Chemical sector
Representativeness study 2014

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Peter Kerckhofs, Eurofound

Eurofound – European Foundation for the Improvement of Living and Working Conditions
www.eurofound.europa.eu
### REP studies conducted by Eurofound

<table>
<thead>
<tr>
<th>Year</th>
<th>Industries/Fields of Study</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>Agriculture, Furniture, Maritime Transport, Postal services, Extractive industry</td>
</tr>
<tr>
<td>2012</td>
<td>Horeca, cleaning services, private security, insurance, paper, sea fisheries</td>
</tr>
<tr>
<td>2011</td>
<td>Banking, Public Administration, Education, Commerce</td>
</tr>
<tr>
<td>2010</td>
<td>Inland water transport, metal, catering, footwear, civil aviation</td>
</tr>
<tr>
<td>2009</td>
<td>Steel, tanning and leather, personal services (health and beauty care), Hospitals, Inland waterways</td>
</tr>
<tr>
<td>2008</td>
<td>Railways, Sea and coastal water transport, Post and courier services, Manufacture of sugar</td>
</tr>
<tr>
<td>2007</td>
<td>Agriculture, Telecomcommunications</td>
</tr>
<tr>
<td>Before 2007</td>
<td>UCL (Université Catholique de Louvain)</td>
</tr>
<tr>
<td>Year</td>
<td>Industry Sectors</td>
</tr>
<tr>
<td>------</td>
<td>-----------------</td>
</tr>
<tr>
<td>2006</td>
<td>Woodworking and Furniture, Mining and quarring sector, Fishing industry</td>
</tr>
<tr>
<td>2005</td>
<td>Football, shipbuilding, <strong>Chemical sector</strong></td>
</tr>
<tr>
<td>2004</td>
<td>Former EU 15: industrial cleaning, temporary agency work, culture and media work. New MS &amp; candidate C.: Construction, Electricity, Road transport</td>
</tr>
<tr>
<td>2001</td>
<td>Electricity production and distribution, Hairdressing and beauty care, local public administration, Horeca, agriculture</td>
</tr>
<tr>
<td>2000</td>
<td>Air transport, rail transport, inland waterways, maritime transport, road transport, banking sector, insurance sector</td>
</tr>
<tr>
<td>1999</td>
<td>Construction, trade and distribution, telecommunications, postal sector, textile and apparel sector</td>
</tr>
</tbody>
</table>
1- Purpose of REP studies

To identify representative social partner organisations

Representativeness is

- the basis of their right to be consulted by the Commission under article 154 TFEU
- A criterion for setting up of sector social dialogue (Art 1 of Commission decision of 20 May 1998)
- Crucial in negotiations leading to agreements implemented by Council decision (155 TFEU)
T-135/96, European Court reports 1998 Page II-02335

(…) since the procedure <of art. 154 and 155 TFEU> does not provide for the participation of the European Parliament, the principle of democracy on which the Union is founded requires - in the absence of the participation of the European Parliament in the legislative process - that the participation of the people be otherwise assured, in this instance through the parties representative of management and labour who concluded the agreement (…)

(…) the Commission and the Council are obliged to verify the representativity of the signatories to an agreement (…)
European Commission Decision 98/500/EC

- (a) (...) relate to specific sectors or categories and be organized at European level;
- (b) (...) consist of organizations which are themselves an integral and recognized part of Member States' social partner structures and have the capacity to negotiate agreements, and which are representative of several Member States;
- (c) (...) have adequate structures to ensure their effective participation in the work of the Committees."

COM Decision 98/500/EC
### Step 1: Definition of the scope of the sector
#### NACE Codes 20 + 21 + 22

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>C20</td>
<td>Manufacture of chemicals and chemical products</td>
</tr>
<tr>
<td>C20.1</td>
<td>Manufacture of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber in primary forms</td>
</tr>
<tr>
<td>C20.2</td>
<td>Manufacture of pesticides and other agrochemical products</td>
</tr>
<tr>
<td>C20.3</td>
<td>Manufacture of paints, varnishes and similar coatings, printing ink and mastics</td>
</tr>
<tr>
<td>C20.4</td>
<td>Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations</td>
</tr>
<tr>
<td>C20.5</td>
<td>Manufacture of other chemical products</td>
</tr>
<tr>
<td>C20.6</td>
<td>Manufacture of man-made fibres</td>
</tr>
<tr>
<td>C21</td>
<td>Manufacture of basic pharmaceutical products and pharmaceutical preparations</td>
</tr>
<tr>
<td>C21.2</td>
<td>Manufacture of pharmaceutical preparations</td>
</tr>
<tr>
<td>C22</td>
<td>Manufacture of rubber and plastic products</td>
</tr>
<tr>
<td>C22.1</td>
<td>Manufacture of rubber products</td>
</tr>
<tr>
<td>C22.2</td>
<td>Manufacture of plastics products</td>
</tr>
</tbody>
</table>
Step 1: Definition of the scope of the sector

Step 2: Data is collected by the EIRO national correspondents on the basis of a questionnaire (bottom-up) & list of affiliates industriAll Europe & ECEG (top-down)

Step 3: Social partners at European and National level are consulted on the data collected from EIRO national correspondents

Comments help to improve the quality of national reports

Step 4: A contractor (Pablo Sanz) is drafting an overview report

A final draft is made after a first round of corrections

Step 5: Overview report is evaluated in Eurofound’s tripartite advisory com. (incl representatives of Eur. Social Partners)

Step 6: The overview report is published online (National contributions are available on demand)
A European association is analysed as a sector-related social partner, if

- it is on the EC’s list of social partner organisations consulted on behalf of the sector under article 154 TFEU

- and/or if it participates in the sector-related European Social Dialogue

- The EC may decide to include another EU sector-related organization in the study, if relevant, e.g. a sector-related organization which has recently requested to be consulted.
top-down screening

- national members of European social partner organisations in ESSD committee (Industri All & ECEG)

bottom-up screening

- national associations related to the sector that are affiliated to any other European association
- national associations related to the sector that are regularly involved in collective bargaining.
- Or, affiliated to another European association.
Combined approach for screening

European level
- "Listed" European organisations
  - top-down & bottom-up screening of affiliates
- "Other" European organisations

National level
- National affiliates
- "Other" national interest associations

Research approach
top-down & bottom-up screening of affiliates
bottom-up screening
4- Publication of REP studies online
Structure of the overview report

- Executive summary
- Employment and economic trends
- Analysis of social partners in member states
  - Membership & capacity to negotiate
  - Other EU level organisations
- Analysis of European level interest representation
- Methodology
- Data tables
5 - Employment and economic trends in the Chemical sector

- Employment characteristics:
  - 67% are men
  - 80% medium or high educational levels (HLG)
  - Many SMEs – 97% companies have < 250 empl

- The crisis has affected the sector: Total employment was 3,600,000 employees in 2013 (ELFS) and 3,900,000 in 2008
  - Six countries record drops of 20% or more in employment: Belgium, Estonia, Spain, Greece, Sweden and Slovenia.
  - Only Austria and Germany record an increase in employment from 2008 to 2012
6- National trade union (TU) systems
75 TU / 43 industriAll Europ

• 75 trade unions identified in all EU countries (43 = 57%)
• In 6 countries only one, in 11 countries 2, in 5 countries 3 and in 6 countries 4 or more
• Low and very low sectoral densities prevail in the sector
  ▶ half of the unions with available information record low and very low sectoral densities (less than 10%).
  ▶ However, sectoral densities widely differ between countries. In Finland, Sweden, Denmark, Belgium, Luxembourg and Croatia unions record high sectoral densities (higher than 50%)
6. National Trade Union (TU) systems

- involvement in CB
  - In all countries TU are involved in CB
  - 49% involved in single and multi-employer bargaining
  - 32% involved in single employer bargaining
  - 19% involved in multi-employer bargaining

- participation in tripartite SD or public policy making
  - 84% of the TUs
  - sector specific bodies have been established in 13 of the 28 MS
Sector relatedness and domain patterns of an organisation

Demarcation of the Chemical sector: NACE rev.2 codes 20, 21 and 22
6. National Trade Union (TU) systems (p42)
7. National system of Employer Organisations (57 EO / 18 in ECEG)

- Sector-related EO identified in all countries, except Cyprus and Estonia / 18 in ECEG (32%)
- 57 employers organisations. In 18 countries 1 EO; in 2 countries 2 EI; in 3 countries 3 EO; in 3 countries 5 EO or more
- Sectoral densities are relatively low
  - only 3 EO record sectoral domain density in terms of companies that exceed 40% (p 58 - AT, BE, ES)
  - the sectoral domain densities of companies tends to be lower than the densities in terms of employees.
7. National system of Employer Organisations (EO)

- CB (in 21 countries)
  - 70% involved in multi-employer bargaining
  - 9% involved in single employer bargaining
  - 11% involved in single and multi-employer CB
  - 9% no involvement in CB

- participation in public policy
  - 95% of EOs organisations with available data are consulted
  - sector specific bodies have been established in 13 of the 28 MS under consideration
7. National system of Employer Organisations (EO)

- Congruence; 11
- Overlap; 21
- Sectionalism Overlap; 30
- Sectionalism; 39
8. Key findings: IR in the sector

- A pluralist associational system prevails in more than a half of the countries in the chemical sector with regard to TU (22 of the UE countries). On the employer side, 18 countries record only 1 EO.
- Differences are found between TU and EO with regard to domain demarcation.
  - For the trade unions, sectionalism overlap (49%) and overlap (41%) prevail.
  - For the employer organisations, domain tends to be narrower. Sectionalism prevail (39%).
8. Key findings: IR in the sector (CB coverage)

<table>
<thead>
<tr>
<th>Multi employer CB</th>
<th>CB coverage &gt;80%</th>
<th>CB coverage between 40 and 70%</th>
<th>CB coverage below 20%</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT, NL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Both single and multi employer CB</td>
<td>BE, CY, ES, FI, FR, HU, IT, SE, SI</td>
<td>DK, DE, MT, PT, CZ</td>
<td></td>
</tr>
<tr>
<td>Single employer CB</td>
<td>UK</td>
<td>HR, LU</td>
<td>BG, EE, LT</td>
</tr>
<tr>
<td>Not Available</td>
<td></td>
<td></td>
<td>SK</td>
</tr>
</tbody>
</table>
9. Key findings IndustriAll Europe and ECEG

- IndustriAll Europe has 43 direct affiliations in 23 of 28 countries. In Cyprus, Estonia, Greece, Latvia and Slovenia no chemical sector affiliate
  - all the unions affiliated to IndustriAll Europe are involved in sectoral CB
- ECEG has 18 sectoral affiliations in 18 countries
  - 13 employer organizations affiliated to ECEG are involved in sectoral CB
(b) (...) consist of organizations which are themselves an integral and recognized part of Member States' social partner structures and have the capacity to negotiate agreements, (...)
industriAll Europe => second annex statutes clarifies in detail mandating procedure for negotiations (different for sector & company level negotiations)

⇒ General mandate

ECEG => art 3 statutes => the association will not commit the Chem Ind. And it will not negotiate on questions pertaining to national level CB, unless otherwise (unanimously) decided by its Gen Assembly
ECEG and industriAll Europe have already agreed

- Joint positions
- Declarations
- A so-called process oriented text, namely the European Framework Agreement on Competence Profiles for process operators and first line supervisors in the Chemical industry (2011, framework of actions).
IndusriAll on the employee side

and

ECEG on the employer side

are the most important sector-related EU SP organisations
For further information

http://www.eurofound.europa.eu/eiro/representativeness.htm
1) Sectors to be studied in a year are announced by the Commission (EC)

2) Work plan fixed by Eurofound (EF)

3) Information session with the social partners (SP) organised by EC and EF

4) Contacts made between EF project manager (PM) and SP
   - consult and agree on NACE
   - SP to provide contact details of their affiliates
5) Launch of questionnaire to national EurWORK centres

6) EurWORK centres draft national reports in consultation with the affiliates of the EU level SP

7) First check on national report by contractor of overview report and PM

8) Second check on national report by EU SP and EF Governing Board Members
   - via their national affiliates
11. Workflow

9) Drafting of overview report by EF contractor

10) First Check on overview report by PM

11) Second check of overview report by EU level SP

12) Evaluation at the Advisory Committee by EU level SP and EF GB Members

13) Eventual revision in light of the above
14) Editing by EF

15) Publication online

- 1 overview report
- national reports available on request

timeline best case scenario: 40-50 weeks

more realistic: 1 – 1.5 years
Further information


- Peter.Kerckhofs@eurofound.europa.eu