

# Representativeness of the European social partner organisations: Furniture sector

## Executive summary

### Introduction

This study aims to provide the necessary information to encourage sectoral social dialogue in the furniture sector in the EU28. Eurofound's series of representativeness studies aims to identify the relevant national and supranational social partner organisations in the field of industrial relations in selected sectors. To accomplish this, this study identifies the relevant national social partner organisations in the furniture sector through a top-down approach (listing the members of the European affiliations) and a bottom-up approach through the national correspondents from Eurofound's network of European correspondents.

A national sector-related organisation is included in this study if it is either regularly involved in sector-related collective bargaining and/or is affiliated to a 'sector-related' European association of business or labour on the Commission's list of European social partner organisations consulted under Article 154 of the Treaty on the Functioning of the European Union (TFEU) and/or participates in the sector-related European social dialogue.

A European association is considered to be a relevant sector-related interest organisation if it is on the Commission's list of interest organisations to be consulted on behalf of the sector under Article 154 of the TFEU; or it participates in the sector-related European social dialogue; or it has requested consultation under Article 154 of the TFEU.

### Defining the sector

For the purpose of this study, the furniture sector is defined using the Statistical Classification of Economic Activities in the European Community (NACE) to ensure the cross-national comparability of the findings. The

furniture sector is defined as embracing NACE (Rev. 2) 31. This includes the following activities:

- 31.01 Manufacture of office and shop furniture;
- 31.02 Manufacture of kitchen furniture;
- 31.3 Manufacture of mattresses;
- 31.09 Manufacture of other furniture.

### Economic background

The furniture sector is relatively small, employing 1,176,200 workers in the EU28 in 2014, representing 3.5% of employment in the manufacturing sector. Men make up the majority of workers, accounting for around 77% of total employment, higher than the average in the manufacturing sector as a whole (70%).

Small and medium-sized enterprises (SMEs) predominate in the sector. Around 97% of the industrial structure is composed of companies employing fewer than 50 workers; around 85% are micro enterprises. Fewer than 1% of companies have more than 250 staff. However, large enterprises with more than 250 staff generate 26% of the total value of furniture produced in the EU.

Approximately 20% of total world furniture production is provided by about 200 major furniture manufacturing companies. Analysis of EU market sources in the last decade shows the following trends that confirm the growing impact of globalisation:

- the share of domestic production in each country's consumption has decreased everywhere (with the exception of Austria and Belgium);

- this trend is also seen in the largest markets of Germany, Italy, France and the UK, with a contraction of about 10% in the share of national production;
- import penetration from countries outside the EU has increased over the last decade for all markets, with the highest percentage increases in the Netherlands and the UK.

The furniture market has traditionally been very cyclical and sensitive to the economic situation. The sector has been among the most severely affected by the financial crisis: between 2008 and 2013, total employment in the sector decreased by 22%.

## National level of interest representation

### Trade unions

In all EU28 countries, at least one sector-related trade union has been identified. In total, 58 sector-related trade unions are identified that fulfil the criteria for inclusion in the representativeness study. Only one sector-related trade union is recorded in 11 countries, two in nine countries, three in four countries, while four countries record four or more sector-related unions (showing a fragmented landscape). Hence, the union landscape is non-fragmented compared to other sectors such as road transport and logistics, although a pluralistic or semi-pluralistic structure exists in more than half the countries (17 countries out of 28).

Of the 53 unions for which information is available, 45 are involved in sector-related collective bargaining. Accordingly, 77% of the trade unions identified in the study are taking part in collective bargaining in the furniture sector. However, in Estonia, Luxembourg and Poland, no trade union is involved in collective bargaining.

### Employer organisations

In total, 43 sector-related employer organisations are identified. The employer organisations landscape is non-fragmented in most of the countries. Thus, 18 countries present a monopoly representative structure, recording only one employer organisation, while six countries record two employer organisations. In three countries (Germany, Italy and Latvia), a pluralistic employer organisation landscape exists. In

Germany and Latvia, three employer organisations are recorded while in Italy, seven sector-related employer organisations have been identified, thus showing a very fragmented landscape.

In 18 countries, employer organisations are involved in collective bargaining. In six countries (Czech Republic, Ireland, Lithuania, Malta, Poland and Romania) no sectoral employer association included in the study is involved in collective bargaining. In Hungary, Latvia Portugal and Spain, at least one of the employer associations included in the study is not involved in collective bargaining. Information was not available for the employer organisation from Estonia.

## EU-level representation

The organisations listed by the European Commission as a social partner organisation to be consulted under Article 154 of the TFEU are, on the employees' side, the European Federation of Building and Woodworkers (EFBWW) and on the employers' side, the European Furniture Manufacturers Federation (UEA) and the European Furniture Industries Confederation (EFIC).

EFBWW and UEA have participated in the Furniture Sectoral Social Dialogue Committee since 2001. In 2006, the EFIC joined the Sectoral Social Dialogue Committee. Since 2008, the most important achievements of the Sectoral Social Dialogue Committee have been a joint declaration calling on the European and national authorities to help the industry confront the economic crisis (2009) and a joint position on the New Community Strategy on Occupational Safety and Health (2012).

## Conclusions

Top-down and bottom-up analyses of the furniture sector in EU28 countries show that EFBWW, UEA and EFIC are the most important European-level social partner organisations based on their membership. However, it is worth noting that both UEA and EFIC have no presence in a significant number of EU Member States although, between them, they cover much of the EU. Analysis of the legal statutes of the three organisations reveals that only UEA has no statutory mandate to negotiate on behalf of its members. Finally, no relevant European social partner competitor is identified on the employee side or the employer side.

### Further information

The report *Representativeness of the European social partner organisations: Furniture sector* is available at <http://www.eurofound.europa.eu/observatories/european-observatory-of-working-life-eurwork/representativeness-studies>

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