greater job security was given to 1,000 temporary agency workers at plants belonging to the BMW automotive group. An agreement between BMW and the union was signed whereby temporary agency workers would be given open-ended employment contracts and guaranteed job security until at least 2020.

Temporary work

In Germany, the use of temporary agency workers remains a highly controversial topic. While unions call for a restriction on the use of temporary agency workers, employers emphasise their importance, pointing out that temporary agency workers enable companies to be more flexible.

In Slovenia, collective agreements in 2013 for the hospitality and tourism industries and the paper and paper-converting industry included provisions related to temporary employment arrangements. The Employment Relationships Act was designed to reduce costs for temporary employment contracts and also to discourage the conclusion of temporary employment contracts and to increase the legal protection of employees to prevent any misuse.

In Slovakia, Act No. 461/2003 on social insurance and Act No. 580/2004 on health insurance were amended to ensure the equal treatment of employees on permanent and temporary contracts. The intention is to create equal conditions for (internal) employees who are working on standard employment contracts and people working for the employer externally via so-called 'assignment agreements'. Since 1 January 2013, temporary employees working on assignment agreements and their employers have paid compulsory contributions to social and health insurance funds as if they had standard employment contracts. Previously, they paid only minimum contributions to accident and guarantee insurance.

In Belgium, a national cross-sectoral agreement related to employment conditions was concluded which aimed to modernise existing laws and collective agreements to suit the current employment market for temporary agency work.

Labour market flexibility and increased competitiveness

Debates in Lithuania concentrated on amendments to the labour code to increase labour market flexibility and on programmes to increase employment, especially among disadvantaged groups. In Romania, the amendments made to the Labour Code in 2011 were intended to give more flexibility to industrial relations, creating new possibilities for temporary employment contracts and for part-time work. Newly introduced labour legislation in Slovenia aims to increase employment and competitiveness, as well as flexibility for the employer.

In Croatia, discussions continued on the desired labour market flexibility between trade unions and employers. According to the OECD, employment protection legislation in Croatia is among the strictest in Europe. However, Croatia has a high share of newly employed workers with fixed-term contracts and a relatively high share of employees working shifts and weekends. The number of fixed-term contracts has increased since the economic crisis.

In contrast, Norwegian legislation was changed in 2013 to avoid the unnecessary use of the temporary lay-off scheme. The employer's right to lay off employees was reduced from 30 to 26 weeks over an 18-month period. An employer is still liable to pay wages for a certain period when laying off a worker, with this period increased from 10 to 20 days. After 20 days, the worker is entitled to unemployment benefits from the Norwegian Labour and Welfare Service (NAV). In addition, the situations where an employer can resort to temporary lay-offs came under discussion. After a period when NAV interpreted the scheme more strictly, the Ministry of Labour and Social Affairs agreed to demands from the social partners for revisions.

France: New social contract at Renault and other changes

Car manufacturer Renault signed an agreement with unions in 2013 intended to improve its competitiveness, avoid the closure of any of its French sites and avert any redundancies. Around 7,500 jobs will be cut through not replacing staff who leave voluntarily. Another French car manufacturer signed an agreement with unions on a 'new social contract' to restore the company's competitiveness. The deal consists of reducing the number of job cuts and agreed wage freezes, re-organisation of overtime and greater flexibility. To ensure employers' competitiveness, a law on employment security was adopted in France. Social partners have signed an agreement to introduce a permanent employment contract in the temporary work sector. The agreement ensures that employers will not face increases in social contributions while employees will enjoy greater employment security. Working on Sundays was a topic of debate and how it should be regulated. Part of the debate dealt with the extent to which employees have to accept Sunday work and how they should be compensated.

Rights of those made redundant

In Bulgaria, a law was amended to provide protection for workers where insolvency proceedings have been begun against their employer. A special fund was established to secure part of the payment of unsettled claims. Another law was amended enabling active labour market policies to boost youth participation. Policies include job placement, training, mobility benefits for training and employment services.

In Portugal, the Labour Code was amended to reduce the number of days' pay per year of service in cases of dismissal. The amendment was complemented by the setting up of a new national severance pay fund to guarantee the partial payment of an employee's severance payment in cases of dismissal. New personal income tax ranges were also established.

In Denmark, the negotiating parties at central level in the state sector agreed to focus on 'strengthening trust and cooperation together with security and competence development during the agreement period'. Regarding employees in the municipalities, the partners in local government agreed to continue the so-called 'security pool'. Municipal employees who have been made redundant can apply for financial support from the security pool.

Equality and equal opportunities

Gender pay gap

An important aspect of employment conditions is receiving equal pay (and equal other conditions) for equal work. The most widely discussed inequality is the gender pay gap, which is typically debated around Equal Pay Days. Equal Pay Days are held annually in some Member States: the day is chosen to signify the point into a year that a woman must work to earn what a man made the previous year. In 2013, more wide-ranging discussions on equal opportunities for work and pay for women and disadvantaged groups took place in a number of countries.

In Denmark, companies with more than 35 employees and having a minimum of 10 employees of each gender are currently obliged to compile the 'gender-based wage statistic'. The government passed legislation in 2013 which would make smaller companies responsible for compiling the statistic as well.

In Sweden, the government introduced an initiative – spearheaded by the Equality Ombudsman – to map wage differences in order to eliminate the gender pay gap. No legislation was, however, implemented during the year to reduce the gap.

In Austria, the topic of reducing the gender pay gap was indirectly addressed in two collective agreements in sectors with a large share of female employees. In the retail sector, a two-year collective agreement was negotiated which foresaw a minimum monthly gross wage of €1,500 in 2015. In the social and healthcare services sector, a 12-month (unpaid) leave for caring purposes was embedded in the collective agreement for the first time in Austria.

Equal treatment, parental leave and quotas

Other aspects related to gender equality are the equal treatment of men and women and guaranteeing equal opportunities at work.

An agreement concluded in the Romanian machine building sector in 2013 illustrates the entitlement to equal treatment and equal opportunities:

Women are entitled to an equal treatment to that applied to men, when working in equal or comparable conditions; discriminatory provisions in the Agreement shall be forbidden, or, if existing, they shall be null as of right ...; employment of women shall be free of any discriminatory practices; employment and/or career advancement shall be subject solely to competence criteria, in compliance with the principle 'equal pay for equal work for both men and women'; gender may not be an obstacle against advancement

In Estonia, a number of equality-related policies and initiatives were adopted. The right of fathers to take ten days' paid leave was reinstated and a Gender Equality Council was created to give advice to the government on gender equality-related issues. The 'Mainstreaming Gender Equality and Promoting Work–Life Balance' programme was continued to raise awareness and to promote gender equality and work, private and family life balance. The programme is responsible for the development of gender pay gap statistics, and the promotion of reconciling work and family life.

In France, a bill on equality between women and men was adopted which aims to reduce inequality between men and women through the creation of incentives to share parental leave between the parents. The bill also aims to reduce wage inequality and to protect women who are victims of violence.

In Luxembourg, the new government's programme included positive actions on equal opportunities for women and minority groups in the private and the public sectors such as a quota stipulation for the boards of public services and of companies listed on the stock exchange.

Equal opportunities for disadvantaged groups

In Lithuania, the 'Employment Enhancement Programme for 2014–2020' provides a set of measures for the integration of different social groups into the labour market. A tripartite agreement ensures the funding of social enterprises to promote employment among disabled people. The Labour Code was amended to reduce the administrative burden for enterprises and to increase labour market flexibility.

In the Netherlands, the so-called 'activating social policy' (government policies that are implemented in collective agreements) was created to support vulnerable people such as young people with a handicap. This policy featured in a number of agreements.

In Croatia, the Action Plan for the Implementation of the National Roma Inclusion Strategy for the period 2013–2015 was adopted to improve the education, employability and inclusion of the Roma population. For the purpose of creating the conditions to increase regular employment among the Roma, all recorded unemployed persons of this national minority were included in non-subsidised activities.

An important case of inequality between different groups of workers was settled in Belgium by means of a tripartite agreement. The Belgian Constitutional Court ruled that the employment status of blue-collar and white-collar workers was discriminatory, due to discrepancies in employment conditions and entitlement. The social partners, therefore, have been working towards achieving parity between these two kinds of workers.

In Sweden, political and public discussion continued about the Employment Protection Act and whether the rules concerning termination lead to an increase in the number of marginalised groups, especially young people and migrants.

Job mobility and job transitions

In Finland, the government's structural reform that proposed an expansion of the designated work area in which an unemployed person is required to accept a job were much debated in 2013. The distance is to be changed from 80 km to an average of three hours of daily commuting time.

In Greece, a law to restructure the public sector – the 'Mobility Programme' – was adopted to reduce the number of positions, especially among education, medical and police staff. Several projects were created to foster gender equality through the provision of information on a dedicated website, conducting studies, offering training activities for women and establishing equality offices.

In Latvia, a measure was introduced which provides financial aid to cover the transport and apartment rental costs during the first four months of employment. Aimed at encouraging geographical mobility, the measure is due to be implemented in workplaces throughout Latvia with the exception of Riga, where there is sufficient demand for employees with specific education and professional experience. Businesses in Riga can take part in the measure only if the employer simultaneously offers to establish an employment relationship with at least 25 unemployed persons registered with the State Labour Inspectorate (NVA).

Entry into and exit from employment 9

This chapter examines the main developments in 2013 in terms of discussions and debates, legislation, policies, programmes and initiatives (including collective agreements) at national level carried out by public institutions and social partners in the areas of:

- first entry or re-entry into the labour market and employment;
- exit from the labour market and employment;
- retirement age and pensions.

Young people take centre stage with regard to policies and initiatives on entry into employment. In terms of older people and their potential exit from employment, this chapter looks at retirement age and pensions.

In 2013, the level of employment of older people was a concern in only a few countries. Of note is the French law on the generation contract with its ‘holistic’ intergenerational approach (see box on p. 77). This stands out in an EU panorama characterised by numerous specific policies for addressing the problems of young and older workers separately.

In most Member States, the provisions regarding (re)entry into and exit from employment, including retirement age and pensions, are not subject to negotiation between the social partners but are instead established through public policy and legislation. In some Member States, however, the regulation of these issues is negotiated by social partners and, even if at least partly, made effective through collective agreements. This is the case, for example, in the Member States belonging to the so-called ‘Ghent system’ (Belgium, Denmark, Finland and Sweden), whereby the employers and/or trade union organisations have direct involvement in managing the unemployment benefits systems.

Entry into employment

The issues related to the entry into and exit from employment were debated widely across the EU in 2013. Some of the most interesting debates, in particular those involving the social partners, are described briefly below.

Situation regarding young people

The difficulties young people face in entering the labour market do not seem to be diminishing and youth unemployment levels continued to be high in 2013 in many Member States. Thus, it is not surprising that the largest share of developments identified by the national correspondents (including policies, programmes, initiatives by public institutions and/or social partners) were aimed at increasing the chances of young people entering or re-entering the labour market and therefore contributing to an increase in youth employment. Table 13 lists some examples of policies and initiatives in place in selected countries.

The most commonly reported type of measure addressing the employment situation of young people is that which provides financial or other incentives to employers to hire young people (for example, reduction of administrative and/or financial costs). This is, for instance, the case in Belgium which targets especially low-skilled young people, and in Sweden. In Greece, young people receive job vouchers and, in Cyprus, a job placement scheme for young adults is coupled with grants for businesses. In Portugal, there is an initiative that aims to encourage the hiring of young people for new posts through the reduction of administrative and financial costs.

Other types of measures include:

- support (mainly financial) to entrepreneurial activities such as the creation of their own business (see the Greek case in Table 13);
- improving the employability of young unemployed individuals through skills development and training or activating the discouraged and disadvantaged (see the Latvian and Lithuanian cases in Table 13).

Table 13: *Policies and initiatives to promote young people's entry into employment in 2013*

Issue	Country	Policies and initiatives
Financial and other incentives to hire young people	BE	The 'Supplementary efforts for young (low-skilled) workers' scheme by the Belgian National Office of Employment and National Social Security Office makes it economical for employers to hire young people, especially low-skilled ones.
	CY	The 'Job placement for young unemployed with tertiary education' scheme by the Human Resource Development Authority (AnAD) targets young unemployed under 35 years with tertiary qualifications and at least one month's work experience not related to their education. Participants will be offered a weekly training allowance of €125. The 'Grant to Support Youth Employment' scheme by the Ministry of Labour and Social Insurance gives subsidies to businesses hiring young unemployed persons (those under 29 years) for 12 months.
	EL	'Job vouchers for young unemployed people up to the age of 29', part of the Greek Human Resources Development Operational Programme, by the Ministry of Labour and Social Security, aims to achieve a structured path for young unemployed people to enter the labour market, culminating in their placement in establishments in the private sector.
	PT	The 'Support for hiring via reimbursement of the single social tax' measure by the Institute for Employment and Vocational Training (IEFP), as part of the 'Young Impulse' programme, aims to encourage new hires through the reduction of administrative and financial costs associated with hiring and net job creation. The employment and professional internships offered by the Institute for Employment and Vocational Training (IEFP) aim to improve the employability of registered unemployed young people seeking employment and promote youth professional integration or reconversion through financial support to trainees and employers.
	SK	Parliament adopted Act No. 96/2013 amending Act No. 5/2004 on employment services and implementing projects that support the employment of young people through different measures, including subsidies to employers who create jobs for young unemployed persons (under 29 years).
	SE	The 'Work introduction employment' measure, which was included in the Tripartite Job Act and implemented by the Swedish government, aimed to reduce the problems in entering the labour market for young people lacking work experience through subsidies for companies hiring individuals aged between 15 and 24 years.
Promotion of youth entrepreneurship	EL	The 'Young entrepreneurship with an emphasis on innovation' programme promoted the employment of 2,000 unemployed young people (up to 35 years) through financial support of their business initiatives.
Increasing employability or activation measures	LT	The 'Promoting youth employment and motivation' measure by the Ministry of Social Security and Labour and the Lithuanian Labour Exchange (LDB) aimed to socially motivate disadvantaged young people to integrate into the labour market and/or the formal education system.
	LV	The various measures by the National Employment Agency oriented towards young people include training and support in finding the first job and preparing young people for entry into the labour market.

Source: *Eurofound's Network of European correspondents*

Regulation via collective agreements

'First job', the national agreement between the government and social partners adopted in 2012, continued to be implemented in Bulgaria during 2013 through different active labour market measures and programmes. Under the country's engagement with the European Youth Guarantee, a National Plan for Youth Guarantee was adopted, including measures and policies to support the hiring of young people for their first job, training, apprenticeships and so on. A coordinating council chaired by the Minister of Labour and Social Policy, and made up of representatives of ministries, social partners and youth organisations, was set up to supervise the implementation of these measures.

In Italy, the main topics for discussion and debate in 2013 were youth employment and contractual arrangements. Youth employment was the topic of a joint document signed by social partners on 'Training and education for economic growth

and youth employment'. The document focuses on the problems faced by young people when entering the labour market and also covers the issue of those not in education, employment, or training (NEETs).

Following an initiative by the Swedish government as part of the tripartite job pact, an agreement was signed between the GS union, the employer's association of wood processing and furniture industry (TMF) and the Swedish Forest Industries Federation. The agreement aims to reduce the problems faced by young people under 25 years without relevant work experience when entering the labour market.

Several collective bargaining agreements were signed in Germany in 2012 and 2013 that addressed the employment prospects of apprentices with their company after completion of their training (for example, public administration at the federal states' level, or as part of collective bargaining talks in the chemical industry where the latest agreement was concluded at the beginning of 2014).

Further debates on first jobs and youth employment

The issue of the first entry into the labour market was debated in Poland in the context of the regulation of temporary forms of employment ('junk contracts') which are prevalent among young employees. In the meantime, the Polish government had already proposed a reform of the employment services.

Denmark and Netherlands: Debate on level and length of unemployment benefit

In Denmark, discussions were held on whether to enhance the period of eligibility to receive unemployment benefit. The former liberal-conservative government (2001–2011) had cut the period from four to two years and the present Social Democrat government has not changed this radically despite a few changes. The unions and the leftist political parties tried to get the prime minister to 'roll back' the legislation and to reintroduce the four-year period as a minimum period. This could be called a matter of 'unemployment security'.

The Dutch government and social partners agreed to suspend and postpone a package of cost-cutting proposals affecting unemployment benefits and the dismissal law until 2016.

France: Intergenerational approach to promote employment

A ground-breaking legislative development took place in France in March 2013 with the introduction of an intergenerational approach to measures devised to promote employment: the Law on the Generation Contract. This aims to simultaneously tackle youth unemployment and to maintain older workers in employment. It requires companies with at least 300 employees to conclude a company-level agreement to set conditions for the employment of young workers and for maintaining the share of older workers. If no agreement is reached, the employer is required to set up an action plan. In smaller organisations, a company agreement may be concluded between the employer, a newly recruited young person and a senior employee. This agreement has already led to a number of company-level agreements that took up this issue in their wage negotiations (for example, Koria, SEB, GDF Suez, the nuclear production division of EDF, Axa, Quick and Saint-Maclou).

Ageing workforce, pensions and retirement age

Although the employment and unemployment of young people were under the spotlight during 2013, the issue of the ageing workforce remains at the forefront of debate at EU and national level.

In the Council, ministers reached agreement in November 2013 on a general approach to a proposal for a directive on improving the portability of supplementary pension rights. This would provide protection for occupational pensions in the case of those working in another EU Member State. Although the statutory pension rights of individuals working in another EU Member State are well protected, there has never been an equivalent protection for occupational or ‘second-tier’ pensions, which are becoming increasingly important.

At national level, the most important debates focused on the sustainability of pension schemes and on the default retirement age.

Only in a very few cases did there seem to be particular concern about employment levels for older generations.

In Belgium, for example, in October 2013, SPF started a campaign to promote the employment of older individuals by emphasising the added-value they can bring to companies. The campaign was accompanied by legislative initiatives to reduce the ease of access to early retirement and to reduce costs for companies who employ or hire older workers.

In Greece, the ‘Human resources development’ operational programme, which was still into force in 2013 (it covered the period 2007–2013), included a subsidy programme for local authority undertakings (of municipalities and regions) to recruit unemployed people aged 55–64 years. The aim of the programme was to create full-time jobs for people in this age group who had been made redundant after 15 July 2010 and for long-term unemployed people of the same age.

In 2013, there were a number of important developments related to the sustainability of pension schemes and to the default retirement age in place in some Member States. Most of the changes aimed to guarantee the sustainability of existing pension schemes through the revision of calculation methods, the introduction of less restrictive legislation for mandatory retirement age or the increase of the default retirement age.

Pensions and retirement age

An interesting case regarding retirement age is Bulgaria, which decided to freeze the retirement age so as to take the lower life expectancy of Bulgarians into account. Since the beginning of 2012, the retirement age in Bulgaria has been gradually increased by four months per year until it reaches the age of 65 years for men and 63 years for women. However, the government in office since June 2013 decided to freeze the retirement age in 2014 at its 2013 level. The main motivation behind the proposal is that, in the three previous years, pension reforms have given priority to increasing the retirement age without taking into account life expectancy (which is much lower in Bulgaria than the EU average), the labour market situation and the health of workers.

In Portugal, the normal retirement age was increased by Ordinance 378-G/2013 of 31 December 2013 in order to adapt the pension system to demographic changes. It introduced a change in the formula for calculating the sustainability factor in 2014 and 2015, and increased the normal age for access to the retirement pension from the general social security system to 66 years.

After intensive discussions on retirement age and pensions in 2012, the Latvian Ministry of Welfare prepared a proposal in 2013 for reforming service pensions by increasing the age of eligibility by an average of eight years. Nevertheless, the new regulations are not expected to come into effect until 2016.

In two other Member States, Austria and Germany, debates on actual and statutory retirement age are ongoing.

For several years, retirement age and pensions have been high on the agenda of the Austrian government and the social partners. The existing widespread consensus is that Austria needs to increase its actual retirement age (which is one of the lowest in the EU at 59.6 years for men and 57.5 years for women in 2013) and that workers should stay longer in the labour market. This led to the abolition from 1 January 2014 of temporary invalidity pensions for those aged under 50 years. An invalidity pension has often served as a substitute for other forms of early retirement from the labour market in Austria. This is highlighted by the fact that the actual retirement age is significantly higher when invalidity pensions are not included in the calculation (for example, in 2009, it was 62.6 years for men and 59.4 years for women).

The raising of the statutory retirement age remains a highly controversial topic in Germany. While most unions doubt the ability of employees to obtain and retain jobs up to the new limit of 67 years, employer organisations see the extended working life as a change made necessary by the demographic transition and are trying to develop and promote suitable HRM strategies accordingly.

Pension system reform

In other Member States, the main problem is with the financial sustainability of the pension systems. In Ireland, for example, most final salary or defined benefit occupational pension schemes in the private sector are in deficit as their liabilities are higher than their assets. In Spain, a major reform of the existing pension system was made in 2013, including a reform of the valorisation index as well as new regulations on part-time retirement and early retirement. There was also a major reform of the system in Poland, where the debate is ongoing. Table 14 provides an overview of the reforms in 2013.

Table 14: *Overview of reforms of the pension systems in 2013*

Issue	Country	Description of reform
Part-time retirement, reform of early retirement and change of the valorisation index	ES	<p>In April 2013, the Spanish government asked a new expert committee made up of 12 people to define the new reform. The social partners that make up the Spanish Social and Economic Council were critical of this reform, in particular because it did not take their proposals into account. As part of this important reform, on 16 March 2013 the Spanish government enacted a Royal Decree setting out measures to encourage the continuation of working life for older workers and to promote active aging. The Royal Decree 5/2013 approved a less restrictive regulation that aimed to allow workers who achieve the legal age of retirement to combine either a full-time or part-time job with entitlement to 50% of their pension benefits. It also approves a new regulation on early retirement. The Royal Decree distinguishes between two different forms of early retirement: forced early retirement and voluntary early retirement.</p> <p>On 26 December, Law 23/2013 came into force to regulate the sustainability factor of pensions and to reform the previous indexation mechanism based on the inflation rate. The new indexation determining the amount of the pensions every year is based on a new 'Revaluing Index', which came into force in January 2014. The index considers social security revenue and expenditure, together with the number of pensioners. The increase can be neither less than 0.25% nor higher than the inflation of the previous year plus 0.5 percentage points.</p>
Modernisation of the pension insurance system	SI	<p>The new Pension and Disability Insurance Act, which came into force in 2013, seeks to modernise the pension insurance system. It defines 'occupational disease' as a disease caused by a long-term direct influence of work processes and working conditions in a certain workplace or in work related to the activity based on which the worker is insured. However, according to the new provisions, when employing older workers, employers may ask for an exemption from part of their contributions for these workers. In cases where the worker is over 60 years, the level of contributions can be reduced by 30%, and in cases where the worker already meets the retirement age criteria by 50%. The remainder of the contributions is covered by the state.</p>
Financial sustainability of pension schemes	IE	<p>Most final salary or defined benefit occupational pension schemes in the private sector are in deficit. Some are unable to secure funding from the employer or employees to continue, and are winding up or reducing benefits. Since the legal protection for pensioners in the winding up of a deferred benefit scheme is much stronger than for non-retired members of the scheme, many of the latter group have seen major reductions in pension benefit, for example, 39% for Independent Newspapers or 20% for the Irish Cooperatives Society. In response, the government has reduced the protection for pensioners, in order to leave more assets to other scheme members, in the Social Welfare and Pensions (No. 2) Act of December 2013.</p>

Issue	Country	Description of reform
Financial sustainability of pension schemes	MT	Malta currently has only a first pillar pension scheme, which is a compulsory, pay as you go, state pension. However, the European Commission and credit agencies have warned that the system is not sustainable because of the ageing population. Although raising the pensionable age to 65 years is a positive step, it does not go far enough to address the issue. The Malta Employers Association (MEA) together with the GWU and the United Workers' Union (UHM) expressed their disapproval at the introduction of a second pillar as neither the employers nor the workers could afford it at this stage. The social partners were in favour of a third pillar, which would be optional. To make this optional scheme more attractive, the Director General of MEA proposed a tax break on the money invested in such schemes.
	PL	On 6 December 2013, the Polish parliament voted on proposals to change the pension system by redirecting a larger part of contributions to private pension funds to the state's Social Insurance Institution (ZUS).

Exit from employment and measures for older workers in collective agreements

Exit from employment is usually not dealt with in collective agreements. Apart from the legislative support in France, which promotes intergenerational agreements at company level (see box on p. 77), the reporting highlighted only a few other cases.

In Germany, concern about early retirement/pensions and new models to ease smooth transition periods from working life to retirement continued to be part of collective bargaining negotiations in 2013 in sectors such as textiles and insurance.

In Spain, information on the contents of collective agreements shows that the clauses most often used are those that regulate partial retirement. However, a significant number of collective agreements (23% of the total) include clauses on incentives to retire. This runs counter to the goal of the pensions reforms enacted in 2011 and 2013 which aim to increase the retirement age, although a significant reduction in the use of these clauses from 2012 is observed.

In Belgium, some of the cross-sectoral agreements (national) concluded between the social partners in 2013 include provisions addressing the situation of exit from employment. One of those agreements (no. 105) includes eligibility conditions for older workers and disabled people to get supplementary unemployment benefits with companies' financial participation in case where they are laid off. Another agreement (no.106) defines the eligibility conditions to get supplementary unemployment benefits with companies' financial participation for workers who have 20 years of seniority in a night working scheme or in the construction sector, and who are incapable of working. Another important agreement is no. 104, which aims to implement plans for older workers (45+ years-old) within companies. Every year (or more if the plan is pluri-annual), employers have to establish an 'employment plan' with specific measures for older workers. Such plans can include measures of a varying nature such as training, ergonomic improvements, mentoring and improved well-being. The plan must be presented to the unions within the Committee for Prevention and Protection at the Workplace or within the Works Council.

In the framework of the Europe 2020 strategy, the EU has created a variety of initiatives promoting the development and acquisition of skills, competences and qualifications. Lifelong learning strategies and the promotion of an entrepreneurship culture are some of these initiatives. Other instruments support the transparency and recognition of skills, the validation of non-formal and informal learning, and arrangements to assure high-quality education in order to raise skills, increase employability and promote workers' mobility. Education is also recognised within the EU as an important factor for facilitating social inclusion.

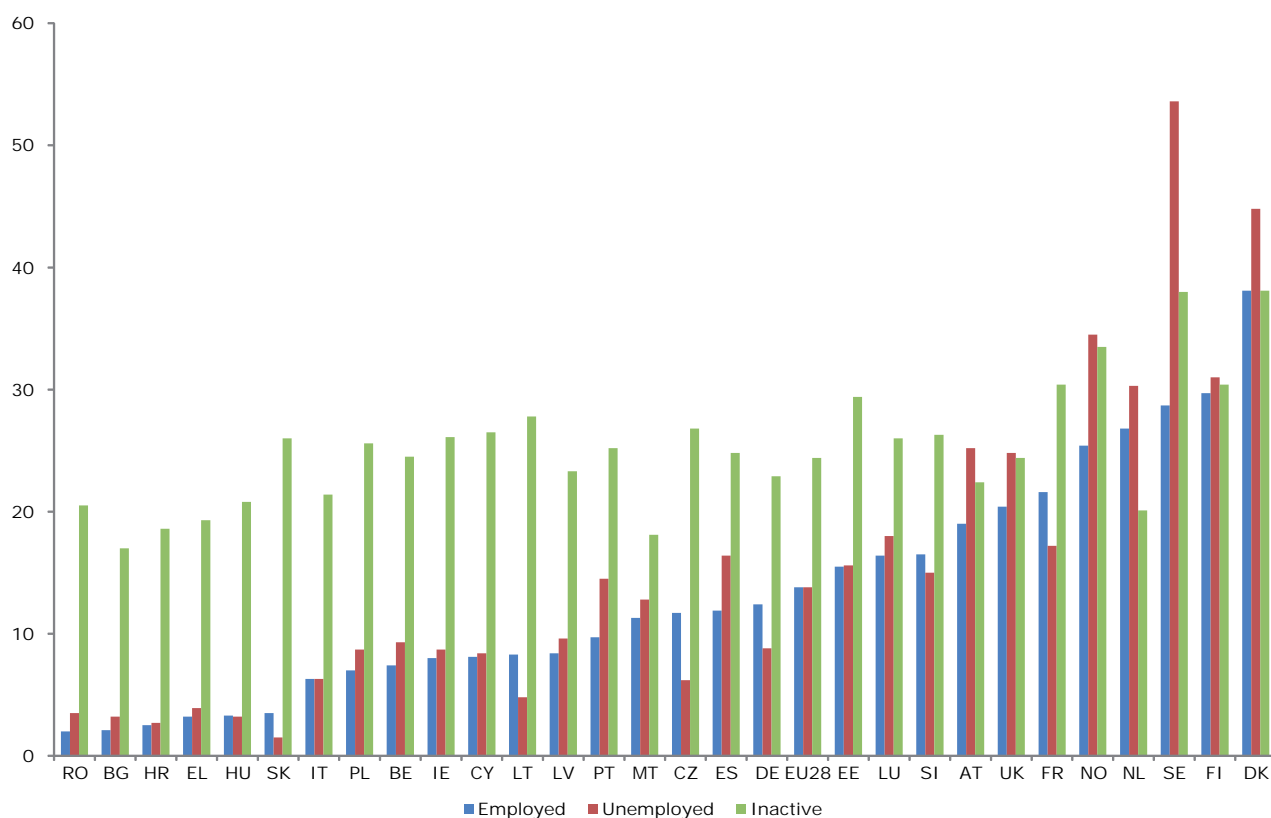
Participation in education and training

Countries have been focusing their attention in the area of education, skills development and training to varying degrees on the employed, unemployed and the inactive working age population to deal with country-specific challenges.

In 2013, the proportion of both employed and unemployed people participating in education or training in 2013 in Belgium, Bulgaria, Croatia, Cyprus, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Poland, Romania and Slovakia was under 10%. In Portugal, slightly more unemployed (14.5%) than employed (9.7%) people were participating. However, 20–30% of the inactive population in most of these countries was participating in education and training.

Between 20% and 30% of the employed were in education or training in 2013 in countries like Denmark, Finland, France, Norway, the Netherlands, Sweden and the UK. In Denmark, almost 40% of the employed were developing their skills and competences. The Nordic countries (Denmark, Finland, Norway and Sweden) also displayed the largest proportion of unemployed and inactive people in education or training. In Sweden, every second unemployed person was participating in formal or non-formal education or training.

Figure 26: Participation rate in formal and non-formal education and training, 2013 (%)



Note: 15–64 year-olds, by labour force status, in the EU28 and Norway
 Source: Eurostat, 2014 (Labour Force Survey; data extracted 14 July 2014)

This section highlights the concern and efforts on the part of Member States to further decrease the proportion of early leavers from education and training by 2.0 percentage points and increase the proportion of graduates of tertiary education by 12.1 percentage points over the next six years.

The topics attracting the most public and political interest in the different Member States were:

- employability (see also Chapter 9);
- the mismatch between the supply and demand of skills;
- the quality of education of young people in the light of high youth unemployment.

A selection of examples is presented below. Other examples related to the development of skills are presented in Chapter 9 on entry and exit from employment. Parts of Chapter 9 concentrate on improving employability and raising entrepreneurial activities among young people through education, skills development and training.

Table 15 provides an overview of the reports from the Eurofound’s network of European correspondents.

Table 15: *Skills development in the EU Member States and Norway*

Topic	Discussion and debate	Policies and initiatives	Legislation
Prevent and reduce unemployment through acquiring new skills		CY, EL, RO	PL
Increase employability (of youth and other disadvantaged groups)	ES, PT	MT, NO, SI, UK	SI, UK
Tackle the mismatch between supply and demand for skills	BG, CZ, LT, NL, SI	LT	SI, SK
Gain additional qualifications and lifelong learning	BE, DK	AT, PL, SI	
Recognise and promote non-formal and informal education		BG, LV	IT
Improve the quality of education and vocational training	LV, NO, UK	LT, PT	DK
Ensure a supply of skilled workers		DK, SE	
Reform of the vocational training system		IE	DK, EE, ES, FR
Increase opportunities to gain practical experience		LT, LV	
Tackle the issue of early school leavers	ES	MT	
Raise the number of students and apprentices in technology-related fields		MT, NL	

Source: Eurofound’s Network of European correspondents

Although there was no information from a number of countries on the extent to which skills development is laid down in collective agreements, 13 countries reported that skills development played a role in collective bargaining and collective agreements. ‘Hard’ figures in this regard are only available from the Netherlands, in which around 90% of collective agreements in 2013 included settlements on training. Most of the collective agreements dealing with skills development were concluded at a sectoral level.

Improving employability

Employability is a concept referring to terms used to assess the capability of a person to gain a job. The issue of employability was discussed in the context of high youth unemployment, particularly in Portugal and Spain. In Portugal, the ‘Young impulse’ programme was created with the aim of tackling the high levels of youth unemployment through professional internships and professional training. In Spain, employability and skills development formed part of discussions around active labour market policies and youth unemployment.

The concept of employability includes a variety of different measures in different areas such as:

- tackling unemployment;
- modernising training and education systems;
- monitoring the unemployed;
- reducing the number of people dropping out of education;
- opening up workplaces for training and new practices.

Most countries in 2013 attempted to improve people’s employability through adopting measures in one of these areas. The notion of raising employability featured as a more comprehensive policy package in countries as diverse as Malta, Norway, Slovenia and the UK.

In Malta, a comprehensive set of initiatives was implemented to improve employability for disadvantaged groups. The ‘Employment in the social economy’ project provides funds to organisations for recruiting disadvantaged and disabled persons. A programme entitled ‘Enhancing employability through training’ provides training in the fields of basic skills, office-related subjects, information technology (IT), technical courses and care working courses. The Ministry of Education and Employment’s draft strategy to reduce the number of early school leavers includes the introduction of vocational education in secondary schools with hands-on-learning experience in engineering, IT, hospitality and social care.

Norway was the first country to undertake a collaborative project with the OECD with the aim of applying the OECD Skills Strategy in practice. Existing programmes and initiatives such as a tripartite campaign for more apprenticeships and a programme for ‘Basic Competence in Working Life’ for adults were continued.

Slovenia focused on improving adult employability. The National Assembly adopted a resolution on the ‘Master plan for adult education’ in the Republic of Slovenia 2012–2020. Its main objectives are to:

- raise the educational level of adult education;
- increase employability;
- improve opportunities and access to education.

The active employment policy implementation plan for the year 2013–2014 seeks to provide education and training to employees, practical work experience for the unemployed, mentorship schemes for young people, and vocational qualifications. A number of acts accompany the policies and programmes in Slovenia. The Scholarship Act introduces new forms of scholarships especially for socially disadvantaged secondary school students who are under 18 years. The

Post-Secondary Vocational Education Act enables flexible post-secondary education to better meet the needs of the economy. The act also establishes one single accreditation system.

In the UK, the government launched the traineeships programme supporting young people with low skills and little work experience to develop the skills required to secure and succeed in employment (including in apprenticeships). The Education and Skills Act 2008 was brought into force to make participation in education and training compulsory until the age of 17 years. This will rise to 18 years in 2015.

Mismatch of skills and quality of education

The mismatch between labour market needs and the skills offered by the labour force formed part of the discussions in Bulgaria, the Czech Republic, the Netherlands and Slovakia in 2013. The mismatch of available skills and companies' needs was highlighted as a key factor responsible for high youth unemployment.

To better match demand and supply of skills, the introduction of a system for dual vocational education – similar to that in Germany – was debated in Bulgaria. Debates in Latvia, Norway and the UK centred on the quality of education and vocational training in order to increase competitiveness, make qualifications more relevant and enhance employability. For example, the UK government launched a new skills strategy, entitled 'Rigour and responsiveness', which sought to reform some aspects of training and enhance the role of employers.

Prevention and reduction of unemployment

Also linked to the debates about high youth unemployment, a number of countries concentrated their measures in 2013 on the prevention and reduction of unemployment through training and re-training.

Cyprus adopted instruments focusing on increasing employment in technical jobs and promoting the development of innovative products and services in SMEs.

Greece adopted a programme on human resources development which offers:

- advice and training on internationalising SMEs;
- the (re-)training of the self-employed to enhance their competitiveness;
- support for the implementation of structural adjustment plans for SMEs;
- support for community service programmes creating jobs with not-for-profit organisations.

In Romania, flexible training patterns, e-learning and on-the-job training aim to ease the transition into the labour market and to avoid unemployment.

In Poland, the Act on Special Measures Aiming at the Protection of Workplaces seeks to alleviate the consequences of the economic downturn and to protect jobs in struggling companies. Employers can, for example, access funding to improve the qualifications of their employees.

Reform of vocational training systems

Most legislation was adopted in the area of reforming national vocational training systems. Denmark, Estonia, France and Spain adopted reforms to modernise their systems in accordance with labour market requirements.

In Estonia, the Vocational Education Institutions Act focuses on enhancing the European-wide comparability of qualifications and increasing the flexibility of the system. The parliament also adopted acts to reform the basic school system, the upper secondary school system and the higher education system. The aim of the legislation is to provide clarity on functional distinctions, responsibilities and transparent funding, as well as raising the quality of and access to education, and to increase the competitiveness of graduates on the job market. In Spain, a law to modernise the initial vocational education and training system was adopted. The characteristics of the proposed dual training system still need to be defined.

France: New vocational training system

Collective agreements on professional training in France are almost always extended to all employers and employees within a sector. An agreement was signed in 2013 by all the employers' and trade union organisations with the exception of the Confederation of Small and Medium-size Enterprises (CGPME) and CGT. This national interprofessional agreement (ANI) fundamentally reforms the vocational training system and how it is financed. With effect from 1 January 2015, all employees will have an individual training account from when they first join the labour market until they leave for retirement. Thus, employees who change jobs or alternate between work and unemployment will retain their right to training. This arrangement will replace its little-used precursor, the Individual Right to Training (DIF) created in 2003.

The individual training account will be operational as soon as the account holder obtains employee status. The account, measured in hours, is capped at 150 hours of training over nine years. Every employee receives 20 hours per year (for a full-time post) during the first six years, then ten years for the three subsequent years. The account will be accessible via an online service.

Regardless of their status, everyone will be able to benefit from a free 'career development consultation' from when they first join the labour market until retirement. All employees are also entitled to a 'career interview' at least every two years. Recorded in written form, it will allow employees to contemplate their prospects of career development in terms of qualifications and jobs.

Source: *Eurofound's Network of European correspondents*

Denmark adopted an act to improve the quality of early vocational training. The agreement on vocational education includes instruments to:

- set the level of required skills of teachers;
- set up new training centres;
- provide school traineeships to apprentices.

In Ireland, a formal review process on the apprenticeship system was completed which sought to assess whether the current apprenticeship system should be retained, adapted or replaced.

Education and training as part of collective agreements

Finland was one of the few countries in which a nearly comprehensive cross-sectoral collective agreement was signed in 2013. The agreement includes a set of recommendations to increase youth employment through emphasising easier synchronisation of training and work. Recommended instruments are learning-at-work, degree credit given for work experience, and a model ('2+1') that combines schooling with an apprenticeship.

Germany, Greece, Romania and the UK reported that collective agreements including skills development were primarily concluded at the company level. In Belgium, skills development was also mainly dealt with at company level, but included an individual agreement between management and a worker.

Table 16 provides an overview of collective agreements concluded in 2013 which contained measures on education and training.

Table 16: *Collective agreements with education and training aspects, 2013*

Sector	Country	Description
Construction	CY	A new collective agreement provides for the introduction of a special occupational identification card that will be based on standards of occupational qualifications necessary for those wanting to work in the sector. The standards are yet to be determined. The specific regulation was a standing demand of sectoral trade unions for combating undeclared work in the construction industry.
Banks	EL	The collective agreement supported the research and training programmes of the Federation of Greek Bank Employees (OTOE).
Public sector		
Local and regional government	DK	Skills development was an important part of collective agreements for workers employed in local, regional and state government.
Public administration	DE	The collective agreement includes provisions for the continued employment of apprentices after completion of their training for an initial 12 months.
Pre-academic education	RO	A collective agreement in the area of pre-academic education provides for practical training, specialisation courses, and lectures paid for by the employer.
Various sectors	SI	Three collective agreements included skills-related provisions. The collective agreements for the hospitality and tourism industry and the extraction and processing of non-metallic minerals industry provides for education through which employees acquire a new level of education. The collective agreement for small businesses and entrepreneurship covered formal and non-formal education to increase employability and improve career development.
	IT	The sectoral agreements renewed in 2013 (telecommunications, glass, textile and shoemaking sectors) all dealt with the implementation of the 2011 single legislative text on apprenticeship, with the exception of temporary agency workers.
Company-level agreements		
Public transport	DE	Collective agreements on skills development were concluded at a sectoral and a company level. Collective agreements in local public transport and for railways operator, Deutsche Bahn, and its affiliates introduce tools for improved HRM policies to deal with an ageing workforce (for example, demographic analysis, OSH tools, long-term working time accounts, options for smooth phase-outs at the end of a career, telework and lifelong learning incentives).
Education	RO	An agreement was reached for teachers at the Coresi National Foundation to refund training initiated by an employee if it was considered useful by their employer.
Port authority	EL	The collective agreement of the Alexandroupolis Port Authority includes provision for the coverage of staff costs and travel costs for participation in transnational and EU programmes.
Hospital and food manufacturing company	UK	Specific agreements on training and development are generally referred to as 'learning agreements'. Notable learning agreements reached in 2013 included an agreement signed by NHS Property Services and several trade union representatives. The agreement addresses employees' learning needs in English and mathematics, dealt with apprenticeships, and supports the role of trade union learning.

Source: *Eurofound's Network of European correspondents*

Future developments at national level 11

This chapter provides an outlook on the main developments that can be expected in 2014 at national level. What has been reported at national level in 2013 is quite closely linked to the main challenges for the EU over the coming year:

- dealing with the ongoing effects of the crisis and its impact on labour markets and employment conditions;
- youth employment;
- the ageing workforce;
- skills development challenges.

The work programme of the EU-level social partners for 2012–2014 identifies the following issues as priorities:

- youth employment;
- analysis of the functioning of EU labour markets;
- gender equality;
- education and lifelong learning;
- mobility and economic migration;
- better implementation and impact of social dialogue instruments;
- building the capacity of the social partners;
- economic and social governance of the EU.

The year 2014 will be one with major elections, starting with the election of the European Parliament, but also in various Member States at different levels (for example, Belgium, Finland, Latvia and Poland). This adds additional uncertainty to the prediction of the expected direction of changes.

The national reports from the correspondents by and large show that the overarching theme for 2014 was the further deregulation of the labour market.

Employment and labour market policies

The issue of employment creation was reported to be likely to dominate the political agenda on labour policies in Cyprus, France and Italy (for example, with measures to support SMEs and sectoral employment among others in Cyprus). The implementation of measures tackling the high unemployment of young people, following the European youth guarantee commitment, is anticipated to become a major topic for 2014 in Bulgaria and Portugal. In Luxembourg and Malta, active labour market policies are likely to be strengthened to support the (re-)integration of jobseekers. Changes in unemployment benefits are going to be made in the Netherlands (where they will be reduced from three to two years) and in France where the priorities of the social partners are to renew the collective agreement, which will change the rules for the next three years of the unemployment insurance, which is under pressure. Also in France, a reform of the tax system is in the pipeline with the aim to reduce the pressure on companies.

Actors and institutions

An ongoing focus on changes on the trade union side was reported in Hungary and Malta.

In Hungary, it is likely that the reorganisation of trade unions will continue and probably lead to a two-pole structure with the Democratic League of Independent Trade Unions (LIGA) on one side and the Hungarian Trade Union Confederation (MSZSZ) on the other. It is likely that there will be also changes on the employers' associations' side.

In Malta, attempts were made towards the end of 2013 to set up a trades union confederation based on the British model to enable the Maltese trade unions to regulate their interrelationships through a code of practice. Inter-union strife is likely to become more intense in 2014 unless the Maltese trade unions manage to reach some form of consensus about ethical practices in their recruitment drives.

In Ireland, the structures of the new Workplace Relations Commission (WRC) are expected to be in place 'during 2014'. The WRC will consist of two independent bodies, a single body of first instance (the WRC) and a separate appeals body, which will be an expanded Labour Court. The Equality Tribunal will also be transferred to the new appeals body.

In France, the government will finalise the legislation on the reform of the labour inspectorate.

Changes in labour legislation

Contractual issues and employment status

In a number of countries, legislation on the use of fixed term or temporary contracts is expected to be implemented.

In Luxembourg, the government wants to make it possible for employers to use fixed-term employment contracts for a limited period of two years.

In the Netherlands, the minister responsible wants to push through legal instruments on the misuse of the contractual arrangements for temporary employment by reducing the number of successive fixed-term contracts.

In Norway, the new conservative government will change the current legislation on temporary employment and working time regulation.

In the UK, 2014 should also see the outcome of the government's consultation on regulation of zero-hours contracts and related legislation is expected.

In Sweden, one major legislative change that might be implemented in 2014 is public support for short-term employment. If this amendment goes through parliament, it will inevitably have an effect on employment conditions and employers will, in times of crisis, have increased opportunities to determine the employment form of their employees.

Termination of the employment relationship and transfers of undertakings

In Luxembourg, changes will include the revision of the terms of social plans to extend some deadlines and to provide a timeframe for the topics that must be discussed by law, including a reduction in the number of redundancies.

In the Netherlands, dismissal will become simpler for employers and clearer for employees: the sometimes random disparity between dismissal compensation levels will come to an end.

In the UK, amendments to the legislation on transfers of undertakings are to be made in 2014. The government argues that the changes will reduce bureaucracy for employers, but trade unions say that they will erode the pay and conditions of workers who are transferred when services are outsourced.

Collective bargaining and social dialogue

The outlook for collective bargaining and social dialogue is mixed. The outlook remains rather pessimistic in a number of countries, all of which have been hit hard by the financial crisis both economically and in terms of their industrial relations. Both in Hungary and Lithuania, industrial relations are expected to be further deregulated. In Poland, it is likely that the stalemate in social dialogue at the central level will continue and tripartism remains in deadlock following the exit of the major trade unions from the Tripartite Commission in 2013. In Spain, the new regulation of collective bargaining favours an increase in the use of opt-out clauses in sector and multi-sector agreements. In Portugal, industrial action may increase due to the crisis in collective bargaining and to the absence of negotiated solutions at macro-level. In Bulgaria, it is expected that the year will be difficult for social dialogue due to controversial proposals of the employers' organisations on the liberalisation of the labour and employment legislation.

However, there are some countries where industrial relations are expected to be promoted and strengthened in one way or another. In Ireland, the government was expected to move 'very shortly' on collective bargaining to reform the current law on employees' right to engage in collective bargaining 'so as to ensure compliance by the State with recent judgements of the European Court of Human Rights'. The proposed legislation allows for the representation of workers where trade union recognition has been denied. In Latvia, in 2014, the law on trade unions should be adopted. In Romania, both the government and the social partners will keep at the top of their agendas measures to alleviate the effects of the labour market reforms dating back to 2011, the amendments brought then to the Labour Code and the Social Dialogue Act, respectively. Such measures are recognised as necessary to streamline collective bargaining and re-activate social dialogue.

In Germany, the decision of the coalition partners to push ahead with new legislation on the exclusive applicability of collective agreements has been welcomed by both sides. In France, social partners will create follow-up committees to check the implementation of several national-wide collective agreements (agreements on youth employment, agreement on the 'generation contract'). In Estonia, discussions on new legislation on collective bargaining and labour dispute resolution are ongoing and should be implemented as of 1 January 2015. In Finland, the nearly comprehensive agreement signed in 2013 referred several difficult issues to separate negotiations to be concluded in 2014. These include changes to negotiating and conflict resolution systems, sanctions for violations of collective agreements, and salary increases in sectors not covered by collective agreements. Another case of new obligation on parties in employment disputes is the UK, where parties have to seek early conciliation with the Advisory, Conciliation and Arbitration Service (Acas) before referring a claim to an employment tribunal.

In Luxembourg, the government envisages revision of employment legislation covering both working conditions and social dialogue at company level. This will be discussed with the social partners during negotiations on working conditions. In Slovakia, the Constitutional Court is currently dealing with the last changes in the mechanism regulating extensions; consent of the employer affected by the extension is no longer a necessary precondition for the extension. The activities of employers are aimed at annulling the current legislation. In Italy, the issue of representation and representativeness will continue to be topical for industrial relations and the debate about a possible legislative intervention is likely to intensify.

Tripartite pacts

Discussions on tripartite pacts are on the agenda for 2014 in a number of countries. In Sweden, the discussion regarding the tripartite job pact between the government and labour market players will continue in 2014. In Slovenia, talks among social partners on a new social pact were supposed to start in mid-January 2014 and hence an attempted return to tripartism after the period of crisis. In France, the government will also implement by law the ‘responsibility pact’ in which the social partners agreed on some countermeasures to the announced decrease in the social contribution.

Wage-setting and pay

In Germany, the introduction of a national statutory minimum wage will be high on the agenda in 2014. In Denmark, collective bargaining will take place in the private sector in early 2014 with the aim of renewing the 2012–2014 collective agreement. The main topics will be real wages in manufacturing industry, as the trendsetting sector in Denmark, and social dumping in the construction sector. In Ireland, there are good prospects for private sector pay in 2014, but a national wage agreement is deemed to be unlikely. In Italy, if economic growth resumes, the issue of (and controversies about) collective bargaining decentralisation and productivity wages may acquire new momentum. In Lithuania, further growth in wages is expected in 2014. In Sweden, a continuation of the trend to more individual wage determination is expected for white-collar workers. In Spain, different evaluations of the effects of labour market reform agree that it favours wage moderation.

Working time

Working time issues are expected to undergo changes in 2014 only in a few countries. In Austria, a law on nursing care leave and on the combination of part-time work and caring will be implemented on 1 January 2014. In Luxembourg, the new government will draft proposals for legislation to establish working time accounts to give employers and employees greater flexibility in working time management, particularly to make training easier and to help individuals trying to reconcile work and family life. In the UK, the right to request flexible working will be extended to all employees, and not just parents and those with caring responsibilities. In Norway, the new conservative government will change the present legislation on working time regulation.

Health and safety at work

In France, Italy and the UK, some institutional changes are foreseen or expected to promote workplace health and safety. In France, the government has received a report on the future of the health and safety committee (CHSCT) that contains recommendations for a reform of this information and consultation body. In Italy, a parliamentary commission at the Senate to investigate accidents at work and professional diseases will be established in 2014 to contribute to a better knowledge of the issues at stake. In the UK, an important development in 2014 regarding workplace health issues will be the introduction of a new public Health and Work Assessment and Advisory Service, which will provide occupational health assessments for employees who are absent from work owing to sickness for more than four weeks. The aim is to cut levels of sickness absence.

In Estonia, discussions regarding the incapacity to work reform are ongoing and should be implemented by 1 July 2015. However, the implementation of two large reforms has been delayed/postponed (occupational accidents and illness insurance scheme and special pensions’ reform) and it is not known when these will be implemented.

In Bulgaria, it is expected that the social partners will conclude a national agreement on joint actions regarding to the introduction of the European framework agreement on work related stress (2004) and the European framework agreement on harassment and violence at work (2007).

In Slovakia, following the adoption of the OSH strategy and changes in related legislation in 2013, operational rules will be issued in 2014 on education and training in OSH issues.

Exit from employment

Discussions on pension systems and the retirement age remain on the agenda of many Member States, including Finland, the Netherlands, Norway and Sweden.

In Ireland from 1 January 2014, the effective state retirement age (the date from which the first-tier state pension is payable) increased from 65 to 66 years, as part of a phased increase that will culminate with retirement at 68 years from 2028.

Attempts to promote a longer working life are on the agenda in Austria and Luxembourg. In Austria, temporary invalidity pensions for under 50 year-olds were abolished on 1 January 2014. Instead, a rehabilitation allowance is being granted which is paid by the statutory health insurance and prolongs the sickness allowance received when employees are on sick leave. In Luxembourg, the government will finalise the draft law on age management for companies. The government wants to introduce an initiative which will make retirement a more flexible phase of working life by, for instance, making it easier for older workers to combine retirement with part-time work. As part of this initiative, the government will collaborate with the social partners on the drafting of a bill to reform the various forms of early retirement.

Skills

In the Netherlands, government and social partners in 2014 could find common ground on issues of education and training, in particular the promotion of technical subjects and careers. In Slovakia, implementation of measures supporting effectiveness of vocational education is expected in 2014. In the UK, the government's reforms of skills training are due to continue, with further measures to give employers (rather than training providers) a greater role in areas such as direct receipt of state funding. This will include the development of 'industrial partnerships', whereby employers, trade unions and other interested parties will take wider responsibility for skills development in a particular sector or geographical area.

Equality aspects

The introduction or revision of pay audits at company level is expected to take place in a number of countries. The UK envisages the introduction of a general requirement for employment tribunals to order for employers found guilty of gender pay discrimination to conduct an equal pay audit (October). Luxembourg is considering legislation on gender equality in the workplace and to prevent workplace harassment, based on the agreement concluded by the social partners in 2009. In France, the parliament will vote on the new law on equality between women and men that will introduce some changes in the Labour Code. In Germany, the employers and trade unions are divided on the introduction of a quota for female supervisory board members. Such legislative standards might trim the social partners' scope of action (for example, in terms of wage-setting) and might interfere in companies' managerial freedom.

Other topics

In three countries (Denmark, the Netherlands and Norway), the topics of social tourism and social dumping are likely to become 'hot issues'. In Denmark, the free movement of labour combined with Danish welfare benefits to foreign workers is currently the subject of a public debate and social dumping in the construction sector is likely to affect the next collective bargaining round. In Norway, the new government has also announced that it will evaluate policies on social dumping, a policy area given high priority by the former red-green government and the functioning of the Labour and Welfare Service.

In Cyprus, the government's privatisation plan will be at the centre of political and public debate. Despite its determination to proceed with the scheduled privatisations of the semi-governmental organisations, trade unions and other social organisations are proposing that the income from profitable semi-governmental should be channelled towards paying off debt.

Poverty reduction will be a main goal of the Latvian government in 2014.

The annual review for 2013 describes the main developments in industrial relations and working conditions in the EU Member States and Norway. The report dealt with the following topics:

- the organisation and role of social partners;
- pay and wage-setting;
- working time;
- health and safety at work;
- conditions of employment such as security, contractual arrangements, job mobility and transition, and gender equality and discrimination;
- entry into and exit from employment;
- skills development.

The economy of the EU stagnated in 2013, with real GDP falling in about half of the Member States. Elections and referenda took place in 18 EU countries and in Norway, resulting in a change of government in nine EU countries.

Developments at EU level concentrated on the involvement of the social partners in the European Semester process in 2013, the social dimension of Economic and Monetary Union, and the management of change. One of the most pressing social policy issues continues to be the fight against high youth unemployment. An important case affecting European industrial relations was that of the European framework agreement made by the European sectoral social partners in the hairdressing sector, which was not given a legal basis by the European Commission following intervention from the Member States. It needs to be seen what impact this case will have on further European-level negotiations and the mandate of the social partners to conclude binding agreements, as guaranteed for in the Treaty.

Organisation and role of the social partners

The organisation and role of social partners continued to be characterised by the overall trend of declining trade union membership in the majority of the EU Member States. Trend data from OECD/Visser et al (2014) show that, in the majority of countries for which data are available, trade union density declined; only in a small number of countries has it been stable since 2000.

Compared with 2012 and as far as reliable data are available, the year 2013 by and large shows a decline in many countries, but also a certain stability ($\pm 0.5\%$) of trade union membership in a good number of other Member States. The biggest reported declines in 2013 out of those countries able to provide such figures were Ireland, the Netherlands and the UK. The only Member States where correspondents reported an increase in overall trade union membership (based on a number of unions) for which data were available were Luxembourg and Malta.

The newest data from the European Company Survey (third wave carried out in 2013) show that, in the EU28 in 2013, a quarter of companies belonged to an employer organisation which was involved in collective bargaining. Such memberships cover four out of 10 employees in the EU, as bigger companies tend to be more often represented.

On the trade union side, four cases of mergers and further ongoing discussions about potential future mergers were reported. Changes in employers' organisations tended to internally oriented (for example, a shift to a new business model).

Collective bargaining

New and comparable figures from the European Company Survey 2013 show that six out of 10 employees in private sector activities working in establishments with 10 employees or more are covered by a collective wage agreement made at the company/regional/sectoral or occupational level (or any combination of these levels, where multiple interlinked agreements might be in place). The figures add up to seven out of 10 when national cross-sectoral agreements (for example, such as in Italy, Finland or Spain) are considered.

The years during and after the crisis have been marked by an increase in unilateral government decisions affecting collective (wage) bargaining. In 2013, a limited number of such newly introduced changes were identified up by the reporting for this annual review. For another limited number of cases (for example, in Lithuania and Slovakia), a return to a more favourable legislative environment for collective bargaining was noted.

While trend data on collective bargaining from the national level are very patchy and hard to compare, some reports give the impression that, in some countries, the sector level bargaining continues to be under strain (for example, in Greece, Portugal and Romania), with company level bargaining or individual agreements (for example, in Sweden) increasing in importance. The most dramatic case is Portugal, where the suspension of the extension mechanism has led to a dramatic fall in the number of workers covered by renewed agreements from over 1.4 million in 2010 down to less than 200,000 in 2013.

However, national or cross-sector level bargaining has resulted in a number of new agreements, such as the French agreement on labour market reform with improvements to employees' rights on information and consultation, or the Finnish nearly comprehensive agreement which included a plan to negotiate changes into social dialogue and collective bargaining system.

Industrial action

While labour quiescence was a general trend up to 2008, the years of crisis were marked by an increase in industrial action.

The most recent figures from the European Company Survey 2013 show that, according to interviews with employee representatives, almost one in 10 private sector establishments in the EU28 was faced with a strike of a day or more between 2008 and 2013, while 6–7 out of 100 experienced a 'softer' form industrial action such as the refusal to do overtime, a work-to rule or a strike of short duration of less than a day. Stronger forms of industrial action such as a blockade or occupation were extremely rare, with only one out of 100 establishments reporting to have one. A third of these incidences were specific to the company and two-thirds were 'general': that is, they dealt with issues outside the organisation (for example, at sectoral or national level). Of the company-specific cases, employee representatives reported that a balanced agreement was reached, in more than 40% of the cases, and in 17% of the cases the employer largely met the demands of the employees. In a minority of 5% of cases, employees dropped their demands, and in 35% the action ended but with the issue unresolved.

Statistics on industrial action at national level are incomplete but, where available, they point to an overall polarisation. A higher number of working days lost in 2013 compared with 2012 were reported from Austria, Cyprus, Finland and Ireland; only in Germany, Spain and the UK was a reduction reported. Almost no industrial action was recorded in the Czech Republic, Lithuania, Malta, Norway and Slovakia.

Pay developments

Increases in the average nominal collectively agreed pay in 2013 were roughly the same as or lower than those in 2012. In real terms, however, an opposite development took place. The available national data reveal that average nominal collectively agreed pay increases in 2013 were roughly the same as or lower than those in 2012 in all the countries examined. However, because of lower inflation rates, employees in a number of countries saw the purchasing power of their wages increase again. This is a change from the post-crisis trend observed since 2011 in many EU Member States.

Levels of the statutory minimum wage, in place in 21 Member States, decreased in real terms between 2012 and 2013 in seven countries and increased in 14 countries.

Working time

Workers in the most recent Member States (NMS13) continued to work more hours than those in the older Member States (EU15) in 2013. Many workers in the EU15 are covered by a collectively agreed maximum working week (or day) which was established below the Working Time Directive's provisions. However, collective bargaining does not play such an important role in the NMS13 in the definition of the maximum working weeks and the statutory maximum of 40 hours ends up applicable to most workers.

The directive's provisions on rest breaks from work are implemented in a variety of ways. In many Member States, particular attention was given to some sectors and occupations, such as transport and related occupations, and to situations such as weather conditions, smoking breaks, and whether the breaks should be paid or not.

Health and safety

Stress, the predominant health and safety issue at work in the EU, is lowest in the northern countries. New policies focusing on raising awareness and the prevention of health risks that make it easier for workers to continue working beyond retirement age were reported in Denmark and the UK.

Employment conditions

The main discussions and debates on employment conditions concentrated on contractual arrangements and increased flexibility, employment security, gender equality and support for disadvantaged groups, and job mobility and job transition. The majority of policies and legislation in this area sought to reduce gender inequality and to improve the position of disadvantaged groups in the labour market. Employment conditions played a role in collective bargaining in less than half of the Member States and Norway, mainly on a sectoral level.

Labour market transitions: Employment entry and exit

The high level of youth unemployment was one of the biggest social policy issues for the EU in 2013, with the entry of young people into the labour market an important subject in many Member States. Different types of measures to improve youth employment such as subsidies to encourage hiring, financial support to entrepreneurship and training were implemented. How to increase the employment of older people, the sustainability of pensions systems and the retirement age were also discussed and, in some Member States (for example, Poland and Spain), major changes were introduced.

Most policies tackling issues related to the entry and exit from employment are often developed and implemented separately. However, the French Law on the Generation Contract, which came into force in 2013, introduced a pioneering intergenerational approach. Across Member States, entry into and exit out of employment, with provisions for various age groups, are not often addressed in collective agreements (the exception being, for instance, Belgium and Germany). Indeed, the report from Spain even noted that a number of collective agreements contained disincentives for older workers to remain in employment.

Skills development

In the area of education, skills development and training, countries focus their attention to varying degrees on the employed, unemployed and the inactive working age population to deal with country-specific challenges. Topics attracting most public and political interest in the different Member State in 2013 were the issue of employability, the mismatch between supply and demand of skills, and the quality of education of young people in the light of high youth unemployment. Many Member States' policies and initiatives in this area concentrated on improving the employability of young people and other disadvantaged groups. The reform of the vocational training system played an important role in legislation for a number of Member States

Outlook for 2014

This review has demonstrated that what has been reported at national level is closely linked to the main challenges for the EU for 2014. These are:

- dealing with the ongoing effects of the crisis and its impact on labour markets and employment conditions;
- youth employment;
- the ageing workforce;
- skills development challenges.

The year 2014 will be one with major elections, adding additional uncertainty to the prediction of the expected direction of changes. However, the reports from the network of European correspondents show that the overarching theme for the implementation of legislation passed in 2013 is the further continuation of flexibilisation of the employment relationship and the labour market.

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Annex 1: Main social partner organisations by country

Country	Employers' organisations	Trade unions
EU level	BUSINESSEUROPE European Centre of Employers and Enterprises providing Public Services (CEEP) European Association of Craft, Small and Medium-sized Enterprises (UEAPME)	European Trade Union Confederation (ETUC)
AT	Austrian Chamber of Commerce (Wirtschaftskammer Österreich, WKÖ)	Austrian Trade Union Federation (Österreichischer Gewerkschaftsbund, ÖGB)
BE	Belgian Federation of Employers (Fédération des Entreprises de Belgique/Verbond van Belgische Ondernemingen, FEB/VBO)	Confederation of Christian Trade Unions (Confédération des Syndicats Chrétiens/Algemeen Christelijk Vakverbond, CSC/ACV) Belgian General Federation of Labour (Fédération Générale du Travail de Belgique/Algemeen Belgisch Vakverbond, FGTB/ABVV) Federation of Liberal Trade Unions of Belgium (Centrale Générale des Syndicats Libéraux de Belgique/Algemene Centrale der Liberale Vakbonden van België, CGSLB/ACLVB)
BG	Bulgarian Industrial Association (BIA) Bulgarian Chamber of Commerce and Industry (BCCI) Bulgarian Industrial Capital Association (BICA) Confederation of Employers and Industrialists in Bulgaria (CEIBG)	Confederation of Independent Trade Unions in Bulgaria (CITUB) Podkrepa Confederation of Labour (Podkrepa CL)
CY	Cyprus Chamber of Commerce and Industry (CCCI) Cyprus Employers' and Industrialists' Federation (OEB)	Cyprus Workers' Confederation (SEK) Pancyprian Federation of Labour (Παγκύπρια Εργατική Ομοσπονδία, PEO) Democratic Labour Federation of Cyprus (Δημοκρατική Εργατική Ομοσπονδία Κύπρου, DEOK)
CZ	Confederation of Industry of the Czech Republic (Svaz průmyslu a dopravy ČR, SP ČR) Confederation of Employer and Entrepreneur Associations of the Czech Republic (Konfederace zaměstnavatelských a podnikatelských svazů ČR, KZPS ČR) Association of Entrepreneurs of the Czech Republic (Sdružení podnikatelů a živnostníků ČR, SPŽ ČR)	Czech-Moravian Confederation of Trade Unions (Českomoravská konfederace odborových svazů, ČMKOS) Association of Independent Trade Unions (Asociace samostatných odborů, ASO ČR) Association of Independent Trade Unions (Konfederace umění a kultury, KUK) Trade Union Association of Bohemia, Moravia and Silesia (Odborové sdružení Čech, Moravy a Slezska, OS ČMS) Christian Trade Union Coalition (Křesťanská odborová koalice, KOK)
DE	German Confederation of Employers' Associations (Bundesvereinigung der Deutschen Arbeitgeberverbände, BDA) Federation of German Industries (Bundesverband der Deutschen Industrie, BDI) German Confederation of Skilled Crafts (Zentralverband des Deutschen Handwerks, ZDH) German Chambers of Industry and Commerce (Deutscher Industrie- und Handelskammertag, DIHK)	Confederation of German Trade Unions (Deutscher Gewerkschaftsbund, DGB) German Metalworkers' Union (Industriegewerkschaft Metall, IG Metall) United Services Union (Vereinte Dienstleistungsgewerkschaft, ver.di) German Civil Service Association (Deutscher Beamtenbund und Tarifunion, dbb) Christian Trade Union Federation of Germany (Christlicher Gewerkschaftsbund Deutschlands, CGB)
DK	Confederation of Danish Employers (Dansk Arbejdsgiverforening, DA)	Danish Confederation of Trade Unions (Landsorganisationen i Danmark, LO)
EE	Estonian Employers' Confederation (ETTK)	Estonian Trade Union Confederation (EAKL)
EL	Hellenic Federation of Enterprises (SEV) General Confederation of Greek Small Businesses and Trades (GSEVEE) National Confederation of Greek Commerce (ESEE) Association of Greek Tourism Enterprises (SETE)	Greek General Confederation of Labour (GSEE) Confederation of Public Servants (ADEDY)

Country	Employers' organisations	Trade unions
ES	Spanish Confederation of Employers' Organisations (Confederación Española de Organizaciones Empresariales, CEOE) Spanish Confederation of Small and Medium-Sized Enterprises (Confederación Española de la Pequeña y Mediana Empresa, CEPYME)	Trade Union Confederation of Workers' Commissions (Confederación Sindical de Comisiones Obreras, CCOO) General Workers' (Unión General de Trabajadores, UGT)
FI	Confederation of Finnish Industries (EK)	Central Organisation of Finnish Trade Unions (SAK) Finnish Confederation of Salaried Employees (STTK) Confederations of Unions for Academic Professionals in Finland (AKAVA)
FR	Movement of French Entreprises (Mouvement des Entreprises de France, MEDEF) Confederation of Small and Medium-size Entreprises (Confédération Générale des Petites et Moyennes Entreprises, CGPME) Union Professionnelle Artisanale (Craftwork Employers' Association, UPA)	General Confederation of Labour (Confédération générale du travail, CGT) French Democratic Confederation of Labour (Confédération Française démocratique du Travail, CFDT) General Confederation of Labour – Force ouvrière (Confédération Générale du Travail-Force Ouvrière, CGT-FO) Confederation of Christian Workers (Confédération des Travailleurs Chrétiens, CFTC) French Confederation of Professional and Managerial Staff – General Confederation of Professional and Managerial Staff (Confédération Générale de l'Encadrement-Confédération générale des cadre, CGE-CGC)
HR	Croatian Employers' Association (Hrvatska udruga poslodavaca, HUP)	Union of Autonomous Trade Unions of Croatia (Savez samostalnih sindikata Hrvatske, SSSH) Independent Croatian Trade Unions (Nezavisni hrvatski sindikati, NHS) Matica – Association of Croatian Unions (Matica hrvatskih sindikata) Croatian Trade Union Association (Hrvatska udruga sindikata, HUS)
HU	Confederation of Hungarian Employers and Industrialists (Munkaadók és Gyáriparosok Országos Szövetsége, MGYOSZ) National Association of Entrepreneurs and Employers (Vállalkozók és Munkáltatók Országos Szövetsége, VOSZ) National Federation of Consumer Cooperatives (Általános Fogyasztási Szövetkezetek Országos Szövetsége, ÁFEOSZ) Hungarian Association of Craftsmen's Corporations (Ipartestületek Országos Szövetsége, IPOSZ) National Association of Strategic and Public Utility Companies (Stratégiai és Közszolgáltató Társaságok Országos Szövetsége, Stratosz)	Democratic League of Independent Trade Unions (LIGA) Autonomous Trade Unions Confederation (ASZSZ) Confederation of Unions of Professionals (ÉSZT) Forum for the Cooperation of Trade Unions (SZEF) National Federation of Workers' Council (Munkástanácsok) National Confederation of Hungarian Trade Unions (MSZOSZ) Metalworkers Union (Vasas) Federation of Trade Unions of the Chemical, Energy and Allied Workers (VDSZ) Democratic Union of Teachers (PDSZ) Teachers' Union (PSZ) Federation of Building, Wood and Material Workers' Unions (ÉFEDOSZ)
IE	Ibec	Irish Congress of Trade Unions (ICTU)
IT	Confindustri	General Confederation of Italian Workers (Confederazione Generale Italiana del Lavoro, CGIL); Italian Confederation of Workers' Trade Unions (Confederazione Italiana Sindacati Lavoratori, CISL); Union of Italian Workers (Unione Italiana del Lavoro, UIL)
LT	Lithuanian Confederation of Industrialists (LPK) Lithuanian Business Employers' Confederation (LVDK)	Lithuanian Trade Union Confederation (LPSK) Lithuanian Labour Federation (LDF) Lithuanian Trade Union 'Solidarumas' (LPS 'Solidarumas')

Country	Employers' organisations	Trade unions
LU	<p>Luxembourg Business Federation (Fédération des industriels luxembourgeois, FEDIL)</p> <p>Luxembourg Bankers' Association (Association des Banques et Banquiers Luxembourg, ABBL)</p> <p>Association of Insurance Companies (Association des Compagnies d'Assurance, ACA)</p> <p>Luxembourg Trade Confederation (Confédération Luxembourgeoise du Commerce, CLC)</p> <p>Federation of Craft Workers (Fédération des Artisans)</p> <p>Hotel and Catering Employers' Association (Fédération Nationale des Hôteliers, Restaurateurs et Cafetiers, HORESCA)</p> <p>Chamber of Commerce of Luxembourg (Chambre de Commerce du Luxembourg, CDC)</p> <p>Chamber of Trades (Chambre des Métiers)</p>	<p>Confederation of Independent Trade Unions of Luxembourg (Onafhängege Gewerkschaftsbond Lëtzebuerg, OGB-L)</p> <p>Luxembourg Confederation of Christian Unions in Luxembourg (Lëtzebuenger Chrëschtliche Gewerkschafts-Bond, LCGB)</p> <p>Luxembourg Association of Bank and Insurance Employees (Association Luxembourgeoise des Employés de Banque et Assurance, ALEBA)</p> <p>General Public Sector Confederation (Confédération Générale de la Fonction Publique, CGFP)</p> <p>General Federation of Local Authority Employees (Fédération Générale de la Fonction Communale, FGFC)</p>
LV	<p>Latvian Employers' Confederation Latvijas Darba Devēju konfederācija, LDDK)</p>	<p>Free Trade Union Confederation of Latvia (LBAS)</p> <p>Latvian Trade Union of Education and Science Employees (Latvijas Izglītības un zinātnes darbinieku arodbiedrība, LIZDA)</p> <p>Latvian Railway and Transport Industry Trade Union (Latvijas Dzelzceļnieku un satiksmes nozares arodbiedrība, LDzSA)</p> <p>Trade Union of Health and Social Care Employees of Latvia (Latvijas Veselības un sociālās aprūpes darbinieku arodbiedrība, LVSADA)</p> <p>Latvian Trade Union of Public Service and Transport Workers LAKRS (Latvijas Sabiedrisko pakalpojumu un transporta darbinieku arodbiedrība LAKRS, LAKRS)</p>
MT	<p>Malta Chamber of Commerce, Enterprise and Industry</p> <p>Malta Chamber of Small and Medium-sized Enterprises (GRTU)</p> <p>Malta Employers' Association (MEA)</p> <p>Malta Hotels and Restaurants Association (MHRA)</p>	<p>Confederation of Maltese Trade Unions (CMTU)</p> <p>Forum Unions Maltin (FORUM)</p> <p>General Workers' Union (GWU)</p>
NL	<p>Confederation of Netherlands Industry and Employers (Verbond van Nederlandse Ondernemingen and Nederlands Christelijk Werkgeversverbond, VNO-NCW)</p> <p>Dutch Federation of Small and Medium-sized Enterprises (Midden en Klein Bedrijf-Nederland (MKB-Nederland)</p> <p>Dutch Confederation for Agriculture and Horticulture (Land en Tuinbouworganisatie-Nederland, LTO-Nederland)</p>	<p>Federation of Dutch Trade Unions (Federatie Nederlandse Vakbeweging, FNV) – by far the largest union in the federation is FNV Bondgenoten (industry and services), followed by AbvaKabo (civil servants)</p> <p>Christelijk Nationaal Vakverbond (Christian Trade Union Federation, CNL)</p> <p>Federation of Managerial and Professional Staff Unions (Centrale voor Middelbaar en Hoger Personeel, CMHF)</p>
NO	<p>Confederation of Norwegian Enterprise (Næringslivets Hovedorganisasjon, NHO)</p> <p>Enterprise Federation of Norway (Virke)</p> <p>Employers' Association Spekter (Spekter)</p> <p>Norwegian Association of Local and Regional Authorities (KS)</p>	<p>Norwegian Confederation of Trade Unions (Landsorganisasjonen i Norge, LO)</p> <p>Confederation of Unions for Professionals (Unio)</p> <p>Federation of Norwegian Professional Associations (Akademikerne)</p> <p>Confederation of Vocational Unions (Yrkesorganisasjonenes Sentralforbund, YS)</p>
PL	<p>Business Centre Club (BCC)</p> <p>Polish Confederation of Private Employers Lewiatan (Polska Konfederacja Pracodawców Prywatnych Lewiatan, PKPP Lewiatan)</p> <p>Employers of Poland (Pracodawcy Rzeczypospolitej Polskiej, Pracodawcy RP)</p> <p>Polish Crafts Association (Związek Rzemiosła Polskiego, ZRP)</p>	<p>Independent Self-Governing Trade Union Solidarity (Niezależny Samorządny Związek Zawodowy Solidarnosc, NSZZ Solidarność)</p> <p>All-Poland Alliance of Trade Unions (Ogólnopolskie Porozumienie Związków Zawodowych, OPZZ)</p> <p>Trade Unions Forum (Forum Związków Zawodowych, FZZ)</p>
PT	<p>Entrepreneurial Confederation of Portugal (Confederação Empresarial de Portugal, CIP)</p> <p>Confederation of Trade and Services of Portugal (Confederação do Comércio e Serviços de Portugal, CCP)</p> <p>Confederation of Portuguese Tourism (Confederação do Turismo Português, CTP)</p> <p>Confederation of Farmers of Portugal (Confederação dos Agricultores de Portugal, CAP)</p>	<p>General Portuguese Workers' Confederation (Confederação Geral dos Trabalhadores Portugueses, CGTP-IN)</p> <p>General Workers' Union (União Geral de Trabalhadores, UGT)</p>

Country	Employers' organisations	Trade unions
RO	<p>Romanian Employers Organisation (Patronatul Român, PR)</p> <p>Romanian National Council of Private Small and Medium Enterprises (Consiliul Național al Întreprinderilor Private Mici și Mijlocii din România, CNIPMMR)</p> <p>CONCORDIA Employers' Confederation (Confederația Patronală CONCORDIA, CP CONCORDIA)</p> <p>Romanian Association of Construction Entrepreneurs (Asociația Română a Antreprenorilor din Construcții, ARACO)</p> <p>General Union of Romanian Industrialists 1903 (Uniunea Generală a Industriașilor din România 1903, UGIR 1903)</p> <p>Confederation of Romanian Industrial Employers (Confederația Patronală din Industria României, CONPIROM)</p> <p>National Union of Romanian Employers (Uniunea Națională a Patronatului Român, UNPR)</p> <p>National Confederation of Romanian Employers (Confederația Națională a Patronatului Român, CNPR)</p> <p>General Union of Romanian Industrialists (Uniunea Generală a Industriașilor din România, UGIR)</p> <p>National Council of Romanian Employers (Consiliul Național al Patronilor din România, CoNPR)</p> <p>Romanian National Employers Organisation (Patronatul Național Român, PNR)</p> <p>Employers' Confederation for Industry, Services and Commerce (Confederația Patronală a Industriei, Serviciilor și a Comerțului, CPISC)</p> <p>National Union of Romanian Private Capital Employers (Uniunea Națională a Patronatelor cu Capital Privat din România, UNPCPR)</p>	<p>Meridian Trade Union Confederation (Confederația Sindicală Națională Meridian, CSN Meridian)</p> <p>Cartel Alfa National Trade Union Confederation (Confederația Națională Sindicală Cartel Alfa, CNS Cartel Alfa)</p> <p>National Trade Union Bloc (Blocul Național Sindical, BNS),</p> <p>Frăția National Confederation of Free Trade Unions of Romania (Confederația Națională a Sindicatelor Libere din România Frăția, CNSLR Frăția)</p> <p>Confederation of Romanian Democratic Unions (Confederația Sindicatelor Democratice din România, CSDR)</p>
SE	<p>Confederation of Swedish Enterprise (Svenskt Näringsliv)</p> <p>Swedish Association of Local Authorities and Regions (Sveriges Kommuner och Landsting, SKL)</p> <p>Swedish Agency for Government Employers (Arbetsgivarverket)</p>	<p>Swedish Trade Union Confederation (Landsorganisationen i Sverige, LO)</p> <p>Swedish Confederation of Professional Employees (TCO)</p> <p>Swedish Confederation of Professional Associations (SACO)</p>
SI	<p>Chamber of Commerce and Industry of Slovenia (GZS)</p> <p>Slovenian Employers' Association (ZDS)</p> <p>Slovenian Chamber of Commerce (TZS)</p> <p>Chamber of Craft and Small Businesses of Slovenia (OZS)</p> <p>Slovenian Employers' Association of Crafts (ZDOPS)</p>	<p>Union of Free Trade Unions of Slovenia (Zveza svobodnih sindikatov Slovenije, ZSSS)</p> <p>Confederation of Public Sector Trade Unions (Konfederacija sindikatov javnega sektorja Slovenije, KSJS)</p> <p>Confederation of Trade Unions of Slovenia Pergam (Konfederacija sindikatov Pergam Slovenije, Pergam)</p> <p>Confederation of Trade Unions '90 of Slovenia (Konfederacija sindikatov '90 Slovenije, Konfederacija '90)</p> <p>KNSS – Independence, Confederation of New Trade Unions of Slovenia (KNSS – Neodvisnost, Konfederacija novih sindikatov Slovenije, KNSS)</p> <p>Union of Workers' Trade Unions of Slovenia – Solidarity (Zveza delavskih sindikatov Slovenije – Solidarnost)</p> <p>Slovene Union of Trade Unions Alternativa (Slovenska zveza sindikatov Alternativa, SZS Alternativa)</p>
SK	<p>Federation of Employers' Association (Asociácia zamestnávateľských zväzov a združení Slovenskej republiky, AZZZ SR)</p> <p>National Union of Employers of the Slovak Republic (Republiková únia zamestnávateľov Slovenskej republiky, RÚZ SR)</p>	<p>Confederation of Trade Unions of the Slovak Republic (Konfederácia odborových zväzov Slovenskej republiky, KOZ SR)</p>
UK	<p>Confederation of British Industry (CBI)</p>	<p>Trade Unions Congress (TUC)</p>

Annex 2: Names and affiliations of authors of reports (Eurofound's Network of European correspondents)

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This report describes the main developments in industrial relations and working conditions in 2013 in the 28 EU Member States and in Norway, from both a national and EU-level perspective. Beginning with an overview of the current economic and political context in these countries, the report goes on to outline trends in industrial relations, including changes in the role and organisation of the social partners and the impact of government measures and legislation. The report highlights policies and initiatives, legislative developments and social dialogue in the following areas: industrial action, pay and wage-setting, working time, health and safety at work, conditions of employment – including job security, contractual arrangements, job mobility and transition – gender equality and discrimination, entry into and exit from employment, and skills development.

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