

# **REPORT ON NATIONAL TRENDS ON INDUSTRIAL RELATIONS IN THE COMMERCE SECTOR**

*"The Industrial Relations in the commerce sector: analysis of organizational models and tools developed by social partners at European and national member States level to guarantee more opportunities to workers and companies".*

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## INTRODUCTION

In Italy the most representative trade unions in charge of sign the national contracts for employees in the tertiary sector are: FILCAMS – CGIL; FISASCAT – CISL; UilTuCS – UIL; and for employers is Confcommercio. The Collective Bargaining Agreement delegated at these local social partners the management of industrial relations of second level. But In Umbria, as in many other Italian regions, the labor relations of this type present several limits.

The topics of which the social partners have discussed and disputed or, on the contrary, found common points of are:

- Training;
- Regulation of the labor market;
- Labor disputes,
- Union agreements in individual production units;
- Training programs for apprenticeship within the Bilateral Entity.

Unfortunately in the Province of Perugia a Territorial Agreement has not been signed in the strict sense. This is probably due to the high concentration of small / micro businesses, therefore to the presence of a pulverized and not unionized sector. This fact reflects, on the other hand, the real national trend. The image of the spread of regional agreements is well represented by the classic leopard skin spots. In fact, the lack of an effective development of the industrial relations' processes may have contributed to the limited knowledge of the reference contract by the side of workers and companies, causing the loss of some of the opportunities offered by the collective bargaining. Over the last few years, in our reality, the bilateralism has favored a significant change in an opposite direction both in reference to the development of industrial relations and to the knowledge of the National Contractual Agreement of reference.

From this premise the current project was born from the desire and the need to compare the local (Italian) situation with other European ones with the purpose of:

- Knowing the models of industrial relations;
- Knowing the vision and the logic of conciliation of Eurocommerce and Uni Europe;
- Identifying other patterns of bilateralism;
- Investigating some issues of particular interest for companies and workers.

## CHAPTER 1 The project and its objectives

The ***Bilateral Tertiary Institute: distribution and services of the province of Perugia*** is the project leader of "*Industrial relations in the commerce sector: analysis of organizational models and tools developed by European social partners and national member states to guarantee more opportunities for workers and companies*".

The project, funded by the European Commission (DG Employment Social Affairs and Social Inclusion), started in late 2011 with the aim of collecting and facilitating the exchange of information between the partners, with regard to methods of bargaining and areas and levels of application of collective agreements; creating a collection of the contractual models and best practices in industrial relations, drawing a picture of the legal aspects of reference for each country, highlighting the role and positive actions that social partners have developed into five themes:

1. employment contracts that facilitate entry into the world of work and provide the training courses to increase the skills of workers;
2. reconciliation of work - family;
3. management models that provide for the participation of workers and pay systems linked to productivity;
4. income support for workers and companies;
5. safety in the workplace

- Position at European promoted by the Sectoral Committee Eurocommerce;

Reflecting the comparison of the different models, the exchange of knowledge has made possible to

- promote and revive the debate about the method of negotiation in order to improve industrial relations and social dialogue;
- Facilitate the dissemination of the Collective Bargaining Agreement with the membership in order to create the conditions for fair competition among operators.
- Enhancing the skills of the staff of the partners involved;

This approach has been supported by:

- Workshop and seminars amongst European partners
- National Dissemination seminars;
- Web platform ([www.ebtperugia.it](http://www.ebtperugia.it) / europeplan);
- Forum;
- Newsletters.

A special grid has been used to gather information in common, uniform and comparable way and to facilitate partners in data research despite the difficulties linked to the specific technical language, sometimes not easy to translate. Therefore the grid is a schematic way of collecting information about the partner's structure, activities and models of industrial and relations and bilateralism. It is divided into five sections:

- section 1: presenting your structure and legal entity (no. 8)
- section 2: describe the characteristics of the Collective Labour Contract
- section 3: indicate your structure's experiences with bilateralism, or those you are aware of.
- section 4: Industrial Relations. Illustrate your model. (indicate the legislative framework of reference and the provisions of the Collective Contract)
- section 5: the five themes.

## **CHAPTER 2: The Partners**

### **Belgium**

#### **Buurtsuper.be**

*Tweekerkenstraat 29 bus 5, 1000 Brussel*

*Telefono: 0032 2 238 06 31 - Email: [luc.ardies@unizo.be](mailto:luc.ardies@unizo.be) - Sito web: [www.buurtsuper.be](http://www.buurtsuper.be)*

Non-profit organisation

Buurtsuper.be vzw is the UNIZO federation for the independent food retail and defends the interests of independent food retailers, from small self-employers to big independent supermarkets. Buurtsuper.be organises a wide range of services for these retailers.

Buurtsuper.be represents 25000 independent food retailers in the joint committee 201 which discusses topics on labour conditions, employment premiums, grants on educational initiatives for employees and jobseekers, premiums for childcare costs.

### **Greece**

#### **Labour Institute of GSEE (INE/GSEE)**

*Em. Benaki 71 A, PC 106 81, Athens, Greece*

*Phone: +30 210 82 02249, +30 210 8202250 - Email: [ekousta@inegsee.gr](mailto:ekousta@inegsee.gr), [ineobser@inegsee.gr](mailto:ineobser@inegsee.gr) - Web site: [www.inegsee.gr](http://www.inegsee.gr)*

Non-Governmental Research Institute

INE/GSEE's main activities involve the generation of researches and studies on labour and employees issues important to the Greek economy and the Greek Labour movement. Its main strategy is to provide scientific justification and therefore assist in the social and political intervention of the Greek General Confederation of Workers (GSEE). Most of INE/GSEE's studies concern the demand of equal opportunities of the employed and the unemployed, the battle against social and financial exclusion in the Greek society, the information of trade unionists on the realities and problems of the unemployed as well as producing suggestions in order to counter the problem. In addition to its scientific pursuits, INE/GSEE also plans and partakes in the realization and development of national and European projects focusing on assisting the weaker social stratae via professional training and support initiatives as well as to inform and train trade unionists through the circulation of newsletters and hosting seminars and training programmes at national and European level.

### **Italy**

#### **Ente Bilaterale del Terziario: distribuzione e servizi della provincia di Perugia**

*Via settevalli, 320 – 06129 Perugia*

*Phone: +39 075 506711, +39 075 50 67 177 - Email: [info@ebtperugia.it](mailto:info@ebtperugia.it) Web site: [www.ebtperugia.it](http://www.ebtperugia.it)*

Bilateral Organism

It 's an entity joint, established in the Collective Bargaining Agreement, consisting of the Confcommercio Companies in Italy in the province of Perugia, Filcams - CGIL; Fisascat - CISL; UILTuCS - UIL

The Agency helps companies and employees with services transferred by the Contracting Authority and the national legislation,

agreed by the social partners in several areas:

- Negotiating area: Vocational training; conciliation of work; Representative for the territorial security.
- Sector Welfare: solidarity funds for workers and businesses.
- Field training: projects Interprofessional Funds (For.Te.), European tenders.

### **Latvia**

#### **Latvian Traders association**

*Latvia, Riga, Bruņinieku Street 12-9, LV-1001*

*Tel. +37129548484, tel. +37126828548 - e-mail: [hd@trade.lv](mailto:hd@trade.lv), [birojs@lta.lv](mailto:birojs@lta.lv) - [www.lta.lv](http://www.lta.lv)*

Latvian Traders association initiates changes in bills and legislation, coordinates state's and business interests, represents traders' opinion in various state's advisory boards and media; provides individual advice to commercial business, assistance for arranging and obtaining the business documents. Association members can get a competent professional explanation on the law-enforcement practice, and defence in case of unjustified repressions and help in conflict settlement, discuss and propose amendments to legislation, get assistance in ensuring the fair competition, use various

discounts offered by the Association and its partners, be represented in national advisory councils and non-governmental associations to promote entrepreneurship, raise qualifications in courses and seminars organized by Association, participate in vocational and recreational activities – in the competition “The Best Trader in Latvia”, “Product of the year”, in the honours “The best trader in Latvia” and “The Best Producer - Distributor”, sports events for traders etc. activities. Latvian Traders association Council and the Major Traders Union meet once a month, but Excise Traders Union meets once a quarter to discuss the topical issues.

## Spain

**Confederación de Comercio de Cataluña, CCC**

**C/ Via Laietana, 32, 2P 08003 Barcelona Spain**

**Phone: +34 93 491 0606 - Email:ccc@confecom.cat - Web site: www.confecom.cat**

During these 25 years the CCC has promoted many initiatives aimed at Catalan retailers, so they could have more powerful tools to improve their competitiveness. The areas of work of the CCC are:

- Deepening social dialogue with unions representing the employees (UGT and CCOO).
- Direct negotiation of the General Commerce Agreement of Catalonia.
- Through its associated organizations, the negotiation of provincial agreements on the diverse commerce branches.
- Employment: promoting a reform of the labour relationships that enhances a more flexible labour market.
- Promoting professional qualifications, supporting vocational training schools and programs aimed at retailers and employees.
- Introduce environmental practices that improve the management of commercial waste, energy efficiency, and the minimization of the elements of pollution in all its forms.
- Planning and promotion of commerce: stability of the current regulation of business hours and the regulation of commercial organization.
- Leading, from the point of view of commerce, the problem of self-employed workers. Improving the set of social benefits for the self-employed and obtaining a tax framework adapted to the economic sector.
- Promoting rules for commercial organization and competition that ensure the SME's presence in the market.
- To collaborate with the industries of tourism and services to business, in order to strengthen the competitiveness of the entire group of SMEs.
- To ensure the presence of the SME sector in international bodies.
- Anti-dumping.

To ensure greater security in cities and towns in Catalonia through a reform of the criminal law.

## Belgium

**EuroCommerce**

**85, Avenue des Nerviens 1040 Brussels - Belgium**

TEL. + 32 2 737 05 82 - EMAIL: savoini@eurocommerce.be -

International organisation no profit. Established in 1998

EuroCommerce represents the retail, wholesale and international trade sectors in Europe. Its membership includes commerce federations and companies in 31 European countries.

Commerce plays a unique role in the European economy, acting as the link between manufacturers and the nearly 500 million consumers across Europe over a billion times a day. It is a dynamic and labour-intensive sector, generating 11% of the EU's GDP. One company out of three in Europe is active in the commerce sector. Over 95% of the 6 million companies in commerce are small and medium-sized enterprises. It also includes some of Europe's most successful companies.

The sector is a major source of employment creation: 31 million Europeans work in commerce, which is one of the few remaining job-creating activities in Europe. It also supports millions of dependent jobs throughout the supply chain from small local suppliers to international businesses.

### **Role of sectorial committees**

Deal with EU policies and with consensual issues

### **The scope and representative role of the European committees of sectorial social dialogue**

See the representativeness study of the Dublin Foundation: <http://www.eurocommerce.be/content.aspx?PageId=41864>

Strong points:

- good cooperation on consensual issues
- contribute to have more influence on shaping EU policies and to build alliances
- Gives visibility to the sector
- Support for capacity building in new member States and candidate countries

Weak points:

- Different views between the social partners regarding the issues to be dealt with at national or European level (not the same vision of the subsidiarity principle)
- Not all the EU Member States are represented, weak participation especially of representatives of new Member States and Candidate countries;

Imbalance in the representativeness at EU level between employers and trade unions organizations

### Evaluation of the relationship and industrial relations of the nations in a communitary sense

In the sectoral social dialogue from commerce we deal mainly with:

- health and safety at workplace;
- education, training and skill needs
- EU employment strategy
- Follow-up of EU sectoral policies with impact on the commerce sector

Follow-up of the SD outcomes (see enclosed work programme)

### Name of Organization

Belgium	Buurtsuper.be
Belgium	EuroCommerce
Greek	Labour Institute of GSEE (INE/GSEE)
Italy	Ente Bilaterale del Terziario: distribuzione e servizi della provincia di Perugia
Latvia	Latvian Traders association
Spain	Confederación de Comercio de Cataluña, CCC

### Legal form of the Organization

Buurtsuper.be	Non-profit organisation
Eurocommerce	International organisation no profit
Labour Institute of GSEE (INE/GSEE)	Non-Governmental Research Institute
Ente Bilaterale del Terziario	Bilateral Organism
Latvian Traders association	Employer's organisation
Confederación de Comercio de Cataluña, CCC	Association

## CHAPTER 3: The legal framework and the contractual model

### BELGIUM

#### The legal framework of reference

The social dialogue in Belgium contains:

- an interprofessional dialogue between employer organisations and employee organisations in the National Labour Council in which UNIZO, the umbrella organisation of Buurtsuper.be, represents the SME's. A Frame work agreement is set up for further sectoral dialogue.
- a sectoral dialogue between employer organisations and employee organisations: joint committees  
These joint committees set up concrete collective labour agreements on wage and terms of employment  
e.g. joint committee for independent supermarket (JC 202.01/ white collar workers)  
e.g. joint committee for blue collar workers in de food business (JC 119/ blue collar workers)  
Buurtsuper.be represents the employers

negotiations (every 2 year) on the collective labour agreements

## **The structure of the contract**

The CLA is typically binding: if the employers' organisations and unions which enter into the CLA are considered representative by the government, then the CLA is binding on all employers and employees, even if they are not part of the organizations concerned. At the request of a party to the CLA, the Minister of Social Affairs and Employment will declare a CLA "generally binding".

### **Agreement Model**

A CLA or collective labour agreement is an agreement which is entered into between unions and employers' organisations. The collective relations between employers and employees in a particular branch of industry are laid down in this agreement. The rights and obligations of both parties are stipulated in this document. The representative employers' organisations and unions negotiate the conditions of employment and the wage conditions for a specific period, and agree on a period of social peace (in Belgium typically two years).

The negotiations with a view to entering into collective labour agreements take place during the sectorial consultation between the representative employers' organisations and the unions. Additionally, for enterprises employing 50 people or more, there is consultation at company level. This consultation, however, must fit in with the sectorial agreement. No structural consultation takes place at company level in the case of SMEs (<50 employees). For these SMEs the conditions that apply are those which were agreed upon during the sectorial consultation and the collective labour agreements signed, in that context, by the representative organisations. These CLAs are generally binding, in other words, all enterprises must abide by them.

Within the joint committee for the independent retail trade (JC 201) and the joint committee for medium-sized food companies (JC 202.01), Buurtsuper.be and its umbrella organisation UNIZO, together with the unions, in 1997 created so-called 'Regional Consultation Bodies' for enterprises employing more than 20 people:

These 'regional consultation bodies' have the authority to handle individual or collective disputes or conflicts pertaining to the labour relations, the application within companies of the social legislation, the collective labour agreements, the individual employment agreements and the company rules.

#### a) Conflict mediation

Individual complaints which are lodged with the representatives in the regional consultation body are handled within the regional consultation body. The regional consultation bodies are chaired by the chairman of the joint committee. The members of the regional consultation bodies may ask the chairman to add certain topics to the agenda provided that they are within the competence of the regional consultation bodies. The competent regional consultation body invites an employer in the event of a dispute or an argument of a collective nature arising in the company.

#### a) Organisation of the information

The powers of the 'regional consultation bodies' also pertain to the organisation of the information of the employers and employees by their respective representatives. This information relates to the labour relations and the application of the social legislation, the collective labour agreements and the company rules. Employers' organisations or unions may also spread information about the social legislation, CLAs etc. within the company provided that they advise the regional consultation body and the employer in advance. This information must remain objective and correct and must be respectful of employers and employees.

The information is provided to the employer, who disseminates it as follows:

- either, by way of 'official notification', within the company, on a notice board placed in a spot which is easily accessible to the employees;
- or by an employee of the company.

In the event that the employer is opposed to the information being disseminated, he must give the reasons for this refusal to the regional consultation body.



## Definition of Bilateral Institutes/Bilateralism

Employers organizations and workers organizations are represented in a common Social Fund for the independent retail branch (SF 201 and SF 202.012). Employers pay a contribution of 0,50% on the gross amount of the salary of the employees to the Social Fund. Both organizations decide on the board of the Social Fund which actions are financed with the budget. The goal of the Social Fund is to promote employment and especially people who belong to risk groups.

### Bilateral experiences

- Subsidies for training costs
- Subsidies to employ risk groups (low educated people, disabled people, unemployed, ...)
- Subsidies for costs childcare

## GREECE

### The legal framework of reference

In Greek law, the right to collective bargaining has been established as a right of constitutional order, is recognised as a social right and is set out within the framework of Article 22, par. 2 of the Constitution; the result of the collective bargaining is clearly stated to be binding for all parties. The current model of sectoral collective bargaining had remained mostly unrevised and unchanged since it was first introduced into law in 1990 (Law 1876/1990). According to this law, sectoral collective agreements cover employees of companies of similar or related industries or sectors and are signed by sectoral federations of employers and employees. Also according to the aforementioned law, the sectoral collective contract adheres to the national collective contract in respect to the minimum agreed wages and salaries as well as other non-wage agreements such as vocational training etc. Collective agreements at sectoral level (SSE's) cannot contain terms less favourable to workers than the terms and conditions agreed in the EGSSE and, in the case more than one SSE regulates an employment relationship then the one most favourable to workers applies (Article 10, Law 1876/1990).

The principal mechanism for settling labour disputes is the Organization for Mediation and Arbitration (OMED) and its main purpose is to help the Social Partners under negotiation to conclude to a solution through mediation when the negotiations cannot lead to an acceptable solution by both Parties. In the case when the mediation also proves unfruitful, both parties have the right to apply for arbitration. The Arbitration Award may substitute an agreement between the Parties, and for that reason it is legally equivalent to a Collective Labour Agreement, binding to both parties. However, the economic crisis brought changes in the role and function of the OMED (among others the right to arbitration is nullified by abrogating the right of unilateral appeal to arbitration or the stipulation that recourse to OMED prerequisites the consent of both parties).

The economic crisis starting in 2009 initiated a legislative trend that severely deregulates the labour relations. **Law 3986/2011 entitled "Emergency measures for the implementation of a medium-term fiscal strategy 2012 – 2015"**, which was passed according to urgent enactment proceedings and which includes, among other things, also the previous regulations regarding the abolition of the minimum wage provided for by the [National General Collective Agreement](#) (EGSSE) for young workers, so that investments become more "attractive": for young workers under 25 years of age the minimum wage is reduced to 80% of the national minimum wage determined by the EGSSE that is in force each time, while, for those aged 15-18, the minimum wage is reduced to 70% of the national minimum wage determined by the EGSSE that is in force each time. As for the matters directly regarding the labour relations, the law contains further regulations expanding the framework for the employment of workers under contracts of limited duration and the possibility of implementing the institution of working time arrangements. **More importantly, Law 4024/2011** entitled "*Pension regulations, uniform pay scale – rank scale, labour reserve and other provisions for the implementation of the medium-term fiscal strategy 2012 – 2015*" changes the regime of collective agreements (article 37), bringing about a further serious shake-up of labour rights, both in the public and in the private sector, through the abolition of the favourability principle, the prevailing of business-level agreements over the sectoral ones, the "freeze" of the expansion of the validity of the sectoral agreements in the entire production sector, but also through the abolition of all the restrictions with respect to the conclusion of business-level agreements. Most recently **the Ministerial Council Act no. 6 (FEK A' 38/20-01-2012)**, and for the duration of the fiscal adjustment programme, the minimum wage agreed in the EGSSE is cut down by 32% for employees younger than 25 years. As a consequence, this leads to the abolition of collective autonomy, brought about by article 37 of the Law, practically establishing the scenery for negotiations at an individual level, where the will of the employer always prevails.

## The structure of the contract

The collective contract may regulate issues concerning terms in individual contracts of employment, mainly terms concerning commencement, termination, salary, bonuses, working time, health and safety. In addition, the collective contract regulates issues relating to the protection and exercise of the trade union rights in a company (i.e. the procedures and conditions of the collective negotiations, mediation and arbitration, strike, internal work regulations, occupational health and safety and issues regarding codetermination and employee representation). Additionally, a collective contract may include clauses concerning the regulation of the contractual parties' rights and obligations, issues regarding social security, subject to special preconditions and limitations, issues regarding the interpretation of the terms of the collective agreement. A collective agreement may be of defined or undefined timeline; in any case, the collective agreement cannot be valid for less than one year.

### Agreement Model

A written contract between one or more trade unions and employer unions (or individual employers). A collective agreement may regulate the employment terms and other issues concerning the labour relations in general, for example, labour, financial, social security, social and trade union issues. The collective bargaining agreement is the legal expression of statutory principles and the right of collective autonomy as regulated by the Law 1876/1990. Collective agreements are generally ratified by law. This gives them a special legal status and the terms become rules of Public Order, having direct effect and mandatory force. The main types of collective contracts are the National General Collective Agreement, signed on a national level and establishing the minimum work conditions and wages across the country, the Sectoral Collective Agreements, regulating work issues of employees working in similar businesses and the Business Collective Agreement that regulates work issues within an enterprise.

#### Collective bargaining

All dependent salaried work is covered by the EGSSE determined through a collective bargaining between the GSEE (the workers' side) and [SEV](#), [GSEVEE](#), [ESEE](#) (the employers' side).

In addition, it is estimated that the various collective agreements cover 85% of workers.

The current system of collective bargaining has been in force by the Law 1876/1990 without any major changes or amendments until the economic crisis of 2009, causing land-sliding changes in labour relations. The law 1876/1990 differentiated national collective agreements into the following categories:

- The EGSSE sets minimum wages and salaries for workers all over the country and is signed by GSEE on the trade union side and SEV, GSEBEE and ESEE on the employer side.
- Sectoral collective agreements cover employees of many companies of similar or related industries or sectors, and are signed by sectoral federations of employers and employees.
- Company or plant-level trade unions and company management sign company collective agreements, which cover the employees of a single company.
- National occupational and local or regional occupational collective agreements, which cover employees engaged in a specific occupation or profession at national or local level, are signed by employer federations and occupational trade unions.

It also stipulated that collective agreements at sectoral, company and national or local occupational level (SSEs) could not contain terms less favourable to workers than the terms and conditions of employment set out in the EGSSE. If more than one current SSE regulates an [employment relationship](#), the one most favourable to workers applied, according to Article 10 of Law 1876/1990. Furthermore, a collective agreement at industry or company level overrides an occupational collective agreement if both were concurrently in force.

#### Legal parameters

In Greek law, the right to collective bargaining has been established as a right of constitutional order, is recognised as a social right and is set out within the framework of Article 22, par. 2 of the Constitution, which states:

General working conditions shall be determined by law, supplemented by collective labour agreements concluded through free negotiations and, in case of the failure of such, by rules determined by arbitration.

Thus, the terms laid down in the SSEs are binding for the parties.

The Minister of Employment and Social Protection (Υπουργείο Απασχόλησης και Κοινωνικής Προστασίας, [ΥΠΑΚΠ](#)) may decide to extend a collective agreement and declare it mandatory for all workers in a certain sector of economic activity if the agreement is already binding to employers employing 51% of the sector's or profession's workers. In practical terms, this means that, when an SSE is signed, all of the parties involved are bound by its terms and conditions irrespective of **whether they are members of the most representative organisations that took part in the bargaining on the SSE. However, law 4024/2011 has suspended the right of extension for Sectoral and National occupational collective agreements for a period of three years.**

There are no voluntary mechanisms for expanding and applying the regulations laid down in an SSE.

### **Bargaining framework**

Normally, in December of the year when the existing EGSSE expires, GSEE invites the employers' side to a bargaining round in order to sign a new EGSSE, usually for a two-year term. Wage-related issues, including remuneration and bonuses, are dominant in the bargaining agenda, and disagreements often arise regarding the rate of increase. To restore purchasing power, trade unions consider that, in determining the amount of wages, parties should take into account the inflation rate, increases in the prices of products and services, as well as the increase in work productivity. On the other hand, in an effort to boost competitiveness, employers consider the inflation rate as the top criterion and the rise in the cost of living as a secondary issue. Individual sectoral agreements normally follow the pay increases set by the EGSSE.

During the past few months, in the context of the support mechanism of the Greek economy, this manner of determination of minimum wages was substantially modified both at national and sectoral level. The all-inclusive nature of the collective bargaining came to a halt after the abolition of the EGSSE by the law 4046/2012. In addition, reports from the Ministry of Labour and Employment show estimations that in the near future, over 80% of the employed will be subject to individual contracts due to the severe deregulation of the collective bargaining framework. The main characteristics of this new scene are, on the one hand, the direct intervention of the state authorities in the determination of minimum wages and, on the other hand, the significant restrictions imposed to free collective bargaining.

It should be pointed out that the new round of inspection and assessment of the Memorandum's course in Greece (December 2011) by the IMF/ECB/EU representatives set the social dialogue between the "social partners" leading to a "partial agreement" on three points (the preservation of the minimum wage at current levels, the non intervention with respect to the 13th and 14th salary, the non abolition of the grace period of collective agreements (namely their continuing to be effective for a six-month period after they expire) and to a failure to reach an agreement on the "freeze" of pays in the private sector. The cause was the recent **Ministerial Council Act no. 6 (FEK A' 38/20-01-2012)** on the "Approval of the Program of the Memorandum of Understanding between the Hellenic Republic, the European Commission and the Bank of Greece and other urgent provisions on reducing the debt and saving the national economy" which changes the existing labor environment by introducing, inter alia, the reduction of the minimum wage: the reduction of the salary threshold by 22% (a monthly salary of 586 EUR is established) along with a reduction of the EGSSE's basic salary for young people under 25 years old by 32% (426,64 EUR), followed by a "freeze" by the end of the programming period.

### **Trend towards decentralisation**

Overall, the Greek collective bargaining system is centralised, both at an intersectoral and sectoral level. However, in recent years there is a trend for decentralised bargaining at a lower level – that is, at company level – as shown by the information provided by the Organisation for Mediation and Arbitration (Οργανισμός Μεσολάβησης και Διαιτησίας, [OMED](#)), which indicates a significant increase in company collective agreements.

#### **Other issues in collective agreements**

The unfavourable financial situation and the country's recourse to the IMF did not leave much room for demands with respect to other institutional matters in most sectors of the Greek economy. However, the 2010-2012 EGSSE included arrangements about vocational training, arranging for the payment of an amount of 20 Euros per year by each employer, so as to meet the summer camping needs of the children of unemployed and low-paid persons (about 25,000,000 Euros per year).

#### **Industrial conflict**

The 2010–2011 Greek protests were a series of demonstrations and general strikes taking place across Greece with an unprecedented –for Greek standards– participation of citizens. In this context, a "barrage" of strike action was called by GSEE and ADEDY, in protest against the changes in public-sector and private-sector labour relations brought about by the Memorandum.

On 23 February 2011, a 24-hour general strike, called by GSEE and ADEDY, for both the public and private sector takes place, involving up to 100,000 people in view of the renewal of the loan programme to Greece that had been conditioned on fiscal tightening. The measures adopted by Greece were considered harsh by the protesters.

On 11 May 2011, GSEE and ADEDY stage a strike in the private and the wider public sector, protesting against the government's economic policy. The entire Public Sector, the public utilities, the revenue departments, the social security funds, the public transports, the employees of Public Hospitals, the bank employees, the crews of all categories of ships (Pan-Hellenic Seamen's Federation), the mass media employees (Pan-Hellenic Federation of Journalists Associations) participate in the strike.

On 25 May 2011, and for 3 consecutive days, the Indignant Citizens Movement ([Greek: Κίνημα Αγανακτισμένων Πολιτών](#)), started demonstrating in major cities across Greece. Sparked by the [2011 Spanish Protests](#), these demonstrations were organized entirely using [social networking sites](#).

On 28 June 2011, Greek unions, including those in health, transportation, education, and government jobs began a 48-hour strike, in protest against the deteriorating economic situation and suggestions on the part of the government of Journalists and a number of artists also stopped working in solidarity with the protest. That day, demonstrations turned violent as protestors clashed with police in front of the Greek parliament and other areas of central Athens. Violence continued during the night and on 29 June, the day when a new package of deeply unpopular austerity measures was passed.

Hundreds of thousands of protesters, including employers, took part in a national 48-hour strike organised by the Greek General Confederation of Labour (GSEE) and the Confederation of Civil Servants (ADEDY) on 19 and 20 October 2011. The strikers, from both public and private sectors, were protesting against a draft law by the Ministry of Finance. It includes cuts in pay, jobs and pensions, and has been brought in as part of Greece's financial bail-out deal with the EU, IMF and ECB.

Finally, new strike action was taken by the trade unions, as GSEE and ADEDY held a 24-hour nationwide strike on the 1<sup>st</sup> of December, protesting "against the measures described in the 2012 budget" and the "pro-memorandum' policy of the new Government".

## **Mediation**

The principal mechanism used for settling labour disputes is OMED, which is primarily responsible for helping negotiating parties when negotiations come to a halt. However, strikes in Greece are mainly against government policy and the target of the relevant claims is the government, not employers in particular. In practice, this means that strikes do not end by filing an appeal with OMED, since the relevant claims are related to broader labour issues. At company or sectoral level, when it comes to individual labour issues that are within the scope of operation of OMED, strikes are fewer, which is mainly due to the low trade union density in the private sector. However, the economic crisis brought changes in the role and function of the OMED. According to new legislation, the employees' representatives are essentially stripped of their unilateral right to recourse to OMED in case the collective bargaining reaches an impasse (Law 3899/2010, article 12, §6) by stipulating that recourse to OMED prerequisites the consent of both parties. In the cases where the employer denies this solution, the employees can only strike in an attempt to assert their rights. Further, the right to arbitration was similarly nullified by abrogating the right of unilateral appeal to arbitration (Law 4046/2012, article 3, §1) while at the same time, the arbitration award, though still considered legally equivalent to a Collective Labour Agreement and binding to both parties, is confined to deciding the monthly wage and/or salary according to the need for business competitiveness and the need to cut down the unit labour cost (Law 4046/2012, article 3, §2-3).

## **Tripartite concertation**

The highest social dialogue body is the Economic and Social Council (Οικονομική και Κοινωνική Επιτροπή, [OKE](#)), which was set up in accordance with Law 2232/1994 and is similar to the corresponding EU entity – the [European Economic and Social Committee \(EESC\)](#). OKE comprises three segments representing employers, workers and a group that includes independent professionals, self-employed persons and local government organisation representatives. OKE advises the government in relation to taking measures on specific issues. The advisory role of OKE, through the submission of documented opinions, is a mandatory process to be followed prior to passing formal laws on matters concerning wider socioeconomic policy, and its advice is also requested by the government when considered necessary in connection with any current issues. Furthermore, OKE can take the initiative to provide advice on topics that it considers important.

The Opinions (Greek: Γνώμες) submitted by OKE (about 275 by March 2012) consist of unanimous opinions and those including at least two different viewpoints.

### **Workplace representation**

In accordance with the Greek labour representation system within enterprises, three main forms of representation exist at workplace level: trade unions, works councils and safety and health committees.

Company trade unions in Greece are limited in number, since Law 1264/1982 requires the existence of 21 members for setting up a trade union, and private enterprises employing over 20 workers represent no more than 3% of the total number of companies. The lack of trade union representation in companies is not offset by using alternative forms of union representation within those enterprises, since the law has not provided for the existence of a trade union representative – namely, a company employee acting as a union member or a sectoral organisation – to provide union coverage for the workplace in question.

Works councils can be set up in enterprises employing over 50 workers and, in the event that there is no company trade union, in those employing more than 20 workers.

Safety and health committees can be set up in companies employing over 50 workers; however, such companies represent only 2% of the total number of enterprises. Both works councils and safety and health committees are participation institutions that are functioning inadequately, since they have been established in only 30% of the eligible companies. Also, according to the article 37 of the Law 4024/2011, business-level agreements are signed by union representation in the business or, in the case where the business employees fewer than fifty workers (the minimum amount of workforce prerequisite for union representation), by a committee of workers. This committee must be comprised of three fifths (3/5) of the total workforce in the company, regardless of the size of workforce, and its duration has no set timeline. Thus, worker representation in the workplace is inadequate overall.

Participation institutions in Greece are the result of legislative initiatives. Works councils are set up in accordance with Law 1767/1988, while safety and health committees are established in accordance with Law 1568/1985.

#### Employee rights

There are two ways to ensure employee rights: judicial authorities and the Labour Inspectorate.

A total of three levels of jurisdiction are responsible for adjudicating cases subject to the labour disputes resolution procedure.

- The magistrate's court of first instance has a single judge.
- The Court of Appeals is competent to adjudicate disputes.
- The Supreme Court of Civil and Penal Law (*Areios Pagos*) is the highest level.

The Law stipulates that individual labour disputes are examined by the civil courts according to a special labour disputes procedure (Articles 663–676 of the Code of the Civil Procedure). The administrative courts are competent to adjudicate in cases involving disputes where the employment relationship is governed by rules of public law. The courts have the power to ban strikes that they find illegal or abusive. Employers are not permitted to lock out workers, or to replace striking workers.

The Labour Inspectorate (Σώμα Επιθεωρητών Εργασίας, [SEPE](#)) is an agency operating under the control of YPAKP and is set up at national and regional level. SEPE is responsible for: supervising and controlling the implementation of labour law provisions; the investigation, exposure and prosecution of violations of the labour law and illegal employment; investigating the social security coverage of workers; and providing information and recommendations on the effective implementation of labour law provisions. Labour inspectors working for SEPE may enter all workplaces freely on a 24-hour basis.

(SOURCE: EUROFOUND/EIRO, link: [http://www.eurofound.europa.eu/eiro/country/greece\\_4.htm](http://www.eurofound.europa.eu/eiro/country/greece_4.htm))

## Definition of Bilateral Institutes/Bilateralism

Throughout the 1990s there have been developments to improve social pacts as consistent with the general European trend. These attempts include introducing new legislation for free collective agreements and creation of new institutions to flourish social dialogue (e.g. OKE, OMED, ELINYAE). Generally speaking, however, the focus of collective bargaining since then has been about the wages. Therefore bilateralism in Greece has been a longer and more difficult process than many of the EU-member states due to the country's specific social and cultural characteristics. However, during the last decade there has been significant progress by the social partners in the sense of a wider social consensus.

Since 1991, there have been several bilateral institutes composed of experts from the workers syndicates and the employers' confederations. These institutions have assisted in promoting a spirit of cooperation and negotiation between the social partners which resulted in the social partners agreeing on the formation of a permanent bilateral institution called "VIMA DIALOGOU" (Social Partners' Forum) which is composed of equal representatives from all parties signing the EGSSE (GSEE, SEV, GSEVEE, ESEE) with the goal to meet bi-annually and research the labour market problems from a social and economic perspective and attempt to reach a decision on proposed actions by consensus.

## Bilateral experiences

The foremost bilateral institute in the country is the **Economic and Social Council of Greece** (OKE). The Greek ESC was established in 1994, based on the model of the ESC of the European Union: tripartite division of the interests represented, one of representatives of the employers (four representatives from SEV, GSEVEE, ESEE and SETE and one representative from minor employers' federations such as the Hellenic Federation of Bankers), one of the employees (GSEE and ADEDY) and one including the other categories, such as farmers, self-employed people, local government and consumers. As of May 2001, the Greek ESC has become a constitutionally recognised institution of the Greek state. The objective of the ESC is to promote the social dialogue and through it to formulate (if possible) mutually acceptable positions on issues of concern to society as a whole or specific social groups.

In addition to the OKE, other bilateral/tripartite institutes include the **Greek Institute for the Hygiene and Safety in the Workplace** (EL.IN.Y.A.E) the creation of which is an important result of cooperation and consensus between the employers and the employees in Greece, as well as the first of the Greek bilateral institutions. The way for the creation of EL.IN.YAE opened by the Article 7 of the National General Collective Labour Agreement (E.G.S.S.E.) of 1988 and was concluded by the Article 6 of E.G.S.S.E. of the years 1991-92. According to them, a mixed committee of experts from the Greek General Confederation of Workers (GSEE) and the National Confederation of Hellenic Commerce (ESEE) was formed by the findings of whose, submitted in July 1991, the basic principles for the founding of the ELINYAE were agreed upon. Subsequently, in June 25<sup>th</sup> 1992 the stature of ELINYAE was submitted at the high Court of Athens, forming a non-profit civil partnership. The purpose of EL.IN.YAE is: 1) The identification, recording, processing, analysis and investigation of harmful agents or events in the working environment and their impact on Health, Hygiene and Safety for workers. 2) The processing of rules, regulations and legislation. 3) The monitoring of international developments and experiences, the promotion and documentation of the issues. 4) The promotion of information and education of both

parties in Occupational Health and Safety. 5) The contribution to the investigation and dealing with problems arising from the interaction of work and wider environment and the general living and working conditions. 6) The study of possible effects in Health of workers through the application of new technology and methods for prevention of occupational hazards. 7) The provision of expert Health and Safety advice and/or assistance if requested by one parties (employers, employees).

Also, the **National Institute of Labour and Human Resources** (EIEAA), founded in 2011 and comprised of representatives from the State, the employers and the employees. The role of the National Institute of Labour and Human Resources is to monitor the labor market on a systematic basis, the organization, financing and implementation of training programs and training, to provide technical support to the activities referred to as well as to evaluate the integration policy of employment in local labor markets throughout the country, and promote measures assets character immediately.

Lastly, apart from the national institutes aforementioned, the national social partners are members of wider European institutes promoting social dialogue such as ETUC, BUSINESSEUROPE, CEEP and UEAPME and, in many cases, have reached a large number of autonomous agreements at the European level which they implement themselves, while others have been transformed into binding legislation.

## **ITALY**

### **The legal framework of reference**

Work is one of the fundamental principles established by the Constitution of the Italian Republic, a founding value of the Republic (art. 1). As a central source (at least formally) of Italian law, the ordinary law (and acts with force of law) are the primary tools by which the State seeks to maintain the delicate balance of the parties involved in labor relations. The Civil Code of 1942 gave the definition of employment (Art. 2094), the general principles of contract (art. 2060) and above all, comprehensive regulation for the protection of employees. After the Constitution became law, it evolved in three periods: an initial period of retention of the traditional model of intervention, with the expansion of existing safeguards (Laws n. 741 of 1959, n. 1369 of 1960 and n. 230 of 1962). A second period with Law n. 300 of 1970 (famously quoted as the Workers' Statute), by a legislative measure to support trade unions with the introduction of the proceedings of the anti-union repression. And finally the third and last period of reconciliation and worker protection in favor of the demands of efficiency and productivity of business and the liberalization of the labor market. Regulation of employment may be left to standard policies, in cases where there are no laws or related collective agreements. These practices may also prevail in case of disposition of law if they provide more efficient protection, but do not override the contract of employment. Business policies are considered as sources of labor law. Negotiation policies, coming under the area of individual autonomy, cannot be considered sources of labor law.

### **The structure of the contract**

The Tertiary CCNL, Distribution and Services, is divided into different sections and chapters: validity and scope; industrial relations systems (within which is also the issue of bilaterality); health and dignity of the person; dispute settlement; rules of employment (which contain all the rules, working hours, holidays, types of contracts, levels of supervision, the welfare contract, maternity and paternity leave, etc.); and finally, that relating to the commencement and duration of the collective contract.

### **Agreement Model**

The collective labor agreement (CCL) is a contract between employers or associations of employers and worker organizations whose object is to maintain the working conditions and relations between the contracting parties. It is governed by Articles 356-358 of the Code of Obligations.

The party that represents employers can consist of one or more employers or one or more associations of employers. The workers are always represented by one or more groups of workers (trade unions).

A collective agreement contains provisions on the traditional conclusion, content and the end of the employment agreement (regulatory requirements), provisions on the rights and obligations of the parties to each other (provisions relating to the law of obligations) and provisions on the application and control of the application of the CCL.

The regulatory provisions of a collective agreement, entered into force, become an integral part of the employment agreement. They will automatically apply to workers who are members of an association of contractors if the employer participates in the CCL. Employers who participate in a CCL generally apply the provisions of the CCL to workers who are not part of an association of workers. CCLs are made with a with a duration of validity, accompanied by the obligation to maintain social peace for the two parties.

## **COLLECTIVE LABOR AGREEMENT – UNION RELATIONS IN THE ITALIAN REGULATORY FRAMEWORK**

### ***1. Concept and types of collective agreements***

With the collective agreement of the conflicting common law, workers' unions and employers dictate the treatment and mandatory minimum that must be applied in the employment relationships existing between the workers and employers registered with the associations.

Inter-confederal agreements, collective agreements and those of national, regional, provincial or other geographical area, as well as corporate contracts are in the nature of collective common law.

The national collective labor contract – while not applying directly to non-union members who have signed it – is generally taken by the Court as a 'parameter' to assess the adequacy of remuneration and these standards apply to employment relationships.

#### *Other types of collective agreements*

Our system also recognizes collective agreements which are different from common law, such as:

- a) Corporate collective bargaining agreements;
- b) The collective bargaining agreements must be made effective for all members of the profession to which they refer (so-called extended 'erga omnes') under the appropriate delegated legislative decrees (see also point 6).

#### *The collective agreement in the Constitution*

The Constitution, Art. 39 provides that "registered trade unions' representative unit in proportion to their members, conclude collective labor agreements having mandatory effect for all members of the category to which the contract relates."

However, this presupposes a system of 'trade union registration' that, having never been implemented by ordinary legislation, does not allow the state to award a contract of this nature and effectiveness.

### ***2. Collective agreement of common law***

The freedom to conduct negotiations and conclude collective agreements of common law is recognized by the Constitution (Art. 39 "free union") and international standards ("right to collective bargaining").

Following abolition of wage indexing (contingency), Protocol 23 of July, 1993 was signed. It covered income policy and employment, contractual assets, labor policies and support for the production system; it created a new structure based on two bargaining levels: national sector bargaining (CCNL) and that at a company or local level (i.e. the second level).

This protocol has been replaced by a new framework signed by the Government and social partners on January 22, 2009, which was implemented in a subsequent inter-confederal agreement on April 15, 2009 between CISL, UIL and UGL CONFCOMMERCIO.

The two levels for collective bargaining remain – national and local – each lasting three years both for economic and legislative fields. All national contracts, whether first or second level, which expire after April 15, 2009, and all previous contracts with earlier expiration but not yet subject to renewal will be renewed according to the rules of the current agreement. The principle new features include:

- Harmonized index of consumer prices; instead of the planned inflation rate, it is identified by the HIC (harmonized index of consumer prices), which will express the growth of consumer prices in Europe with reference to Italy. The development of the prediction will be entrusted to a third party. The new index will be applied to a value identified by the specific agreements;
- Renewal of contracts: specific arrangements will define the timing of negotiations for the renewal of contracts in order to avoid excessive extensions. Upon the expiration of the contract, economic coverage for workers will be recognized in individual collective agreements on the date of ratification;
- Bonuses linked to productivity: greater emphasis on second-level bargaining for economic incentives linked to achieving objectives of productivity, profitability, quality, efficiency and results related to the financial performance of businesses;
- Specificity of second-level bargaining: exercised over matters delegated by the national contract or by law, and institutions not already negotiated on other levels of bargaining; specific agreements may provide for procedures and conditions for small and medium industries because of their size, conducive to the spread of second-level bargaining, and may set terms and conditions to change individual economic institutions or standards of national collective agreements.

#### *Identification of the applicable collective agreement*

The national collective labor contract applies – except as stated on its subjective effect - to work relationships for persons belonging to the category of workers and employers to which it refers. Pursuant to Art. 2070 paragraph 1, Ref. civ., the category – except in special cases (e.g. janitors and building custodians) – is usually identified on the basis of the employer's activity, not in relation to the activities performed by an individual worker. It follows, for example, that the contract of a truck driver responsible for transporting products from a chemical company will be controlled by the collective bargaining agreement for the chemical industry rather than by the transport company. If the company has different types of business activities, the collective agreement is determined with reference to the prevalent one.

The determination of the prevailing activity is done by combining the various criteria:

- the costs and revenues associated with each;
- the volume of labor force employed in relation to each.

According to paragraph 2 of the cited article, if the employer performs different autonomous and distinct activities, he/she may apply the corresponding collective agreement to the respective single activity.

However, according to case law, the possibility of applying by analogy the collective agreement to persons in fields other than those covered by the contract is precluded.

#### *Application in Time*

The collective agreement of common law applies only during the period for which it has been stipulated. The principle of continuing activity established by Article 2074 of the Civil Code applies only to corporate contracts.

However, the following still hold true:

- The employee shall retain the rights provided by the contract expired in the period between the expiration and renewal thereof;
- The group can, as part of their negotiating autonomy, provide, at the signing of the new contract, for retroactive coverage for the period that had remained 'uncovered.'

#### *3. Company collective agreement*

The company agreement is a common law agreement between the union representatives in the company and the employer. It does not constitute a collective agreement, but rather an agreement reached with a number of individual workers instead of with the union representatives, which constitutes a multi-person contract.

The inter-confederal Agreement of June 28, 2011 states that the national collective labor contract is designed to ensure certainty of economic and regulatory measures common to all workers employed throughout the country, while company negotiations are exercised for matters delegated by the national contract or by law.

Therefore, business agreements can define, even on an experimental basis and within the limits and procedures laid down by the CCNL, modifications to the regulations contained in collective bargaining. If not planned and pending contract renewals, the Company contracts with business representatives in consultation with the local organizations may regulate by modifying agreements on work performance, hours and organization of work, to manage whether in crisis situations or during significant investments aimed at economic development and employment.

The company agreements are effective both for economic and regulatory issues for all staff, and binding on all signatories to the inter-confederal Trade Unions operating within the company, if approved:

- by the majority of the RSU members;
- by the RSA formed by the Trade Unions to whom are sent most of the proxies related to the union contributions by workers in the year prior to ratification. The workers are called to vote to approve the collective bargaining agreement if, within 10 days of the conclusion of the contract, at least one organization signatory of inter-confederal or at least 30% of workers request it. The vote is valid if it 50% plus one of the owners participate.

The agreement is rejected by a simple majority vote.

The legislature has also intervened in support of collective bargaining at the local level (called 'neighborhood contracts') and decided that, subject to compliance with the Constitution and the constraints arising from EU legislation and international labor conventions, special arrangements may operate notwithstanding any provisions of the law and regulations contained in the national collective employment contracts (Art. 8, paragraph 2-bis, Legislative Decree no. 138/2011).

These arrangements are made through the conclusion of collective agreements signed by company or local associations most representative of workers at the national or local level or by their union representatives in the company operating under existing laws and inter-confederal agreements, including inter-confederal agreement of June 28, 2011, and cover all workers interested in a position to be subscribed on the basis of a criterion relating to the aforesaid majority union representation.

The agreements must also focus on increasing employment, quality of labor contracts, the adoption of forms of employee participation, the emergence of irregular work, competitive wage increases, business and employment crisis management, investment and starting a business (Art. 8, paragraph 1, Legislative Decree no. 138/2011).

#### **4. Regulations and business practices/policies**

According to case law, company policies are considered similar in nature to collective business contracts.

The company policy can be applied only in the company for which it was issued; i.e. it is only in effect internally. The employer cannot extend its initiatives to other companies without the consent of the workers they employ.

#### *Company policies*

Company policy consists of a practice adopted by the employer with behaviors repeated over time within the company.

The clause resulting from company policy, as opposed to corporate regulation, does not have a collective nature but is individual, per Art. 1340 of the Civil Code, as inserted in each individual employment contract. Consequently it cannot be amended or repealed by subsequent collective contract terms, but only by individual agreements between employer and employee.

#### **5. Collective agreements extended "erga omnes"**

With Law no. 741 of 1959, Parliament empowered the government to enact legal rules with the force of law to ensure mandatory minimum pay and conditions for all those belonging to the same job category.



By issuing these rules, the Government would have to conform to all provisions of individual contracts and collective economic agreements, including cross-industry, concluded by the trade unions before the law of October 3, 1959 went into effect.

With the next Law of October 1, 1960, no. 1027, Art. 1, the proxy was extended and included collective agreements concluded within 10 months from the date of Law no. 741 going into effect.

By judgment of Law no. 156 on July 6, 1971, the Constitutional Court, occupied with the issue of legitimacy of the 'system' arising from that legislation, recognized the constitutional legitimacy of Law 741 of 1959. It declared, however, the constitutional illegitimacy of Art. 1 of Law no. 1027/60. It follows that, in the wake of the intervention of the Constitutional Court, extension 'erga omnes' of collective agreements concluded prior to October 3, 1959, pursuant to powers contained in Law 741, is still valid.

#### *Nature and interpretation*

Although these contracts have been incorporated by legislation (such as DPR), the law recognizes their nature as acts of negotiation, so the interpretation of a contract made effective 'erga omnes' may be based on the canons of interpretation provided for the interpretation by Articles 1362 and the following Civil Code.

#### **7. Relationships between law, collective agreements and individual contracts**

The clauses of collective agreements of common law and collective agreements extended 'erga omnes' cannot dictate unfavorable treatment compared with those established by law..

#### *Relationship between collective agreements of different nature*

Collective agreements effectively 'erga omnes' may be lawfully waived by collective common law only in the sense most favorable to the worker.

To establish whether the collective agreement of common law could be considered favorable or unfavorable to the worker, the law has:

- on some occasions compared the two economic and regulatory measures as a whole;
- on other occasions compared the disciplines of the institution in question (eg duration of the service and associated increases, or rights to retain the post in case of illness) dictated by the two contracts.

#### *Relationship between collective agreements of common law*

According to case law, the collective agreement that succeeds to the same level it completely replaces the previous one even if it contains provisions less favorable to employees, since the exemption 'reduction of protection' works only in the relationship between collective and individual contracts.

In the case, though, of a succession of collective agreements concluded at different levels, the new contract replaces the former, even if less favorable to employees, provided they do not hinder the willingness of the national group, or the provision of special and mandatory divisions of competence between unions of different levels (national, provincial, corporate).

Therefore, in the presence of the above conditions, the collective enterprise agreement – as well as the provincial one – may contain exceptions less favorable to the employee than the national contract.

In this regard, it is good practice to keep in mind when talking about:

- Collective bargaining when the lower-level collective contract intervenes to regulate a matter which is already governed by the contract at a higher level;
- Negotiation when the lower-level collective contract intervenes in areas that the higher-level collective contract has deliberately left unregulated.

#### *Relationship between collective and individual contracts*

As evidenced by Art. 2077, paragraph 2 of the Civil Code, if the individual contract contains provisions differing from those of the collective agreement, the first are replaced by the second by law unless they are more favorable towards the employee.

In the comparison between the individual and collective contracts, one must evaluate not the single provisions but the discipline of the institution in question dictated by both contracts.

## **AGREEMENT MODEL**

The method by which a Union Agreement is reached and specifically ratified by a Collective Category Agreement is defined as: first by legislation, then through inter-confederation agreements (the last one in 2009) and last as outlined, step by step, in every individual national labor collective contract (CCNL).

To be specific regarding the spirit of the CCNL of the tertiary, distribution and services sectors, one can read in the general premise, as the parties state, that "The present National Labor Collective Contract embraces the true spirit of the" Memorandum on income and employment policy, contractual framework on labor policies and support for the production system "of July 23, 1993. This national labor collective contract embodies the goals and guidelines on labor relations. To this end, the Parties agree to structure of the body of the collective agreement document to the terms and procedures specified in the present contract. "

The February 26, 2011 revision clearly redefines the contractual arrangements and the platform submission methods and procedures to be followed. The revised contracts incorporate the contents of the inter-confederal agreement specific to the

January 22, 2009 contractual structure reform, launching a testing phase of contract models for the validity period of 2011-2013.

## **NATIONAL LEVEL**

In compliance with the January 22, 2009 inter-confederal agreement on contractual arrangements, a three-year national contract timeframe was established, also providing that the platform for contract renewal should be submitted six months before expiration.

The Union grace period is 7 months, commencing on the CCNL expiration date or, in case of delayed submission, on the date following the late submission.

### **Summary of the tertiary collective contract structure**

#### **National level contract agreement**

- Duration: three year
- Platform submission: 6 months before contract expiration date
- "Union grace period" = NO unilateral initiatives: 7 months (from platform submission)
- Economic coverage mechanism (contractual vacation indemnity – IVC – no longer available): specific notation at every contract renewal

## **BUSINESS INDUSTRIAL RELATIONS TREND (SUCCESS AND/OR FAILURE OF COLLECTIVE AGREEMENT CASE STUDIES)**

### **LOCAL LEVEL CONTRACT AGREEMENT**

Rules regarding the subject of local level collective contract have also changed, not only to comply with the revisions of the aforementioned Agreement of 2009, but to re-launch it, while avoiding the creation of additional costs.

Therefore, dividing the subdivision into two headings "territorial contract agreements" and "business contract agreements", and allocating specific subjects to each of them, the guidelines that will guide the activities of the parties have been identified, also providing the possibility of establishing agreements that may also include exceptions or suspension pertaining to certain special issues.

### **GUIDELINES, CRITERIA AND CONTENT**

In addition to confirming the principle of ne bis in idem (ie the prohibition of establishing local level agreements in matters previously agreed upon at national level) and that of subsidiarity (whereby the local level develops matters expressly delegated by the CCNL), the following key guideline criteria have been reinforced:

- principle of alternative, not overlapping, territorial versus business contract agreement: territorial contract agreements, in fact, cannot be established with companies with whom they already have an agreement, even if it concerns issues different from land;
- principle of variability regarding economic rewards: the criterion, also confirmed in the 2009 inter-confederal agreement of contractual framework, that the delivery of bonuses or fees of similar nature is based on the actual competitiveness / productivity gain of the company, it will necessary to connect the aforementioned disbursements to productivity indicators and will not be possible to provide fixed premiums, independent from the results (so-called "general bonus").

The renewal agreement, also regarding the local level contract agreement typology applicable to each company, in re-stating the difference connected to the company's size (companies up to 30 employee and those over 30 employees), introduces a new policy that allows companies to choose whether to apply the local contract or to use only the economic element of guarantee.

Specifically:

- companies employing up to 30 employees can choose to use the local contract agreement or the economic element of guarantee;
- companies that employ more than 30 employees can choose whether to use the business contract or, if they have no contract, use the local contract or the economic element of guarantee;
- companies with manufacturing units distributed across multiple provinces, regardless of the number of employees, may choose to use the business contract or, if they have no contract, use the individual local contracts, agreements upon in the different provinces or the contract ratified in the province where the company is legally registered or alternatively use the economic element of guarantee.

Regarding content, the agreement states that one may use the local level contract agreement in the following cases:

- for matters expressly delegated to the local level of contract agreement stipulation by the CCNL;
- arrangements for exemptions aimed at improving levels of productivity, competitiveness and business efficiency in the following areas as identified in Sec. 4 of the CCNL:
  - labor market (with the exception of Chapter II - Apprenticeship);

- employment relationship;
  - Course of employment (as per Headings I through VII, excluded provisions of articles 118, 132 and 146, first paragraph, 147, 149 to 153)
- to improve/renegotiate existing agreements.

#### MODE OF PLATFORM PRESENTATION

The principles for the submission of the local level contract platforms were adjusted to the 2009 collective contract agreement reforms.

Specifically, it is planned that local platforms be submitted two months before the expiration date of the agreement, if existing, and that two months of Union grace period will follow; in the first phase, the total period of 4 months begins with platform submission.

Given the newness of the program, the parties agreed that the deadline for platform submission be 18 months from the signing of the agreement for the renewal (February 26, 2011).

#### VERIFICATION MODE

In order to prevent the submission of platforms or the ratifying of agreements of the local level (territorial or corporate) not in line with the CCNL mandates, the following procedures have been introduced:

- platforms: separate verification check by signatories of the Tertiary CCNL, which must take place within 15 days of receipt of the platform;
- for the local level agreements (territorial/corporate): Confcommercio or national Union Organizations which have approved the tertiary CCNL may refer to the national Joint Commission, which must express its opinion within 30 days regarding the applicability of the agreement.

#### CRISIS, DEVELOPMENT, EMPLOYMENT AND SOUTHERN ITALY

Another significant element in the local level contract agreement is the possibility, in line with provisions of the January 2009 agreement on the contractual arrangements, to make agreements with the derogatory or suspensive effect of CCNL institutions as in the following cases:

- overcoming crisis situations;
- economic and employment development;
- starting, expanding, restructuring and reviving new businesses;
- addressing any situations emerging from undeclared work in the presence of appropriate legislative measures.

However, the following are excluded from the aforementioned minimum wage arrangements: vacation/former holiday (32 hours); the right to information/assets and rules contract agreements/tools joint/bilateral; health care; the conciliation of disputes; shares of the following national funds: EST / FOR.TE. / Qu.AS / QUADRIFOR; and the normal weekly hours (40 hours) and minor's weekly hours.

#### ECONOMIC ELEMENT OF GUARANTEE

In implementing the agreement of January 22, 2009 on the contractual arrangements reform, a test for this renewal has been planned, using an economic element of guarantee that acts as an alternative in the identification of a performance bonus within the local level contract agreement (business or territorial).

This means that the employer may choose to use the local level contract or disburse the aforementioned economic element.

In the latter cases, this remuneration will be disbursed to all permanent employees, apprentices and entry contracts with the November 2013 wages, provided they are in the work force on October 31, 2013 and that they have been enrolled in the LUL (employee registry/log book) for at least six months.

This amount is contained, up to the set limit, in all individual or collective remuneration in addition to what is mandated by the Tertiary CCNL, which is disbursed after 1 January 2011.

### **Definition of Bilateral Entity or Bilaterality**

The definition of bilateral institutions is given in Legislative Decree No. 10 of September, 2003, Law no. 276, the Biagi Law. These are bodies established for the initiative of one or more associations of employers and providers of representative jobs. In other words, bilateral bodies are privileged sites for regulation of the labor market through activities such as:

- **promotion of regular quality work;**
- **mediation** of the encounter between supply and demand of labor;
- planning of **training activities** and determination of the implementation of vocational training in the company;
- promotion of best practices **against discrimination** and for inclusion of the disadvantaged;
- management of **funds** for the benefit of training and supplementary income;
- **certification of employment contracts** and of regular and equal contribution;
- development of actions related to **health and safety in the workplace;**
- any other activity or function assigned by law **or by the collective agreement of reference**

## **Bilateral Experience**

Bilateralism in the tertiary sector, distribution and services, instituted and regulated by the National Collective Bargaining Agreement, provides for bilaterality in the strictest sense and the so-called welfare contract.

### **Bilateralism:**

#### **EBINTER (national): 1**

Current responsibilities:

- a. Study and research will be conducted by the National Center or through implementation of special projects, meaning those activities of a non-repetitive nature, initiated by EBINTER to achieve specific goals or the development of new 'services' on behalf of the Board and the Presidency, in accordance with the duties assigned by statute;
- b. Operation of centralized collection of contributions via F24;
- c. Support activities, coordination and monitoring of Bilateral Regional institutions activities;
- d. Activities/services for multi-localized enterprises;
- e. Support activities, information and transition to the Joint Committee for Tertiary bilaterality.

#### **Bilateral Regional Institutions (EBT), consisting of 103:**

Current responsibilities:

- a. Establish and manage the Provincial Observatory;
- b. Promote and manage local initiatives on training and professional qualification in collaboration with the Regions and other competent bodies, taking advantage of resources provided by the regulations;
- c. Carry out appropriate actions to ensure the competent bodies are provided courses of study which, with the purpose of contributing to the cultural and professional improvement of workers, facilitate the acquisition of higher professional values and are appropriate to the characteristics of the assets of the sector;
- d. Receive from the local business associations and corresponding unions agreements relating to contracts of application integration/reintegration, as well as employers' communications regarding hiring;
- e. Receive agreements made at the local level that determine, for specific professionals, periods of apprenticeship longer than those specified by the Tertiary CCNL or, in the case of apprenticeship training within the business, arrangements that may involve the inclusion of training profiles not included in the specific CCNL;
- f. Issue binding opinions on compliance for applications from employers wishing to recruit apprentices according to the standards set by the Tertiary CCNL in this area, examining the objective conditions related to the ratio of apprenticeship referred to in Article 47 of the Tertiary CCNL of July 18, 2008 and subsequent amendments and additions;
- g. Perform functions relating to the emergence and salary realignment entrusted to it by the territorial agreements in the matter in accordance with regulations;
- h. Perform support functions relating to conciliation and arbitration, as required by the applicable Tertiary CCNL;
- i. Perform such tasks as specifically provided in Tertiary CCNL inter-confederal contracts and collective agreements, national and local, as defined by the social partners and other laws.

#### **The Welfare Contract**

Definition that the social partners wished to give the national legislation that integrates the social status of the country in favor of the workers of the sector.

Appropriate funds or entities that provide healthcare plans, continuing education and supplementary ensions were established. Below

are the funds provided by the Tertiary CCNL, distribution and services and the CCNL Executives of the Tertiary sector:

## EMPLOYEE FUNDS ( CCNL of the Tertiary Sector, Distribution and Services)

<b><u>EST</u></b> <b><u>Healthcare plans for employees</u></b> Member companies: 176,041 Employees enrolled: 1,435,560	<b><u>FORTE</u></b> <b><u>Continuing Education</u></b> Member companies: 117,414 Employees: circa 1,147,480	<b><u>FON.TE.</u></b> <b><u>Supplementary Pension</u></b> Member companies: 30,000 approximately Employees: 195,021	<b><u>QUADRIFOR</u></b> <b><u>Managers Training</u></b> Member companies: 10,500 Employees: 46,000	<b><u>QUAS</u></b> <b><u>Supplementary healthcare for Managers</u></b> Member companies: 16,248 Employees: 70,000
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## EXECUTIVES FUNDS ( CCNL of the Executives of Tertiary Sector)

<b><u>FONDIR</u></b> <b><u>Joint Interprofessional Fund for Continuing Education</u></b> Member companies: 5,053 Executives: 24,128	<b><u>FASDAC ( the first to be formed in 1946)</u></b> <b><u>Healthcare assistance funds</u></b> Member companies: 8,341 Executives: 32,000 approximately	<b><u>MARIO NEGRI</u></b> <b><u>Supplementary pension fund</u></b> Executives: 33,549	<b><u>CFMT</u></b> <b><u>Training center for managers of the tertiary sector</u></b> Executives: 21,650
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## BILATERALISM: AN ALL-ITALIAN SYSTEM

*The experience of the Bilateral Tertiary Institution of the Province of Perugia*

Bilateral entities appeared at around 1900 in the building sector and later in the area of craftsmanship. They reflect successful understanding of the social institutions (unions and employers), aware of the benefits of shared management of a critical labor market characterized by labor relations instability and, more importantly, the spread of micro and small enterprises.

Since the eighties the instrument of bilateralism has extended to other areas of the production system, such as trade, the professions, tourism and services.

These sectors were characterized by increasing diversification of the company, weakening of the business structure, instability of employment, high turnover of labor and the spread of atypical or irregular work practices.

Within this context, and through the parties' cooperation, bilaterality was established and included in the CCNL; the legislature subsequently conferred to the bilateral institutions new and extended functions and powers above and beyond the original contractual limitations.

Bilateralism, therefore, represents an effective contribution and an appropriate answer to the need to consolidate a pluralistic democracy in which the performance of social functions (in the broad sense) cannot be confined merely to the public sector and public administration - central or peripheral - but must also include social representation, primarily by (but not limited to) large union organizations.

This of course is especially true in matters relating to economic and social work, social rights and living conditions of workers. It must not limit free trade, which actually will grow, since bilateral institutions and their competence derive from the contractual action between the parties.

In recent years, the expansion of the role of bilateralism has led to renewal and innovation in Italian industrial relationships, with the bilateral institutional bodies becoming sites of stable interaction between the parties. These institutions have structured specific services for welfare for the workers and companies within the sector.

In the service sector, the National Organization of reference was created **in 1995 by the national trade union organizations of employers belonging to CONFCOMMERCIO and those of workers from FILCAMS-Cgil, FISASCAT-Cisl and UILTuCS-UIL**. It was established based on rules set by the CCNL in the areas of Service and Distribution; it is not legally recognized and not for profit.

As of today, nationwide, over eighty entities have developed with provincial level responsibilities.

## CCNL: prominence and space for bilaterality

Important emphasis is given to bilateralism by the collective agreement as shown in:

Title III "JOINT NATIONAL INSTRUMENTS" defines the criteria for operations, governance and the statutory roles. Articles 11 through 16 introduce and define the joint national instruments.

- 1) The National Commission for the development of social issues on a European level;
- 2) The Joint Permanent Commission for equal opportunity;
- 3) The National Observatory;
- 4) the Joint National Committee.

Title IV – **Bilateralism**: articles 17 through 21 of the contract outline the activities and the methods of financing the organization.

### **THE LAW: de facto recognition of bilaterality**

The legislature defines the bilateral bodies as "best forums" in matters such as:

- Intermediation in terms of negotiating between supply and demand in the labor market (Law 276/2003 and subsequent amendments)
- Income protection for suspension of apprentices, outlined in Law 2/2008 where employees suspended because of corporate economical crisis would have access to an indemnity provision provided in part by INPS (government agency) and in part by the Bilateral organization
- Safety in the workplace (Law 81/2008)
- Definition of training plans for apprenticeships (National Law No. 276/2003)

Based on this last line item and in the absence of regional guidelines, the bilateral body of Perugia, with the agreement between the social partners, identified the training plans for apprenticeship contracts in 2005.

The delegation of power in matters such as safety in the workplace is extremely important: Law Decree 81/2008, art. 48 designates a Representative for the Safety of Workers, who may be assigned to an outside entity managed by bilateral agencies.

Both the national law and CCNL attribute to the institutions, the ability to certify the labor contracts according to which, to date, is a cause of heated political debates.

### **PERUGIA'S EXPERIENCE**

The contractual provision is in fact the foundation of bilateralism. The contractual relationship is established only between persons who are affiliated with trade unions or employers who sign national contracts, whose forecasts (especially economic ones) then extend to all.

Based on this premise, fidelity to Bilateral Agency cannot be regarded as an obligation, as the membership of representative associations is only on a voluntary basis.

In 1996, Filcams Cgil Fisascat Cisl Uiltucs Uil and the Confcommercio of Perugia established the Bilateral Tertiary Institution: distribution and services of the Province of Perugia whose scope of action is determined by the provisions of the CCNL agreements but also by accords that the social partners to conclude at a territorial level together with the regional legislative provisions.

With the renewal of the contract for 2011, the alternative of joining the institution and the payment of an e.d.r. (distinctive element of the remuneration) has been strengthened. The e.d.r. is payable to the employee for 14 months, providing triple the amount allocated per employee (.3%) and including the e.d.r. within the base pay and contingency.

From 2000 to 2011, member companies of our province increased from 300 to 2800. Over the years, the Agency has developed a range of services in various fields of application:

#### Negotiation

- Issue notice of compliance for hiring apprentices,
- Reconciliation of labor disputes,
- Employee representative for Territorial Safety ,
- Certification of employment contracts, service approved but not yet operational.

### Monitoring:

- Compilation of business communications relating to active contracts provided by the CCNL.

### Welfare:

- Creation of protective funds:
  - o Covering workers for birth, orthodontic expenses, scholarships, death, daycare expenses and summer camps, disability;
  - o For firms in the case of employment stabilization, expenses for safety improvement in the workplace and for business training.

### Training:

- Subject presenter of training plans through the Strong Funds
- European projects

## **LATVIA**

### **The legal framework of reference**

Constitution

Labour Law, part B „Collective agreement“

Law on Trade Union

Cabinet of Ministers Regulation, 30.10.1998. “National Tripartite Cooperation Council regulations“

Cabinet of Ministers Regulation No. 390, 17.05.2011. „Regulations regarding determination and reviewing procedure of the Minimum monthly wage“ (“Minimālās mēneša darba algas noteikšanas un pārskatīšanas kārtība”)

### **The structure of the contract**

**Not answer**

### **Agreement Model**

Paragraph 18 of Labor Law defines that labor collective agreement in the industry or territory is entered into by an employer, group of employers, employers’ organization or union of employers’ organizations with trade union of employees or union of employees’ trade unions, if both parties of the general agreement has corresponding authorizations or if such rights to enter into general agreement are stated in the statutes of such unions.

General agreement signed by Employers’ organization or union of employers’ organization is binding to all members of such organization or union of organizations.

If members of employers’ organization or union of employers’ organizations in the corresponding industry employ more than 50 percent of employees or their trade turnover or amount of services is more than 60 percent of the turnover of amount of services in the industry, general agreement signed by such employers’ organization or union of employers’ organizations and trade union of employees or union of employees’ trade unions is binding to all employers of the industry and relates to all employees employed by such employers.

Currently there is only one general agreement between employers’ organization and employees’ trade union in Latvia, namely, between Latvian Railway Sector Employers’ Organization and Latvian Railway and Transportation Sector trade union.

Labour Law

Law on Trade Unions

Labour Dispute Law

Strike Law

Law on State Social Insurance

Law on Personal Income Tax

Civil Procedure Law, Chapter 72 „Directing Recovery against Remuneration for Work, Payments Equivalent thereto and other Amounts of Money“

Law on Maternity and Sickness Insurance

Cabinet of Ministries, 03.04.2001., regulations No.152 “Procedures for Issuance of Sick-Leave Certificates“

Labour Protection Law

- Stable situation, no growing

## General description

Our statement is more from employer's point of view regarding questions, where the most clashes of interests are observed, especially during the last years of crisis.

Labor law of Latvia was accepted in 2001, 10 years ago and it has not seen many amendments. Regulations of the Cabinet of Ministers, which are derived from the law, do not change often as well. Those legislation acts in general conforms with European Union's position in social sphere.

New amendments are welcomed by both employers and employees, but it is difficult to achieve since they first must be directed to National triangular cooperation council that is represented by: a) state authority (government) b) organization of employers – Employers' Confederation of Latvia (including Latvian Traders' Association), c) labor unions – Free Trade Union Confederation of Latvia.

The content of Labor law is contradictory, mutually excluding norms exist, because the main text is approved during discussions and transposition of text, therefore it has lost the shape of correct normative act.

Despite of court being independent, Themis's eyes are shut, but judges are just people as well, they are influenced by the years of crisis and in case there are tiny doubts, each case will be adjudicated in favor of employee.

Directors of companies, authorities complain: "I have made at least five reorganizations in my experience, but there are no consequences", now it is almost impossible to punish or dismiss an employee, because a case will be brought to court, where the employer has no chances to win and he will have to compensate the employee a working salary for forced absence from work – only loses.

The law of proceedings only fosters this situation, because there is no state fee for submitting a claim in court, only after losing the case one has to pay, but the possibility is very small.

In trade sector it is common to fire an employee if he has acted illegally or lost employer's trust; in most cases it is the shortage of goods, money in the shop. If authorities have not approved the violation, then in such case this is not a reason to fire an employee. Often, when the shortage is found out, the employee has disappeared, later employer finds out that he has left to EU states for better job options; it is not even possible to return the tax payer's book.

Due to state budget's consolidation requested by international creditors employees in state and municipal sector were painfully affected. Institutions were closed down, narrowed down or merged, salaries were reduced. The same happened in private sector.

Labor law includes norms about work collective agreement, the aim is to provide employees with wider social guarantees than stated in the law. But it is in force only when the company works, when it is liquidated or changed (reorganized), the impact is minimal.

The impact of trade unions in Latvia is small, but frequently they are used as legal switch, since the presence of unions is stated in the law. Often administration enters into collective agreements not with trade unions, but with representatives of employees. In accordance to labor safety norms, companies must have trustees, that act in the place of trade unions and enters into collective agreements as well.

Employers lose cases in court, because they have not „understood“ the aspect of trade unions. For example, in order to fire a member of trade union, approval of trade union is necessary, but trade union can be from other sector or outside the working place. Employer must find out whether the employee is a member of a union, then he has to turn in the union with a request. Actually no work is done in a trade union, just being a member is an addition guarantee. In our opinion an employee must be a member of an union, which act in the corresponding sector and which understands the whole situation.

Widely used term is prohibition of different attitude, in order to escape discrimination by gender, age etc., especially in cases about job reinstatement, where it is easy to find some kind of discrimination. For example, Professional employee usually is older, but younger persons consider that they are discriminated due to their age. In court a question is raised, that a young person will learn with time, company must take care of him, send to various courses, but never to let go.

Labor law includes list of privileges to continue work relationships in the case of reduction of employees, in total ten articles, but non of the privileges is more important than the other, for example, for employees, which have worked longer or are learning the profession. In crisis during reorganizations and reduction, this is an „unlucky“ article. It even got so far, that with issuing a special law they tried quite opposite to state additional reasons (excuses) for dismissal from work.

Regarding working hours in trade sector. In Western countries the movement originates about closing the shops on Sundays. Employers are not interested to work later than 20:00, since they are considered to be night hours and salary is additional 50% to basic salary, it is forbidden to sell alcoholic drinks after 20:00 as well. The pressure of illegal alcohol is huge, but employers do not insist on longer working hours, since it costs more.

Therefore we see that the level of social protection depends on general economical situation – in „good“ years it is higher, and opposite, when the protection is needed, it does not exist, despite the fact that in laws and collective agreements it is stated, but additional special laws are issued in order to reduce this protection.

Constitutional (Satversme) court, when answering to many claims regarding invasion of inhabitant rights in social sector, for example, reduction of pensions or support for new mothers, has concluded that those human rights are granted by



the state in accordance to its financial capabilities. It pretends that prior benefits and guarantees to workers in Latvia and old EU states will never be renewed due to high competition in global market and increasing aging of the society.

## Definition of Bilateral Institutes/Bilateralism

There is established the Social Dialogue Council of Trade Industry, composed of 3 representatives of Latvian Traders Association and 3 representatives of Latvian Commercial Workers Trade Union (Latvijas Tirdzniecības darbinieku asociācija).

### Bilateral experiences

No subsidies from national government or European Social fund

## SPAIN

### The legal framework of reference

The main laws conforming the legislative framework for the Collective Contracts are:

- ✓ Royal Legislative Decree 1/1995 of March 24, approving the revised text of the Workers' Statute Law.
- ✓ Royal Decree 713/210 of May 28, on registration and deposit of contracts and collective work agreements.
- ✓ Decree 352/2011 of June 7 to restructure the Department of Business and Employment.
- ✓ Law 26/2010 of August 3, on the legal system of government of Catalonia
- ✓ Royal Decree Law 3/2012 of February 10, for urgent action to reform the labor market.

### The structure of the contract

The first title of the collective contract defines the negotiating parties, the scope of application and the procedures for administering the agreement through a joint committee.

The second title deals with working conditions in all its complexity. It includes chapters and sections on: work organization, job classification, professional groups, income, probation, dismissal, promotion, termination, retirement, compensation for termination, hiring and working hours, weekly rest, vacation, working schedule, protection of maternity and paternity, wage and fringe perceptions, union rights and representation, offenses and penalties, social security and risk prevention, vocational training and environmental management.

The final clauses establish principles of equity, non discrimination and protection of workers victims of gender violence.

**Finally, the collective contract includes appendixes on wage tables and distribution of professional categories in levels of income.**

### Agreement Model

Functional scope: this collective agreement governs the working conditions of personnel providing services for companies engaged in the activity of commerce, both wholesale and retail, which are not included in the functional scope of any other agreement published in the newsletter or corresponding official journal, prior to the date of entry into force of this agreement.

Personal scope: this collective agreement applies to all workers who make up the staff of the companies included in the functional and territorial scope established in Articles 2 and 3, except those falling under Article 2.1.a) of the Royal Legislative Decree 1/1995 of March 24.

Territorial scope: this collective agreement affects businesses and workplaces that, being included in the functional area defined in the previous section, are located in the territory of Catalonia.

- a) State legislation published in the Official State Bulletin (BOE).
  - Royal Legislative Decree 1/1995 of March 24, approving the revised text of the Workers' Statute Law.
  - Royal Decree 713/210 of May 28, on registration and deposit of contracts and collective work agreements.
  - Royal Decree Law 3/2012 of February 10, for urgent action to reform the labor market.
- b) Regulations of the Autonomous Communities (regions), reflected in the corresponding Official Journals.

- Decree 352/2011 of June 7 to restructure the Department of Business and Employment (Autonomous Government of Catalonia).
  - Law 26/2010 of August 3, on the legal system of government of Catalonia
- c) Some of the EU regulations, published in the Official Journal of the EU.
- Directive 2003/88/EC of the European Parliament and of the Council of 4 November 2003 concerning certain aspects of the organization of working time
  - Council Directive 91/533/EEC of 14 October 1991 on an employer's obligation to inform employees of the conditions applicable to the contract or employment relationship
  - Health and Safety Framework Directive 89/391/EC
  - Equal Treatment Directive 2006/54/EC
- And others.

The dominant model of collective contract is the provincial collective contract of each sector. For example, on commerce there is the Provincial Contract on Textile Commerce, the Provincial Agreement on Metal Commerce, and so on. Some sectors have a national framework agreement, but the negotiation of wage scales is kept at the provincial level. Large companies, including those in Commerce, or chains of hotels, have company agreements at a national level. The new decree law on the labour reform gives preeminence to the company agreement, and due to the current economic situation, allows companies in troubles to implement opt-out clauses of the agreement.

### **TREND OF THE INDUSTRIAL RELATIONS WITHIN COMPANIES (SUCCESSFUL CASES AND/OR PROCEDURES FORESEEN BY THE COLLECTIVE AGREEMENT FOR BARGAINING AT COMPANY LEVEL)**

As we explain in the next section, The Second Agreement for Employment and Collective Negotiation (January 25, 2012), foresees a series of measures aimed at generating a more flexible labor organization within companies, that allows improvements in competitiveness and at the same time promote employment stability. With the aim of preventing dismissal as an undesirable solution for business adaptation to the current economic situation, the Second Agreement sets up measures for business flexibility regarding work schedules, functional mobility and variable salaries.

### **Definition of Bilateral Institutes/Bilateralism**

There are bilateral institutions formed by trade unions and employer organizations, but in Spain they tend to become trilateral institutions, including the participation of governments at the municipal, regional or State level.

### **Bilateral experiences**

Some bilateral institutions are:

- Fundación Tripartita para la Formación en el Empleo (Tripartite Foundation for Training in Employment)
- Consorcio para la Formación Continua de Cataluña (Consortium for Lifelong Learning of Catalonia)
- Consejo Económico y Social (Economic and Social Council)
- Consejo de Relaciones Laborales de Cataluña (Labour Relations Council of Catalonia)

Here are some examples of agreements:

- Agreement on employment and collective negotiation
- Agreement on professional training for employment

Agreement on autonomous solution of labour conflicts

### **Summary documents**

### **SIGNATURES OF THE COLLECTIVE CONTRACT**

Belgium	<input type="checkbox"/> Employer representatives (indicate the name of the signatory organizations): <ul style="list-style-type: none"> <li>- Buurtsuper.be (Flemisch sme's)</li> <li>- Comeos (Retail Chains)</li> <li>- UCM (Walloon sme's)</li> </ul> <input type="checkbox"/> Workers' representatives (indicate the name of the signatory organizations): <ul style="list-style-type: none"> <li>- LBC (Flemisch christian organisation of employees),</li> <li>- CNE (Walloon Christian organisation of employees),</li> <li>- BBTk/Secta (socialist organisation of employees) and ACLVB (liberal organisation of employees)</li> </ul>
Greek	<input type="checkbox"/> Employers representatives (indicate the name of the signatory organizations): <ul style="list-style-type: none"> <li>- The Hellenic Federation of Enterprises (SEV), The National Confederation of Hellenic Commerce (ESEE),</li> <li>- The Hellenic Confederation of Professionals, Craftsmen and Merchants (GSEVEE),</li> <li>- The Hellenic Retail Business Association (SELPE)</li> </ul> <input type="checkbox"/> Worker's representatives (indicate the name of the signatory organizations): <ul style="list-style-type: none"> <li>- Greek General Confederation of Workers,</li> <li>- The Greek Federation of Private Employees (OYIE)<sup>1</sup></li> </ul> <p><sup>1</sup>Concerning collective agreements in the commerce sector</p>
Italy	<input type="checkbox"/> Employer representatives (indicate the name of the signatory organizations): <ul style="list-style-type: none"> <li>- Confcommercio – Imprese per l'Italia</li> </ul> <input type="checkbox"/> Worker representatives (indicate the name of the signatory organizations): <ul style="list-style-type: none"> <li>- Filcams- CGIL,</li> <li>- Fisascat – CISL,</li> <li>- Uiltucs - UIL</li> </ul>
Latvia	<p>Previous mentioned regulation of Cabinet of Ministers National tripartite cooperation board regulations, 30.10.1998 can be considered to be such agreement, stating that within the board there are continuous consultations between Cabinet of Ministers, Employers' Confederation of Latvia and Free Trade Confederation of Latvia, as well as Agreement about cooperation between Employers' Confederation of Latvia and Free Trade Confederation of Latvia of 01.08.2011.</p>
Spain	<p>Employer representatives:</p> <ul style="list-style-type: none"> <li>- Confederation of Commerce of Catalonia (CCC)</li> </ul> <p>Worker's representatives:</p> <ul style="list-style-type: none"> <li>- Catalan Federation of Labour, Commerce, Hotel industry, Tourism and Gaming (Federación de Cataluña de Trabajadores, Comercio, Hostelería, Turismo y Juego, FCTCHTJ-UGT);</li> <li>- Federation of Commerce, Hotel industry and Tourism of Catalonia (Federación de Comercio, Hostelería y Turismo de Cataluña, FECOHT-CCOO)</li> </ul>

#### VALIDITY OF THE COLLECTIVE CONTRACT

Belgium	2 years
Greek	The collective agreements in Greece cannot be valid for an undefined timeline. The maximum validity period of a collective agreement is three years.
Italy	3 years
Latvia	The collective contract is open-ended
Spain	2 years

#### TERRITORIAL JURISDICTION OF THE COLLECTIVE CONTRACT

Belgium	National level (Flanders and Wallonia)
Greek	It can be either National or Territorial. However
Italy	national
Latvia	no answer
Spain	Regional: this collective agreement affects businesses and workplaces that are located in the territory of Catalonia (Autonomous Region).

## FIELD OF APPLICATION

Belgium	retail branche
Greek	The Sectoral Collective Agreement apply to employees across the country working in enterprises (either wholesale or retail), supermarkets and food stores, confectioneries and shops associated with commercial bakery activities as well as enterprises (either retail or wholesale) dealing in cigarettes. It is important to note that the collective contract includes employees with the following specialties: salesmen (in the case of supermarkets personnel this includes salesmen of edibles like meat, poultry, cheese, sausage, vegetables, fish shops as well as salesmen in clothing, household goods, camping goods etc.), chief secretaries, office staff (office employees, warehousemen, collectors, ushers), accountants and assistant accountants, cleaners, security guardians - night guards – concierge, drivers of trucks and personnel in the transport vehicles business, computer specialists (programmers, analysts, operators). Further, there are several other categories of employees who also adhere to the collective contract such as craftsmen with the general conditions laid down within the EGSSE clarification that granted them the individual increases and benefits of this arrangement, decorators as stipulated in the terms of the G.D 21/96 and electronic - technical hardware personnel (either of tertiary education or recognized public and private schools).
Italy	Tertiary, distribution and services
Latvia	data not provided
Spain	Functional scope: This collective agreement governs the working conditions of personnel providing services for companies engaged in the activity of commerce, both wholesale and retail, which are not included in the functional scope of any other agreement published in the newsletter or corresponding official journal, prior to the date of entry into force of this agreement. Personal scope: this collective agreement applies to all workers who make up the staff of the companies included in the functional and territorial scope established in Articles 2 and 3, except those falling under Article 2.1.a) of the Royal Legislative Decree 1/1995 of March 24.

## CAN THE NATIONAL COLLECTIVE CONTRACT EMPOWER THEIR LOCAL STRUCTURES TO COORDINATE CERTAIN MATTERS AT A LOCAL LEVEL?

Belgium	YES
Greek	There is no possibility for local level differentiation for eg. areas of high unemployment. On the contrary, the EGSSE sets the tone for SSE collective agreements. In regards to sectoral SSE, there can be no differentiations at a local level. There is only the possibility, in the context of sectoral SSE, and that is either an improvement of the existing conditions, or a worsening of conditions for those covered by a business-level collective agreement. Therefore, sectoral collective agreements have lost their coordinating role especially after the recent changes in the collective bargaining structure.
Italy	Yes
Latvia	No answer
Spain	YES: The national Collective Contract works as a minimum framework that must be respected by the local Contracts