



With innovative tools for bargaining support in the commerce sector

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# Collective Bargaining Agreements and Industrial Relations in Commerce Sector throughout Europe

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# Outline

1. BARCOM and the CBA Database
2. Three comparative themes
  - 2a. Pay scales and living wages
  - 2b. Working hours as a trade union priority
  - 2c. Multinationals: a case study
3. Conclusions and further research

## The CBA database

The CBA database contains a large number of collective bargaining agreements that are made available online in the original language and coded in a comprehensive and uniform way using the custom made COBRA system (Ceccon et al 2016).

- 116 Collective Bargaining Agreements from the European commerce sector
  - 95 in retail
  - 40 in wholesale
  - 14 in additional (sub)sectors (e.g. catering staff in road stations, or distribution centres in supermarkets)
- Includes information on meta data and nine substantive topics: (1) employment contracts, (2) health and medical assistance, (3) training, (4) sickness and disability, (5) social security and pensions, (6) working hours, (7) gender equality, (8) work-family balance and (9) wages.

## The BARCOM CBAs

### Signatories:

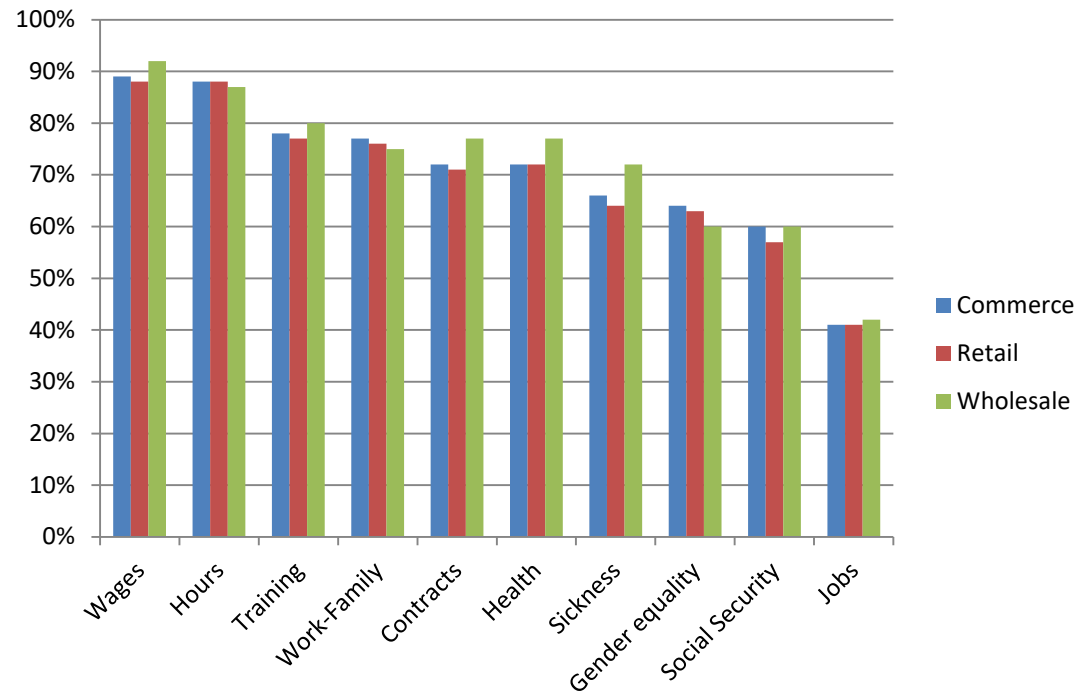
- 50 are signed with single employers (17 cover multinational companies), 59 with employers' associations and 7 with multiple individual employers.
- All agreements except two were concluded with at least one trade union
- and 6 (i.e. 5%) with at least one professional association.

### Scope

- Starting date, ranging from 1970 to 2016,
- Both starting and ending dates (70%), ranging from 2012 to 2020.
- Agreements with specified start and end dates are closed for periods between 9 months and 10 years; the average duration is 2.5 years (30 months).
- In 87% of the cases, the agreements cover workers in the sector or firm throughout the country,
- whereas 13% apply only to specific regions;
- 30% of the agreements cover trade union members only.

# Which clauses are included?

- Wages and working hours are almost always included in commerce CBAs
- Often included are training, work-family arrangements, employment contracts and health
- Social security and sick leave, are less commonly determined through collective bargaining
- Least included topic is that of job descriptions or occupations



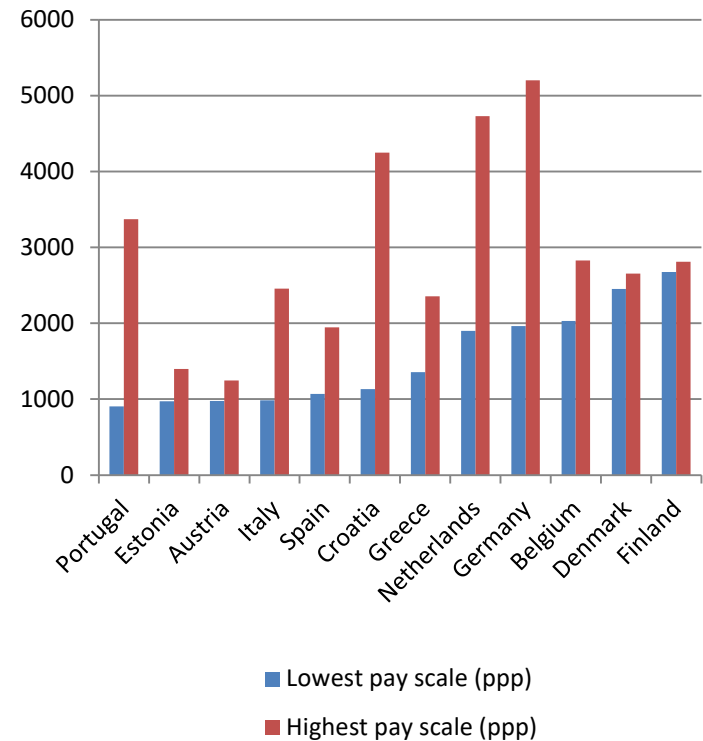
# Theme 1: Pay scales and (living) wages

- Seventy-two collective agreements contained a wage increase. Incl. 27 out of 36 wholesale agreements & 58 out of 73 retail agreements
- 25 contain structural pay rises, 22 once-only pay rises and 25 agreements containing both a structural and a once-only pay hike.
- 59% of pay rises were negotiated as a percentage of the current wage. Twenty-two CBAs paid out a lump sum increase and seven a combination of a lump sum and a percentage increase.
- Percentage pay rises varied from 0.1% to 5% and lump sums between €250 and €500.

Pay increases in CBAs by country				
	n	pay hike	structural pay hike	equalising pay hike
Austria	5	4	3	3
Belgium	7	7	6	6
Bulgaria	1	0	0	0
Croatia	6	6	5	2
Czech Republic	3	2	1	1
Denmark	5	4	3	4
Estonia	3	1	1	1
Finland	3	2	2	1
France	10	7	3	0
Germany	3	2	2	2
Greece	7	6	4	2
Hungary	1	1	0	0
Italy	8	7	1	1
Lithuania	1	1	0	0
Netherlands	9	9	8	1
Portugal	1	1	1	0
Romania	1	1	0	1
Slovakia	2	1	1	0
Slovenia	1	0	0	0
Spain	8	7	6	2
Sweden	7	2	2	1
United Kingdom	1	1	1	1
Total	93	72	50	29

# Agreed wage levels of pay scales

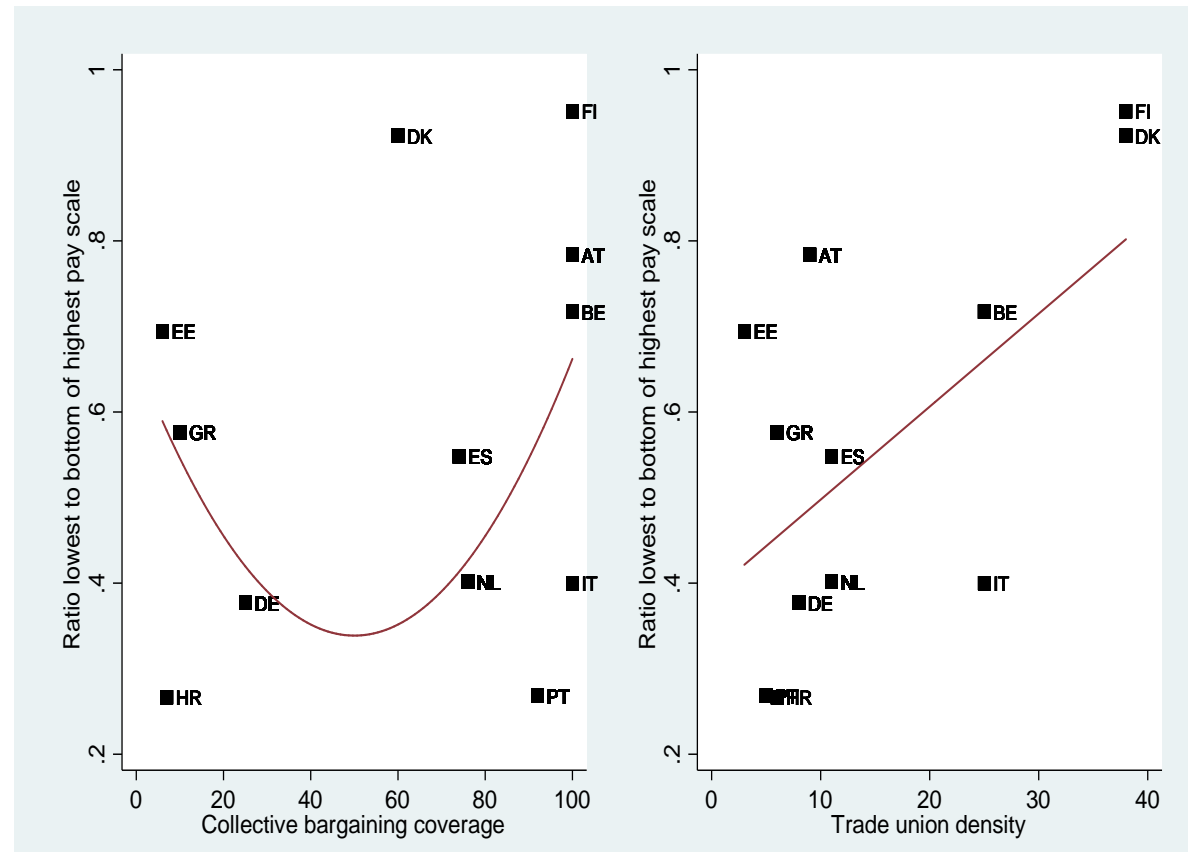
- 35 CBAs contain pay scales in the full text
- Workers in the lowest scales are best off in Denmark and Finland and worst off in Portugal and Estonia (blue bars).
- Workers in the highest pay scale earn relatively high wages in the Netherlands, Germany, Portugal & Italy (red)
- Separate pay scales for young workers or students are found in Belgium (16 to 21 year olds and students), Denmark (under 18 year olds), the Netherlands (16 to 23 year olds), and Portugal (under 18s). In Austria, we find separate pay scales for apprentices.





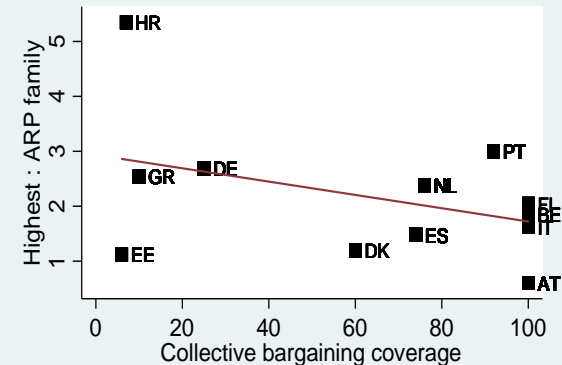
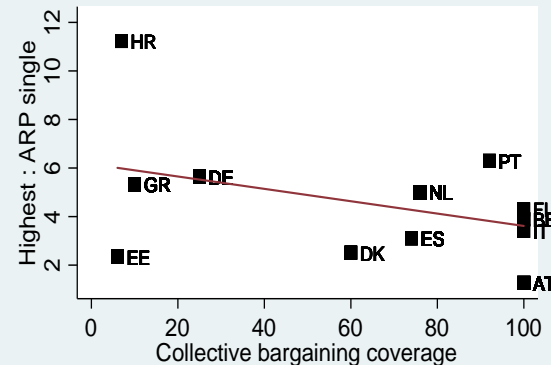
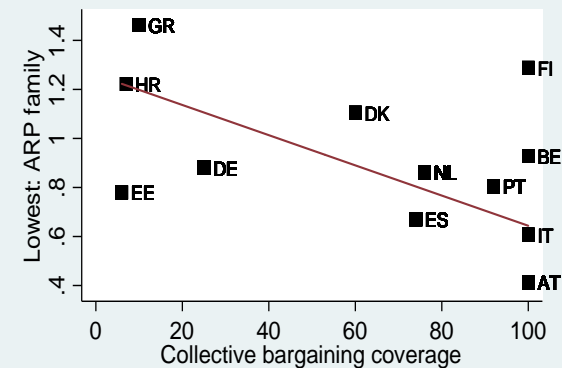
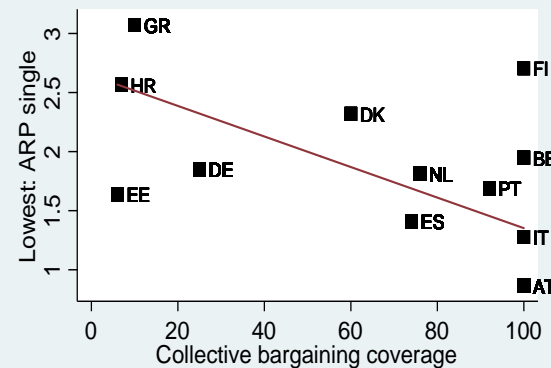
## Pay scale inequality

- In Finland, Denmark, Austria and Belgium, workers in the lowest pay scales earned at least 75% of their counterparts in the highest pay scales.
- Despite similar collective bargaining coverage, however, we find much larger gaps between commerce workers in the lowest pay scales and those in the highest scales in Spain, the Netherlands, Italy and Portugal.
- Less obvious relation with trade union density



## Agreed wages and poverty

- Single workers in the lowest scale found in the commerce sectors earn enough to stay out of poverty if they work full time in all countries, except Austria.
- However, only in Croatia, Denmark, Greece and Finland does the bottom of the lowest pay scale allow workers to maintain a family.
- In a large group of countries (e.g. Greece, Germany, Portugal, the Netherlands), workers in the highest pay scales appear able to earn a comfortable living. In Austria, Estonia and Denmark even workers in the highest pay scale barely earn enough to keep a family above the at risk of poverty threshold.



# Theme 2: Working hours at a trade union priority

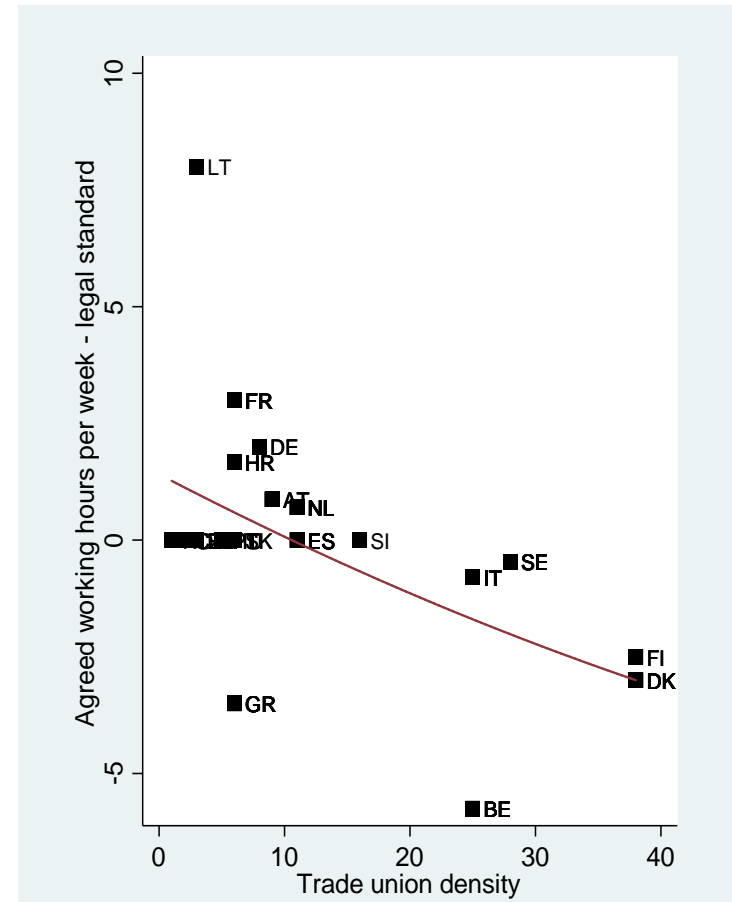
## Working hours and leaves

- 86% of CBAs foresee 5 day working weeks
- 90% of CBAs set working hours between 36 and 40 hours per week
- Allowed overtime varies from 2 to 20 hours per week
- Paid annual leave varies from 10 to 36 days
- Only 10 agreements limit the number of consecutive Sundays that can be worked

	Weekly working hours	Allowed over hours	Annual Leave (days)
Commerce	39 (79)	8 (29)	24 (58)
Retail	39 (64)	8 (23)	24 (48)
Wholesale	39 (23)	7 (8)	26 (19)
Austria	41 (4)	14 (1)	25 (3)
Belgium	32 (4)		
Bulgaria			20 (1)
Croatia	42 (6)	12 (5)	21 (6)
Czech Republic	40 (3)	8 (2)	20 (1)
Denmark	37 (7)	8 (4)	26 (4)
Estonia	40 (2)		20 (2)
Finland	37 (2)		21 (2)
France	38 (5)	7 (3)	27 (6)
Germany	42 (3)		36 (2)
Greece	36.5 (4)		22 (3)
Hungary	40 (1)		20 (1)
Italy	39 (4)	5 (1)	18 (2)
Lithuania	48 (1)	3 (1)	
Netherlands	39 (10)	8 (3)	24 (10)
Portugal	40 (6)	7 (6)	22 (5)
Romania	40 (1)		
Slovakia	40 (2)	8 (1)	
Slovenia	40 (1)	16 (1)	20 (1)
Spain	40 (5)		28 (7)
Sweden	39 (8)	5 (1)	25 (2)

# Agreed hours and TUD

- Agreements in countries with higher trade union density in the commerce sector tend to have shorter working hours
- Country differences in the length of annual and maternity leaves are primarily explained by legislation, not bargaining

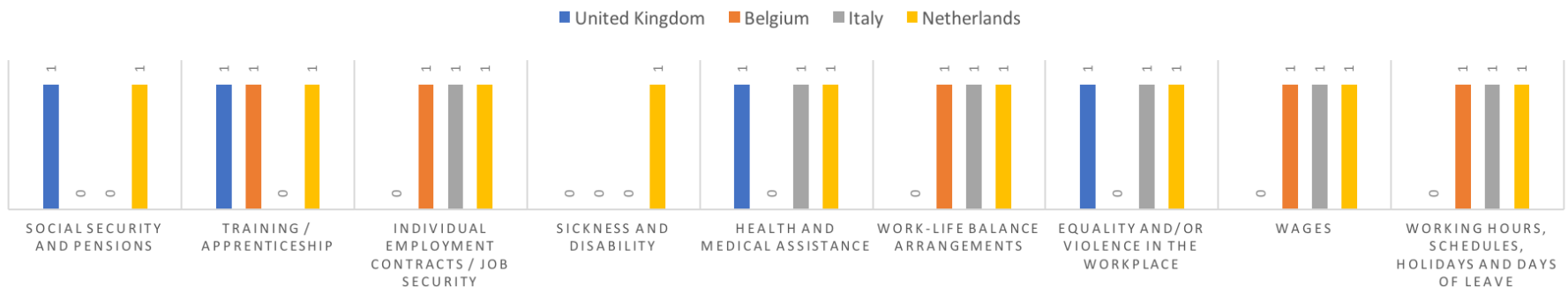


# Theme 3: CBAs of Multinationals

Research by Dani Ceccon

## Multinational Case study

- One Swedish multinational, four CBAs
  - Belgium 1989 (no expiry date)
  - Italy 2016 (no expiry date)
  - Netherlands 2014-2016
  - United Kingdom 2008 (no expiry date)



# A Swedish premium?

Belgium (comparison with 7 other CBAs)	Italy (comparison with 8 other CBAs)	Netherlands (comparison with 9 other CBAs)	United Kingdom (comparison with 10 other CBAs)
Employer-provided childcare facilities	Special leave for workers subjected to domestic or intimate partner violence, and stalking	Access to free or subsidized medical assistance for sick employees, also for the employees' relatives	Employer-paid contributions to a pension fund for employees
Specified premium for evening/night work (+50%) and for Sunday work (+100%)		Paid leave to care for dependent relatives (15 days), also in case of death of partner, child or co-habiting parents	
Maximum number of consecutive Sundays (6)		Paternity leave of 4 days	
Paid leave to care for dependent relatives (12 days)		Commuting transport allowance	
		Paid annual leave of 27 days	
		Maximum number of Sundays in a year (18) and of consecutive Sundays (3)	



# Results and future research

## What do we know now?

- Contents of bargaining agreements in the commerce sector
- Variation of CBA clauses within and across countries
- Collectively agreed wages in the commerce sector leave workers in the bottom pay scales, working part-time, or single earners providing for households at risk of poverty
- Working-time is a prominent trade union issue in the commerce sector
- A single case study suggests that industrial relations in the country of operations trump those in the home country of the multinational

# Future research

## What needs more study?

- Comparing pay scales across countries and years
- Adding multinational case studies
- Do industrial relations *lead to* better outcomes in collective bargaining agreements (longitudinal)?

## Which questions remain unanswered?

- How does the commerce sector compare to other sectors?
- How do collectively agreed wages compare to earned wages?

*Technical innovations:* machine learning



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# Thank you for your attention

<https://wageindicator.org/main/Wageindicatorfoundation/projects/barcom>



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# Supplementary slides

# The CBA Database Description

<b>Meta Data</b>	Single/multi-employer agreement, signatories/parties to the agreement, number of employees covered, geographical scope, start and expiration date, ratification process
<b>Employment Contracts</b>	Clauses on individual employment contracts and job security, as well as questions about trial periods and severance pay
<b>Health and Medical Assistance</b>	Health and safety policies at the workplace, HIV-related policies and health and safety training, health or medical assistance, health insurance of the employees, health insurance coverage of family members
<b>Training</b>	Training and apprenticeships, employer contributions to a training fund
<b>Sickness and Disability</b>	Sickness and disability clauses, pay during periods of sickness, maximum pay during sick leave, maximum days of sick leave, exclusion of some categories of employees for sick leave, pay in case of work related
<b>Social Security and Pensions</b>	Clauses on social security and pensions, employer contributions to pension fund, employer contributions to disability fund, employer contributions to unemployment fund
<b>Working Hours</b>	Clauses on working, schedules, paid and unpaid leave clauses, paid holidays
<b>Gender Equality</b>	Equal pay clauses, discrimination at work, equal opportunities for promotion and training, gender equality trade union officer, sexual harassment and violence at work, special leave victims of violence, support for workers with disabilities
<b>Work-Family Balance</b>	Clauses on work and family arrangements, weeks of paid maternity leave, wage replacement level of paid maternity leave, job protection during maternity leave, care for dependent relatives, employer-provided childcare facilities
<b>Wages</b>	Structure of pay scales, wage-setting processes, minimum wages, wages according to pay scales, premium pay for overtime hours / weekend work / night shift

# Who is excluded?

Some agreements limit the scope of the CBA by excluding groups of workers from some or all provisions:

- 3 agreements exclude part-time workers from provisions regarding working hours and severance pay;
- 10 specifically exclude apprentices, students, or mini-jobs from the scope of the CBA (3), severance pay (5), or social security (1).
- Twelve agreements have some kind of mention of temporary agency workers; two exclude agency workers from the agreement, whereas others either limit the use of agency work, require certification from the agencies they work with, or eliminate inequality in pay and working conditions.

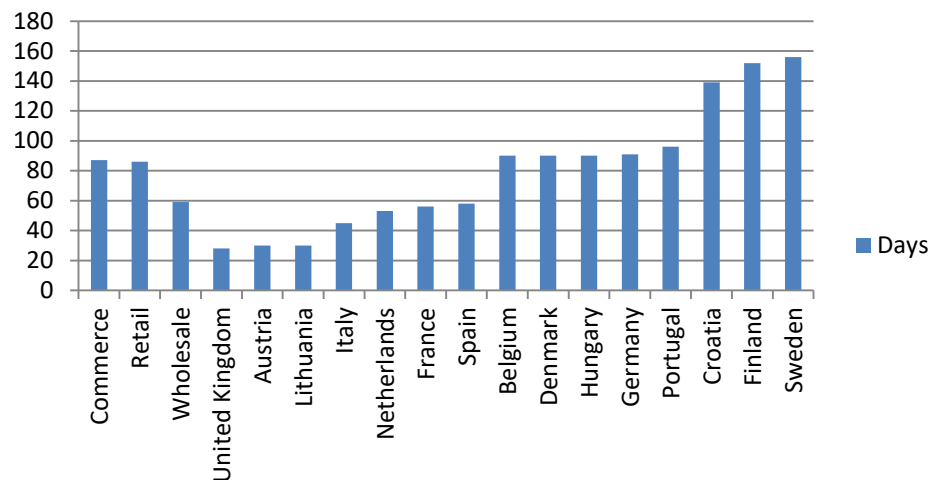
# Contracts

Of the 116 commerce CBAs, 84 contain clauses on individual employment contracts. Of those CBAs, two thirds contain clauses on severance pay, mostly in relation to years of tenure. Over half (57%) the CBAs with severance clauses offer severance pay in days, whereas 43% pay out a percentage of the regular wage.

**Mean amount of severance pay in days or percentage wage**

	Days	Percentage	n
Commerce	58	158	27
Retail	56	189	21
Wholesale	86	111	8

**Mean duration of trial period**



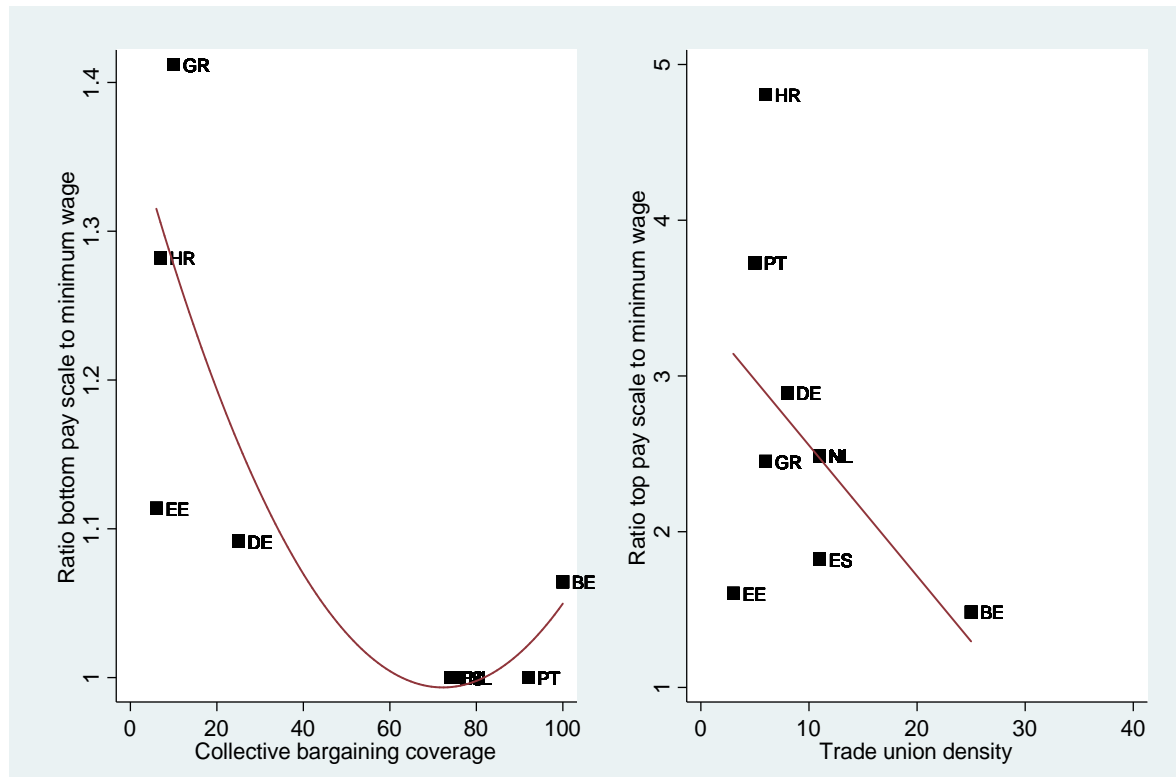
# Jobs and wages

Of the 116 commerce CBAs, 48 make reference to a job classification system or include job descriptions; 29 include actual job descriptions, including a lot of sales functions, unskilled workers, shop assistants, cashiers, lorry drivers, clerks and forklift drivers. Additionally, 42 refer to a job classification system.

- Most agreements (89%) include clauses on wages.
- Wages are determined at the individual (37%), company (28%), sector (23%), regional (3%), or national (7%) level.
- Sixty-four agreements specify at least the minimum payable wages
- 42 agreements determine wages based on pay scales
- 2 determine pay scales according to workers' skill levels, 14 according to job title and 6 based on a combination of skill level and job titles.

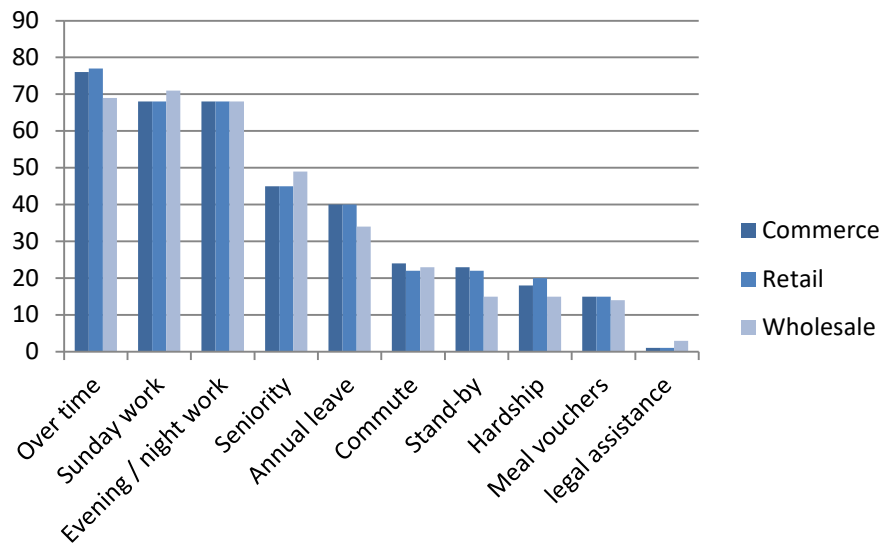


# Pay scales and minimum wages

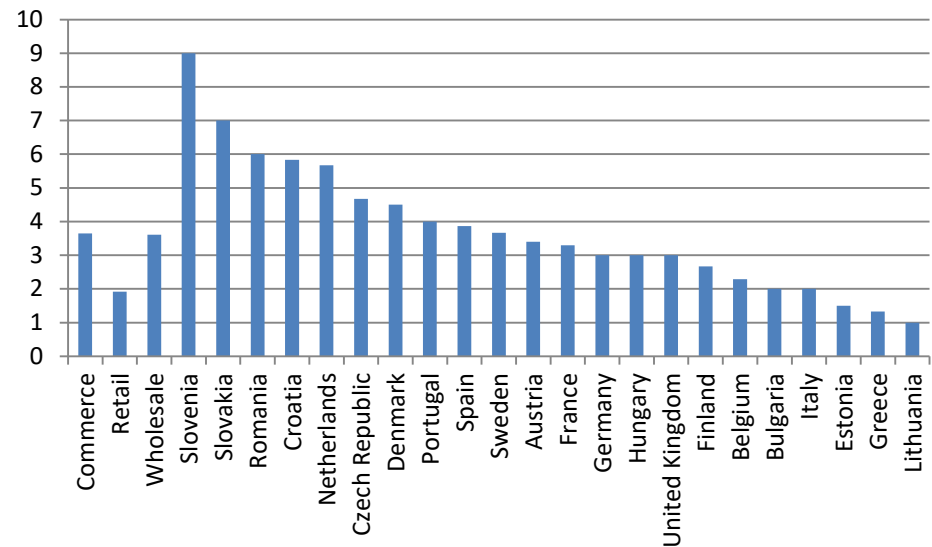


# Premiums and allowances

Incidence of premiums and allowances in collective bargaining agreements in the commerce, retail and wholesale sectors



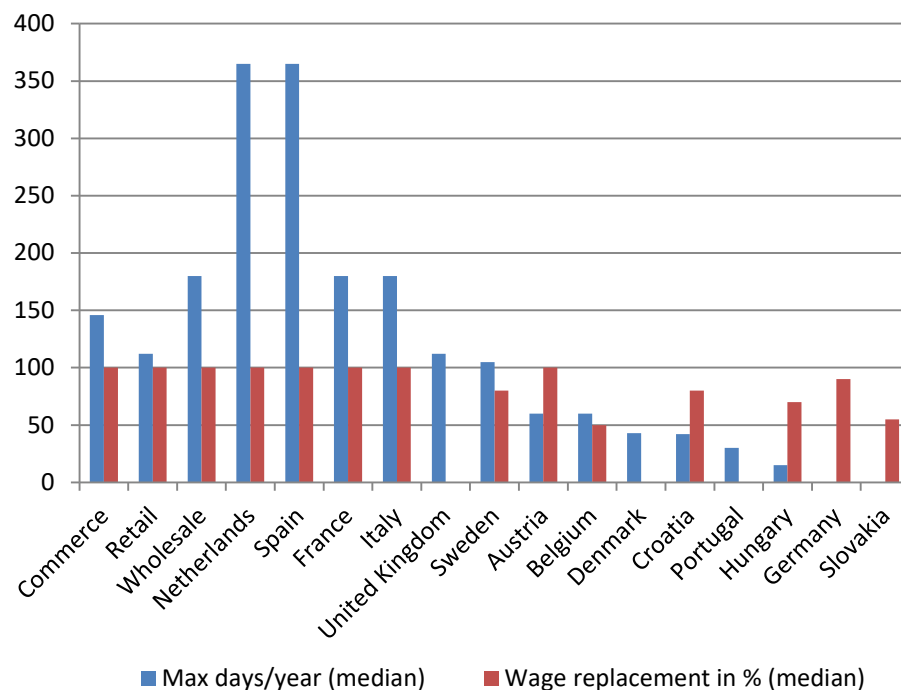
Average number of allowances and premiums included in collective bargaining agreements by sub-sector and country



# Health, sickness and disability

- 75% of CBAs have at least one clause on health and safety issues. 26% of those agreements provide access to free or subsidised medical assistance; while only 5 agreements include relatives in coverage for medical assistance.
- 75% CBAs have clauses on disability and sick leave. Wage replacement during the first six months for a worker with at least five years of service is at full wages in 56% of the cases and is at least half the regular wage in 90% of the agreements.

Median sick leave days and wage replacement by subsector and country



## Social security

- 60% of CBAs contain clauses on social security and/or pensions.
- 46 contain employer contributions to employees' pensions, 33 to disability funds and 19 to an unemployment fund.
- Contributions to pension funds are more common in wholesale, whereas disability and unemployment funds are more common in retail.
- No social security clauses are found at all in Estonian, Finnish or Lithuanian CBAs.
- In three other countries, no contributions are found to any of the three funds (Austria, Bulgaria, Hungary).
- In twelve of the 19 countries with social security clauses, no CBA is found with clauses on employer contributions to an unemployment fund.

	Pension	Disability	Unemployment
Commerce	46 (54)	33 (66)	19 (65)
Retail	35 (42)	28 (52)	17 (51)
Wholesale	18 (19)	11 (24)	5 (24)
Austria	0 (2)	0 (2)	0 (2)
Belgium	4 (5)	3 (5)	4 (5)
Bulgaria	0 (1)	0 (1)	0 (1)
Croatia	2 (3)	4 (5)	0 (5)
Czech Republic	3 (3)	0 (3)	0 (3)
Denmark	6 (6)	4 (6)	4 (6)
France	10 (10)	6 (10)	7 (10)
Germany	1 (1)	1 (2)	1 (2)
Greece	1 (1)	0 (1)	0 (1)
Hungary	0 (1)	0 (1)	0 (1)
Italy	1 (1)	1 (2)	1 (2)
Netherlands	8 (8)	3 (9)	0 (9)
Portugal	2 (4)	4 (4)	1 (3)
Romania	1 (1)	0 (1)	0 (1)
Slovakia	2 (2)	1 (2)	1 (2)
Slovenia	1 (1)	1 (1)	0 (1)
Spain	2 (3)	5 (7)	0 (7)
Sweden	1 (1)	0 (3)	0 (3)
United Kingdom	1 (1)	0 (1)	0 (1)

## Gender and Equality bargaining

73 CBAs contain at least one clause regarding gender equality or violence in the workplace; 33 specifically mention equal pay for work of equal value; 89 CBAs contain clauses of work-family arrangements. Two-thirds of those agreements contain at least one clause on paid maternity leave. The prescribed period of paid maternity leave lasts between 9 and 30 weeks. In nine out of ten cases, wage replacement is at 100% of the basic wage, in the rest of the CBAs it's at 80% (3%) or 90% (7%).

**Weeks of paid maternity leave**

