industriAll European Trade Union

Eucob@n Report 2013

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0 Introduction

As in 2012, the Eucob@n report of 2013 is divided into four sections:

1. Metal
2. Mining/chemical/energy
3. Textiles/clothing/leather
4. Steel

Firstly, as an introduction, you will find a general, macroeconomic overview which is linked to the industriAll Europe Wage Coordination Rule. Its main focus is on wages, inflation, productivity, unit labour cost and wage share. However, in view of the current, unprecedented unemployment levels, we have also included the latest growth and employment figures. In the four sections, there are sector-specific bar charts, enabling colleagues in the national federations to compare the developments in their own countries with those of their neighbouring countries.

The tables and statistics can also be used by the relevant industriAll Europe sector committees in order to give their members background information and support for their work. However, please bear in mind that sector-specific data does not exist for all countries and that there are certain variations regarding the quality and reliability of the data.

IndustriAll Europe has affiliates in 37 European countries of which 28 are currently members of the EU. In this report, we have only used data from Eurostat and AMECO. The economic overview replaces the macroeconomic chapter which, in the years 2007 to 2012, was commissioned to the ETUI by the three former Federations. As you will see, the explanations of the tables and graphs are short and easy to understand. We have neither tried to present a complete overview of economic developments, nor attempted to analyse all trends or explain all terms.

The new industry federation has close to 200 affiliates and covers a wide range of industrial sectors. If every aspect of the economy and every detail of the replies to our annual questionnaire were to be included in the Eucoban report itself, it would comprise over 100 pages, but would not be very interesting to read. Therefore, only the most relevant information and bargaining results have been included. The complete replies are presented, sector by sector, country by country and union by union, in a separate appendix to the report.

The questionnaire was supplemented with a few more questions in 2013, e.g. on minimum wages, strikes and involvement of national confederations in the negotiations. More multiple choice questions were introduced to facilitate the filling in of the questionnaire. Still, the response rate remains an area of concern.

Bart Samyn	Erlend Hansen
Deputy General Secretary	Policy Adviser

1 Economic Overview

The overview has kept its main structure from last year's report. However, it has been changed in the sense that this year there is a stronger focus on percentage changes, not indices.

A number of tables showing indices have been taken out as their contents overlap with the tables showing percentage changes. Also some graphs showing the developments EU28 and EA17 have been cut out. This saves space compared with last year's report. On the other hand there are more sector analyses in this report and also more focus on gender issues and demography.

The economic overview has a form which is meant to be comparatively easy to read and not too academic. Hopefully we will reach more readers this way.

A number of the statistics are linked to the industriAll Europe Wage Coordination Rule. It states that the criterion for trade union wage policy in all countries must be to compensate the rate of inflation and to ensure that workers' incomes retain their participation in productivity gains. This rule refers to the minimum level of wage increases and is not an upper limit.

The intention of a coordinated collective bargaining policy is to grant all workers the development of employment, fair revenues and improved working and living conditions. The Wage Coordination Rule is highly significant for the collectively agreed development of workers' incomes. If this margin is the basis for collective bargaining principles in all European countries, then competition over wages and wage dumping will be avoided.

Collective agreements must take into account both inflation and increases in labour productivity. The concrete elements forming the value of the collective agreements– i.e. increase of purchasing power via wage increases, reduction of working time, part-time retirement models, agreements regarding training and qualifications – are a matter for the national trade unions.

The reasons for not fulfilling the Wage Coordination Rule must be analysed. Therefore in this year's questionnaire we have included a question about this. Unfortunately, we have received surprisingly few answers. The analyses of the Wage Coordination Rule are still only based on nationally reported data (VOWA), as it is linked to collectively bargained wage increases plus non-tariff elements and not total wage costs. However, we see that, with a relatively low response rate and few figures reported on the Value of the Whole Agreement, a supplementary calculation based on public wage statistics must be considered in future reports.

1.1 Production and Economic Growth

Gross domestic product (GDP) measures the market value of officially recognised goods and services within the geographical area of a country. Most of the European countries are still suffering from economic stagnation or, even worse, are still in grip of the crisis. The economy of the European Union cooled off noticeably in 2011 and slipped into a recession in 2012, which continued in 2013.

The decrease of the EU average gross domestic product (GDP) amounted to 0.4% in 2012 and in 2013 the average GDP stagnated with a very small increase of about 0.1%.

The different European countries had an obvious split economic cycle. In 2012 more than half of the EU countries (14 of 28) remained in a recession. The most severe economic slump could be seen in the Southern European countries and in some Eastern European countries. Most countries with economic growth registered very low growth rates. This group mostly consisted of Western European countries. However, GDP increases were achieved in the Baltic countries. In 2013, 10 of 28 EU countries still remained in a recession.

In line with the prognosis made by the European Commission, the EU will see a slight recovery in 2014 with an economic growth of 1.4%. But especially in Southern European countries, the growth rates are expected to be very low from already low levels.

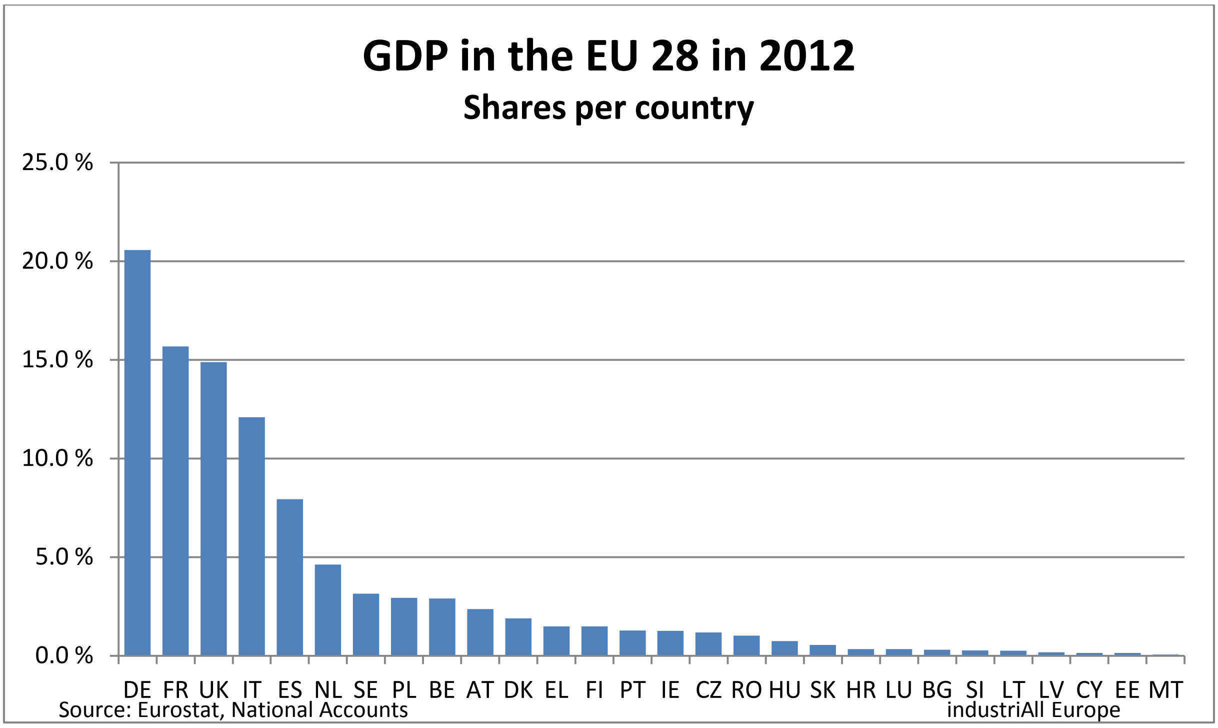
Eurostat: Real GDP growth rate - volume, percentage change

Column1	2008	2009	2010	2011	2012	2013
EU 28	0.4	-4.5	2.0	1.7	-0.4	0.1
EA 17	0.4	-4.4	2.0	1.6	-0.7	-0.5
Belgium	1.0	-2.8	2.3	1.8	-0.1	0.2
Bulgaria	6.2	-5.5	0.4	1.8	0.8	:
Czech Republic	3.1	-4.5	2.5	1.8	-1.0	:
Denmark	-0.8	-5.7	1.4	1.1	-0.4	0.4
Germany	1.1	-5.1	4.0	3.3	0.7	0.4
Estonia	-4.2	-14.1	2.6	9.6	3.9	:
Ireland	-2.2	-6.4	-1.1	2.2	0.2	:
Greece	-0.2	-3.1	-4.9	-7.1	-6.4	:
Spain	0.9	-3.8	-0.2	0.1	-1.6	:
France	-0.1	-3.1	1.7	2.0	0.0	:
Croatia	2.1	-6.9	-2.3	-0.2	-1.9	:
Italy	-1.2	-5.5	1.7	0.5	-2.5	:
Cyprus	3.6	-1.9	1.3	0.4	-2.4	:
Latvia	-2.8	-17.7	-1.3	5.3	5.2	:
Lithuania	2.9	-14.8	1.6	6.0	3.7	3.3
Luxembourg	-0.7	-5.6	3.1	1.9	-0.2	:
Hungary	0.9	-6.8	1.1	1.6	-1.7	1.1
Malta	3.9	-2.8	3.3	1.7	0.9	:
Netherlands	1.8	-3.7	1.5	0.9	-1.2	:
Austria	1.4	-3.8	1.8	2.8	0.9	:

Poland	5.1	1.6	3.9	4.5	1.9	:
Portugal	0.0	-2.9	1.9	-1.3	-3.2	:
Romania	7.3	-6.6	-1.1	2.2	0.7	:
Slovenia	3.4	-7.9	1.3	0.7	-2.5	-1.1
Slovakia	5.8	-4.9	4.4	3.0	1.8	:
Finland	0.3	-8.5	3.4	2.8	-1.0	-1.4
Sweden	-0.6	-5.0	6.6	2.9	0.9	1.5
United Kingdom	-0.8	-5.2	1.7	1.1	0.3	1.9
Iceland	1.2	-6.6	-4.1	2.7	1.4	:
Norway	0.1	-1.6	0.5	1.3	2.9	0.6
Switzerland	2.2	-1.9	3.0	1.8	1.0	2.0
Montenegro	6.9	-5.7	2.5	3.2	-2.5	:
Macedonia	5.0	-0.9	2.9	2.8	-0.4	:
Serbia	3.8	-3.5	1.0	1.6	-1.5	:
Turkey	0.7	-4.8	9.0	:	:	:

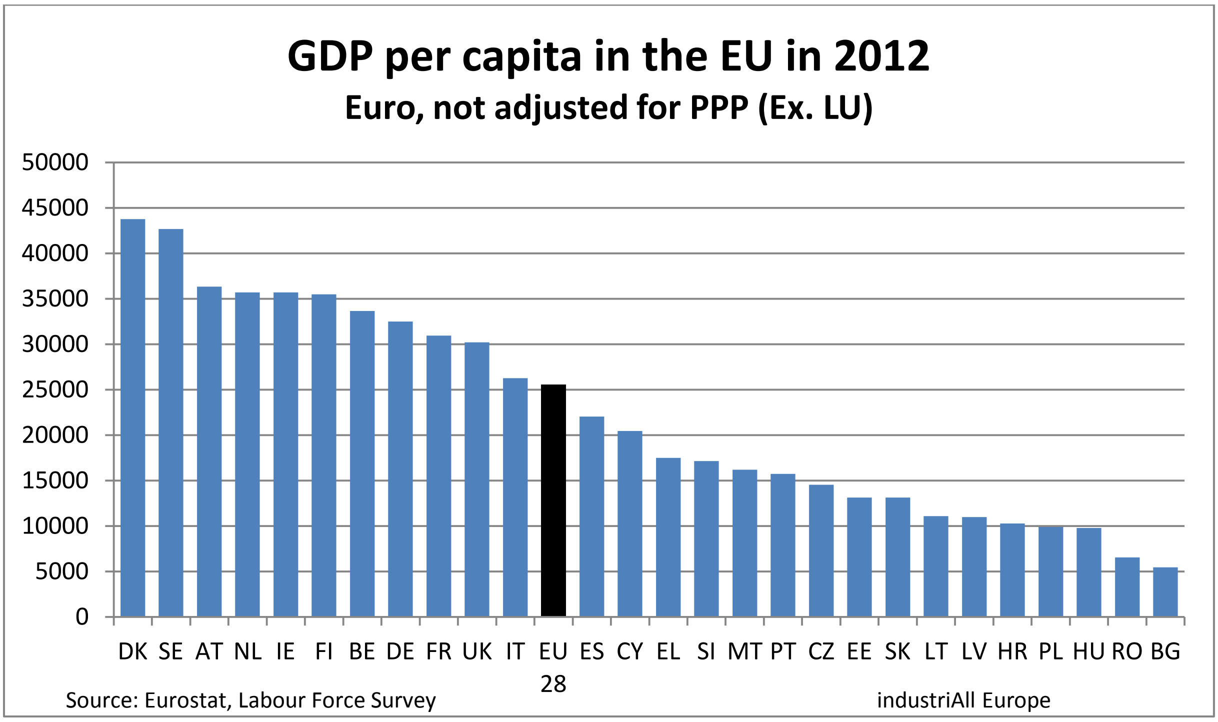
1.1.1 Total GDP

The table below shows how 28 EU countries contributed to the total GDP (approximately € 13 trillion) in 2012. Production in Germany represented more than one fifth of the total value.



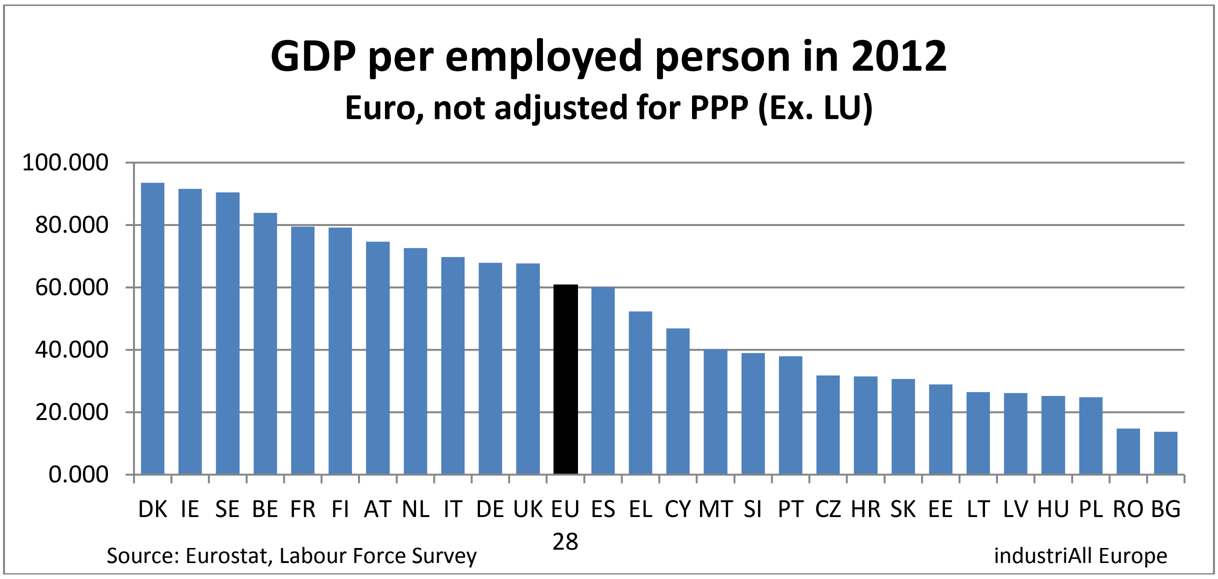
1.1.2 GDP Per Capita

To calculate GDP per capita, GDP is divided by the number of inhabitants in each country. The Nordic countries, Austria and the Netherlands produce the highest values per head while new Member States like Poland, Romania and Bulgaria can be found at the other end of the scale, something which of course has an impact on the movement of labour within the EU. Denmark has the highest production value per capita in the EU with 43,000 euros per year, some 18,000 euros above the EU average. Please note that the figures and shares have not been adjusted for so-called purchasing power parities, i.e. we have not taken into consideration that the same basket of consumer goods has different prices in the Member States. If a basket costs 100 euros in the UK and 200 euros in Bulgaria, than the purchasing power parity exchange rate is 2:1. GDP per capita is the most widely used income measure for international comparisons of living standards. Luxembourg is a special case and has been left out to avoid confusion. This is due to the fact that a large number of people work in this small state without actually living there, meaning that its production per capita becomes misleadingly high.



1.1.3 GDP per Person Employed

The picture is similar if one looks at produced value per person employed, including the self-employed. However, it is noticeable that Ireland is number two in this overview, meaning that its employment rate is comparatively low, see chapter 1.3.1.



1.2 Wages and Labour Productivity – Unit Labour Costs

This chapter doesn't give a complete overview of the statistics which are necessary in order to understand the relationship between real and nominal unit labour cost, wage share and labour productivity. The reason for this is that the industriAll Europe Wage Coordination Rule is based on collectively agreed wages and improved working conditions that can be calculated and not on AMECO figures on compensation per workers (including employers' social contributions).

Unit labour costs measure the labour cost per unit of output produced. ULCs will rise when total labour costs rise faster than output. For example, if wages rise by 5% and labour productivity (output per worker) grows by 2%, unit labour costs will rise by 3%. A rise in labour productivity helps to control unit labour costs. This is because a producer achieves a higher output from each unit of labour employed for a given wage cost.

1.2.1 Labour Productivity

In general, productivity is a measure of the efficiency of production. The measure of productivity is defined as a total output per one unit of a total input. Labour productivity shows the ratio between production and employment. The table below is from AMECO which is also the basis for the analysis of the fulfilment of the Wage Coordination Rule towards the end of the report. As we see, 2009 was an extremely negative year due to the arrival of the crisis and the plummeting GDP, which even overtook the drops in employment. Since then, the situation has been more stable in the majority of countries with modest growth observed in EU27 and EA17.

GDP at 2005 market prices per person employed, AMECO

Country	2009	2010	2011	2012	2013
Belgium	-2.7	1.4	0.5	-0.1	0.9
Bulgaria	-2.9	5.3	6.1	2.4	2.1
Czech	-3.5	4.5	1.4	0.1	1.3
Denmark	-2.7	3.6	1.5	1.0	1.1
Germany	-5.2	3.2	1.6	-0.4	1.3
Estonia	-4.7	7.4	0.6	1.0	2.6
Ireland	1.2	4.0	2.8	1.2	1.2
Greece	-3.0	-1.7	-0.2	0.1	0.2
Spain	2.9	2.6	2.8	2.0	1.2
France	-1.3	1.4	1.0	0.0	0.9
Italy	-2.7	2.7	0.3	-0.4	0.5
Cyprus	-1.3	1.1	-0.1	0.7	-0.2
Latvia	-5.3	4.7	2.0	1.5	2.4
Lithuania	-8.6	6.9	3.8	1.8	3.0
Luxembourg	-6.2	0.8	-1.1	-0.9	1.0
Hungary	-4.2	0.9	1.4	-1.3	-0.4
Malta	-2.4	0.0	-0.3	0.6	0.8
Netherland	-2.5	2.2	1.0	-0.7	0.8
Austria	-2.5	1.7	1.6	0.3	1.0
Poland	1.2	3.4	3.3	2.4	2.2
Portugal	-0.3	3.0	-0.1	0.0	0.0
Romania	-4.7	-0.2	2.0	0.9	1.7
Slovenia	-6.3	4.0	1.6	0.3	1.6
Slovakia	-3.0	5.8	1.5	1.4	2.2
Finland	-5.9	4.9	1.7	0.9	1.7
Sweden	-2.7	5.0	1.7	0.1	1.7
UK	-2.8	1.9	0.2	0.1	1.2
EA-17	-2.4	2.5	1.2	0.1	1.0
EU-27	-2.4	2.5	1.4	0.4	1.2

1.2.2 Real Unit Labour Cost (RULC)

The Real Unit Labour Cost indicator compares wages with productivity (GDP per employment) to show how labour costs are related to the productivity of their labour. It is the relationship between how much each worker is paid and the value he/she produces through their work.

Seen from the political perspective of the European Commission, lower RULC is positive for many European countries, especially for countries with deficits in their international trade. Lower wages are part of austerity policy, even if the EU doesn't have formal competence in this area. From a trade union point of view, this approach is unacceptable, as unit labour cost is not the only factor that determines competitiveness. A well organised working life, innovation, product quality and a number of other factors are decisive in terms of safeguarding the future of Europe's manufacturing industries.

The developments shown in the table below have varied a lot since 2009. The average increase in EA17 and EU27 was close to zero in 2012, whilst a decrease of 0.8% is expected for 2013.

Country	2009	2010	2011	2012	2013
Belgium	2.6	-1.8	0.5	1.1	-0.7
Bulgaria	8.1	2.7	-3.7	-0.6	0.1
Czech	0.5	1.0	0.9	-0.1	-0.3
Denmark	4.6	-4.7	-0.5	-1.3	-1.0
Germany	4.2	-1.7	0.6	1.4	-0.4
Estonia	2.4	-6.6	-2.8	0.0	-0.2
Ireland	1.7	-4.6	-3.7	-3.1	-2.3
Greece	4.3	-3.4	-4.5	-7.4	-1.1
Spain	1.3	-3.0	-3.2	-2.7	-1.7
France	2.7	-0.1	0.2	0.6	-0.6
Italy	2.4	-0.8	-0.3	-0.2	-1.3
Cyprus	6.6	-2.9	0.0	-3.7	-2.1
Latvia	-6.7	-7.7	-3.1	-1.8	-1.7
Lithuania	2.4	-9.1	-5.4	-1.7	-2.7
Luxembourg	8.4	-3.0	-1.4	2.7	-0.6
Hungary	-0.6	-6.1	0.8	0.5	-0.3
Malta	3.3	-3.3	-1.5	-0.8	-1.0
Netherlands	5.6	-2.1	-0.4	1.0	-0.9
Austria	3.8	-2.0	-0.8	1.2	-0.5
Poland	-1.4	0.8	-1.4	-0.9	0.5
Portugal	2.2	-2.6	-1.4	-3.8	-1.8
Romania	-1.2	1.8	-5.9	-1.2	-1.3
Slovenia	5.6	1.4	-0.4	0.0	-2.2
Slovakia	8.2	-1.8	-2.2	-1.0	-1.6
Finland	7.2	-1.8	-2.5	-0.3	-0.6
Sweden	2.3	-2.9	-1.8	1.7	0.1
UK	4.0	-1.2	-0.7	-0.4	-0.9

Croatia	2.2	1.3	-3.6	-0.5	-1.2
Iceland	-9.0	1.3	1.4	0.8	0.5
Turkey	4.8	-1.5	-12.9	-3.3	-2.4
Switzerland	3.7	-2.1	1.1	1.6	0.1
Norway	11.6	-3.1	-1.3	-1.3	-1.0
EA-17	3.3	-1.5	-0.5	0.2	-0.8
EU-27	3.2	-1.4	-0.6	0.0	-0.8

1.2.3 Adjusted Wage Share

The wage share is the ratio between compensation of employees and the GDP at market prices. An adjustment is necessary because there are changes in the composition of employment in employees and self-employed.

In this report, we have included statistics covering the period from 2009 to 2013. During this period, the wage share has fallen by about 1.5 percentage points, both in EU 27 and EA 17. However, in certain countries it has fallen sharply, for example, by more than six percentage points in Spain and almost nine in Greece.

It is important to be aware of the fact that wage share of GDP has been decreasing over a long period. The development started three or four decades ago. Wages have fallen and profits have increased. Capitalists invested their money in stocks, shares, bonds, currency, real estate and so on and created bubbles, which sooner or later had to burst. The alternative would be to invest profits in increased production, provided that there is a market with consumers willing to buy their products.

Adjusted wage share total economy, percentage of GDP at market prices

Country	2009	2010	2011	2012	2013
Belgium	62.5	61.4	61.7	62.4	61.9
Bulgaria	51.7	53.1	51.1	50.8	50.9
Czech	50.5	51.0	51.5	51.4	51.3
Denmark	62.1	59.2	58.8	58.1	57.5
Germany	58.3	57.3	57.6	58.4	58.2
Estonia	56.2	52.5	51.0	51.0	50.9
Ireland	56.2	53.7	51.7	50.1	48.9
Greece	56.8	54.9	52.4	48.5	48.0
Spain	57.3	55.6	53.8	52.3	51.4
France	58.7	58.7	58.8	59.1	58.8
Italy	55.7	55.2	55.1	54.9	54.2

Cyprus	57.1	55.4	55.4	53.4	52.3
Latvia	52.8	48.7	47.2	46.4	45.6
Lithuania	51.2	46.5	44.0	43.3	42.1
Luxembourg	50.5	49.0	48.3	49.6	49.3
Hungary	52.2	49.0	49.4	49.6	49.5
Malta	53.2	51.4	50.6	50.3	49.8
Netherlands	60.5	59.2	58.9	59.5	59.0
Austria	58.7	57.7	57.2	58.0	57.6
Poland	47.8	48.2	47.5	47.0	47.3
Portugal	59.6	58.1	57.2	55.1	54.1
Romania	59.7	60.7	57.1	56.5	55.7
Slovenia	64.5	65.4	65.2	65.1	63.7
Slovakia	46.5	45.7	44.7	44.2	43.5
Finland	59.6	58.6	57.1	56.9	56.6
Sweden	58.2	56.5	55.5	56.4	56.5
UK	64.8	64.0	63.6	63.4	62.8
Croatia	58.4	59.2	57.1	56.8	56.2
Macedonia	53.4	54.0	54.0	53.8	53.8
Iceland	59.1	59.9	60.7	61.2	61.5
Turkey	34.6	34.1	29.7	28.7	28.0
Montenegro	67.8	72.0	69.6	67.1	66.1
Switzerland	71.5	70.1	70.8	72.0	72.0
Norway	50.5	48.9	48.3	47.6	47.2
EA-17	58.1	57.3	57.0	57.2	56.8
EU-27	58.9	58.0	57.7	57.8	57.4

1.2.4 Nominal Unit Labour Cost (NULC)

The nominal unit labour cost (NULC) is defined as the ratio of total compensation of employees in millions of national currency per unit of output. The difference between nominal and real unit labour costs is a price index. Most analysts use the consumer price index, but the EU Commission sometimes uses the GDP deflator. The nominal figures are higher than the real ones as long as the price index is positive.

Country	2009	2010	2011	2012	2013
Belgium	3.9	0.0	2.7	3.2	1.4
Bulgaria	12.7	5.6	1.1	2.7	3.0
Czech	2.4	-0.7	0.2	1.9	0.8
Denmark	5.7	-1.0	0.3	0.6	0.5
Germany	5.5	-1.1	1.4	3.0	1.5

Estonia	1.4	-5.6	0.8	3.0	2.8
Ireland	-2.4	-6.9	-4.1	-1.9	-1.2
Greece	7.2	-1.7	-3.0	-8.1	-1.5
Spain	1.4	-2.6	-1.9	-1.8	-1.1
France	3.2	0.7	1.8	2.1	1.1
Italy	4.6	-0.4	1.0	1.9	0.9
Cyprus	6.7	-1.3	2.0	-1.5	-0.1
Latvia	-7.9	-9.8	2.1	0.3	-0.1
Lithuania	-1.4	-7.3	-0.3	0.4	0.3
Luxembourg	8.6	1.7	3.2	4.1	2.4
Hungary	2.9	-3.2	4.4	5.1	3.3
Malta	5.9	-0.4	0.8	0.9	1.6
Netherlands	5.2	-0.8	0.7	2.6	0.7
Austria	4.9	-0.3	1.3	3.2	0.9
Poland	2.2	2.2	1.7	2.2	2.8
Portugal	3.1	-1.5	-0.8	-3.1	-0.6
Romania	2.9	7.9	1.7	2.3	2.5
Slovenia	8.7	0.3	0.4	0.2	-0.7
Slovakia	6.9	-1.3	-0.6	1.0	0.4
Finland	8.7	-1.3	1.0	2.3	1.6
Sweden	4.4	-1.9	-0.9	2.7	1.4
UK	5.7	1.7	1.6	2.3	1.3
Croatia	5.6	2.4	-1.6	0.8	0.5
Iceland	-1.4	8.3	4.5	5.6	4.2
Turkey	10.4	4.1	-5.4	3.5	2.8
Switzerland	3.9	-2.0	1.9	2.5	1.9
Norway	4.5	3.1	4.3	0.6	1.0
EA-17	4.2	-0.8	0.8	1.6	0.8
EU-27	4.3	-0.4	0.9	1.8	1.0

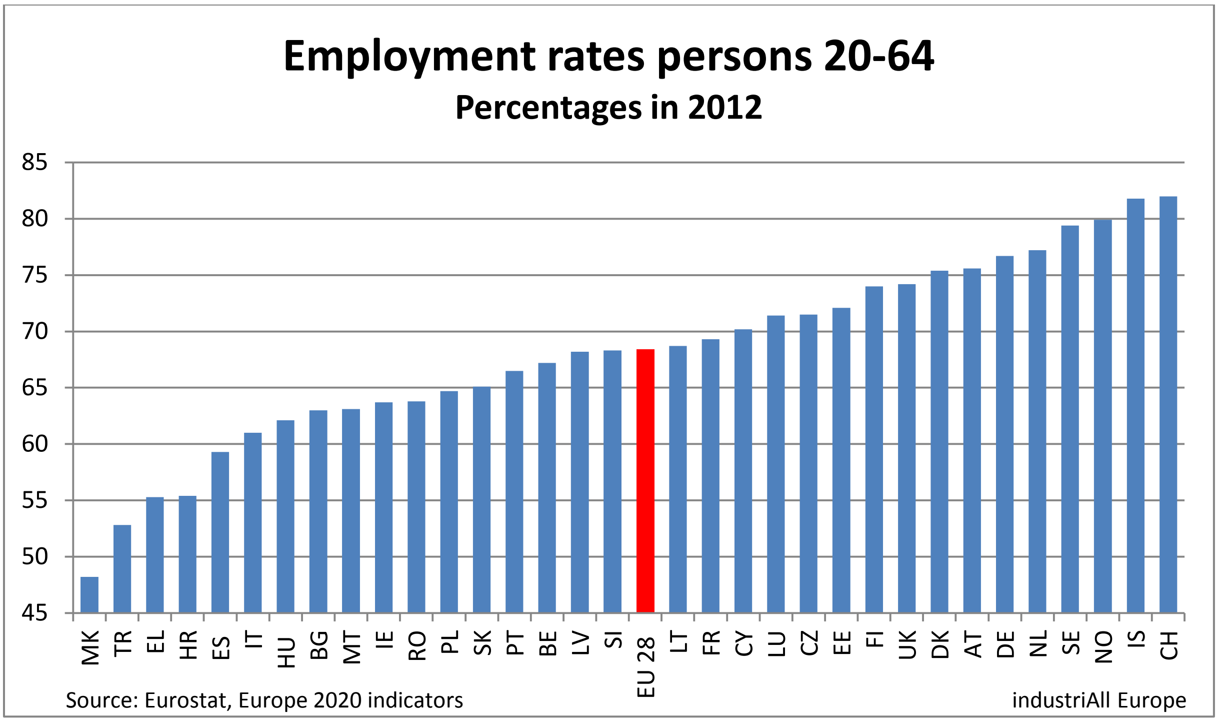
1.3 Employment and Unemployment

This chapter highlights the employment rates in 2012 in European countries, also non-EU states. The statistics from Eurostat clearly show differences between the countries, both with regard to total employment and activity rates of men and women. In this report we have also included an overview of employment rates of older workers.

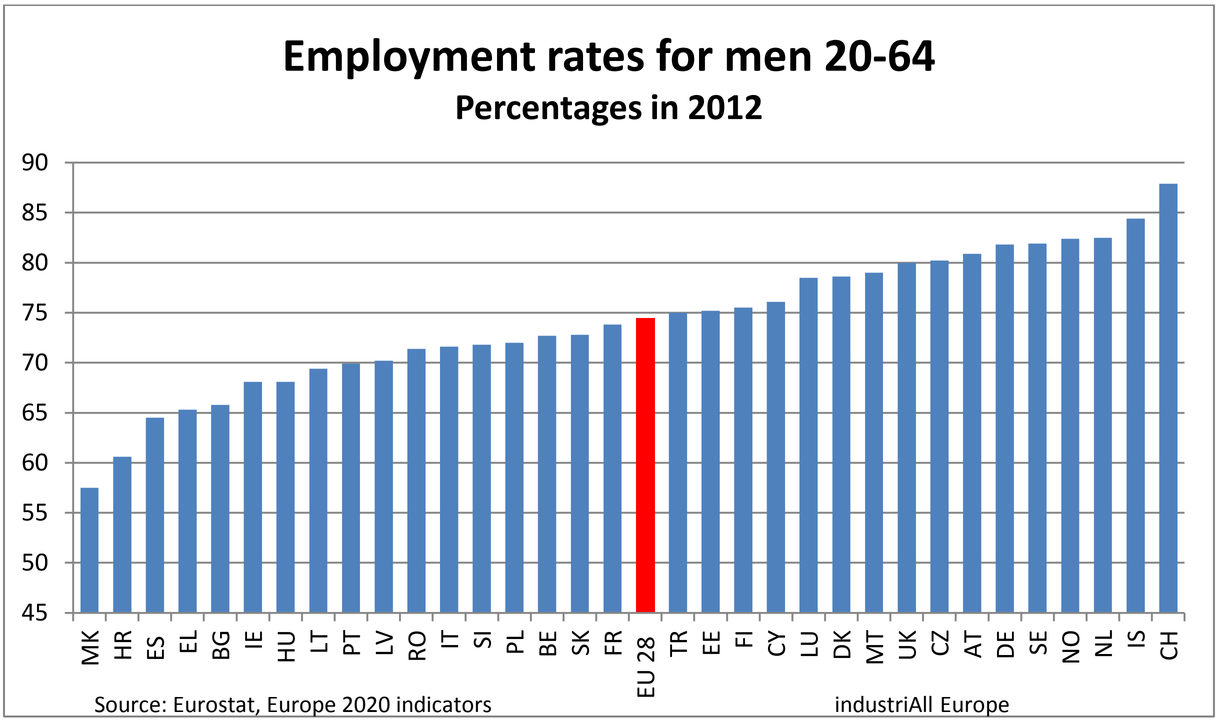
Unemployment, particularly amongst young people, is severe, but unfortunately is seldom addressed by the EU or the national governments. Unemployment is the hidden aspect of Europe's economy, whilst politicians celebrate that the Euro has been saved, sovereign debt is under control and investors gain profits due to rising share prices.

1.3.1 Employment

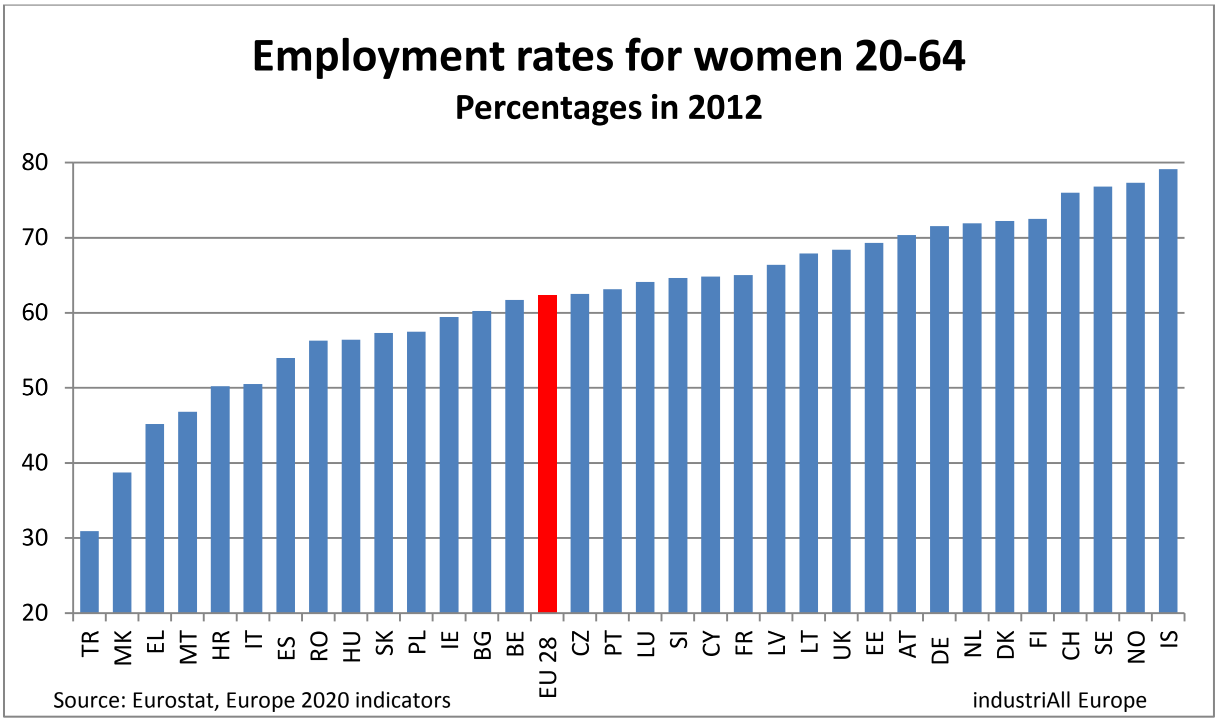
This employment rate is calculated by dividing the number of people aged 20 to 64 in employment by the total population of the same age group. It is based on the EU Labour Force Survey. The difference between the total population (100%) in this age group and the employment rate is represented by the unemployed, students, and people on social benefits or others who, for some reason or another, are not available for work. The rates varied between 48% in Macedonia and 82% in Switzerland in 2012, whilst in one of the five largest countries in Europe (Spain) the rate was under 60%.



The distribution of employment looks more even if one only takes male employment into consideration. The EU average was close to 75% in 2012 and only one country was below 60%. Still, we know that male employment rates have suffered a much greater decline since the crisis (2008) than the female employment rates. In other words, the gender gap in employment has narrowed in the majority of countries.

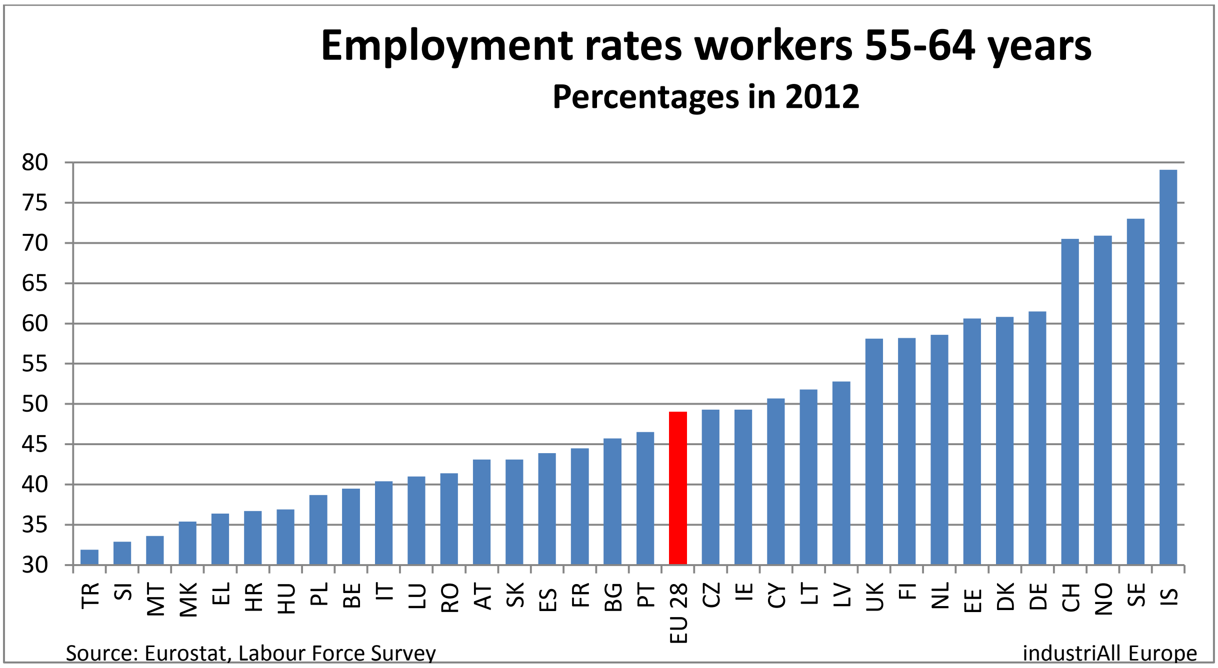


As the bar chart below shows, the employment rate for women in 2012 was just above 30% in Turkey and over 70% in Nordic countries, Germany, the Netherlands and Switzerland.



1.3.2 Employment of Older Workers

There are remarkable differences with respect to employment rates of workers between 55 and 64 years. In a big country like Turkey, the share is only 32% while Germany, Switzerland and some Nordic countries have shares above 70%. The reasons could be varying levels of participation in working life amongst women, which is one important factor, whilst another is the retirement age and possibilities for early retirement. In addition, strenuous work within physical jobs forces workers out of their companies long before they reach retirement age.



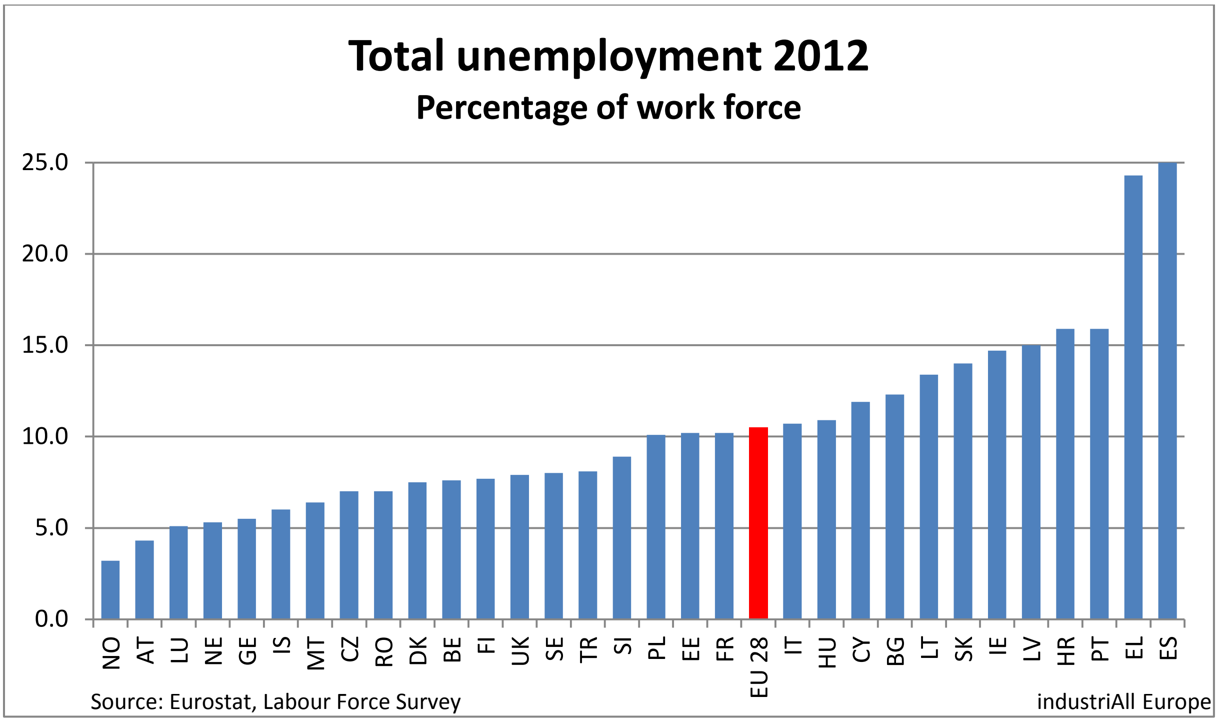
1.3.3 Unemployment

Unemployment rates represent unemployed persons as a percentage of the labour force. The labour force is the total number of people employed and unemployed. Unemployed persons comprise persons aged 15 to 74 who were either without work during the reference week or available for paid employment or self-employment.

Unemployment rates in Europe have reached unprecedented levels and the situation is getting worse, despite talk of an economic recovery. The EU average in 2012 was above 10% whilst a large country like Spain had registered 25%. Greece was close to 25%. Ireland was worst off in Northwestern Europe with almost 15%.

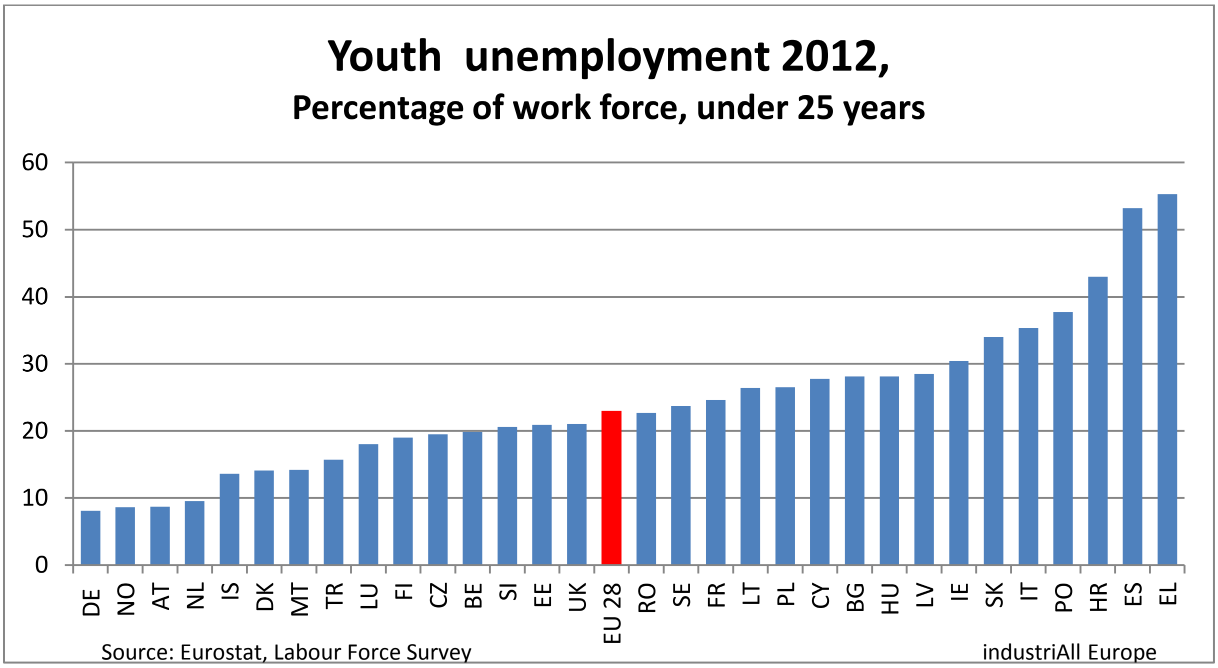
The number of unemployed in the EU is 18 million in the euro area and 25 million in the EU. 3 million jobs have been lost in EA 17 since 2008 and 5 million in EU 28. Fiscal consolidation after the emergence of crisis has no doubt had a significant impact on unemployment level. We know that the share of long-term unemployment has risen continuously since 2009.

As we will show later, unemployment has also repressed wage growth. Wage moderation prevails, particularly in manufacturing sectors under pressure, with the possibility of further wage moderation in the years to come. We don't know. Trade unions' position is weakened in many EU countries by the high unemployment rate. The average unemployment rate in the EU-28 increased from 10.5% in the year 2012 to 11.1% in the year 2013. More than 26.5 million people are unemployed. The highest unemployment rate can be seen in Greece and Spain. Very few countries have an unemployment rate of below 6%. The Commission's forecast predicts an unchanged high unemployment rate of about 11.0% over the forthcoming years.



1.3.4 Youth Unemployment

The term "the lost generation" is used more and more often in Europe, especially in the South-West. The bar chart below shows why. Only four countries had less than 10% youth unemployment while in Spain and Greece, the rate exceeds 50%.



1.4 Inflation

Inflation is, like (labour) productivity, an important orientation factor for collective bargaining. The result of both indicators aggregated is the so-called neutral distribution margin. If this margin is achieved by a wage increase, the workers' participation in productivity gains is balanced and the relation between work income and capital income remains constant.

1.4.1 Harmonised Index of Consumer Prices (HICP)

For the first time since the Eucob@n survey was initiated by the former Federations in 1999, the questionnaire asked about national inflation figures on which bargaining demands had been based. Unfortunately, the feedback was rather disappointing and therefore not included in the report.

The Harmonised Indices of Consumer Prices (HICPs) are designed for international comparisons of consumer price inflation. HICP is used, for example, by the European Central Bank as required under the EU Treaty.

The table below shows the percentage changes with reductions in consumer prices in several European countries in 2009. The average increase in EA 17 was only 0.3%. In a situation like this, it was obvious that the industriAll Europe Wage Coordination Rule could not work in all countries. A logical consequence of applying the rule would be to demand lower nominal wages, something which would cause an impossible situation for our affiliates. From 2010 on, the picture with respect to HICP has been more stable, including the figures for 2013 which are forecasts that will be adjusted in the next few years.

Country	2009	2010	2011	2012	2013
Belgium	0.0	2.3	3.5	2.9	1.8
Bulgaria	2.5	3.0	3.4	2.6	2.7
Czech	0.6	1.2	2.1	3.3	2.2
Denmark	1.1	2.2	2.7	2.6	1.5
Germany	0.2	1.2	2.5	2.3	1.8
Estonia	0.2	2.7	5.1	3.9	3.4
Ireland	-1.7	-1.6	1.2	1.7	1.2
Greece	1.3	4.7	3.1	-0.5	-0.3
Spain	-0.2	2.0	3.1	1.9	1.1
France	0.1	1.7	2.3	2.1	1.9
Italy	0.8	1.6	2.9	3.2	2.3
Cyprus	0.2	2.6	3.5	3.4	2.5
Latvia	3.3	-1.2	4.2	2.6	2.1
Lithuania	4.2	1.2	4.1	3.1	2.9
Luxembourg	0.0	2.8	3.7	3.0	2.0
Hungary	4.0	4.7	3.9	5.5	3.9
Malta	1.8	2.0	2.4	2.0	2.2
Netherlands	1.0	0.9	2.5	2.5	1.8
Austria	0.4	1.7	3.6	2.4	2.0
Poland	4.0	2.7	3.9	3.7	2.9
Portugal	-0.9	1.4	3.6	3.0	1.1
Romania	5.6	6.1	5.8	3.1	3.4
Slovenia	0.9	2.1	2.1	2.2	1.7
Slovakia	0.9	0.7	4.1	2.9	1.9
Finland	1.6	1.7	3.3	3.0	2.5
Sweden	1.9	1.9	1.4	1.1	1.5
UK	2.2	3.3	4.5	2.9	2.0
Croatia	2.2	1.1	2.2	2.4	2.0
Macedonia	-0.8	1.6	3.9	2.0	2.5
Iceland	16.3	7.5	4.2	5.1	3.9
Turkey	6.3	8.6	6.5	5.8	6.6
Switzerland	-0.7	0.6	0.1	1.1	1.4
EA-17	0.3	1.6	2.7	2.4	1.8
EU-27	1.0	2.1	3.1	2.6	1.9

1.4.2 National Inflation Figures

AMECO national inflation figures cover only 19 out of 35 countries. For Belgium, Iceland and Turkey, for example, they are identical to the HICP figures for 2012 and 2013. For other countries, there are slight differences. For the UK, however, the national figures are substantially higher than the harmonised ones.

As so few countries are covered by the AMECO statistics and the feedback from the member organisations was insufficient, we have chosen to stick to the traditional way of calculating the offset inflation rate by using the harmonised consumer price index.

2 Collective Bargaining in European Manufacturing Industries in 2012-2013

As mentioned previously, this chapter has been divided into four sections: metal, chemical, TCL and steel.

2.1 Developments in the Metal Sector

The entire metal sector is not covered by one single code in NACE (the statistical classification of economic activities in the European Community). We have therefore chosen to use the category “capital goods” which gives a good approximation.

2.1.1 Production

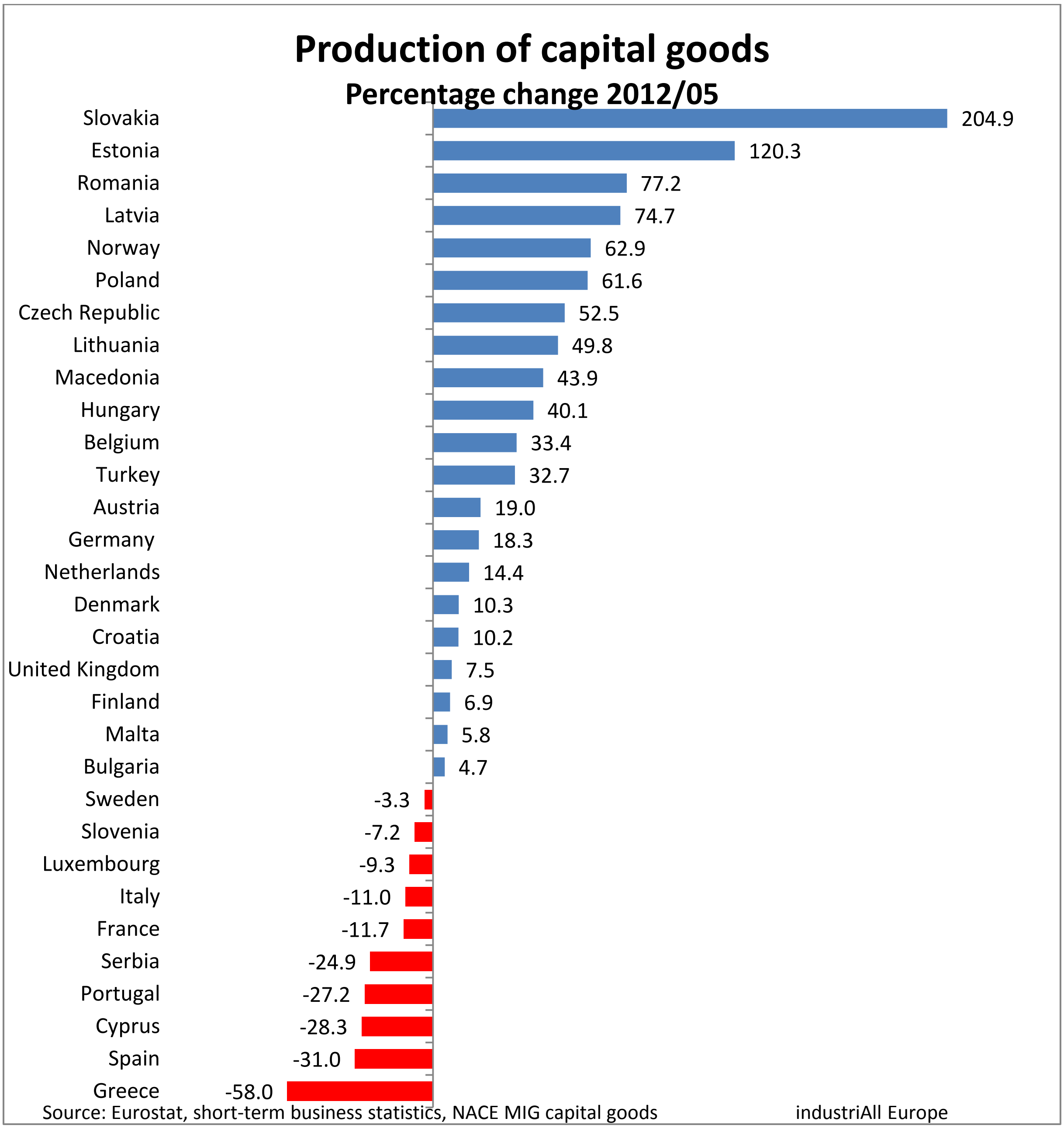
The bar chart below shows the production development between 2005 and 2012. It is based on indices on production volumes from Eurostat. (Eurostat gives better sector-specific overviews than AMECO).

Obviously, in order to calculate a percentage change, one needs index values from both of the two years in question. The national reporting isn’t complete, either because of lack of registration and resources in the Member States or simply because a sector is very small in a country. In cases where one company is totally dominant in a country, national statistics would reveal the situation of this company.

For the capital goods sector, Eurostat has figures for 31 countries, of which as many as 21 have registered production growth since 2005. There has been a marked upward trend in production in a few of the new Member States, especially Slovakia with a percentage growth of more than 200% (!) Also Romania, Poland and two of the Baltic States had noticeable increases in capital goods production. At the other end of the scale, Greece registered a drop of about 60%.

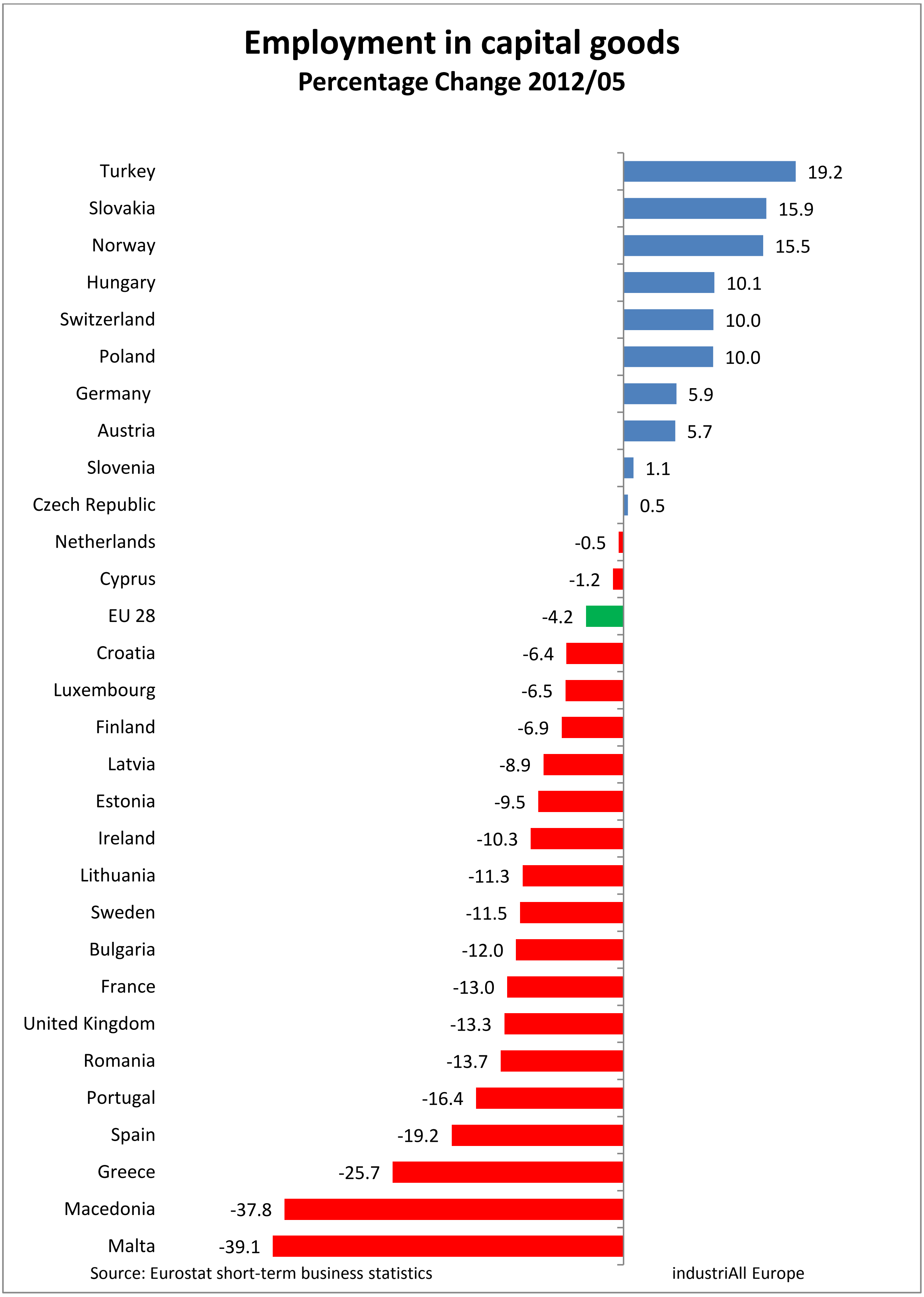
The picture is very mixed when we look at the five biggest economies of the EU; Germany: + 18.3%, the UK: +7.5%, Italy: -11.0%, France: - 11.7% and Spain: -31.0%

Based on an overall assessment, the capital goods sector has done comparatively well during this period compared with other manufacturing industries. However, the background figures show that very few countries have reached the pre-crisis levels of production volumes (2008), with almost every country having experienced a dramatic fall from 2008 to 2009.



2.1.2 Employment

When it comes to employment in capital goods, Eurostat provides us with figures from more or less the same countries, including an average for EU 28. The positive changes are a lot less visible, meaning that the increases of employed persons are remarkably smaller than the increases of production volumes. For example, the sharp Slovakian surge in production was only followed by an increase of 15.9 % of employed people. Just nine countries registered increased employment, albeit with modest growth. This means that labour productivity is growing in the sector and the production is becoming more capital-intensive.


Employment in capital goods
Percentage Change 2012/05
Turkey 19.2
Slovakia 15.9
Norway 15.5
Hungary 10.1
Switzerland 10.0
Poland 10.0
Germany 5.9
Austria 5.7
Slovenia 1.1
Czech Republic 0.5
Netherlands -0.5
Cyprus -1.2
EU 28 -4.2
Croatia -6.4
Luxembourg -6.5
Finland -6.9
Latvia -8.9
Estonia -9.5
Ireland -10.3
Lithuania -11.3
Sweden -11.5
Bulgaria -12.0
France -13.0
United Kingdom -13.3
Romania -13.7
Portugal -16.4
Spain -19.2
Greece -25.7
Macedonia -37.8
Malta -39.1
Source: Eurostat short-term business statistics
industriAll Europe

2.1.3 Participants in the Survey

29 unions from 15 countries replied to the metal questionnaire, many of whom are the "Usual Suspects". However, some of the traditionally faithful metal unions have become less reliable in terms of participation over the last few years.

Country	Union(s)
Austria	PRO-GE
Bulgaria	Metallicy, NTUF
Czech	OS KOVO
Denmark	CO-industri
France	CFDT, FTM-CGT, FO, CFE-CGC
Finland	Metalli, Pro, TEK, UIL
Iceland	Starfsgreinasambandi
Germany	IG Metall
The Netherlands	FNV Bondgenoten, CNV Vakmensen, De Unie, VHP2
Norway	NITO, TEKNA
Slovakia	OZ KOVO
Slovenia	SKEI
Spain	FITAG-UGT, MCA-UGT
Sweden	IF Metall, Unionen, Engineers
Switzerland	Unia

The table below shows the participation in the Eucob@n survey since the founding of industriAll Europe. Compared with last year, more metal unions have replied to the questionnaire, but only 15 countries took part. This is too low as the Federation has member organisations in 37 countries and all of them have a metal industry, even if this production sector is small in countries like the Baltic States, Luxembourg and Cyprus.

Year	Countries	Unions
2012	17	24
2013	15	29

The table below shows the bargaining levels. Almost all of the respondents have answered that they negotiate at national level, either sectoral or intersectoral. One of the few exceptions is Switzerland, where collective bargaining in the watch industry only takes place at company level. This is striking at a time when there is much talk of decentralisation of collective bargaining. If the explanation is that our questionnaire is best suited to national bargaining, we should consider adaptations to accommodate unions which only bargain locally.

Country	Union(s)	National		Regional		Local/ company
		Inter-sectoral	Sectoral	Inter-sectoral	Sectoral	
Austria	PRO-GE	X	X	X	X	X
Bulgaria	Metallicy		X			X
Bulgaria	NTUF		X			
Czech	OS KOVO (aerospace)		X			
Czech	OS KOVO (electro technical)		X			
Czech	OS KOVO (foundry)		X			
Czech	OS KOVO 512 companies					X
Denmark	CO-Industri		X			
Finland	Metalli, Pro, TEK, UIL		X			
France	CFDT, FTM-CGT, FO, CFE-CGC	X	X		X	X
Germany	IG Metall		X		X	
Iceland	Starfsgreinasambandi	X				
Netherlands	FNV, CNV, De Unie		X			
Netherlands	FNV, CNV, De Unie, VHP2		X			
Netherlands	FNV Bondgenoten (companies)	X	X			X
Norway	NITO	X				X
Norway	TEKNA	X				X
Slovakia	OZ KOVO (electro technical)		X		X	X
Slovakia	OZ KOVO (engineering)				X	X
Slovenia	SKEI		X			X
Spain	MCA-UGT		X			
Spain	FITAG-UGT		X			
Sweden	IF Metall		X			
Sweden	Engineers		X			
Sweden	Unionen		X			
Switzerland	UNIA (watches)					X

New agreements have been reported by Austria, Bulgaria, the Czech Republic, Germany, Slovakia, Slovenia, Spain, Sweden and Switzerland. Some reports only made reference to local agreements.

<u>Austria</u>

PRO-GE reported on several agreements, the first of which covered 65,000 hired workers and employees ("Arbeitskräfteüberlassung"). It is a new sector agreement applicable for the first 11 months of 2013. It binds all employers who are currently subject to obligatory membership. Wages increased by 3.4% and also minimum wages were increased.

Another agreement was concluded for the electro and electro industry sectors. It is a new sector agreement, valid for 60,000 workers for 12 months from 1st May 2013, *erga omnes* in the same way as the above-mentioned agreement for hired workers. Wages went up by 3.2% plus 0.2% for local negotiations. Minimum wages were increased to 1,619 euros.

The new metal and mining agreement applies to 180,000 workers for 12 months from 1st November 2012. No strikes were necessary, but shortly before the conclusion of the agreement, workers and employees of some 300 companies mobilised. Wages went up by 3.0-3.5% (minimum wages, effective wages and remuneration to apprentices). Attempts by the employers to decentralise collective bargaining and increase the hours of young workers were rejected by the union.

Bulgaria

Metallicy reported on a branch collective agreement which was concluded on 3rd April 2013 and valid for two years. It is an adjusted, prolonged agreement with opening clauses applicable to blue and white collar workers (in total 15,000), in companies which are affiliated to the relevant national employers' association.

Industrial action was necessary in order to reach the agreement which covers the entire spectrum of issues related to industrial relations: employment, wages/salaries, working conditions and improved qualifications. No key demands were rejected by the employers.

NTUF concluded a national sectoral CA for workers in the metal sector in January 2013, valid for one year. It is a company agreement applicable to organised employers and some 20,000 blue and white collar workers.

The Czech Republic

OS KOVO filled in four questionnaires, the first of which concerned the aerospace agreement, valid for the whole of 2013. It is a new sector level agreement for 2,400 workers in companies which are members of the national employers' association. The wage increase was 2% and longer working hours were avoided. The parties agreed to continue their implementation of the common demand on precarious work and moreover to combat harassment in the workplace.

The report on a new agreement in the electro technical sector is valid for 2013 and 2014 and applies both to blue and white collar workers (close to 6,000) but only in companies which are members of the relevant employers' association. Wages increased by 1.5% with some improvements being achieved or the status quo being maintained with regard to working time, training, precarious work and harassment in the workplace. Wages and social commitments are also expected to be key areas in the next round in the autumn of 2014.

The foundry agreement for 13,000 workers and employees was subject to a mid-term review. The average wage levels were upheld and working time per week is 37.5 hours. On the other hand, a demand for minimum wage tariff scales was not met by the employers.

OS KOVO's report on company agreements covered 512 new agreements or annexes with validity from one to three years. They apply to some 290,000 blue and white collar workers. Wage increases were given in 70% of the negotiations, on average 2.9%. 44% included holiday and Christmas bonuses in addition. 87% of the agreements had provisions on shorter weekly working time (from statutory 40 hours to 37.9 hours), 26% included better training rights but only 4% measures against precarious employment. 32% had measures on equal treatment.

Denmark

CO-industri has not signed any new collective agreements during the period covered by the 2013 report. The existing metal agreement applies to about 240,000 workers. The next bargaining round will start at the end of 2013 and is expected to finish February/March 2014. The main topics for the bargaining round will be discussed in mid-2013.

Finland

Metalli, Pro, TEK, UIL also reported that no new agreements had been signed during the last 12 months.

France

The four French unions CFDT Métallurgie, FTM-CGT, FO Métallurgie and, CFE-CGC Métallurgie explained in their reply that a sectoral collective agreement in the metallurgy sector applies to all categories of staff and all subsectors of the industry including steel.

However, there also exists a specific collective agreement in the steel sector: in the relevant period with increased rates of guaranteed annual minimum wage increase of 1.3% in 2013 plus increased seniority bonus, holiday bonuses and meal vouchers.

Germany

IG Metall reported on a new wage agreement in the metal sector valid for 20 months until 31st December 2014. In addition came a prolongation of funding for partial retirement. It is applicable to blue and white collar workers (about 2.3 million) in companies which are members of the employers' federation. Warning strikes involving 760,000 workers were necessary. Wages increased by 3.4% from 1st July 2013 and another 2.2% from 1st May 2014.

Wage increases and qualitative demands are likely to be the key issues in the next round at the end of 2014.

Iceland

This year, we received a rare reply to our questionnaire from Icelandic affiliate Starfsgreinasambandi. It had not signed any new agreements because an *erga omnes* agreement covering many sectors expired in November 2013 and input from local organisations was being sent in to the main office at the time of reporting.

The Netherlands

FNV Bondgenoten, CNV Vakmensen and De Unie answered jointly for the metal and engineering sector, at a time when they were busy conducting a mid-term review of an existing agreement covering 305,000 workers. It will be covered in next year's report.

The same three unions, plus VHP2, reported on the metal industry and explained that the current collective agreement had expired on 1st July 2013. A new round would start shortly before the summer of 2013 and a wage demand of 2.5% had been decided for 12 months. A number of improved working conditions would also be demanded.

FNV Bondgenoten sent in a reply describing 109 local agreements, most of which had been renewed. Altogether they cover 256,000 workers, including white collars. The average wage increase was 1.6%. Improvements were also brought about in the fields of training, retirement ages and benefits, equal opportunities and precarious work.

Norway

NITO's current agreement is valid for the period 1st June until 31st May 2014, meaning they had not signed any new agreements during the period covered by this survey. It is a sector agreement only applicable to employers which are members of the relevant national association. It covers 20,000 employees. Industrial action has never been used related to the agreement. Wages are bargained locally, whilst the agreement sets a framework for the local negotiations (rules of conduct).

TEKNA's agreements are only applicable to trade union members. Its agreement in the metal sector is also valid for two years, from 2012-2014 and it covers some 17,000 graduated engineers. The next round will start in the spring of 2014.

Slovakia

OZ KOVO filled in questionnaires for two sectors; electrotechnical and mechanical engineering.

No new agreement had been concluded in the electrotechnical sector. Wage increases to uphold the purchasing power would be the main demand in the next round.

In the mechanical engineering sector however, a new agreement is valid from 1st May 2013 until 30th April 2014. It covers 19,000 workers who now receive 3.4% higher wages than in 2012. Furthermore the conditions for working time accounts were improved. The rest was status quo. Improved purchasing power will be the key demand in the next round.

Slovenia

SKEI reported on new agreements in the electrotechnical industry and in the metal industry. In the first sector, only a wage agreement is new, valid for 24,000 workers from 1st March

2013 until 28th February 2014. Industrial action was necessary. The minimum wages increased by 2.4% from 1st March 2013 and by another 2% from 1st September 2013. Additional minimum wage increases will also be an issue in the next round.

A new wage agreement in the metal industry is valid from 1st April 2013 to 30th September 2013. It covers 50,000 workers. Strikes were necessary before an agreement was concluded on 3.4% higher wages.

Spain

MCA-UGT reported on 52 regional or provincial agreements, of which 25 had been concluded at the time of reporting and 27 were on hold because of delays and refusals from the employers' side. The concluded agreements are *erga omnes* and apply to 365,000 workers with validities ranging from 1-7 years. On average, the wage increases were as low as 0.83%. Strike threats and other types of pressure were necessary in many cases. Spanish trade unions are faced with a historic labour reform and trying to alleviate its impact through collective bargaining.

FITAG-UGT just reported on a prolonged agreement without any changes. Its next round begins in January 2015.

Sweden

IF Metall has achieved a new agreement in the automotive repair sector which applies to the period 1st May 2013 to 30th April 2016. It covers 15,100 workers but is not an *erga omnes* agreement. The wage level increases by 1.9% in 2013, 2.0% in 2014 and finally 2.3% in 2015. 0.6% was added to a new part-time pension insurance scheme and parental leave was prolonged by 0.6%. The confederation, LO Sweden, was involved in the negotiation of the insurance scheme and parental leaves.

The Swedish Engineers' union concluded an agreement with its counterpart on 2nd April 2013, valid for three years. It is an adjusted prolonged agreement, applicable to 35,000 members of the trade union. The wages will increase by 2.3% per year. Additionally, improvements were achieved regarding part-time retirement, gender equality and precarious work (maximum duration of temporary contracts).

Unionen's report covered a new three-year agreement in the metal and engineering sector ending on 31st March 2016. It is an adjusted, prolonged *erga omnes* agreement applicable to 70,000 employees. However, the salary agreement only applies to the union members. Wages increase by 2.0% in 2013, 2.1% in 2014 and 2.2% in 2015. The agreement also embeds the right to more overtime work and the right to partial pension from the age of 60. Temporary employment which exceeds 18 months should give the right to a permanent job.

Switzerland

Unia reported on coordinated company negotiations in the watches industry, applicable to the period 1st January 2013 until 31st December 2017. The agreements apply to 1,445 workers. The wages were not increased but some other improvements were achieved in the field of working time.

2.1.4 The Wage Coordination Rule and the VOWA

The acronym VOWA stands for Value of the Whole Agreement. It incorporates both wage increases and non-tariff elements that can be calculated as a percentage change on an annual basis, for example occupational retirement schemes, working time reductions including short-time working schemes ("Kurzarbeit") , improved training rights and so on. The latter cannot be calculated precisely because the unions don't know the number/percentage of staff that will take advantage of their improved rights at the time of concluding the agreement. Other rights, like the right of trade unions to be consulted and informed by the company management cannot be included in the VOWA.

Due to a number of changes in national wage-setting, the task of our correspondents is becoming increasingly challenging. As mentioned in chapter 3.2, collective bargaining is becoming decentralised, individualised, several wage increases are often given during the same year, there are one-off payments etc. In 2014 we will consider modifying the Eucob@n questionnaire in order to get the most precise VOWA figures possible. An alternative method could be to request the elements needed to calculate the VOWA and to create an Excel model to enable the industriAll Europe Secretariat to calculate this.

Here are the figures that we have received for 2012. Once inflation has been deducted, we notice that the offset inflation rate ("purchasing power") was positive in countries like Bulgaria, Germany, Slovakia, Slovenia and Sweden. Furthermore, after deducting the growth rate of labour productivity, the balanced participation in labour productivity was positive in all these countries, meaning that the Wage Coordination Rule was fulfilled by the unions. This was also the case in the Netherlands, as in 2012, labour productivity in this country actually fell by 0.7%.

NB! All figures will be updated with the latest available data for inflation and labour productivity before the collective bargaining conference in Vienna in June 2014. This will also be done with evaluations of the Wage Coordination Rule in previous Eucob@n reports (2009-2012).

Country/ union	Value of the Whole Agreement 2012 (VOWA)	Inflation*	Offset inflation rate	Labour productivity**	Balanced participation in productivity gains (BPPG)
Bulgaria - NTUF	5.8	2.6	3.2	2.4	0.8
Czech - OSKOVO (aero)	2.1	3.3	-1.2	0.1	-1.3
Czech - OSKOVO (elect)	1.8	3.3	-1.5	0.1	-1.6
Czech - OSKOVO (found)	2.6	3.3	-0.7	0.1	-0.8
Denmark - CO-industri	2.0	2.6	-0.6	1.0	-1.6
Germany - IG Metall	3.5	2.3	1.2	-0.4	1.6
Netherlands (metal)	2.0	2.5	-0.5	-0.7	0.2
Netherlands (met ind)	3.5	2.5	1.0	-0.7	1.7
Slovakia-OZKOVO (engi)	3.4	2.9	0.5	1.4	-0.9
Slovenia - SKEI (electro)	3.5	2.2	1.3	0.3	1.0
Slovenia - SKEI (metal)	4.0	2.2	1.8	0.3	1.5
Spain - FITAG	1.9	1.9	0.0	2.0	-2.0
Sweden - Unionen	2.6	1.1	1.5	0.1	1.4
*HICP forecast AMECO					
**Forecast AMECO					

Here are the figures that we have received for 2013. Only unions in Bulgaria, Germany Slovakia and Slovenia achieved a positive BPPG in the metal sector in 2013.

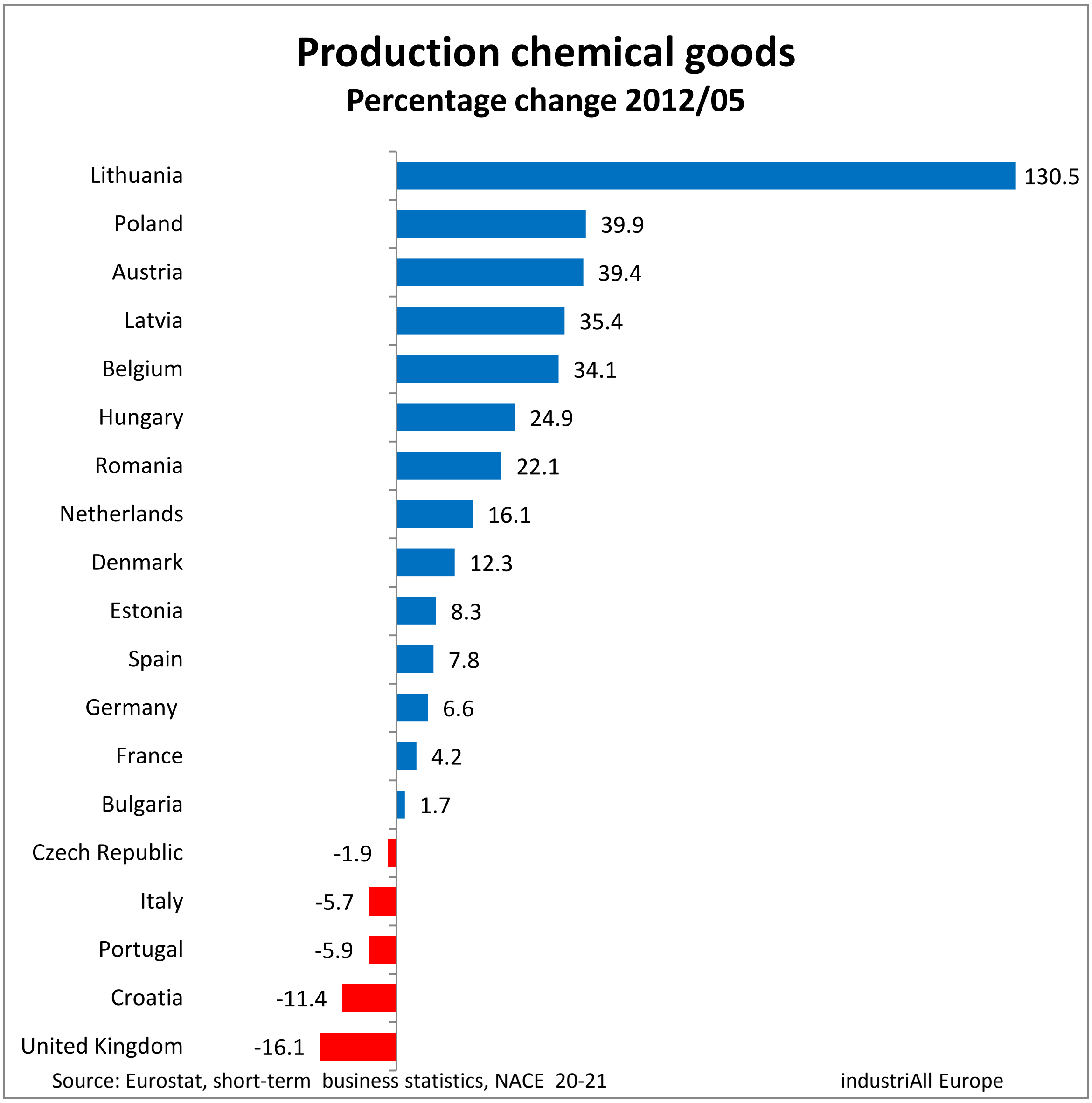
Country/ union	Value of the Whole Agreement 2013 (VOWA)	Inflation*	Offset inflation rate	Labour productivity**	Balanced participation in productivity gains (BPPG)
Bulgaria- NTUF	5.4	2.7	2.7	2.1	0.6
Czech - OSKOVO (aero)	2.1	2.2	-0.1	1.3	-1.4
Czech - OSKOVO (electro)	1.6	2.2	-0.6	1.3	-1.9
Czech - OSKOVO (found)	1.8	2.2	-0.4	1.3	-1.7
Germany - IG Metall	3.1	1.8	1.3	1.3	0.0
Netherlands (metal)	2.0	1.8	0.2	0.8	-0.6
Netherlands (met ind)	2.0	1.8	0.2	0.8	-0.6
Slovakia - OZ KOVO (engi)	3.3	1.9	1.4	2.2	-0.8
Slovenia - SKEI (electro)	4.5	1.7	2.8	1.6	1.2
Slovenia - SKEI (metal)	3.5	1.7	1.8	1.6	0.2
Sweden-IF Metall (auto r)	1.9	1.5	0.4	1.7	-1.3
Sweden - IF Metall (engi)	1.9	1.5	0.4	1.7	-1.3
Sweden - Unionen	2.2	1.5	0.7	1.7	-1.0
*HICP forecast AMECO					
**Forecast AMECO					

2.2 Developments in the Mining, Chemical and Energy Sectors

This section covers the sectors and answers from the former EMCEF affiliates.

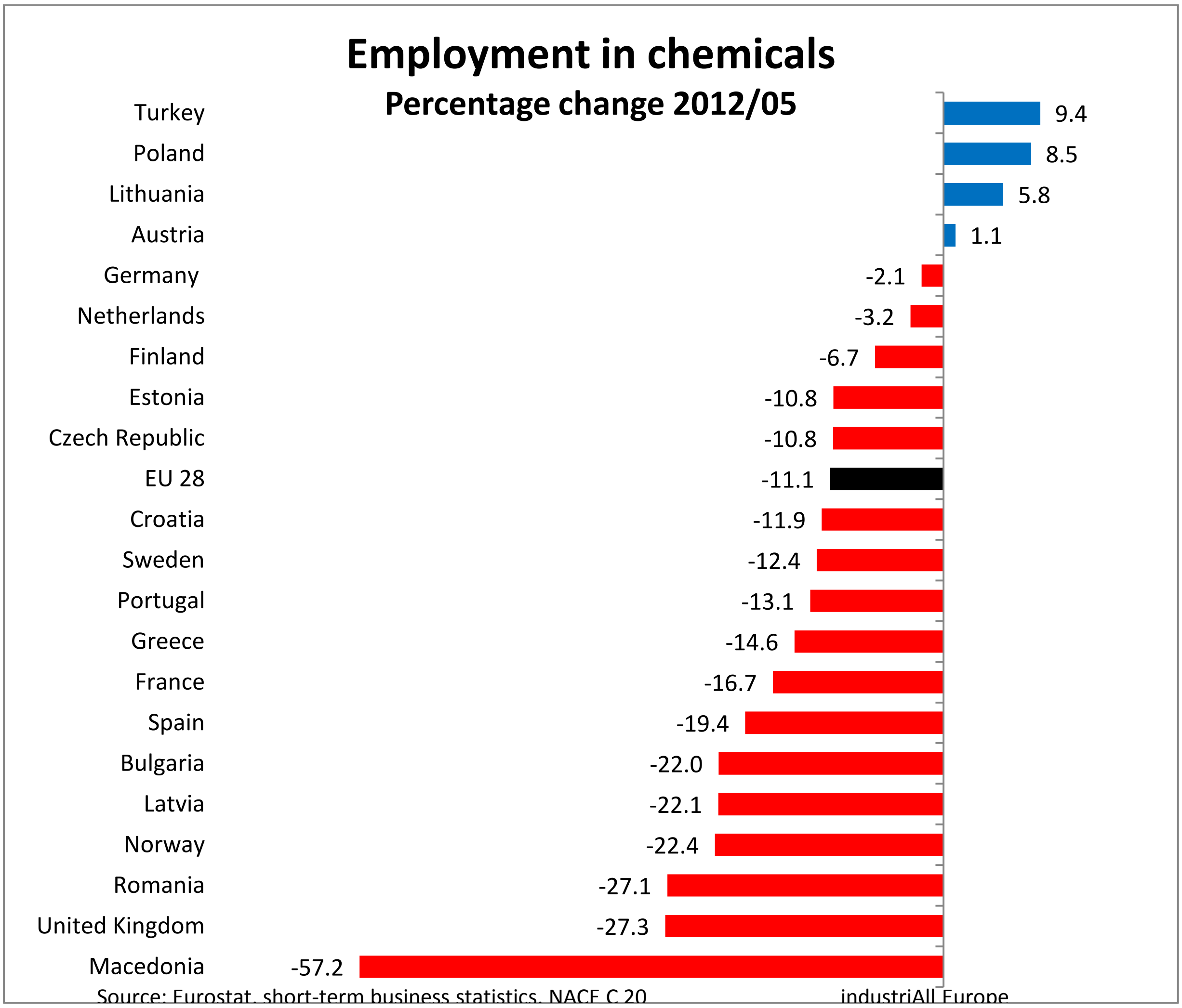
2.2.1 Production

The table below doesn't show employment developments in all former EMCEF sectors, but only the manufacture of chemicals and chemical products. We could have gone into more detail, but also wanted to avoid an overkill of statistics. Percentage changes could be calculated for 19 countries based on Eurostat data, of which 14 had registered production increases, though many of them very modest. Three of the latter are major economies like Germany, France and Spain. Italy registered a decrease in the production volumes of chemical goods of 5.7% between 2005 and 2012, whilst the UK noted a drop of 16.1%.



2.2.2 Employment

Unfortunately, there is a difference in the sector-specific overviews in the short-term business statistics for the chemical industries as far as production and employment are concerned. The bar chart above is based on indices showing the sum of production volumes in the manufacture of chemical and pharmaceutical products (NACE codes 20 and 21). These two subsectors have not been merged in the employment statistics and as they are based on indices, adding them would give misleading results. Therefore, we have chosen to show only NACE code 20, employment in chemicals and chemical products. As in the capital goods sector, we notice that the production has become rationalised with rather insignificant increases in employment in 4 out of 21 countries.



2.2.3 Participants in the Survey

We received responses to the questionnaire from the following 12 unions, between them representing the chemical sectors in 10 different countries.

Country	Union(s)
Austria	PRO-GE
Czech	SKP, ECHO
Finland	TEAM
Germany	IG BCE
Latvia	Energija
Netherlands	FNV Bondgenoten
Romania	Confpeltex
Spain	FITAG-UGT
Sweden	IF Metall, Engineers
Switzerland	VPE

Since the founding of industriAll Europe, the participation in the survey from the former EMCEF unions has been surprisingly and disappointingly low. We are unclear as to why this might be. However, it is a fact that EMCEF used a different template to that used by EMF and ETUF-TCL. EMCEF did not have a Wage Coordination Rule and there was no question about VOWA. But so far we have not received any indications from the chemical, mining and energy unions that they find the industriAll Europe questionnaire more difficult to fill in.

The small table below shows the number of replies from former EMCEF unions since the founding of industriAll Europe.

Year	Countries	Unions
2012	14	16
2013	10	12

The next table shows the bargaining levels for the relevant agreements. PRO-GE actually negotiates at all five levels. In the chemical sectors, it would appear that there are more unions that only bargain at company level than in the metal sector.

Country	Union(s)	National		Regional		Local/ company
		Inter-sectoral	Sectoral	Inter-sectoral	Sectoral	
Austria	PRO-GE	x	x	x	x	x
Czech	ECHO		x			x
Czech	SKP		x			x
Finland	TEAM		x			
Germany	IG BCE		x			
Latvia	Energija					x
Netherlands	FNV Bondgenoten					x
Romania	Confpeltex					x
Spain	UGT-FITAG		x			
Sweden	IF Metall		x			
Sweden	Engineers		x			
Switzerland	VPE		x			

New agreements were reported from Austria, the Czech Republic, Germany, Latvia, the Netherlands, Spain and Sweden.

Austria

PRO-GE reported on five new agreements, the first of which affects the chemical industry. This entered into force on 1st May 2013, is applicable to 50,000 workers and will be valid for 12 months. Wages increased by 3.3%. A new twelve-month agreement applicable to 21,000 workers in the electricity sector came into force on 1st February 2013. The wage increases were close to 3.0% while the remuneration of apprentices went up by 3.2%. A similar agreement in the glass sector (9,000 workers) applies for twelve months as of 1st June 2013 with wage increases of around 3%. An agreement in the mineral oil sector applies to some 4,000 workers and the wage increases were 3.0-3.4%. After tough negotiations for 8,000 paper workers, the parties agreed on wage increases of just over 3% from 1st May 2013, once again for twelve months.

The Czech Republic

SKP's reply concerned new high-level agreements for 19,400 blue and white collar workers in the glass and ceramic industries applicable for 2013 and 2014. Weekly working hours were reduced to 37.5 and in addition, SKP achieved improvements regarding pensions, leave and severance pay.

ECHO reported on two higher level collective agreements, one in the chemical sector and another in the energy sector, both valid for the whole of 2013. The agreements apply to employers which are members of national associations. They do not have opening clauses. Minimum wages are decided by the political authorities without prior consultations with the social partners. The agreements only gave some minor bonuses for night work and weekend work.

Finland

TEAM reported that no new agreements had been concluded as the current *erga omnes* agreement for 20,000 runs until 28th February 2014.

Germany

IG BCE gave feedback on a wage agreement in the crude rubber sector (kautchuk) valid for 14 months and applicable to 25,000 workers. Wages increased by 2.1% until 1st May 2013 and another 1.1% until 1st January 2014.

Another new agreement, Chemical West, applies to wages for a 19 month period and the number of workers covered is 550,000. Wages increased by 4.5%, with an increase in remuneration for apprentices of 50 euros.

In the stone coal sector, the new agreement is valid for 21 months and applies to 18,000 workers. Wages went up by 3.5%, with a lump sum increase of 630 euro and improvements for apprentices.

Latvia

Energija gave feedback on a prolonged company agreement applicable to 4,500 workers valid until the end of 2013. It demanded compensation for inflation (2%) but this demand was refused by the employer. The same demand will be tabled again in the next round (July 2013).

The Netherlands

FNV Bondgenoten reported on some 120 collective agreements at company level in the chemical sector. They are valid for an average of 18 months and the wage increases were 1.9 % on average. Other improvements were achieved for older workers and training. A further 150 negotiations will take place in 2013.

Romania

Confpeltex's reply concerns a company agreement for the years 2012 to 2014. It is applicable to 600 workers. The next round begins in March 2014 and labour conditions and wages will be given the highest priority by the trade unions.

Spain

FITAG-UGT sent in a reply concerning an adjusted prolongation of an already existing branch-level agreement in the chemical industry applicable to 216,000 workers in 2013 and 2014. According to the agreement, minimum wages are 645 euros per month, annual working hours 1,752 with flexibility and there are specific sections in the agreement on training, retirement and equal opportunities.

In another reply concerning 27,000 workers from the glass and ceramic sector, FITAG explained that the minimum wages were the same as in the chemical industry. A special commission had been set up in order to deal with equal opportunities and gender issues.

Moreover, in the paper sector the agreement applicable to 17,000 workers is valid for the two years 2013-14. Also this agreement had been subject to a revision with the same minimum wages.

The agreement for 30,000 workers in perfume manufacturing has sections on training and gender equality, while retirement age and benefits must follow national legislation.

The fifth and last agreement in the replies of FITAG concerned about 1,000 workers in the salt sector. It includes the same minimum wage and has an *erga omnes* effect like all the above mentioned agreements. To a large extent the provisions of this agreement follow Spanish law.

Sweden

IF Metall gave feedback on an agreement in the chemical sector valid for three years (1st April 2013 to 31st March 2016). It is an adjusted, prolonged agreement applicable to organised employers and 14,612 workers. Wages increase by 2.0% in 2013 and 2014 and 2.3% in 2015. 0.6% was given to a new part-time pension scheme. Parental leave was prolonged by one month.

The Swedish Engineers' union gave feedback on a new agreement called "Wages and general conditions for the chemical sector". It has the same period of validity as the agreement of IF Metall and applies to 10,000 workers. Wages increase by 1.9% in 2013, 2.1% in 2014 and 2.3% in 2015.

Switzerland

VPE reported that no new agreements had been concluded in the relevant period.

2.2.4 The Wage Coordination Rule and the VOWA

No question relating to VOWA were included in the digital questionnaire of the former EMCEF. Thus unions in the energy, chemical and mining sectors are still not used to this type of calculation. The figures from 2012 show that an offset inflation rate of 0.0% was obtained in Spain, the rest were negative and also all of the BPPG figures.

Country/ union	Value of the Whole Agreement 2012 (VOWA)	Inflation*	Offset inflation rate	Labour productivity**	Balanced participation in productivity gains (BPPG)
Czech (SKP)	1.9	3.3	-1.4	0.1	-1.5
Finland (TEAM)	2.4	3.0	-0.6	0.9	-1.5
Latvia (Energija)	2.0	2.6	-0.6	1.5	-2.1
Spain (UGT)	1.9	1.9	0.0	2.0	-2.0
*HICP forecast AMECO					
**Forecast AMECO					

According to the figures we have from 2013, both Sweden and Latvia had positive offset inflation rates, but not enough to compensate for the productivity increase.

Country/ union	Value of the Whole Agreement 2013 (VOWA)	Inflation*	Offset inflation rate	Labour productivity**	Balanced participation in productivity gains (BPPG)

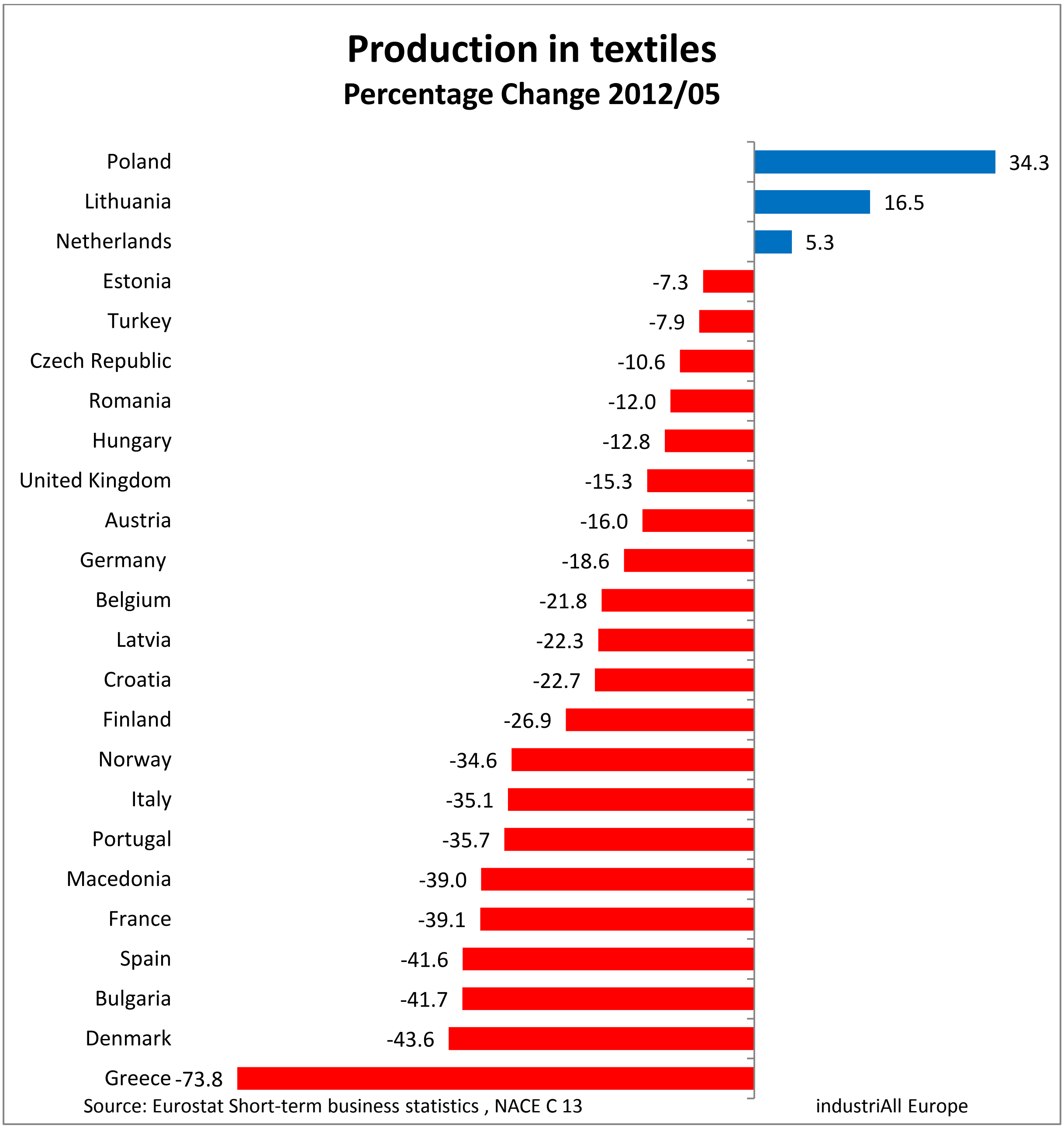
Czech (SKP)	2.0	2.2	-0.2	1.3	-1.5
Finland (TEAM)	1.9	2.5	-0.6	1.7	-2.3
Latvia (Energija)	3.0	2.1	0.9	2.4	-1.5
Spain (UGT)	0.0	1.1	-1.1	1.2	-2.3
Sweden (IF Metall)	2.0	1.5	0.5	1.7	-1.2
*HICP forecast AMECO					
**Forecast AMECO					

2.3 Developments in the Textiles, Clothing and Leather Sectors

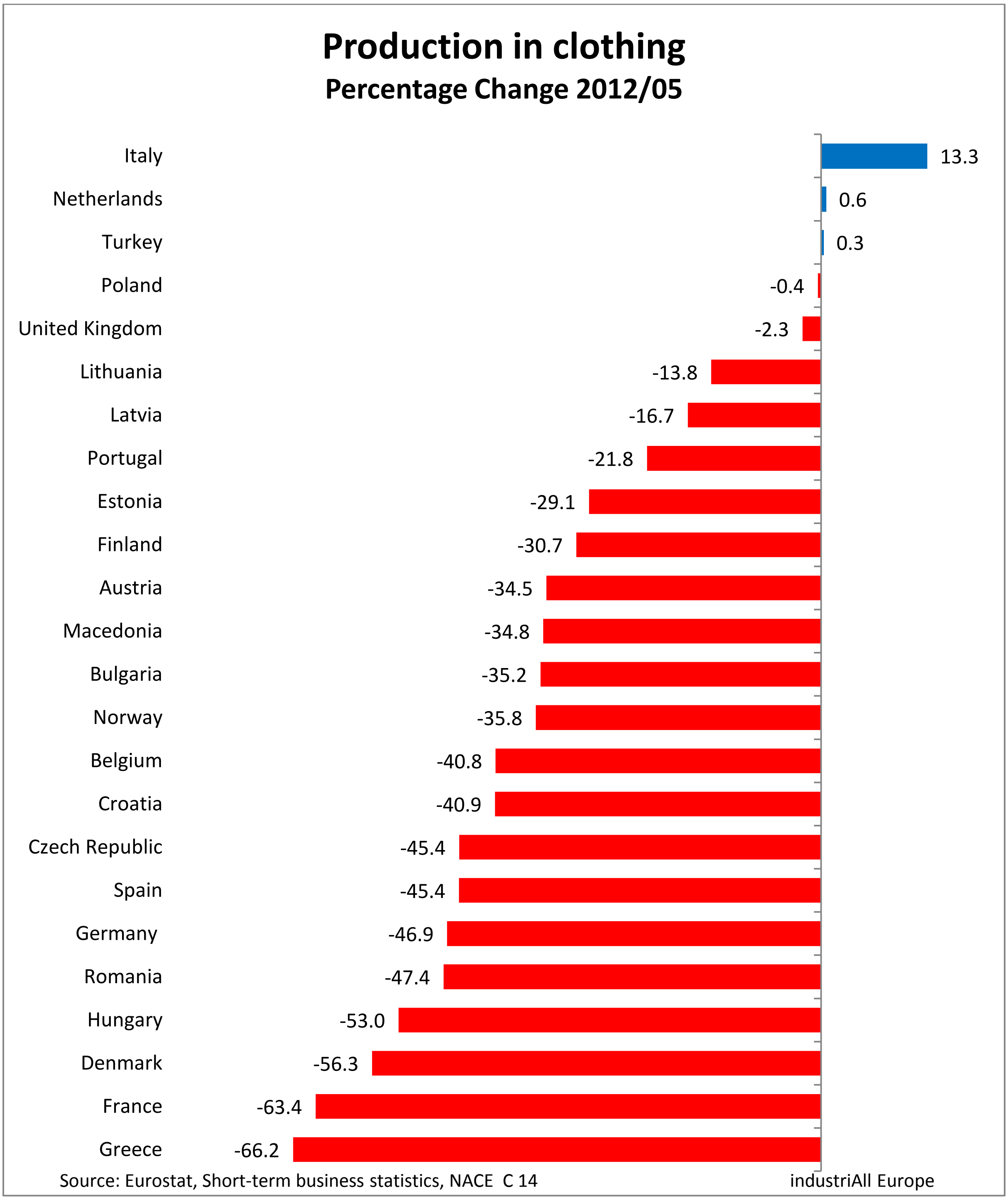
The TCL sectors are under pressure and this situation is not new, it has existed for years. There is a tough global situation, especially from Asia and a constant pressure on sales prices and wages. Regarding production, we have chosen to include the employment developments in the three sectors: textiles, clothing and leather. The employment overview only includes the clothing sector.

2.2.5 Production

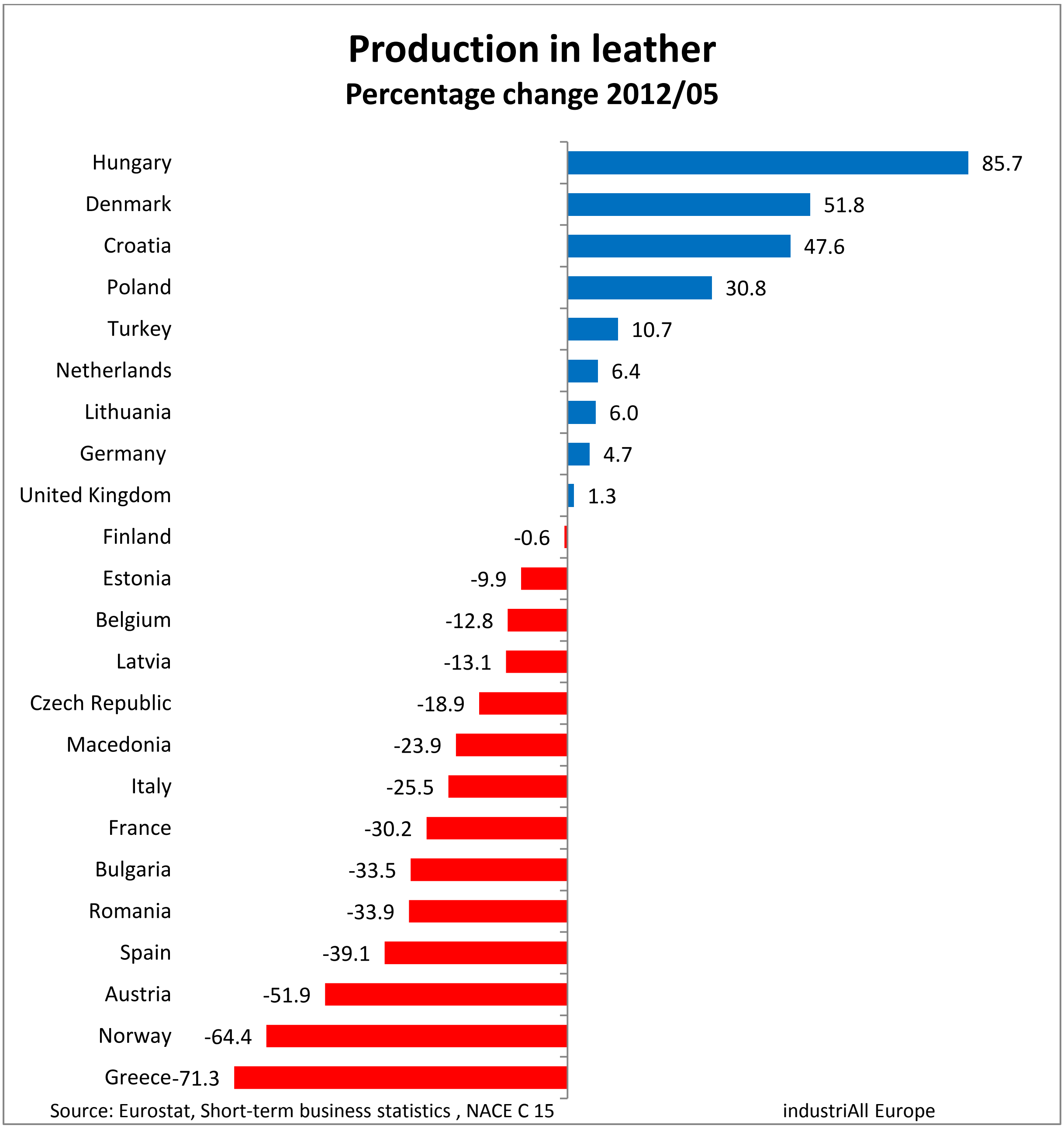
Only 3 out of 24 countries reported increased production volumes since 2005, whilst the remaining 21 registered reductions. Keep in mind that in many European countries the production both in textiles, clothing and leather is low, meaning that only small changes in volumes will result in substantial percentage changes. When there was a reduction of more than a third of the yearly production volume of textiles in Norway, this had hardly any effect on the national gross domestic product or the unemployment level.



The bar chart below shows that only Italy had a noticeable increase in the production of clothing from 2005 to 2012. Other Member States, also including major economies like Spain and France, registered a substantial reduction. Indeed, the production volume was almost halved in Spain and reduced by more than 60% in France.

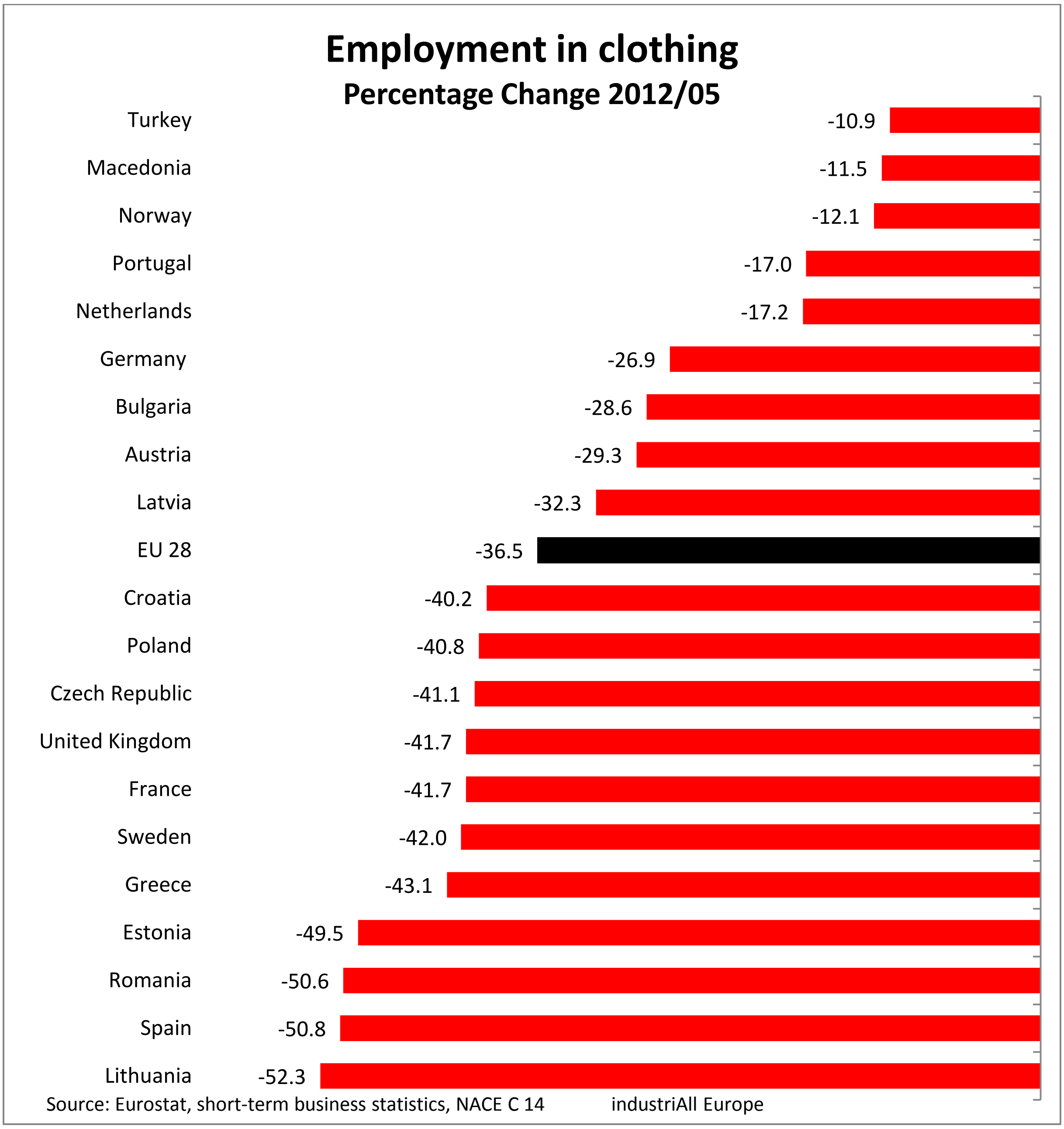


The picture is more varied in the leather sector. 9 out of 23 countries registered increased production volumes, including Germany which is rather a big producer (4.7%). Italy, France and Spain, on the other hand, experienced a substantial drop in production volumes.



2.2.6 Employment

Since 2005, the number of employed persons in clothing production has fallen in all countries. The EU average was a reduction of 36.5%. It has been calculated by Eurostat despite the fact that Italy is not included among the Member States with data. As mentioned above, Italy was the only country with a substantial increase in its production volume.



2.2.7 Participants in the Survey

11 unions from 7 countries replied to the specific questionnaire for the TCL sectors, or included one or more TCL sector in a reply to another questionnaire. The participation is stable, but low. A possible explanation is that few countries have enough employment and organised workers within TCL and footwear to demand national agreements. They hold negotiations in one company at a time.

Country	Union(s)
Belgium	FGTB TKD and ACV-CSC METEA
The Czech Rep.	OS TOK
Finland	PRO
Germany	IG BCE
Spain	UGT - FITAG
Sweden	IF Metall and Unionen
Turkey	Öz İplik-İş Sendikası, DISK

Below you may find a comparison between the participation in the survey in 2012 and 2013:

Year	Countries	Unions
2012	9	11
2013	7	11

In the countries from which we have received replies, bargaining takes place at national, sectoral level, with one major exception, namely Turkey.

		National		Regional		
Country	**Union(s)**	**Inter-sectoral**	**Sectoral**	**Inter-sectoral**	**Sectoral**	**Local/ company**
Belgium	FGTB TKD and ACV-CSC METEA		x			
Czech Rep.	OS TOK		x			x
Finland	PRO		x			
Germany	IG BCE		x			
Spain	UGT - FITAG		x			
Sweden	IF Metall		x			
Sweden	Unionen		x			
Turkey	Öz İplik-İş Sendikası					x
Turkey	DISK					x

New agreements have been reported from Belgium, the Czech Republic, Finland, Germany, Spain, Sweden and Turkey.

Belgium

TKD reported on three similar *erga omnes* agreements, the first of which applies to the clothing sector. It is valid only for the last six months of 2013. It applies to 8.638 workers. The agreement does not include wage increases in addition to the automatic indexation, but does demonstrate some efforts in the area of staff training. Two other agreements valid for the same period, one in the textile services sector (10,177 workers) and the other in textile production (16,664 workers) gave more or less exactly the same outcomes.

Czech Republic

OS TOK reported on a higher level collective agreement for the textiles, clothing and leather sectors, valid for the whole of 2013. It applies to 39,000 workers. The next round starts in the autumn of 2013 and wage increases, longer notice periods and higher severance pay for workers over 55 will be the main demands.

Finland

PRO's answer describes the contents of a new national agreement valid from 1st March 2012 to 31st March 2014. It is an *erga omnes* agreement for 1,100 salaried employees in the textile and clothing sectors.

The wage increase was 2.4% for the first 13 months and 1.9% for the following 12 months. These increases include changes in employment terms which are not wages but still have effects on the costs of the companies. The structure of the wage increases would be negotiated in each branch. A key element was a prolongation of paternity leave to a total of 54 weekdays, to be taken in a flexible way until the child reaches two years of age.

The parties also agreed on three training days per year, to be allocated by the employer. This outcome is linked to an agreement concluded by the national social partners in November last year.

As part of the negotiated agreement, the government would improve the status of temporary agency workers.

The next round is starting in January 2014. The demands will be decided later.

Germany

IG BCE's reply on the footwear sector concerned a wage agreement valid for the period 1st January 2013 to 30th September 2014. 13,000 workers got 2.2% more from 1st January 2013 and in addition 1.4% from 1st March 2014. In leather goods, a new wage agreement for 2,500 workers is valid from 1st April 2013 until 30th November 2014 and the increases are 3.0% from 1st April 2013 and further 1.5% from 1st April 2014. Similarly, in leather production the agreement, which is valid from 1st April 2013 to 30th November 2014, gives 2,500 workers 3% more from 1st April 2013.

Spain

UGT-FITAG reported on two prolonged agreements (footwear and leather goods) which were meant to apply for the years 2008-2010. These have been covered by former Eucob@n questionnaires.

Very few changes have been agreed on since then. However, wages were increased in both agreements by 0.5% in 2012 and 0.6 in 2013.

In future negotiations, FITAG will focus on the retention of employment levels instead of improved working conditions.

Sweden

IF Metall's reply for the textiles sector (2,442 workers) concerned an adjusted agreement valid for the period 1st April 2013 to 31st March 2016. Wages increased by 2.1% in 2013, 2.2% in 2014 and 2.45% in 2015. 0.6% was added for a pension scheme and parental leave was prolonged by one year.

Unionen also gave feedback on an agreement in the textiles sector valid for the same period as that of IF Metall and affecting 4,000 workers. Their agreement is generally applicable (*erga omnes*). Wages increase by 2.0% in 2013, 2.1% in 2014, 2.2% in 2015. The next round starts in January 2016.

Turkey

DISK reported on four three-year company agreements with similar contents. They are only applicable to the union members (1,115). No strikes were organised but peaceful protests were held outside of working hours in all companies. The wage increases were as high as 8% in the first year with an additional 7% per year for the two years that follow. From now on, all workers will get 16 annual payouts.

Öz İplik-İş Sendikası gave feedback on 13 adjusted company agreements, five of which were valid for two years and eight of which were valid for three years. Altogether they affected a total of 3,841 workers. The weekly working time was 45 hours but the employers had asked their workers to work longer hours. Retirement takes place according to national legislation and retired workers may not be unionised.

2.2.8 The Wage Coordination Rule and the VOWA

Here are the figures that we received from 2012:

Country/ union	Value of the Whole Agreement 2012 (VOWA)	Inflation*	Offset inflation rate	Labour productivity**	Balanced participation in productivity gains (BPPG)
Belgium - FGTB TKD and ACV-CSC METEA (clothing)	2.4	2.9	-0.5	-0.1	-0.4
Belgium - FGTB TKD and ACV-CSC METEA (services)	3.7	2.9	0.8	-0.1	0.9

Belgium - FGTB TKD and ACV-CSC METEA (textiles)	2.0	2.9	-0.9	-0.1	-0.8
Finland (PRO)	2.6	3.0	-0.4	0.9	-1.3
IG BCE (footwear)	3.0	2.3	0.7	-0.4	1.1
IG BCE (l goods)	3.0	2.3	0.7	-0.4	1.1
IG BCE (leather)	3.0	2.3	0.7	-0.4	1.1
Unionen	2.6	1.1	1.5	0.1	1.4
*HICP forecast AMECO					
**Forecast AMECO					

Here are the figures that we received from 2013:

Country/ union	Value of the Whole Agreement 2013 (VOWA)	Inflation*	Offset inflation rate	Labour productivity**	Balanced participation in productivity gains (BPPG)
Belgium - FGTB TKD and ACV-CSC METEA (clothing)	0.0	1.8	-1.8	0.9	-2.7
Belgium- FGTB TKD and ACV-CSC METEA (services)	0.0	1.8	-1.8	0.9	-2.7
Belgium - FGTB TKD and ACV-CSC METEA (textiles)	0.0	1.8	-1.8	0.9	-2.7
Finland (PRO)	2.4	2.5	-0.1	1.7	-1.8
Germany - IG BCE (footw.)	2.2	1.8	0.4	1.3	-0.9
Germany - IG BCE (l. goods)	3.0	1.8	1.2	1.3	-0.1
Germany - IG BCE (leather)	3.3	1.8	1.5	1.3	0.2
IF Metall	2.1	1.5	0.6	1.7	-1.1
Unionen	2.2	1.5	0.7	1.7	-1.0
*HICP forecast AMECO					
**Forecast AMECO					

2.3 Developments in the Steel Sector

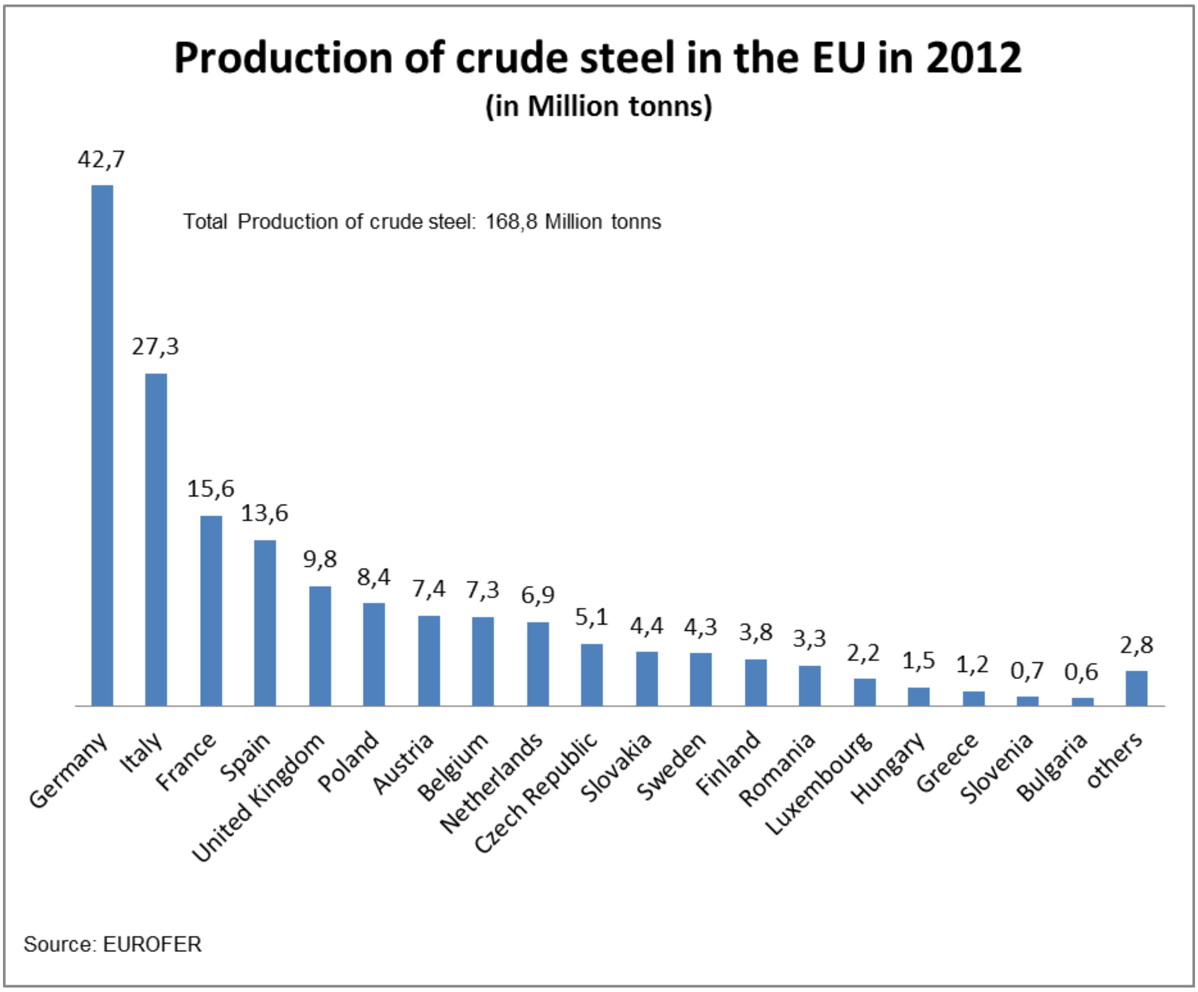
The economic and financial market crisis has also had a very negative impact on the European steel industry. During the period from 2008 to 2013, there was a 24.2% decline in EU steel consumption from 186 million tons to approximately 141 million tons in the traditional steel-consuming sectors such as the construction, mechanical engineering and automotive industries. In the same period, the production of crude steel in the EU decreased by about 16.4 % from 198.6 million tons to approximately 166 million tons per annum.

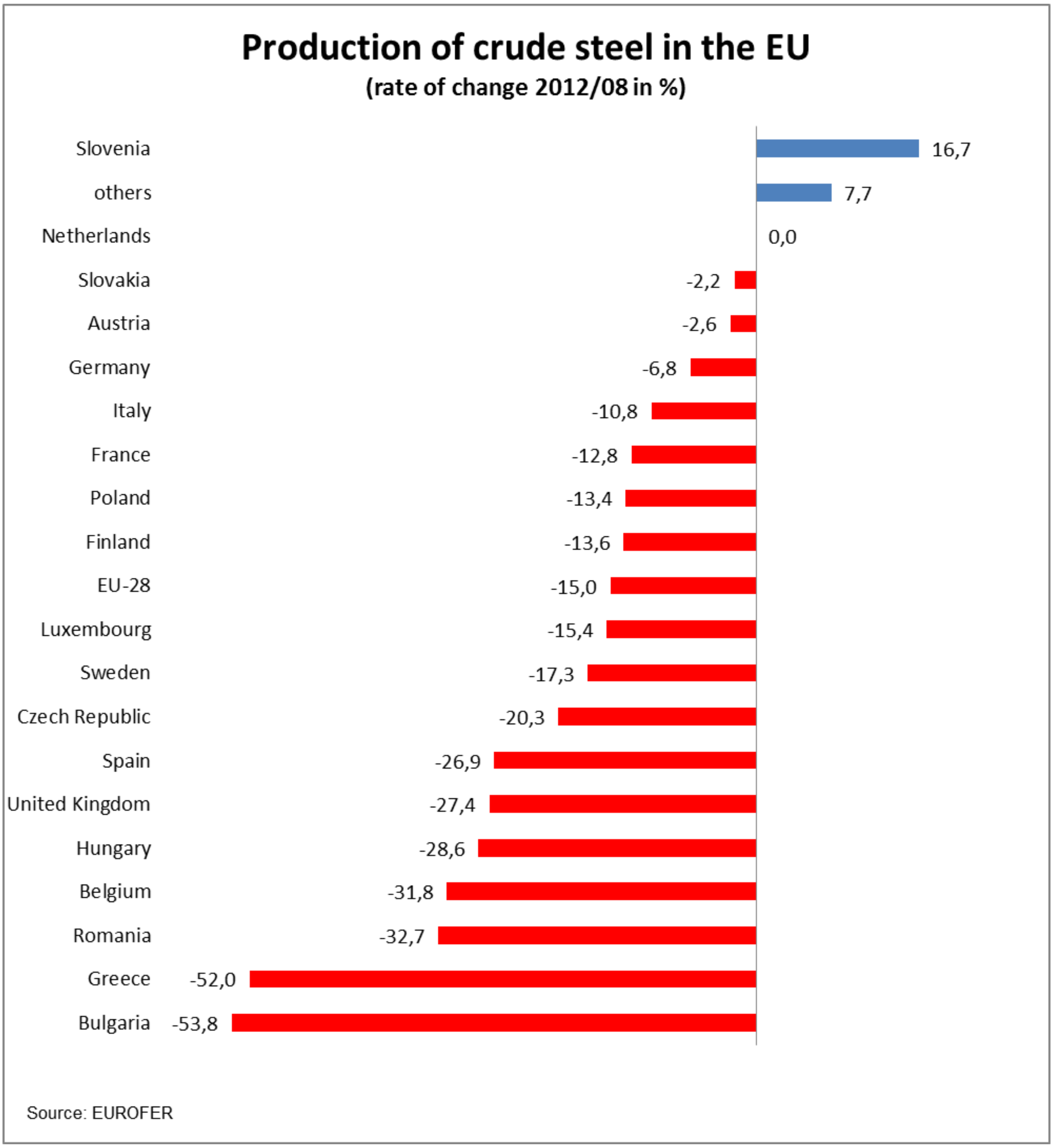
2.3.1 Production

The biggest steel producer in the EU is Germany, which accounts for approximately one quarter of the production. Together with Italy, France, Spain and the United Kingdom, these five countries produce approximately two thirds of the steel output.

In 2009, the economic and financial market crisis had its worst impact on the EU steel industry. Production suddenly fell by about 30% (EU average). In Belgium, Sweden and Romania, the decline in production was even significantly higher than the EU average.

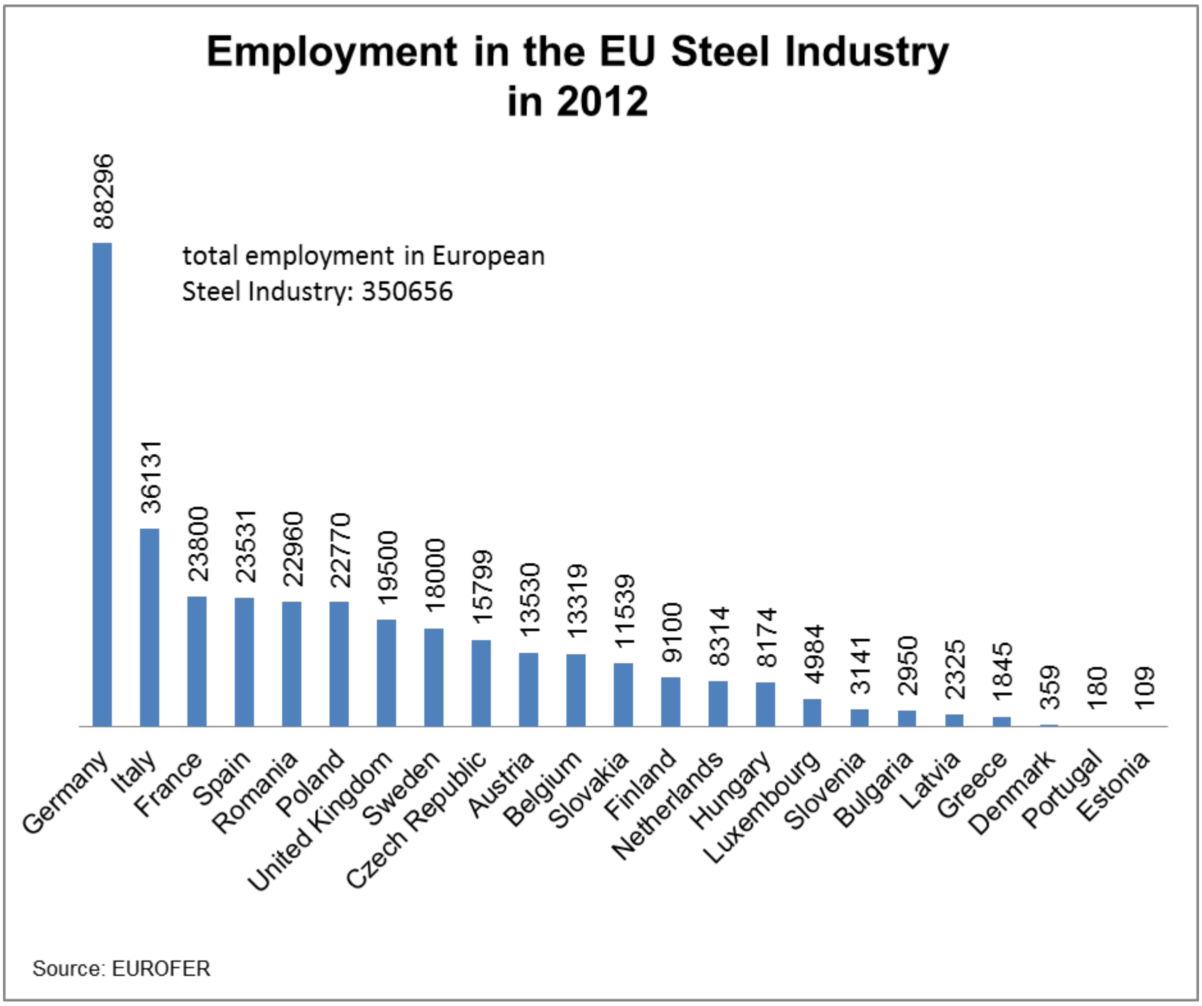
Up until 2012, the production of crude steel was lower than the pre-crisis level in most of the EU countries, with the exception of Slovenia and the Netherlands. Apart from these two countries, where the pre-crisis level had already been reached, Germany, Austria and Slovakia returned faster than the other steel producers to the path of recovery. In contrast to the majority of the EU steel-producing countries, where the turning point was reached in 2010, in Spain, the United Kingdom, Greece and Bulgaria the production of crude steel decreased continuously during the period from 2008 to 2012.

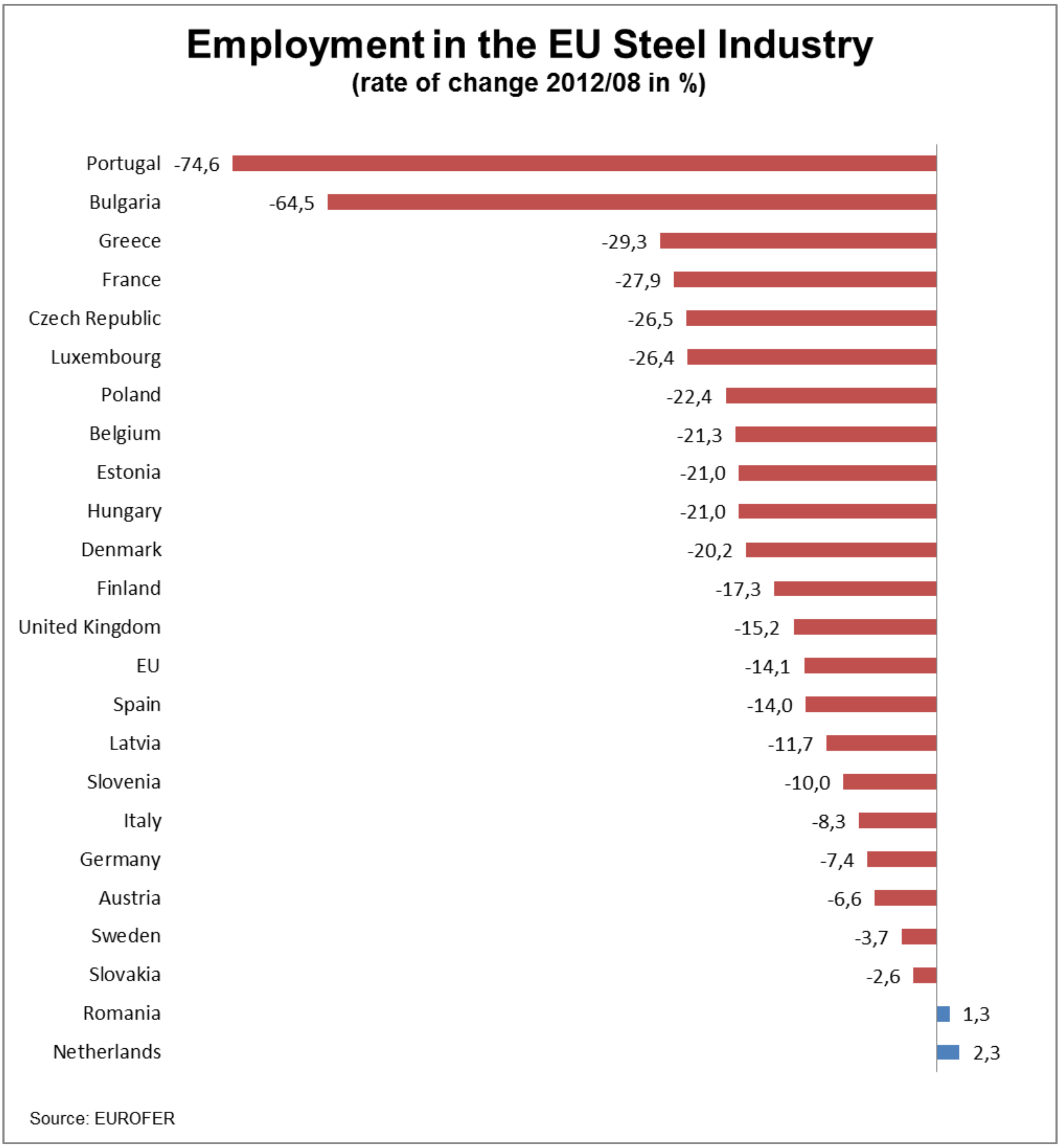

Production of crude steel in the EU in 2012
(in Million tonns)
Total Production of crude steel: 168,8 Million tonns
42,7
27,3
15,6
13,6
9,8
8,4
7,4
7,3
6,9
5,1
4,4
4,3
3,8
3,3
2,2
1,5
1,2
0,7
0,6
2,8
Germany
Italy
France
Spain
United Kingdom
Poland
Austria
Belgium
Netherlands
Czech Republic
Slovakia
Sweden
Finland
Romania
Luxembourg
Hungary
Greece
Slovenia
Bulgaria
others
Source: EUROFER



2.3.2 Employment

The EU steel industry has approximately 350,000 workers. Due to the crisis, during the years 2008 until 2012, the EU steel industry has lost 14.1 % of its jobs. The worst haemorrhaging took place in the smaller steel producing countries like Portugal (-74.6 %), Bulgaria (-64.5 %) and Greece (-29.3 %). However bigger steel producers like France (-27.9 %), the Czech Republic (-26.5 %) and Belgium (-21.3 %) also suffered huge job losses. Meanwhile in Germany, Austria, Sweden and Slovakia, job losses were not that high, due to the use of measures to secure employment such as short time working (*Kurzarbeit*) and/or a quicker return to economic recovery. Employment increases were only seen in Romania and the Netherlands.





2.3.3 Participants in the Survey

The specific steel survey was introduced in the former EMF in 2009. The initiative was taken by the Basic Metals and Steel Committee to provide relevant information to the affiliates.

As the table below shows, as many as 24 unions in 15 countries replied to this year's questionnaire.

Country	Union(s)
Austria	PRO-GE
Belgium	ACV-CSC Metea, CNE, LBC-NVK
Bulgaria	Metallicy
The Czech Rep.	OS KOVO
Denmark	CO-Industri
Finland	Metalli, Pro, TEK, UIL
France	FGMM-CFDT, FTM-CGT, FO, CFE-CGC
Germany	IG Metall
The Netherlands	FNV Bondgenoten
Poland	Solidarność
Slovakia	OZ KOVO
Slovenia	SKEI
Spain	UGT
Sweden	IF Metall, Engineers
Switzerland	Unia

Since 2012, participation in the steel sector has been remarkably improved, with the number of unions actually having doubled.

Year	Countries	Unions
2012	12	12
2013	15	24

The overview of bargaining levels shows that the vast majority of the respondents negotiate at the national, sectoral level. However, there is relatively more bargaining at company level in this sector than in the other sectors covered by the Eucob@n report.

		National		Regional		
Country	**Union(s)**	**Inter-sectoral**	**Sectoral**	**Inter-sectoral**	**Sectoral**	**Local/ company**
Austria	PRO-GE		x			
Belgium	Metea		x			x
Belgium	CNE	x			x	x
Belgium	LBC-NVK					x
Bulgaria	Metallicy		x			
Czech	OS KOVO (company)					x
Czech	OS KOVO (sectoral)		x			
Denmark	CO-industri		x			x
Finland	Metalli, Pro, TEK, UIL		x			
France	CFDT, FTM-CGT, FO, CFE-CGC		x			x
Germany	IG Metall		x		x	x
Poland	Solidarność		x			x
Slovakia	OZ KOVO		x		x	x
Slovenia	SKEI		x			x
Spain	MCA-UGT					x
Sweden	IF Metall		x			
Sweden	Engineers		x			
Switzerland	Unia					x

New agreements were reported by Austria, Belgium, Bulgaria, the Czech Republic, Finland, France, Germany, Poland, Slovakia, Slovenia, Spain, Sweden and Switzerland.

Here is a summary of the most interesting information received in the replies:

Austria

PRO-GE gave feedback on an agreement applicable to 16,000 workers in 33 companies. It entered into force on 1st November 2012 and is valid for 12 months. The new minimum wages and salaries are to be increased by 3.3-3.4% according to the agreement. The new minimum wage is 1,636 euro. The compensation to apprentices goes up by 3.4%. In the next round in the autumn of 2013, PRO-GE's main goal will be to maintain a homogeneous collective agreement, whilst the employers want to split it up and promote flexibilisation.

Belgium

ACV-CSC Metea negotiates both at sector level and at company level. Wages and other quantitative elements are negotiated locally and qualitative conditions at national level. No new national agreement had been concluded during the twelve month period covered by this report. Wage increases, as well as lump sum increases, sustainable employment, training rights and the fight against precarious employment were all given priority in the negotiations. The outcomes were not ready at the time of reporting.

CNE gave a brief reply in which they just explained that they were on standby, waiting for interprofessional and sectoral agreements. The negotiations should start in June 2013 and the union's key demands were likely to be unemployment schemes, early retirement and equal pay for men and women.

LBC-NVK gave feedback on a company agreement applicable to white collar workers who are employed after 31st December 2013. The occupational retirement plan will change from defined benefit to defined contribution. In addition, the same union reported on amended bonus systems for both blue and white collar workers in three companies; OCAS, FINOCAS and DAF group.

Bulgaria

Metallicy reached a new agreement at national level, as well as company agreements, all valid for two years. The new rights are applicable both to employed staff and to temporary agency workers. The wages are to increase by 5-10%, but no other improvements were accomplished.

The Czech Republic

This Czech steel report includes 40 steel companies, in which new agreements were signed, or at the very least an annex on wages was renegotiated. The majority of the agreements were concluded for 1-3 years. They cover all employees, blue collars as well as white collars, in total 20,000 workers.

65% of the agreements included wage increases, averaging 2.9%. 35% of the agreements gave lump sum increases and improvements were also obtained with respect to training and gender equality. The average working time for all workers in the steel companies could be reduced to 37.7 hours per week (demand: 37.5 h/w). In 92.5 % of the collective agreements, a longer holiday period than the statutory holidays was achieved. In the next round, OS KOVO wants to focus on wage increases and employment.

The last sectoral agreement was concluded back in the year 2000 for a three year period.

Denmark (résumé of the current agreement, which remains valid)

CO-industri stated in its reply that no new agreements had been concluded during the past 12 months.

Finland (résumé of the current agreement, which remains valid)

The four Finnish unions Metalli, Pro, TEK and UIL also said that they had not concluded any new agreements.

France

The four French unions CFDT Métallurgie, FTM-CGT, FO Métallurgie and CFE-CGC Métallurgie explained in their reply that a sectoral collective agreement in the metallurgy sector applies to all categories of staff and all subsectors of the industry, including steel.

However, there also exists a specific collective agreement in the steel sector. In 2013, there was a 1.3% increase of the guaranteed annual minimum wage plus increased seniority bonuses, holiday bonuses and meal vouchers.

A number of company agreements were reached in the relevant period, with increased rates of wages of about 0.7 % for blue collar workers, 0.5 % for white collar workers in Salzgitter-Mannesman and 1.5% in ArcelorMittal Méditerranée.

Germany

IG Metall gave feedback on the developments in three collective bargaining regions (North-West Germany, East Germany, Saarland) for the complete steel industry in Germany with (mainly) the same conditions. The agreements in the regions are valid for 15 months and altogether apply to 98,000 blue and white collar workers, plus apprentices. In addition, company agreements exist for the two RIVA plants (HES and BES) in East Germany. These lay down the same conditions as the sector agreement of the East German steel industry and a company agreement for the Stahlwerk Thüringen GmbH, which has lower standards than the sector agreement.

Wages and apprentices' remuneration increase by 3% (the demand was 5%). An agreement on partial retirement was prolonged and improved. A collective agreement on secure employment was prolonged without any modifications.

Due to the stagnation of the European steel market and the mismanagement in ThyssenKrupp Steel Europe, a temporary working time reduction from 34 to 31 hours per week with a partial compensation of wages was agreed between IG Metall and TKSE management. This working time reduction is valid from 01.10.2014 until the end of September 2018. The weekly working time will then be increased in two steps to 35 hours until 01.10.2020. During this time, redundancies will not be allowed.

IG Metall and Salzgitter Flachstahl AG management signed a collective agreement which defined several measures aimed at avoiding redundancies.

Poland

Solidarność gave feedback on company agreements but did not know the number of workers covered. Most of these agreements applied to indefinite periods and no new agreements had been concluded during the relevant period for this Eucob@n report.

Slovakia

OZ KOVO's first reply concerned an *erga omnes* agreement which entered into force on 1st March 2013 and expired on 31st March 2014. It applied to 20,000 workers and employees out of a total of 23,400 in this sector. The degree of unionisation was 63%. Wage costs increased by 29 euro per month. Except for that, few improvements were agreed.

A company agreement for US Steel covering 11,027 workers and employees with a duration from 2012 until 2014 included the following elements: A wage increase of about 7.7% in 2013, commitment of the employer not to apply redundancies, a working time reduction to 34.5 hours per week for shift work and 35.5 hours per week in the other working regimes.

Slovenia

SKEI reported on a branch collective agreement for basic materials and foundries which is applicable to all workers. The wages increased by 3.2% from 1st July 2013.

Spain

The steel sector in Spain does not have a unique agreement at national level, nor are there agreements whose scope of application is the sector as a whole. One new company agreement had been signed by the UGT union, namely with ArcelorMittal Flat Division. It was concluded on 5th June 2013 and applied in 2013-2015. The wage increase was 0.5% plus 1% which was not guaranteed for the future (non-consolidated). The same level of working time remained unchanged, but it included an irregular distribution of extra working time of 80 hours annually.

Sweden

IF Metall gave feedback on an agreement that was applicable to all blue collar workers for the period 1st April 2013 to 31st March 2016. The wage increases were 1.7% in 2013, 1.7% in 2014 and 1.9% in 2015. A special agreement on flexible working hours had been concluded. Each worker would receive 68 hours to his/her account from the beginning of the year for flexibility. The upper limit was 150 hours. From this bank, the local parties may agree on working time flexibility depending on the workload in the company. If the local parties do not use the hours during the year, the workers get the right to use them for themselves, either as leave or in the form of payments. The confederation, LO Sweden, plays a role in some areas of collective bargaining, for instance the labour market insurance scheme. One of the demands from LO was to increase the extra payment on parental leave and to move this from the sectoral agreements to a national agreement covering the whole labour market. The new insurance would give the workers on parental leave six months of extra payment of 10%, on top of the social security system. Altogether, this would give parents 90% of their former wage levels when they are at home to take care of their children.

The Swedish Engineers' union concluded a national agreement with its counterpart on 2nd April 2013 valid for the period from 1st April 2013 until 31st March 2016. It is applicable to some 3,000 white collar academics, also non-unionised should the employers wish so. The wage increases were 1.9% in 2013, 2.1% in 2014 and 2.3% in 2015. A new agreement on part-time retirement was also achieved and furthermore, a prolongation from five to six months of parental leave, with a guarantee of up to 90% of the salary.

Switzerland

Unia reported on one company agreement in GAV Stadler Stahlguss AG, Biel valid from 1st January 2013 until 31st December 2015. The new monthly basic wages will vary from 3,650 up to 5,000 Swiss francs. During illness, the employers will pay 100% of the wages for the first 90 days. It is new that this also includes a 13th month payout.

Summary: Main tendencies in current collective agreements of the European steel industry

Trade unions in the steel industry are in a difficult bargaining position due to the ongoing crisis in European economy. The impact of the EU's austerity policy and new interventions in collective bargaining systems are a heavy burden for trade unions. The main results of the agreements reflect this economic situation and – due to that – on the increasingly limited powers of self-assertion.

Compared with the survey results of the preceding year, the current wage increases were lower. The period of validity of the collective wage agreements has become longer. All wage agreements are combined with qualitative elements, for example measures for securing employment, reducing precarious work or upgrading skills. New regulations on working time were agreed in the Czech Republic and Slovakia for the workers in the entire steel sector, whilst in Germany, working time was reduced in ThyssenKrupp Steel Europe as a means of avoiding redundancies. Meanwhile, in spite of the crisis, at ArcelorMittal Spain, there was an agreement to extend working time by about 80 hours per year.

3 The Fulfillment of the Wage Coordination Rule

A key issue in the Eucob@n survey is the fulfillment of the Wage Coordination Rule. This has always been a fundamental part of the reports since they started, back in 1999. The analyses need to be further developed in order to make them as precise as possible.

3.1 The Significance of Correct VOWA Figures

It has become increasingly difficult for the national correspondents to calculate the Value of the Whole Agreement (VOWA). Some of the reasons for this are the decentralisation of collective bargaining, lump sum increases, working time reduction including short-time working schemes (*Kurzarbeit*), changes in occupational retirement schemes and training rights.

Special VOWA guidelines were written by the former EMF in 2008 and circulated to the affiliates. It might be a good idea to update and improve these. Alternatively, we can just request the relevant data in the questionnaire of 2014 and design an Excel model which enables us to make the calculations ourselves, including the calculation of the CB results on an annual basis, of course.

Obviously, if the VOWA figures are wrong or, in the worst case scenario, not stated at all, the whole calculation of the balanced participation of productivity gains would be wrong and it would not be possible to correctly evaluate the fulfillment of the Wage Coordination Rule.

3.2 Explanations from Affiliates which didn't Fulfill the Wage Coordination Rule

As the industriAll Europe Executive Committee clearly stated in its decision on a Wage Coordination Rule in November 2012, unions which did not fulfill the Wage Coordination Rule should be asked to explain why this wasn't the case. As mentioned earlier, a question about this was included for the first time in the 2013 survey. Unfortunately, we have only received a few responses.

In the metal sector, Bulgarian affiliate Metallicy briefly referred to the economic crisis. So did Slovakian OZ KOVO, who added that their companies were receiving fewer orders than before.

In the chemical sector, only Latvian member organisation Energija responded to this question by stating that there had been "insufficient wage funds".

In the TCL sectors, Austrian PRO-GE explained that there existed a framework agreement, from autumn 2011, for all private and public sectors nationwide. It laid down a ceiling for wage increases. Also in the TCL sectors, Spanish UGT referred to wage moderation.

3.3 Questions about National Inflation Rates and Labour Productivity

In national collective bargaining, unions base their demands on national figures and forecasts. In Belgium, a special price index (the health index) excluding alcohol, tobacco etc. is used in connection with the automatic indexation and wage negotiations. The differences between HICPs and individual national (CPIs) are sometimes substantial. However, in general, the differences have been diminishing over the past few years, although national CPIs use their own national methodologies.

Some examples of differences between the HICPs and national CPIs are the treatment of subsidised healthcare and education, the treatment of owner-occupied housing, the geographical and population coverage. The HICPs cover all expenditures within the territory, whether by residents or visitors, whilst some national CPIs aim to cover expenditures by domestic residents both within and outside the country.

As in this year's questionnaire we asked our respondents what inflation rate they had based their collective bargaining demands on, we hope it would give us harmonised European figures. However, this turned out to be a lot more difficult than expected. There are several explanations for this; one is that collective agreements, for example in Sweden, are concluded for several years and there is a very big difference between the reported inflation figure and the one from Eurostat. Moreover, some respondents reported the inflation during the last 12 months and not the annual average which is the average of the increase from January one year to January next year, February one year to February next year and so on. We have also found some differences between trade unions in the same countries. Other respondents just left the question unanswered.

When it comes to labour productivity at national level, we have received very little input. Therefore, no table on BPPG based on national figures is included in this year's report.

4 Collective Bargaining Calendars for the coming years

A new calendar based on information given under question 19 on the next negotiation round has been made available online and our affiliates have been asked to update it, in order to facilitate bilateral contact on CB rounds in the same sectors taking place at more or less the same time. A list of correspondents, country by country, has been put up on the website with contact details available for those who have logins.

5 Experiences with the Amended Questionnaire – Further Improvements in 2014

The general questionnaire used in 2013 contained 19 questions in order to give a broader picture of the developments and give our affiliates more useful information. In this section we describe the first experiences with the new questions, suggest how the number of responses and their quality can be improved and propose further changes in the 2014 questionnaire.

5.1 Minimum Wages

Question number 18 in this year's survey was about minimum wages, a controversial issue within our Federation. However, we did not ask our affiliates for any opinions or positions, but just to respond to a multiple choice question in order to explain what kind of system they have in their countries and sectors;

- Minimum wages laid down in collective agreements
- Statutory (legal) minimum wages adopted by the political authorities after consultations with the social partners
- Statutory (legal) minimum wages adopted by the political authorities without consultations with the social partners
- No minimum wages.

We received replies to this question from almost every union that took part in the survey. As one can see from the overview table below, minimum wages are laid down in collective agreements in many countries. And in countries and sectors where they have statutory minimum wages, these are normally decided after consultation with the social partners. Most white collar unions have answered that no minimum wages exist at all, but also CO-industri gave this reply.

Country	Union	Sector	Collective agreement	Statutory/ consultations	Statutory without consultation	No MW
Austria	PRO-GE	Metal	X			
Bulgaria	Metallicy	Metal	X			
Bulgaria	NTUF	Metal		X		
Czech	OS KOVO	Metal		X		
Denmark	CO-industri	Metal				X
Finland	4 unions	Metal	X			
France	4 unions	Metal	X		X	
Germany	IG Metall	Metal				X
Netherlands	3 unions	Met and eng	X		X	
Netherlands	4unions	Metalind.	X			
Netherland	Bondgenot	Metal comp.		X		
Norway	NITO	Metal				X
Norway	TEKNA	Metal				X
Slovakia	OZ KOVO	Metal		X		
Slovenia	SKEI	Metal		X		
Spain	FITAG-UGT	Metal	X			
Spain	MCA-UGT	Metal			X	
Sweden	IF Metall	Metal	X			
Sweden	Engineers	Metal				X
Sweden	Unionen	Metal	X			
Switzerland	UNIA	Metal				X
Austria	PRO-GE	Chemical	X			
Czech	SKP	Chemical		X		
Finland	TEAM	Chemical				
Germany	IG BCE	Chemical	X			
Latvia	Energija	Chemical		X		
Netherlands	Bondgenot	Chemical				

Romania	Confpeltex	Chemical	X	X		
Spain	FITAG-UGT	Chemical	X			
Sweden	IF Metall	Chemical	X			
Sweden	Engineers	Chemical				X
Switzerland	VPE	Chemical				
Belgium	TKD-Metea	Textiles				
Belgium	FCTB/CSC	Textiles	X			
Czech	OZ TOK	Textiles			X	
Finland	PRO	Textiles	X			
Germany	IG BCE	Textiles	X			
Spain	FITAG-UGT	Textiles	X		X	
Sweden	IF Metall	Textiles	X			
Sweden	Unionen	Textiles	X			
Turkey	DISK	Textiles		X		
Turkey	Öz İplik-İş	Textiles			X	
Iceland	Starfsgrein	Many	-			

5.2 The Existence of Opening Clauses

Through opening clauses, companies can deviate from national or regional collective agreements. This means that the social partners at company level can agree on either higher or lower wage levels. Thus both positive and negative wage drift can occur. This question is one of the new ones in this year’s survey and the responses are interesting.

Six unions reported that opening clauses had been laid down in their collective agreements and another four that they existed in national labour legislation. 23 unions, among them the German, the Czech, the Slovak, the Dutch and all the Nordic unions with the exception of the Swedish Engineers’ union, replied that opening clauses did not exist.

Country	Union	Sector	Opening Clauses in CA	No opening clauses	Statutory opening clauses
Austria	PRO-GE	Metal		X	
Bulgaria	Metallicy	Metal	X		
Bulgaria	NTUF	Metal	X		
Czech	OS KOVO	Metal		X	
Denmark	CO-industri	Metal		X	
Finland	4 unions	Metal	-		
France	4 unions	Metal	-		
Germany	IG Metall	Metal		X	
Netherlands	3 unions	Met and eng		X	
Netherlands	4 unions	Metalind.		X	
Netherland	Bondgenot	Metal comp.		X	
Norway	NITO	Metal		X	
Norway	TEKNA	Metal		X	

Slovakia	OZ KOVO	Metal		X	
Slovenia	SKEI	Metal		X	
Spain	FITAG-UGT	Metal			X
Spain	MCA-UGT	Metal			X
Sweden	IF Metall	Metal		X	
Sweden	Engineers	Metal	X		
Sweden	Unionen	Metal		X	
Switzerland	UNIA	Metal		X	
Austria	PRO-GE	Chemical		X	
Czech	SKP	Chemical	X		
Finland	TEAM	Chemical		X	
Germany	IG BCE	Chemical		X	
Latvia	Energija	Chemical		X	
Netherlands	Bondgenot	Chemical	-		
Romania	Confpeltex	Chemical		X	
Spain	FITAG-UGT	Chemical			X
Sweden	IF Metall	Chemical		X	
Sweden	Engineers	Chemical	X		
Switzerland	VPE	Chemical	-		
Belgium	TKD-Metea	Textiles			X
Belgium	FGTB/CSC	Textiles			X
Czech	OZ TOK	Textiles		X	
Finland	PRO	Textiles		X	
Germany	IG BCE	Textiles		X	
Spain	FITAG-UGT	Textiles			X
Sweden	IF Metall	Textiles		X	
Sweden	Unionen	Textiles		X	
Turkey	DISK	Textiles		X	
Turkey	Öz İplik-İş	Textiles	X		
Iceland	Starfsgrein	Many	-		

5.3 Involvement of National Confederations

Another new question this year was if national trade union confederations had played a part in the collective bargaining. Almost all respondents answered this question and the majority said no, see table below. Most of our affiliates are members of national confederations, but there are some exceptions like Norwegian NITO and Czech SKP.

No unions replied that the confederation had negotiated on their behalf. Only a few countries have a tradition of this, but in Norway for example the largest confederation has negotiated four times on behalf of its member organisations since 1990. When some unions gave positive responses in the survey, it was because their confederations had taken part in the preparations or because one or more issues of political character had been dealt with by the confederation, directly with the government.

Country	Union	Sector	Yes	No
Austria	PRO-GE	Metal		X
Bulgaria	Metallicy	Metal	X	
Bulgaria	NTUF	Metal		X
Czech	OS KOVO	Metal		X
Denmark	CO-industri	Metal		X
Finland	4 unions	Metal	-	
France	4 unions	Metal	X	
Germany	IG Metall	Metal		X
Netherlands	3 unions	Met and eng		X
Netherlands	4 unions	Metal industry		X
Netherlands	Bondgenoten	Metal comp.	X	
Norway	NITO	Metal		X
Norway	TEKNA	Metal		-
Slovakia	OZ KOVO	Metal		X
Slovenia	SKEI	Metal		X
Spain	FITAG-UGT	Metal	X	
Spain	MCA-UGT	Metal	X	
Sweden	IF Metall	Metal		X
Sweden	Engineers	Metal		X
Sweden	Unionen	Metal		X
Switzerland	UNIA	Metal		X
Austria	PRO-GE	Chemical		X
Czech	SKP	Chemical		X
Finland	TEAM	Chemical	X	
Germany	IG BCE	Chemical		X
Latvia	Energija	Chemical		X
Netherlands	Bondgenoten	Chemical	-	
Romania	Confpeltex	Chemical		X
Spain	FITAG-UGT	Chemical		X
Sweden	IF Metall	Chemical	X	
Sweden	Engineers	Chemical		X
Switzerland	VPE	Chemical	-	
Belgium	TKD-Metea	Textiles	X	
Belgium	FGTB/CSC	Textiles	-	
Czech	OZ TOK	Textiles		X
Finland	PRO	Textiles	X	
Germany	IG BCE	Textiles		X
Spain	FITAG-UGT	Textiles		X
Sweden	IF Metall	Textiles	X	
Sweden	Unionen	Textiles		X
Turkey	DISK	Textiles		X
Turkey	Öz İplik-İş	Textiles		X
Iceland	Starfsgrein	Many	-	

5.4 The Character of the Agreements

The question about the character of the agreements was not really new to this year's survey, but it has been specified in order to get more precise answers. We asked if the agreements were:

- Only applicable to employers which are members of the national association which concluded the agreements
- Generally applicable collective agreements (*erga omnes* effect) which are binding also for employers which are not members of national employers' associations
- Applicable both to blue collar and white collar workers in the relevant companies
- Only applicable to workers who are members of the union which concluded the agreements.

By and large, this has functioned well as one can see in the descriptions of each new agreement. However, we will consider adding even more alternatives to accommodate all affiliates.

5.5 Industrial Actions

The replies to this question showed that very few unions went on strike during the bargaining rounds. A few did and warning strikes were organised in Germany. Strike threats were also expressed, but by and large, industrial actions in the European manufacturing industry were few and far between in 2013. The question is easy to understand and the feedback was interesting for us here at industriAll Europe.

6 Conclusions

Generally speaking, in some ways the economic situation is improving. For example, GDP growth has been registered in the EU. However severe problems are hidden in the background, like reductions in GDP in crisis countries, high unemployment including long-term unemployment and youth unemployment and problems for the workers in the manufacturing industry with unstable jobs and low wage increases.

The aim of the industriAll Europe Eucob@n report is not to give its readers a complete overview of the economic situation, but rather an overall picture with a particular focus on our sectors. Its main purpose is to present the replies to our questionnaire, which this year had as many as 19 questions. Some of these questions were simple and straightforward while others appear to have caused our respondents some difficulties.

Before we circulate the questionnaire for 2014 we will make some minor adjustments, particularly with a view to getting as many VOWA figures as possible, and ensuring that these are as precise as possible.

Our respondents do not appear to want a digital survey, or at least, the opinions on this are divided. However this would no doubt save working time at the industriAll Europe Secretariat.

Appendix 1: General questionnaire

industriAll
EUROPEAN TRADE UNION

EUCOBAN SURVEY 2013

1. Name of **trade union(s)** and **country**

Trade union(s): Country:

2. **Bargaining levels** (You may tick more than one box.)

( ) National - intersectoral level ( ) National - sectoral level ( ) Regional - intersectoral level ( ) Regional - sectoral level ( ) Company level

3. **New agreements** during the past 12 months. Please fill in <u>**one**</u> questionnaire for each new agreement you have signed this year. Please also inform us about agreements which have expired because the employers refused to renegotiate them.

Title of agreement:

4. **When** was the agreement concluded and for **which period** does it apply? Please be aware that that this questionnaire applies to the period between May 2012 and May 2013 only. Later agreements will be addressed in the 2014 survey.

Period of validity:

5. Is the agreement **new**?

( ) Entirely new ( ) A prolongation of an already existing agreement without changes ( ) An adjusted prolonged agreement ( ) A mid-term review of a longer agreement, for example for two years

6. Does the agreement apply to a **whole sector** or just to specific companies?

( ) It is a sector (branch-level) agreement

( ) It is a company agreement

7. Does the agreement contain **opening clauses** giving the possibility for the social partners to agree on lower wage levels than those in the collective agreement?

( ) Yes

( ) There is no opening for derogations

( ) Opening clauses are laid down in national law

8. What is **the character** of the agreement?

( ) An agreement only applicable to employers which are members of the national association which concluded the agreement

( ) Generally applicable collective agreement (*erga omnes* effect) which is binding also for employers which are not members of national employers' associations

( ) An agreement applicable both to blue collar and white collar workers in the relevant companies

( ) An agreement only applicable to workers who are members of the union which concluded the agreement.

9. Approximately **how many workers** the agreement applies to.

Number of workers:

10. Was **industrial action** (including warning strikes) necessary to reach the agreement?

11. Description of **main contents** of the agreement**.** We urge you not to be too detailed! For detailed reports we have the Eucob@n day-to-day reporting system. We are also conducting a special survey on precarious work (the common demand).

Wages: Working time (reduction, increase or flexibilisation): Vocational education and training: Changes in retirement age or benefits: Equal opportunities and gender policies: Precarious work: Other:

12. Were any of your key **demands not met** by the employers or postponed to later negotiation rounds?

13. Did your **national confederation** play any part in the negotiations or in the preparations?

14. The **Value of the whole agreement (VOWA).** You are asked to provide a percentage increase in an annualised form (the average for the year). A 3% increase from 1st May (8 months) corresponds to a 2 % increase on an annual basis. The increase under this question should include both wages and non-wage elements such as pensions. Exact information about the VOWA is a precondition for our analysis of the fulfilment of the industriAll Europe wage coordination rule.

VOWA:2012 VOWA:2013

15. What was the **national inflation rate** (or forecast) on which you based your wage demands?

National inflation rate:

16. What was the **increase of labour productivity** (or forecast) on which you based your wage demands?

Increase in labour productivity:

17. In cases where the VOWA did not at least compensate for inflation and labour productivity so that **the wage coordination rule wasn't fulfilled,** what were the reasons for this?

18. **Minimum wages.** What is the situation in your sector?

( ) The collective agreement lays down minimum wages in the sector

( ) We have statutory (legal) minimum wages after consultations with the social partners

( ) The political authorities take the decision without consultations

( ) Minimum wages don't exist

19. When is the **next collective bargaining round** set to start? Be as precise as you can with regard to the date. Are you already in a position to be able to state now what the main demands/topics from your union will be?

Appendix 2: Steel questionnaire

EUCOBAN STEEL SECTORAL SURVEY 2013

1. Name of **trade union(s)** and **country**

Trade union: Country:

2. **Bargaining levels** (You may tick more than one box)

( ) National - sectoral level ( ) Regional - sectoral level ( ) Company level Please mention also how many and which companies, how many and which sites and the number of employees that are covered by the agreement. In the case of company agreements, please name the companies.

3. **New agreements** during the past 12 months.

4. When was the agreement concluded and for **which period** does it apply?

5. What is **the character** of the agreement? Is it applicable to all workers or is it restricted to trade union members? How many workers are covered by the agreement? Does the agreement cover blue and white collar workers?

6. Brief description of **demands** (please insert also the wage tables)

- Wage increases (dimension of the wage increase compared to the previous agreement; for comparison: dimension of the monthly base wage):
- Lump sums:
- Instruments to secure employment:
- Working time:
- Training and qualification:
- Tackling precarious work:
- Gender equality:

7. Brief description of **results** (please insert also the wage tables)

- Wage increases (dimension of the wage increase compared to the previous agreement; for comparison: dimension of the monthly base wage)
- Lump sums:
- Instruments to secure employment:
- Working time:
- Training and qualification:
- Tackling precarious work:
- Gender equality:

8. When is the **next round** of negotiations set to take place and what will expectedly be the main topics?
