

Joint European Social Partners' Work-
programme 2009 – 2010
Joint Study on Restructuring in the EU

THE GERMANY NATIONAL DOSSIER

BERLIN 31ST – 1ST APRIL 2009

“Social Dialogue and Industrial Relations”

The purpose of the presentation and discussion

- Have we got the facts right?
- Have we got the emphasis right?
- Have we got the issues right?
- What evidence and insights can you add?

Outline

- Legal framework
- Dual system
- Actors
- Collective bargaining
- Main outcomes of social dialogue
- Social dialogue and restructuring
- **Questions for debate**

Legal framework

- Procedures, not outcomes
- No minimum wage
- Public bodies intervention only after individual or collective demand
- Civil servants: statute and life-time employment instead of the rights to collective bargaining and to go on strike
- Dual system of workers' representation

The German Dual System

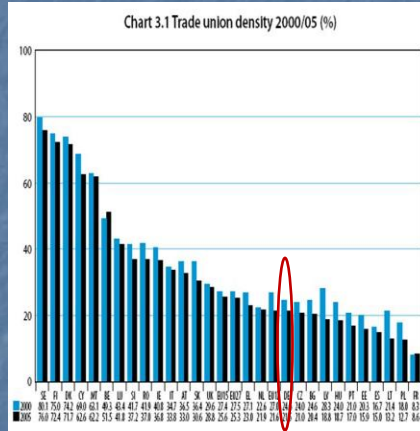
- Dual system:
 - Works councils / single employers
 - Trade unions / employers' associations
- At plant, company and group level:
 - Information and participation
 - Co-determination
- At sectoral and regional level:
 - Collective agreements
- No tripartite peak level agreement since the '70s

Actors

- Works councils:
 - 10% of eligible places
 - Coverage:
 - 47% of workforce on Western *Länder*
 - 38% of workforce on Eastern *Länder*
 - Overall, 96% of workplaces with 1000 and more workers
 - Slightly higher rates in the public sector

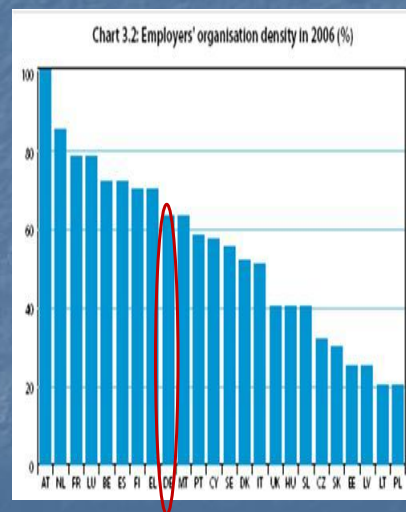
Actors

- Trade unions:
 - DGB (ETUC):
 - 85% of unionized workforce
 - 8 trade unions
 - DBB:
 - Public sector and former public sector
 - CBG:
 - Christian
 - 45 trade unions



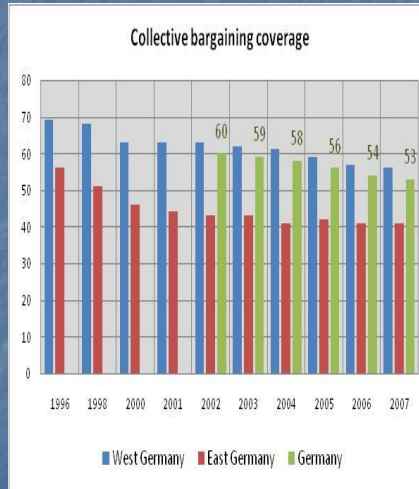
Actors

- Employers' associations:
 - BDA (BUSINESSEUROPE):
 - Not directly involved on collective bargaining
 - Co-ordination of member associations
 - ZDF and BFH (UEAPME)
 - > 1000 employers' associations active on the industrial relations arenas



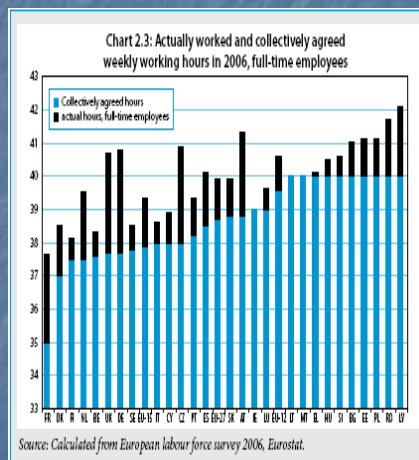
Collective Bargaining

- 2007: 69592 collective agreements in force
- Every year: 6000 agreements concluded
- Since the '90s, more single employer's agreements
- Co-ordination through pattern-setting
- Declining coverage rate



Collective bargaining outcomes

- Wage moderation
- "Opening clauses"
- "Company pacts for employment"
- 1/5 collective agreements include "opening clauses"; half of the companies covered use it
- Working time arrangements are frequent



Social Dialogue and Restructuring

- 50% of all companies surveyed experienced restructuring since 2003
- Number of restructuring projects grow with company size
- Large number of problematic areas
- Possible negotiations for "reconciliation of interests"
- "Social compensation plans"
- Relocation and outsourcing: alternative locals in Germany predominate
- Threat to relocation more widespread than actual relocation
- Restructuring puts German dual system under considerable pressure

Questions for debate

- What can be done to improve the role and the efficiency of social dialogue on restructuring?
- What are the expected effects of the current crisis on the German model of social market economy?
- What changes, if any, on the relevant public policies must be introduced to tackle the current crisis?