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Working Paper

Collective bargaining in seven European countries throughout the pandemic

ILO Working Paper, No. 74

Provided in Cooperation with:

International Labour Organization (ILO), Geneva

Suggested Citation: Molina, Oscar; Pedersini, Roberto (2022) : Collective bargaining in seven European countries throughout the pandemic, ILO Working Paper, No. 74, ISBN 978-92-2-037579-2, International Labour Organization (ILO), Geneva, <https://doi.org/10.54394/WZQA9407>

This Version is available at:

<https://hdl.handle.net/10419/265592>

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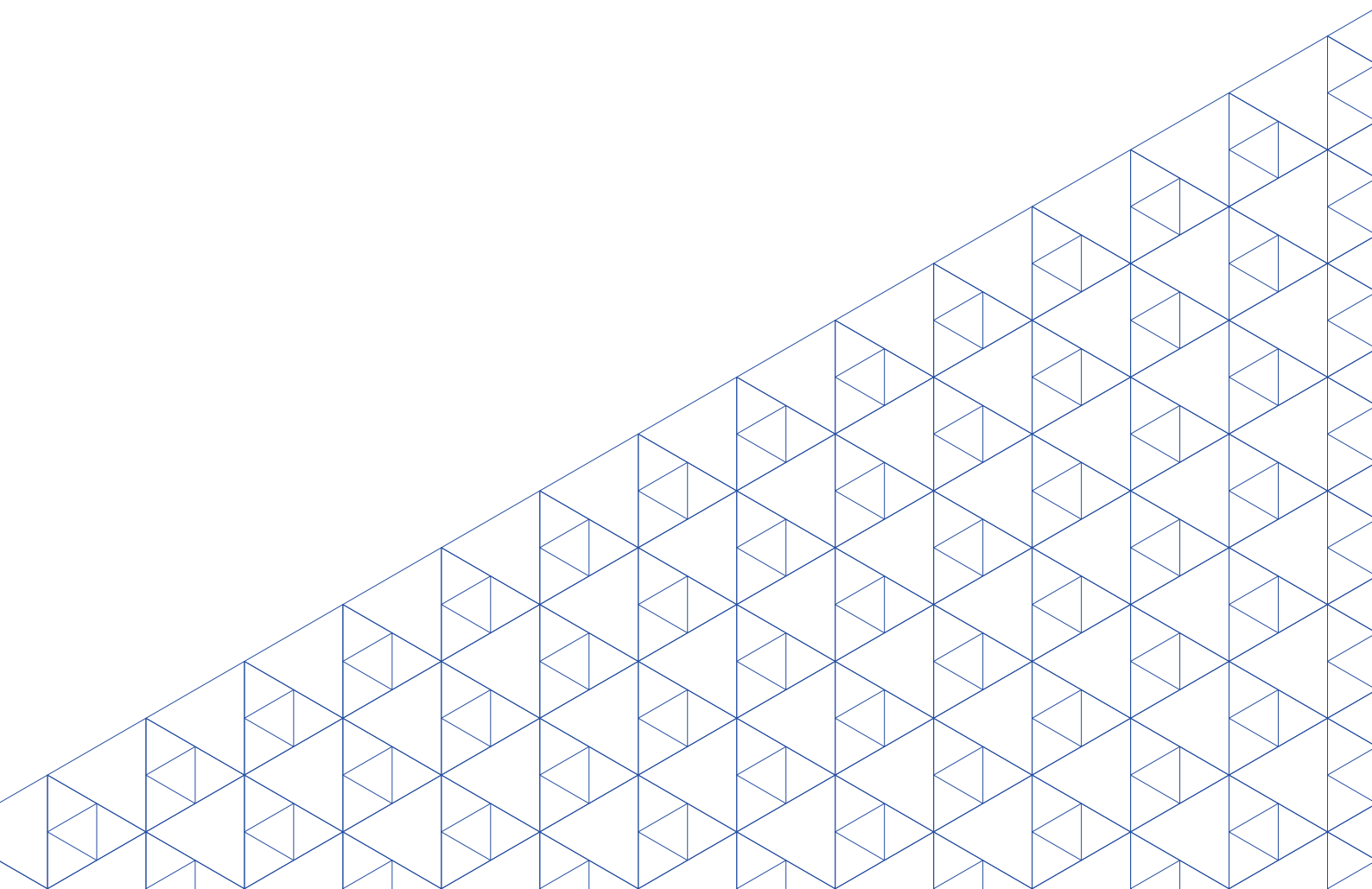
International
Labour
Organization

► ILO Working Paper 74

August / 2022

► Collective bargaining in seven European countries throughout the pandemic

Authors / Óscar Molina, Roberto Pedersini





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ISBN: 9789220375785 (print)
ISBN: 9789220375792 (web-pdf)
ISBN: 9789220375808 (epub)
ISBN: 9789220375815 (mobi)
ISBN: 9789220375822 (html)
ISSN: 2708-3446

<https://doi.org/10.54394/WZQA9407>

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Authorization for publication: Heinz Koller

ILO Working Papers can be found at: www.ilo.org/global/publications/working-papers

Suggested citation:

Molina, Ó., Pedersini, R. 2022. *Collective bargaining in seven European countries throughout the pandemic*, ILO Working Paper 74 (Geneva, ILO).

Abstract

This Working Paper investigates developments in social dialogue and collective bargaining during the first two years of the COVID-19 pandemic in a selection of European countries. The paper provides an overview of government and social partner responses. In describing responses, the main goal of this paper is to identify the dimensions that can help explain the variety of responses, but also their commonalities. The paper also aims at understanding the factors that may have promoted the activation of social dialogue over economic and social policies and broaden the role of collective bargaining and industrial relations, as opposed to unilateral interventions designed by national governments. The paper lays out an analytical framework based on the COVID impact in each country, national industrial relations institutions and the nature of the government in office. In this general framework, we observe how national industrial relations institutions play a key role in explaining the responses in terms of the level and quality of social dialogue and the role of collective bargaining. Particularly important has been the role of strong sectoral collective bargaining institutions, allowing sectoral actors to negotiate specific responses considering the impact and the needs of the sector.

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► Introduction

The COVID-19 pandemic has severely hit the whole world, with an estimated 550 million infected people and more than 6.3 million deaths, as at the end of June 2022.¹ It also involved major disruptions in living and working lives, due to both direct impacts and indirect consequences (ILO Eurofound 2021a, ILO Monitor: COVID-19 and the world of work, several editions). The congestion and overexploitation of health structures and resources had the second tragic effect of interrupting ordinary and preventative medicine, with further losses in health outcomes and an additional death toll, whose size is hard to estimate, but it is probably far from negligible. The impact on economic activities has been remarkable, through a combination of reduced private demand, since many activities were effectively discouraged, as they involved high risks of contagion, like travel and social events, and mandatory closures, which affected different sectors in distinct ways, with varying timing and to various extents – and again notably involving activities requiring physical proximity and that could be regarded as non-essential. In Europe and elsewhere, especially in high-income countries, governments introduced unprecedented emergency initiatives with different objectives, in a co-ordinated effort to address the health threats and cushion the socio-economic effects.

Governments were key actors in such processes, and they often allocated quite significant resources to achieve those objectives, thereby interrupting previously established fiscal discipline and austerity practices. Besides, social partners often contributed to shape the response to the COVID-19 pandemic, by participating in policy making within social dialogue processes, exerting pressure on policy-makers (through lobbying or through strikes/demonstrations) and via independent joint regulation, mostly through collective bargaining at national, sectoral and decentralized levels. In some cases, different types of action were combined, since policy tools had to be activated or implemented through the involvement of social partners at the various levels.

This Working Paper investigates developments in social dialogue and collective bargaining during the first two years of the COVID-19 pandemic in a selection of European countries with distinct features, in terms of traditional indicators on representation, collective bargaining coverage and structure, and involvement in policy-making. The pandemic produced a massive shock and required a rapid response by governments as well as adjustments at workplace and industry levels. Besides providing an overview of such responses and adjustments, the main goal of this paper is trying to identify the dimensions that can help explain the variety of responses, but also their commonalities. In particular, we are interested in understanding the factors that may have promoted the activation of social dialogue over economic and social policies and broaden the role of collective bargaining and industrial relations, as opposed to unilateral interventions designed by national governments.

The basic variables that we take into consideration are: the timing and severity of the pandemic at national level; national industrial relations institutions; and the nature of the government in office. The first factor intends to 'measure' the disruptive impact of the pandemic at national level; the second one represents the 'power resources' of social dialogue and collective bargaining in the domestic context; the third one considers the stance of the main gatekeeper in shaping the national responses to the global pandemic. A further element to be considered, for five of the six countries under scrutiny, is the European Union (EU) response to the pandemic. In this case, however, it is more a constant than a variable, and we can assume that its impact is mediated at national level by the abovementioned basic variables. In this general framework, we assume that national industrial relations institutions play a key role in explaining the responses in terms of the level and quality of social dialogue and the role of collective bargaining.

The Working Paper begins by providing some methodological and background information for the analysis. This is followed by a discussion of the impact of the pandemic. Part 4 The paper then investigates social dialogue processes in the countries explored, paying particular attention to the innovations introduced in relation to previous periods and practices of social dialogue. Finally, of the paper examines the policies and outcomes achieved through collective bargaining and collective agreements. Finally, the paper provides some concluding remarks.

¹ Data retrieved from <https://covid19.who.int> on 30 June 2022

► 1 General context and methodology

The countries studied in this paper represent different industrial relations models in the European context, with different configurations of collective bargaining systems and outcomes (Traxler, Blaschke and Kittel 2001, Visser 2009, Gumbrell-McCormick and Hyman 2013, Eurofound 2018, OECD 2019a, 2019b, Pedersini 2014).

Belgium and Germany belong to the so-called Continental model, even though Belgium shares some characteristics of the Nordic model, including a high level of union density – the share of unionized wage workers as part of all wage workers – and centralized collective bargaining. It is characterized by a centralized and highly institutionalized system of collective bargaining in legally established cross-industry and sectoral joint committees, which ensure that collective agreements are generally binding. Trade union density is high, as around one half of employees are members of trade unions. Belgian trade unions also take part in the administration of unemployment benefits. The dominant feature of the German system of collective bargaining is sectoral collective bargaining, with agreements typically concluded at regional level. Trade union density has been declining in recent years.

The study also includes two countries belonging to the Mediterranean or Southern European model, but with pronounced differences when it comes to collective bargaining. Italy shares with other Mediterranean countries a collective bargaining system with high levels of collective bargaining coverage and the predominance of sectoral collective bargaining. However, it exhibits some distinctive traits. First, a voluntarist industrial relations system, with low intensity of statutory regulations. Second, a still relatively high level of union density. Spain has a collective bargaining system characterized by the predominance of sectoral and regional (provincial) collective agreements, the existence of cross-sectoral collective agreements coordinating collective bargaining, and a significant role of the state. The automatic statutory extension of collective agreements at the inter-professional and/or sectoral level delivers a high level of collective bargaining coverage, but reduces incentives to join trade unions, thereby explaining the low level of union density. Conversely, participation in the elections of workplace trade union representative structures is high and is generally used to establish the representativeness of unions.

The Central and Eastern European model is represented through Slovakia, with an industrial relations system formed in the early 1990s, when the social partner organizations were established. Single-employer collective agreements and multi-employer agreements are concluded in the private as well as public sectors, but there is a predominance of company-level bargaining. Trade union density exhibits a declining trend since the 2008 financial crisis.

Sweden is exemplary of the Nordic model, with low legal regulation, voluntarism as the main feature of the industrial relation system, high union density and bargaining coverage and a coordinated bargaining system, as the combined result of cross-industry framework agreements and social partners' organizational capacity. Trade union density is among the highest in Europe and benefits from the institutional support of the so-called Ghent system, in which trade unions participate in the administration of unemployment benefits.

Finally, the United Kingdom (UK) represents the liberal model in this study. The dominant level for negotiating pay and working time is the company or plant level in the private sector. In areas of the public sector – and in a small section of the private sector – sector-level agreements are concluded. In line with a voluntarist tradition, collective agreements are voluntary instruments that are 'binding in honor only'. Trade union density has been declining markedly since the early 1990s.

► **Table 1. Main industrial relations indicators (2016/2017)**

Country	Union density	Collective bargaining coverage	Coordination	Social dialogue
Belgium	53	96	High (5)	Full concertation (2)
Sweden	62	90	High (4)	Full concertation (2)
Germany	17	56	High (4)	Partial concertation (1)
Italy	34	80	Medium (3)	Partial concertation (1)
Spain	15	84	Medium (3)	Partial concertation (1)
Slovakia	11	25	Low (2)	Partial concertation (1)
UK	23	26	Low (1)	No concertation (0)

Source: ICTWSS, <https://www.ictwss.org/>

As shown in Table 1, among the countries selected for this paper, collective bargaining and social dialogue institutions seem particularly strong and effective in Belgium and Sweden, where collective bargaining coverage and coordination are both high and social dialogue over policy-making points to “full concertation”, with regular and frequent involvement of social partners. The opposite situation can be found in Slovakia and the UK, where all indicators linger on the lower end of the variation. Germany, Italy, and Spain, although each with some specificities, remain in an intermediate position as for industrial relations, while social dialogue is more erratic and mostly depends on the governments’ decisions. However, Spain and Italy have certainly a better record of social pacts than Germany, where social concertation never took a firm hold.

The countries included in this analysis not only exhibit differences in relation to the institutional framework of industrial relations and the characteristics of collective bargaining, but over the period considered for the analysis, the political context was varied (see Table 2), as was the impact of the COVID-19 pandemic (see Table 3).

► **Table 2. Governments in office (2020/2021)**

Country	Coalition	Political orientation	Change in government
Belgium	Yes/Yes	Centre/Centre-Left	Yes (October 2020)
Sweden	Yes/Yes/No	Centre-Left	Yes (July and November 2021)
Germany	Yes	Centre-Right	No
Italy	Yes/Yes	Centre-Left/Encompassing	Yes (February 2021)
Spain	Yes	Left-Centre	No
Slovakia	Yes/Yes	Centre-Right	Yes (April 2021)
UK	No	Centre-Right	No

► **Table 3. COVID-19 indicators (as of 29 June 2022)**

Country	Cases/Population	%	% Deaths	% Vaccinated/Boosted
Belgium	4.2m/11.5m	0.37	31.9k/0.28%	79/62
Sweden	2.5m/10.3m	0.24	19k/0.18%	72/53
Germany	28.0m/83.1m	0.34	141k/0.17%	78/60
Italy	18.3m/59.6m	0.31	168k/0.28%	80/68
Spain	12.7m/47.3m	0.27	108k/0.23%	79/53
Slovakia	1.8m/5.5m	0.33	20k/36%	51/30
UK	22.7/67.9m	0.33	180k/0.16%	74/n.a.

Source: authors’ calculation based on WHO Coronavirus (COVID-19) Dashboard, <https://covid19.who.int>, accessed 30 June 2022

In most of the countries included, coalition governments existed during the pandemic, with the exception of the UK. However, the countries were split between those with center-left (BE, SE, IT, ES) or Centre-right (DE, SK, and UK) coalitions. Moreover, the countries also exhibit some differences in relation to the incidence of the pandemic in terms of cases, its impact in terms of deaths and the percentage of population vaccinated.

The methodology used in this Working Paper has combined primary and secondary sources of information. First, primary sources have consisted in semi-structured interviews to peak social partners and key actors in the countries analyzed. Interviews have been particularly important to identify innovative responses in collective agreements. Interviews were carried out over the period of May-August 2021. Secondary sources have consisted in the use of available databases, newspapers, technical and policy reports, and academic publications.

► 2 The impact of the COVID-19 pandemic

The pandemic has severely affected all dimensions of social, economic, and political relations, and work and employment were deeply affected, for their key positions in people's lives. Certainly, although the influence was extensive in all sectors and activities, the impact on activity levels was significantly different across sectors, for direction (mostly recording a fall in activity levels, but sometimes involving an intensification), duration (shorter or longer) and responses.

The seven countries under review in this report cover more than 10 per cent of the global number of reported cases and deaths. Most of them experienced a similar pattern, with four different waves since early 2020 until the summer of 2021. The first wave hit in spring 2020, with lower reported cases, most likely because of under-detection, and higher deaths; the second one started around the end of 2020 and the beginning of 2021, with much higher cases and still high death tolls. The third and the fourth waves arrived in spring and summer 2021 respectively, when vaccination had already started and eventually involved a substantial share of the population. The number of cases was lower and especially the number of deaths progressively fell, except in Spain and the UK, where the third waves recorded the peak of cases and deaths. Slovakia is a case of its own, since cases rose only in autumn 2020 and three waves followed rapidly until spring 2021, with deaths reaching the peak in early 2021 and then decreasing with a downward trend in cases.

From the first to the later waves, policy responses moved from reactive emergency measures to stop contagion, support the health sector, and mitigate the economic and employment impact to proactive initiatives aimed to foster recovery through unprecedented public investment plans, which in Europe were framed in the NextGenerationEU programme (involving some EUR 650 billion) to be implemented through the National Recovery and Resilience Plans.

The pandemic severely affected the economy and labour market of all the countries covered by this study, although to quite a different extent. All of them experienced a fall in GDP between 2019 and 2020, ranging from -3.0 per cent in Sweden to -10.6 per cent in Spain. Such country variability was accompanied by differences between sectors: manufacturing was heavily hit, as the decrease in GDP was often well above the average loss. In addition, Table 4 shows that the most affected activities were, quite expectedly, trade and accommodation and food services, professional, technical and support services, and especially the "other services", which include the arts and entertainment industries. Other services, like finance and insurance, real estate and information and communication suffered to a lower extent the impact of the pandemic.

► Table 4. GDP growth rates over previous period by economic activity (ISIC rev4) (2020)

	BE	DE	IT	SK	ES	SE	UK
Gross value added at basic prices, total activity	-5.9	-4.9	-8.6	-4.7	-10.6	-3.0	-9.9
-Agriculture, forestry and fishing (A)	9.9	3.2	-6.0	-14.3	5.3	1.1	-10.0
-Industry, including energy (B-E)	-4.1	-9.6	-11.1	-13.9	-9.6	-5.2	-8.8
of which: Manufacturing (C)	-3.8	-10.3	-11.4	-14.1	-10.7	-6.4	-10.3
-Construction (F)	-4.7	3.8	-6.3	-8.3	-14.5	1.0	-14.8
-Distributive trade, repairs; transport; accommod., food serv. (I)	-13.5	-5.4	-16.0	8.1	-24.4	-7.6	-15.6
-Information and communication (J)	-1.6	-0.8	1.9	-7.8	-7.6	2.2	-5.9
-Financial and insurance activities (K)	-2.6	-0.4	-2.6	-15.3	3.3	3.3	-4.6
-Real estate activities (L)	1.2	-0.4	-3.0	-5.5	-2.0	0.6	-2.0
-Prof., scientific, techn.; admin., support serv. Activities (M-N)	-5.9	-7.4	-10.4	-4.1	-13.7	-5.0	-10.9
-Public admin.; compulsory s.s.; education; human health (O-Q)	-4.6	-3.1	-3.0	2.4	1.5	-2.2	-8.8
-Other service activities (R-U)	-22.1	-11.4	-14.6	-12.1	-24.9	-5.0	-26.6

Source: OECD, Gross domestic product (GDP), <https://stats.oecd.org/>

The activities based on mobility and sociability, like tourism, hospitality, including restaurants and bars, and live entertainment, were the most negatively affected, due to fall in demand, compulsory closures, and operational restrictions to enforce social distancing (if and when activity continued). In this case, the prevalent challenges were preserving employment, supporting business continuity, and ensuring health and safety of workers and customers alike. In most countries, the overall fall in employment was lower than the change in GDP, which suggests the relative effectiveness of measures meant to preserve employment levels. Again, there are significant variations between sectors and countries. The most significant impacts on employment levels were in the hospitality sector, in administrative and support services, in arts and entertainment (except for Belgium), and in household service. Information and communication services consistently created new jobs in all the countries covered by the study, most remarkably in Slovakia (+21.3 per cent) and the UK (+10.2 per cent). The public sector also shows an increase in employment levels in all countries but Italy. This is another sign, beside the boost to public investment, that the public sector has returned to play an expansionary role in this difficult juncture.

► 3 A “new” social dialogue?

The pandemic has been a real game changer when it comes to the development of social dialogue and collective bargaining, although with differences across countries in the intensity of the impact and the responses. In some cases, negotiations for the renewals of collective agreements expiring in 2020 were postponed or negotiations took longer than usual. Facing a high degree of uncertainty, trade unions and employers considered that the best solution was to maintain bilateral talks. In some cases, these took place on an *ad hoc* basis (UK, Belgium). In the case of Spain, COVID-19 led to the enhanced role of bi-partite follow-up committees set up in collective agreements. This has been particularly the case of health and safety committees in sectoral or company-level agreements, whose activity has intensified and has served to help companies adapt their protocols and activities in the new context. By contrast, Belgium did not experience major disruptions in the development of collective agreements since bi-annual negotiations for 2019-2020 had already been carried out before the pandemic. Negotiations resumed in 2021, as expected. Bargaining rounds in Sweden were also postponed.

In all countries analyzed, videoconferences and virtual meetings among social partners increased significantly, and often were introduced for the first time, compared to the former exceptional instances. In some countries, such as Italy, this became the standard way for talks and negotiations and, in several cases, it included the signature of new agreements, while in others, such as Spain, it rarely led to the signing of collective agreements. Remote meetings were used to discuss specific issues or problems (including health and safety protocols, etc.) or exchange information.² Whenever possible, postponements of negotiations, especially when it comes to pay-setting, were preferred (Molina 2021a). This is a common trend for all the countries compared and all sectors and jobs and has been particularly intense in the case of Spain,³ but can be identified also in Sweden, Germany⁴ and, more rarely, Italy.

Addressing the socio-economic impact of the pandemic required a big effort, a great deal of responsiveness, and the capacity to take rapid decisions on potentially highly controversial issues, such as those limiting personal mobility and imposing lockdowns and closures, in a context of significant uncertainty. From this perspective, the involvement of social partners represented a key resource to foster consensus and enhance the effectiveness of policies, by mobilizing the “expert knowledge” and the commitment of employers and trade unions, both at the centralized national level and at the decentralized workplace level.

Social dialogue has become an important tool to govern policy responses to the crisis (Eurofound 2021). In those countries with a longstanding tradition of social dialogue at national level (Belgium, Italy, Spain, Sweden), the pandemic has led to an intensification of relations among social partners and government. Even in the UK, a country with a weak tradition of national social dialogue, there was increasing participation of social partners in consultations with the government, especially during the first lockdown.⁵ Conversely, in Slovakia, social partners complained about lack of involvement in policy making, since most of the policy responses were not discussed at the tripartite Economic and Social Council (HSR), whose meetings were almost discontinued for a long period until early 2021.

Social dialogue during the pandemic developed along the existing national patterns and came after an overall trend in Europe of weakening social concertation, especially in institutionalized tripartite settings (Ebbinghaus and Weishaupt 2021). In general, the urgency of interventions and the declaration in many countries of a state of emergency reinforced the powers of governments and could have strengthened

² Interview 12

³ Interview 15

⁴ Interview 16

⁵ Interview 2

unilateralism. However, something that can be noted in most of the countries included in the study was the intensification of talks and consultations between the governments and the social partners and the establishment of quasi-permanent channels of communication between them.

Three underlying factors may have pushed in this direction. First, the exogenous character of the crisis. Related to this, the state of emergency increased the powers and responsibility of governments, which could use social dialogue as a source of legitimation and to reduce the exposure before the public at large. On the other side, the unilateral definition of measures, which prevailed, could often benefit from the feedback of social partners to adjust and fine-tune policies, with a view to increase effectiveness and redress possible unexpected results, in a trial-and-error fashion (Guardiancich and Molina 2021). Thus, one of the factors facilitating stronger social dialogue during the pandemic was a shared view of an exogenous shock. This was clearly reflected in the joint statements issued by trade unions and employer organizations shortly after the governments approved the first emergency measures to fight the extension of the COVID-19.⁶

In the case of Belgium, most of the COVID-19 policy measures were negotiated on a bipartite (trade unions and governments) or tripartite basis. These included the temporary unemployment benefit schemes due to economic reasons, the support for self-employed workers and the new regulation of telework (Van Herreweghe 2021).⁷ Moreover, unions also claimed and negotiated measures to protect workers who could not telework as well as measures to minimize job and revenue losses. Particularly important was the role of the Conseil National du Travail, one of the peak social dialogue bodies in the country, which consists of peak representatives of both the representative trade unions and employers' associations. But social partners also played a role through other mechanisms, including the Economic Risk Management Group (ERMG). This group consists of experts, chairpersons and representatives of several important institutions involved in (macro) economic policymaking in Belgium. Both the representative employers' organizations and trade unions are represented in this body. The group provided advice on work-related matters to the council of ministers that designed most of the national crisis measures.

Social dialogue in Spain also experienced an intensification in the context of the pandemic, together with a re-orientation towards a COVID-19-related agenda (Molina 2021). At the same time, collective bargaining was paused and postponed, especially during the first year of the COVID-19 crisis (CCOO 2021). Many of the policy measures promoted by the Spanish government to fight the impact of the pandemic were negotiated with social partners. Social partners and the government negotiated the extension of the temporary lay-off system and a new regulation of telework. But the social dialogue agenda covered other issues, including pensions, labour market reform and vocational training (Molina 2021). Moreover, social partners were also involved in the design of the National Recovery and Resilience Plan. Even though agreement was not always possible, as exemplified by the failed negotiation of the 2022 minimum wage, the government exhibited a preference for negotiated solutions in the context of the pandemic.⁸

Even in the case of the UK, a country with a low institutionalization of social dialogue, the interviews revealed an increase in consultations and exchange of information between the government and social partners, including the creation of Advisory Groups, where social partners were involved.⁹ Instances of this enhanced participation could be observed in the case of public sector workers, with the coordination of sectoral discussions between government and public sector unions in the Public Services Forum; the promotion of regular exchanges between government and transport unions representing rail, bus, maritime and aviation workers; the issuing of joint statements with the education unions, outlining the measures needed for the

⁶ In the case of Belgium, "L'impact du virus COVID-19 sur le monde du travail : appel des partenaires sociaux", on 6 March 2020. In the case of Spain, "Documento de propuestas conjuntas de las organizaciones sindicales CCOO y UGT, y empresariales CEOE y CEPYME para abordar medidas ante el coronavirus", on 12 March 2020. In the case of the UK, "Coronavirus: A joint statement between HSE, the TUC and the CBI". In Germany, the president of GDB, Reiner Hoffmann, and of BDA, Ingo Kramer, issued a joint statement in early March 2020 to confirm their joint commitment to work together to face the pandemic, in cooperation with the government, to ensure people's health and safety and mitigate the economic and social consequences of the crisis.

⁷ See also ETUI, Covid Social Impact Belgium (<https://www.etui.org/covid-social-impact/belgium>)

⁸ Interviews 15 and 11

⁹ Interviews 2 and 3

safe and wider reopening of schools and calling for improvements to high-level strategic dialogue, including through the establishment of a taskforce comprising government, unions and education stakeholders. Moreover, consultations and discussions between the government and social partners also occurred in the case of the introduction of a wage subsidy scheme, the Coronavirus Job Retention Scheme (CJRS) and the self-employment income support scheme (SEISS) (Adam 2020, Evans 2021, Sawyer 2021).

In Italy and Germany, contacts between the government and the social partners were particularly relevant in terms of frequency and detail of the issues to be covered and discussed. In Italy, the government consulted intensively the peak social partners' associations. For instance, a key early measure, essential economic activities to remain open during the first lockdown were identified in close consultation with the social partners. From a longitudinal perspective, such developments can be regarded as an improvement over previous periods of increasing unilateral action (Italy) or even traditions of lower involvement of social partners (Germany).¹⁰ Yet, from an analytical viewpoint, it is important to consider the setting of such consultations. With some differences between the two countries and depending on the specific measures, there were generally no significant prior consultations on the content of the measures, which were devised unilaterally by the governments and were justified based on urgency. Consultations mostly took place after the first introduction of the different measures and were staged bilaterally, with individual organizations or separate delegations, including separately trade unions or employers only. They focused on single measures or issues, and they did not cover the overall design or coherence of the policy packages. They mostly concerned feedback on the measures as well as specific requests, which led to "marginal" or "incremental" adjustments or integrations, which were demanded by the parties, with a view to better reflect their priorities and interests. In Sweden, the usual cooperation between social partners and the government characterized the response to the pandemic, within a framework of strong industrial relations.¹¹

In the case of Slovakia, social dialogue did not play an important role in the development of policy responses to the pandemic. As a matter of fact, trade unions and employers expressed their concern on the lack of consultations by the government through the national tripartite Economic and Social Council (HSR) and cross-sectoral social dialogue (Cziria et al. 2021). Even though they acknowledged the exceptional circumstances, social partners however criticized the interruption of tripartite social dialogue and the limited activity of the HSR (Eurofound 2021). However, the interviews with the social partners underlined that the slowdown in tripartite negotiations may be attributed more to the change of government, which took place in March 2020, with a shift from a Centre-left to a Centre-right coalition, than to the pandemic. Certainly, the emergency situation required prompt responses, which may have hindered consultations. But even more importantly, the new government had to develop its own approach, starting from a more skeptical stance on the potential of tripartism.¹² According to the social partners, the HSR progressively regained its role during 2021 (which also witnessed the creation of a new government, led by the same coalition but a different prime minister).

The above evidence points towards different trajectories and roles of social dialogue during the pandemic. Whilst in some countries social dialogue played a key role and was strengthened during the pandemic (Belgium, Italy, Germany, Spain, Sweden), in other countries its role in managing the crisis was marginal (Slovakia, UK). Moreover, a break with the "traditional model" of policy concertation, where peak organizations represent broad categories of interest, express a general representation, and interpret collective interests, can be observed. Emerging practices seem to point to a possible drift towards what could be termed "pluralistic concertation" (if not proper pluralism), where specific interests prevail and the government maintains the decisive role of selecting demands and assembling measures and policies, especially under strong time pressure and in a context of high uncertainty.

¹⁰ Interviews 1 and 5 in Italy; Interviews 17, 16 and 9 in Germany

¹¹ Interview 7

¹² Interviews 8 and 13

► 4 Collective bargaining developments during the pandemic

The COVID-19 pandemic was considered by industrial relations actors in the countries covered in this study as a stress test to their ability to provide quick negotiated responses. Moreover, the pandemic provided a quasi-experimental setting to analyze the capacity of different collective bargaining institutions and social partners' strategies to provide protection and inclusive policies.

To assess the impact of the pandemic, we can consider whether it affected the development of collective bargaining, essentially represented by renewals of collective agreements, and whether it promoted new topics or novel instances of negotiation. Due to the different level and nature of the impact at sectoral level, we may also expect distinct experiences across sectors.

In general, it is possible to say that the pandemic did not cause specific disruptions in collective bargaining, for instance, with a general suspension or blockade of negotiations (Adam and Allinger 2021). Certainly, negotiations took place in a new context, characterized by specific priorities, namely preserving employment and ensuring health and safety at work, and in conditions of high uncertainty, especially in the first half of 2020 and during lockdowns. Developments followed national practices, but it is possible to identify some trends.

The adaptation of collective agreements to the novel pandemic situation occurred through several mechanisms and channels. In some cases, collective agreements were extended, and negotiations postponed, for instance until face-to-face negotiations could be resumed. Spain registered a remarkable decline in the number of collective agreements signed; from 6,880 in 2019 down to 2,677 in 2020, a 61 per cent decline. Moreover, works councils' elections were suspended in March 2020 and only continued in June 2020, coinciding with the end of the first state of emergency. A similar pattern could be observed in Slovakia, where the number of collective agreements concluded in 2020 declined, although this decrease could also be explained by an increasing duration of collective agreements. In the case of Belgium, the regular nationwide social elections (elections of works council representatives) taking place every four years were postponed because of the crisis, from May to November 2020. Even though some companies tried to implement online voting as an alternative, the number of those using this channel remained low. Finally, in the case of the UK, the Labour Research Department pay survey registered a decline in the number of pay settlements compared to previous years (Evans 2021).

In postponing negotiations, ultra-activity clauses extending the collective agreement until a new one is signed, proved to be important mechanisms to safeguard working conditions. During the 2008-2010 financial and sovereign debt crises, these clauses were criticized by some governments and employers due to the rigidities they imposed on collective bargaining. In the case of Spain, where ultra-activity allowed open-ended extension of collective agreements, the 2012 labour market reform regulated a maximum 12-month duration to it, although social partners can deviate from it. In Slovakia, ultra-activity is also set by law for 12 months whilst in Italy, Germany, Sweden and the UK, there is no rule on ultra-activity. In Belgium, there is no statutory regulation on ultra-activity, but social partners can agree on it. According to the actors interviewed, there have not been major problems in extending collective agreements during the pandemic since all actors were aware of the exceptional conditions and, whenever a collective agreement expired without a clear regulation of duration, social partners agreed on maintaining conditions until a new agreement

was negotiated. This was the case in Spain,¹³ but also in Slovakia several multi-employer collective agreements were extended. Similarly, social partners in Sweden agreed to extend the agreements to the end of October 2020 and the negotiations to renew pay agreements were paused for seven months and set to be resumed in the autumn (Gustafsson and Kinnunen 2020; interviews).

Another mechanism used in collective bargaining in Spain was the temporary suspension of some clauses in collective agreements, including those related to pay. Almost 500 companies used the possibility to suspend the application of substantial aspects of their collective agreements (i.e., those referring to wages) during 2020.¹⁴ In most cases, the suspension was negotiated with workers' representatives, who admitted that there were strong economic reasons for accepting it. More specifically, there were 566 non-applications or suspensions of collective agreements, which affected 486 companies and 20,301 employees, according to data from the Ministry of Employment. These are, however, the lowest figures since the 2012 labour market reform allowed companies to use this mechanism. This decline has to do with the massive activation of temporary layoffs and short-time work schemes (ERTE) as a formula to alleviate the impact of the COVID-19 crisis on companies. In some particularly hard-hit sectors in the UK (notably aviation/aerospace and the performing arts) previously agreed pay increases were cancelled and in some cases pay cuts took place. The pandemic did not cause major disruptions to collective bargaining in Belgium, since the bi-annual collective bargaining round was carried out in 2019 and the next one is taking place in 2021.

As negotiations became more difficult and uncertainty increased, the duration of the bargaining rounds tended to grow. Although long negotiations and extended waiting times for renewals are not atypical in Italy, throughout 2020 and in the first quarter of 2021, data from the collective bargaining panel of the National Institute of Statistics (ISTAT, which covers 58 sectoral collective agreements in the private sector and 15 in the public sector, for a total of nearly 13 million workers) show a progressive increase of waiting times for sectoral renewals (ISTAT 2020, 2021). The average for private sector workers awaiting renewals rose from 10.1 months in the first quarter of 2020 to 20.7 months in the same period of 2021. Similarly, the share of private workers awaiting renewals remained over 70 per cent since early 2020, despite 15 agreements, while at the end of 2019 it was below 30 per cent. Such indicators do not consider the deal covering the metalworking sector, signed in February 2021 and finally approved by workers' assemblies in April 2021, which represents some 15 per cent of the surveyed workforce. But this would not change the general picture. However, collective bargaining did not stop. In 2020 and in the first quarter of 2021, 15 sector-level agreements were signed of the 73 covered by the survey. In the same time span, 14 deals expired. Only two of the agreements that expired in 2020 could be rapidly renewed, while two more had expired in late 2019 and one (the metalworking agreement) was renewed in the second quarter of 2021. The average increase in contractual hourly wages remained relatively low in 2020 at 0.6 per cent, while in 2019 it had been 1.1 per cent. Limited pay raises are essentially due to the large proportion of workforce without renewals and to the later scheduling of wage increases in the recently renewed agreements.

¹³ Several collective agreements in Spain have extended their duration. Some examples include: the sectoral collective agreement for external auxiliary services and customer service in railway service companies; the collective agreement for retail companies of drug-stores, herbalists and perfumeries; the collective agreement for the transformation of canned vegetables.

¹⁴ See <https://www.publico.es/economia/medio-millar-empresas-no-aplicaron-convenios-colectivos-2020-pagar.html>

► **Table 5. Qualitative assessment of cross-sectoral collective bargaining dynamics during the pandemic (2020)**

	Timing of renewals	Pay increases	Prevalent topics
Belgium	New bargaining round due in 2022. No remarkable impact since most negotiations took place before the pandemic	No remarkable impact, but expected a decrease for some workers with variable pay	Health and safety protocols
Spain	Postponement and longer negotiations; extension of ultra-activity to preserve working conditions	Postponement of wage increases. In some cases, negotiated wage increases are not applied	Employment preservation
Italy	Longer negotiations. Social partners can agree to maintain working conditions until a new agreement is negotiated	Postponement of wage increases	Health and safety
Germany	Longer negotiations and short-duration agreement. Even though there is no rule on ultra-activity, social partners can agree	Negotiated pay-pauses (wage freezes), and postponement of wage increases	Employment preservation and income support
Sweden	Three-year bargaining rounds postponed to autumn 2020, with social partners agreeing to maintain working conditions until new agreements signed	Seven-month pay pause	Employment preservation
Slovakia	No significant impact	Wage freeze in public sector	Health and safety
UK	Postponement of negotiations	Pay pauses and postponement of wage increases	Health and safety

Source: Based on interviews and secondary sources

In Germany, the 2020 bargaining round involved new collective agreements covering some 10 million workers (Schulten 2021). In the sectors mostly hit by the pandemic, the emerging tendency was to postpone and delay renewals. “Solidarity agreements” focused on preserving employment and supporting the income of workers on short time work. For instance, the metalworking agreement signed in March 2020 in North Rhine-Westphalia did not envisage any wage increase but included a contribution to a special hardship fund to support employees on statutory short-time work. The agreement clearly represented a temporary solution, as the duration was limited to nine months until the end of December 2020. Similarly, the Volkswagen AG agreement did not introduce any pay raise and covered 2020 only. Pay pauses were agreed in different sectors, including some industries less affected by the pandemic, which raised wages above average. The postponement of pay raises was agreed, for instance, in telecommunications (Deutsche Telekom), post services (Deutsche Post), private transport (Brandenburg), printing, construction, railways (Deutsche Bahn), and in the federal government and municipalities, sometimes with the introduction of so-called “Corona bonuses”, ranging between EUR 300 and EUR 600 (construction, Deutsche Post, public sector).

In terms of wages and salaries, the pandemic brought to the front of collective bargaining in Germany many workers in relatively low-paid jobs, such as the catering and fast-food industries. Renewals in these sectors could achieve above average pay raises, which helped to reduce the gap with median wages. For instance, fast food chain workers will receive some 28 per cent pay increase over four years. This included the public sector too, and in particular health and care staff, who obtained pay raises of around 9-10 per cent. Despite this, overall pay raises were below previous yearly rounds: the 1.5 per cent average level of 2020 compares with 2.6 per cent in previous years. If we consider wage increases agreed in previous years that took effect in 2020, the overall pay raise was 2.0 per cent, with a positive difference in the East compared to the West (2.7 per cent as opposed to 1.9 per cent). This contributed to reduce the pay gap between the East and the West of Germany. However, the low nominal pay increases matched a quite low inflation, which put real wage increases on the same level as in 2019 and above previous years.

The 2020 collective bargaining round in Sweden was prolonged to 2021 and collective agreements were extended by seven months without compensation. The collectively agreed industry norm for wage increases in 2020 was set at 5.4 per cent over 29 months, which matches the previous three-year agreement with

a 2.2 per cent per annum increase, but it amounts to 1.8 per cent, if we include the seven-month pause (Kjellberg 2021).

In Slovakia, the pandemic did not cause major disruptions in collective bargaining. In 2020, 22 multi-employer collective agreements were registered, of which 11 were new agreements and 11 supplemented existing agreements. There was a significant reduction compared to 2019, with 37 agreements less, but this was mostly because many multiannual agreements had been signed in 2019. Of these, five industry-wide agreements were extended in manufacturing, construction, and transport. The most important impact was probably on wage setting. In the public sector, the two renewals signed in 2021 for municipalities and self-governing regions set a zero-wage increase. Although no data is available for the private sector, any pay raise would most likely be below previous deals (Cziria et al. 2021).

4.1. Collective bargaining: protecting frontline workers

As a form of governing employment relations and regulating working conditions, collective bargaining is well suited to face sudden changes in the context and provide quick responses. This became clear with collective agreements affecting frontline workers during the pandemic. However, it is also important to consider actions taken by governments at national and regional levels, in relation to frontline workers in health care, long-term care or education. Very often, these actions were taken unilaterally or with some consultation with trade unions in these sectors. Some of these actions were contested by trade unions. In other cases, these policy measures were taken after campaigns organized by trade unions.

Healthcare workers

Healthcare workers have played, and continue to play, a key role during the pandemic. Protecting them became a top priority for governments in the different waves experienced during 2020. However, this was not always free from tensions (Vandaele 2021). In all countries, claims were made regarding understaffing, resulting from the implementation of cuts in public health systems during or following the Great Recession that had not been fully overcome. Workers at the front line of the emergency, starting from the health and care sectors, were the most exposed to health and safety issues and also faced increased workloads, in particularly difficult and stressing circumstances. Here, the main challenges were often labour shortages, long hours and worsening working conditions. The latter were partly linked to the new rules to protect their own health and safety, which involved the need to perform their tasks with heavy protective equipment, follow longer procedures, constantly ensure disinfection and sanitation of the work environment, and to the psychological burden of treating patients suffering or threatened by a new and deadly disease.

A first measure implemented were pay increases to compensate for the additional effort, extended shifts of workers in (public) hospitals. In the case of Belgium, unions secured an additional EUR 1 billion in funding from the federal government to improve pay and conditions for health workers after some campaigns. According to this measure, EUR 500 million will go towards the implementation of a new pay system and harmonization of pay in the private and public sectors. Unions estimate this will mean pay increases of 5-6 per cent. EUR 400 million will cover additional staff to ensure a better staff/patient ratio and 10 per cent of this amount will contribute to improved training. EUR 100 million is allocated to improving working conditions, including in particular more permanent contracts and more hours for part-time workers. There will also be new rights to take three consecutive weeks of annual leave, a right to training in general but also for workers' representatives and other measures covering pensions and action to reduce burnout.¹⁵ Even though progress has been made in relation to pay, unions in the health sector have recently criticized

¹⁵ See <https://www.epsu.org/epsucob/2020-epsu-collective-bargaining-news-july-no14/unions-secure-1-billion-health-workers-pay>

employers' lack of willingness to sign agreements on key aspects, such as the stabilization of work schedules, employment contracts and training. In the Brussels region, health unions in the public sector achieved additional funding for improving working conditions over the next few years after some strikes and campaigns.¹⁶

In the UK, the government approved wage increases for public sector workers, including doctors, teachers, and police officers. All these groups (nearly 900,000 workers) have benefited from above-inflation pay raises in 2020 (Evans 2021). Teachers and doctors will have the largest rise at 3.1 per cent and 2.8 per cent, respectively, recognizing their efforts on the frontline during the battle against COVID-19. Police and prison officers will both have a 2.5 per cent raise in pay.¹⁷ However, for 2021, the government offered a 1 per cent pay increase to health workers that unions attacked as being too low to compensate for real losses in pay in recent years and the effort made during the pandemic. Health workers were actually excluded from the pay freeze proposed by the government for public sector workers, including education and social services workers. Since all the workers affected by these pay raises belong to groups whose wages are set by the government based on recommendation of Pay Review Bodies (PRBs), there was no involvement of trade unions. Pay increases for 2020 were nonetheless discontinued in 2021, since the government announced a wage freeze for 2021/22, with an exemption for National Health System (NHS) workers (Ferguson and Francis-Devine 2021). Trade unions showed their discontent with this decision as they considered many workers would lose purchasing power at a time when a demand push to consolidate recovery was more necessary than ever (TUC 2021).

In Germany, the 2020 bargaining round for the public sector included some special recognition for workers who stood at the frontline of the fight against the pandemic. Health and care staff received around two times the general pay increase: between 8.7 and 10 per cent compared to 3.2-4.5 per cent. All staff received a "Corona bonus" between EUR 300 and EUR 600, with the lower paid receiving the higher amount (Schulten 2021). More recently, an agreement between Ver.di and the social care employers' organization contributed to consolidate the increases implemented during the pandemic and set for a three-year 25 per cent increase for eldercare workers starting in August 2021. This provides an interesting case of extending wage increases to the post-pandemic period.

In Italy, the definition of special bonuses for public health workers was devolved at the regional level, since Regional Administrations are responsible for health services, with further negotiations taking place at individual local structures. This resulted in bonuses generally ranging from EUR 600 to EUR 1,500, depending on the involvement in frontline activities.

Public health system workers in Spain did not receive a bonus and were granted a 0.9 per cent increase in line with the pay increase granted by the Budget Law to public sector workers. However, some regional governments granted additional increases.

In the case of the Slovak Republic, trade unions drew attention to the insufficient conditions of healthcare services, both materially and personally (Cziria et al. 2021). The government put in place one-off support measures, including extraordinary bonuses.¹⁸

Care workers

Another important frontline group during the pandemic has been that of long-term care (LTC) workers. Compared to workers in hospitals, LTC workers tend to have worse working conditions, including lower pay levels. In Belgium, in addition to the above-mentioned bonus payment for the public healthcare sector, an agreement for the Flanders public elderly residential care established a 6 per cent pay increase. In Spain,

¹⁶ See <https://www.epsu.org/epsucob/2020-epsu-collective-bargaining-news-november-no22/unions-campaigns-and-strikes-deliver>

¹⁷ See more at <https://www.gov.uk/government/news/pay-rises-for-doctors-police-and-more-in-the-public-sector>

¹⁸ See <https://www.covid19healthsystem.org/countries/slovakia/livinghit.aspx?Section=2.2%20Workforce&Type=Section>

trade unions complained of the over-reliance on temporary, unqualified workers in LTC. They accordingly asked the government to enforce the collective agreement that establishes a reduction in the rate of temporary employment.

In Sweden, several agreements were negotiated to improve working conditions of care workers and fill gaps arising from the COVID-19 pandemic. In the public sector, public authorities and trade unions agreed to permanently hire up to 10,000 nursing assistants and care workers after municipalities agreed with the government to increase structural capacity of local-level providers in the context of the pandemic.¹⁹ This agreement came after the union Kommunal gave notice of a strike after negotiations for a new agreement with employers broke down in January 2021 over the employers' attempt to worsen working conditions in exchange for higher wages. At the same time, trade unions and municipalities also signed agreements to improve working conditions of personal care workers. These include increases in minimum wages, but also improvements in allowances and pension contributions and wages of workers in the LTC sector.

Retail workers

Workers in the retail sector have also been at the frontline of the pandemic, being one of the few sectors operational during the strict lockdowns occurring over the last months (ILO 2020, OECD 2020). From the interviews, it came out clearly how the diversity of situations and activities within the retail sector was an obstacle to renegotiating collective agreements or agreeing policy measures. In most cases, there was no adaptation of collective agreements to the new situation, even though there were meetings among trade unions and employers to explore some specific responses.

Whilst food retail and delivery experienced an increase in demand because they were not affected by closures (and there was even a growth in activity levels²⁰), developments in textile or clothing retail were not so positive. However, a higher demand for workers in food retail and delivery did not always translate into better working conditions. In Belgium, actions were organized by workers in some food retailers as they considered they were not supported and remunerated enough for the additional work and risks they had to deal with during the crisis. Supermarkets remained open during the entire lockdown and in addition there were periods with minor hoarding behavior, increasing pressure on supermarkets and their personnel. In some cases, personnel went on strike because of lacking safety precautions. Moreover, discussions with social partners took place to temporarily loosen regulations regarding opening hours, transfer of staff between firms or locations and the possibility of working part-time while keeping temporary unemployment benefits.²¹

In the case of Spain, the collective agreement of department stores was postponed and signed in June 2021. However, in March 2020 social partners in the large retail sector signed a declaration²² where they committed to maintain permanent dialogue in the context of the bipartite committees set up by the collective agreement. In this way, they had several online meetings to discuss issues related to the updating and monitoring of health and safety issues, but also temporary lay-offs in the sector.

¹⁹ See <https://www.thelocal.se/20200513/sweden-pledges-to-give-up-to-10000-care-workers-permanent-jobs/>

²⁰ This happened in the case of Spain (see <https://www.eleconomista.es/distribucion/noticias/11168788/04/21/Mercadona-crea-5000-empleos-y-aumenta-sus-ventas-un-55-el-ano-del-Covid.html>), the UK (see <https://www.theguardian.com/business/2020/aug/24/tesco-gives-permanent-jobs-to-16000-staff-taken-on-in-covid-crisis>) or Belgium (see <https://www.brusselstimes.com/news/belgium-all-news/106455/demand-is-high-for-coronajobs-in-health-care-retail-agriculture-transport-logistics/>)

²¹ See PlanetLabor: Belgium: various types of compensation for employees in the mass retail market

²² See text at <https://www.ccoo-servicios.es/caser/acuerdos/html/47517.html>

Education workers

The education sector, including teachers and administrative staff, has also been an important frontline group during the pandemic. Guaranteeing the return to school of children, particularly in primary and secondary schools, was a priority of governments, especially from September 2020 onwards. Even though there are no collective agreements signed for teachers in the countries studied (either in private or public schools) during this period, there were some interesting developments. Two aspects were on the agendas of countries analyzed: the increase in workload because of online teaching and the conditions for a safe return to school in September 2020 (including the application of health and safety protocols, the need to hire more staff, etc.). In relation to the first topic, trade unions in the UK alerted about the deterioration of working conditions and the increase in work pressure, and urged national and local governments to increase capacity to avoid a quick deterioration in teachers' mental health.²³ In the Belgian case, trade unions organized actions protesting the lack of adequate responses to protect this group and address their concerns. Unions demanded a revaluation of pay in the sector and a range of other measures to deal with staffing issues, leave, contracts and increasing public funding. Common to all countries was the demand for government to ensure a safe return to school, including the reduction in class sizes, new contracts and reinforced cooperation between education and health systems. In Spain, teachers' unions in several regions threatened to go on strike over lack of responses to increase the number of professors promised for the beginning of September 2020. Moreover, teachers in Spain also mobilized in recent months to ensure that all the professors hired during the 2020-2021 year would maintain their jobs for the 2021-2022 year to ensure smaller class sizes.

4.2. Collective bargaining: mitigating the effects of the pandemic

Health and safety in the workplace

Ensuring safe workplaces and a safe return to work was a priority for governments and social partners at the end of lockdown periods. In the case of public sector workers, governments played a key role in providing guidelines and updating protocols for public sector workers. In all countries, social dialogue (either tripartite or bipartite, at cross-sectoral, sectoral or company level) played a key role in adapting existing collective agreements to the new situation. Particularly important in this regard were health and safety committees at local level and in large companies. These committees, in the absence of a renegotiation of collective agreements, played an important role in adapting general guidelines to specific sectoral and company conditions.

An example of this can be found in the construction sector in Belgium, where an agreement in April 2020 made the rules of social distancing in workplaces a priority and served to draw up a joint protocol to allow construction activities to resume as soon as possible.²⁴ Similar guides were also published in Spain by the largest trade unions and employers in the construction²⁵ and chemical sectors.²⁶ These guides contained recommendations for protecting workers' health and preventing the spread of COVID-19, while still allowing production to resume. More generally, social partners provided guidelines to employers and employees on how to work safely, to be adapted by sectoral and company-level social partners.²⁷ Some collective agreements started to include specific safety protocols and guidelines to manage the return to normality,

²³ See some recommendations in <https://www.nasuwat.org.uk/advice/health-safety/coronavirus-guidance/full-reopening-of-schools/workload-wellbeing-and-covid-19.html>

²⁴ See agreement at <https://www.bwint.org/cms/news-72/belgium-social-partners-in-construction-sector-conclude-agreement-during-pandemic-1774>

²⁵ See the guide at <https://www.fundacionlaboral.org/actualidad/noticias/fundacion/conoce-la-actualizacion-de-la-guia-en-materia-preventiva-frente-a-la-covid-19-en-los-centros-de-trabajo-del-sector-en-obras-y-oficinas>

²⁶ See guide at <https://www.feique.org/recomendaciones-feique-ante-el-covid-19/>

²⁷ See text at [Generiekegids_light.pdf](#) (belgie.be)

including the regulation of remote work. Examples include the collective agreement of the Telefónica group²⁸ or the sectoral collective agreement on educational leisure and socio-cultural activities.²⁹

Another important development in Belgium consisted in the (temporary) recognition of COVID-19 as an occupational disease in the health sector, as well as in other services considered essential during the pandemic. This decision came after consultations with social partners in the context of the Federal Agency for Occupational Risk (FEDRIS). Therefore, employees diagnosed with COVID-19 by a laboratory test, and clearly having a higher risk of being contaminated by the virus, could claim compensation for occupational disease.

In the case of the UK, trade unions won significant improvements to initial government guidance on COVID-19-secure workplaces. These included a government expectation that employers publish their risk assessments, clear references to equality law and a direction for employers to consult with unions and workers. The TUC and unions were also represented across many subsequent sectoral working groups set up to develop guidance on safe working practices. The TUC campaigned for additional resources for the Health and Safety Executive (HSE) and local authorities, to enable them to respond effectively to COVID-19. It secured additional funding for the HSE to increase its call center capacity and continues to push for more substantial resources (TUC 2020).

In Germany and in Sweden, health and safety was mostly addressed at company level by local representatives and committees, without the conclusion of specific agreements at national or decentralized levels. The general rules were set by legal regulations and the implementation was managed at workplace level, with the involvement of local health and safety representatives. In both countries, the top priority was preserving employment, and, in Germany, integration of the short-time allowance scheme was also important.

In Italy, health and safety issues were addressed in the bipartite protocol to ensure safe workplaces, which was signed on 14 March 2020 (and amended on 24 April 2020), with the promotional and supportive role of government. The protocol covered all matters, from information about legal provisions and health preventive measures, entry controls, cleaning and sanitation, personal protection equipment, working time organization and remote working, internal mobility, meetings, and training to the handling of cases of infection. The protocol was then followed by sectoral deals and workplace negotiations and monitoring.

There is no widespread evidence of compliance effects of collective bargaining. Social partners interviewed coincided in pointing out the importance already attached to health and safety issues and pointed out a growing awareness of their importance. However, in the case of Spain and Belgium, social partners acknowledged a revitalization of the health and safety committees set up by sectoral and company-level agreements.³⁰ In the UK, health and safety issues dominated social dialogue and collective bargaining in the early stages of the pandemic leading to strengthened cooperation on these issues between management and unions.³¹

Short-time work and income support: The role of collective bargaining in minimizing job losses and protecting earnings

Policy measures to minimize job losses and protect earnings were mostly implemented at national level either by governments unilaterally or following an agreement among social partners. The countries analyzed exhibit a variety of mechanisms for minimizing job losses. All of them, except for the UK, had a pre-existing short-time work scheme (OECD 2020a). However, adjustments were made to adapt to the intensity and type of challenge posed by the COVID-19 pandemic. These included increased access and coverage especially for workers in non-standard jobs and increased benefit generosity. In all cases, extensions to the

²⁸ See <https://www.ugtcomunicaciones.es/wordpress/alcanzado-un-acuerdo-universal-para-la-gestion-de-la-desescalada/>

²⁹ See text at <https://aragon.fe.ccoo.es/81dc072b6d8ef5807b3a09522aebfee6000063.pdf>

³⁰ Interviews 11 and 12

³¹ Interview 2

pre-existing scheme or creation of a new one were unilaterally passed by governments. However, in the case of Sweden and Germany, adaptation through sectoral collective bargaining of statutory schemes was allowed for certain aspects of the policy.

In Belgium, social partners signed agreements to generalize and extend short-time working schemes, temporary lay-offs and the so-called “transitional Corona regime” to enable them to continue supporting businesses and employees in the context of the COVID-19 crisis (Van Herreweghe 2021). Moreover, the government put forward the idea of granting an exceptional bonus to employees in companies that have recorded good results during the health crisis. The bonus, which can be paid by employers until 31 December 2021, will however be subject to collective bargaining within each company and will be capped at EUR 500. The unions had asked for the bonus to be negotiated on a sector-by-sector basis, as many SMEs do not have the union resources to negotiate this wage supplement. The government preferred to let each company decide depending on what it deems possible.³²

In the Spanish case, social partners and the government extended on three occasions the duration of temporary lay-offs and reduced work schemes, the last one until May 2021 (Molina 2021). In addition to this, the government also implemented several measures to help businesses to stay afloat and support the self-employed. These included financial and tax incentives, reductions in social security contributions and access to credit.

The pandemic pushed the utilization of short-time schemes to new peaks. In Germany, short-time involved in 2020 more than twice the number of employees affected in 2009 (Schulten 2021). In Italy, the authorized hours of short-time work (*cassa integrazioni guadagni*) were almost four times higher in 2020 compared to the previous peak in 2010 (INPS 2021). In Sweden, the sectoral agreements on short-time work signed during the 2008-2010 crisis were re-activated, although in a different legislative framework, as statutory short-time was introduced in 2014.

Two types of measures were implemented in the Slovak Republic to face the (moderate) increase in unemployment. First, short-time working schemes (included in the “First Aid/First Aid Plus” package and called *kurzarbeit*) were implemented as an *ad hoc* measure in the early stages of the pandemic (Cziria et al. 2021). Secondly, an amendment to the Social Insurance Act extended the unemployment benefit period by one month for insured persons who were unable to find work until the end of the original support period during the crisis (Križan 2020: 6-7).

Italy was the first country in Europe to be severely hit and the government moved rapidly to introduce a lockdown, first at local level in early March, but soon at national level, between 22 March and 3 May 2020. Such drastic measures immediately raised the issues of their economic and social impacts, which essentially concerned the two-fold challenge of preserving employment and ensuring business continuity. To safeguard jobs, the government introduced a special COVID-19 short-time scheme, which could be used at no or little cost in all sectors, including two significant changes compared to the standard scheme, which only applies to certain sectors and/or type of companies and is linked to specific contributions. The duration of the scheme and the number of weeks covered were raised many times, with a view to adapt them to ongoing developments. A second measure to protect jobs was the introduction of a ban on dismissals, which applied from mid-March 2020 until the end of June 2021. The two measures, the utilization of the COVID-19 short-time scheme and the ban on dismissals, constituted a combined measure (Pedersini 2021). Indeed, after the termination of the ban, enterprises could continue to use the COVID-19 short-time scheme at no cost, until the end of December 2021, provided they abstained from dismissals. However, this transitory provision was highly controversial, as the trade unions were asking to prolong the ban without exceptions, while the employers believed that, as the emergency period was ending, necessary adjustments in the labour market should take place, possibly with the support of specific provisions.

³² See PlanetLabor: [Belgium: special ‘corona’ bonus for employees \(subject to conditions\)](#)

Job retention schemes

Collective bargaining generally plays a somewhat different role in managing job retention schemes across the countries included. In Italy and Spain, legislation tends to prevail, as the scope, access criteria and implementation rules are defined by law. In Italy, collective bargaining has a significant and key role in the implementation phase of short-time work, as the employer must inform trade unions and consult with them. The information and consultation procedure typically leads to an agreement. The short-time allowance covers up to 80 per cent of the usual wage for the reduction in working time, but with two upper thresholds (around EUR 1,000 and EUR 1,200), which apply according to the employee's wage (the former to wages up to almost EUR 2,200 and the latter for higher wages). These constraints can significantly reduce the actual replacement rate for workers, especially the longer the monthly hours of short-time. Collective agreements do not usually introduce any top-ups to the statutory allowances.

In Germany, the statutory scheme covers 60 or 67 per cent of ordinary wages, depending on the presence of at least a dependent child in the worker's household. Since this is regarded as a low replacement rate, collective bargaining has focused on increasing the statutory replacement rate. This was agreed in previous collective agreements, like in the chemicals sector (in 2018) and in the metalworking sector in Baden-Württemberg (2012), but several new agreements were signed in 2020: in banking (for total replacement rate of 75-95 per cent), retail (in North Rhine-Westphalia only: 100 per cent in the first four weeks and 90 per cent thereafter, but only until June 2020), rubber industry (EUR 120 monthly integration for union members only and for maximum of four months), the metalworking sector (the "solidarity agreement" covering all regions except Baden-Württemberg, with a replacement rate of about 80 per cent), paper manufacturing (90 per cent) and food service (90 per cent). Interestingly, in some cases supplementary payments were devised to reduce wage differentials, as higher top-ups apply to lower grades. This happened in the agreements covering municipalities (95-90 per cent), the insurance sector (95-90 per cent) and in an earlier deal covering Volkswagen AG signed in 2018 (95-78 per cent). Besides industry agreements, (further) integrations to the short-time allowance were agreed at workplace level. According to a survey carried out by the Hans Böckler Stiftung in June 2020, more than half of the employees in workplaces covered by collective bargaining benefited of top-ups, while around 30 per cent of those without collective bargaining received them. The debate over the insufficient level of the short-time allowance, which was also fueled by the demand by trade unions to establish a minimum threshold to protect the low-paid, led to a new provision enacted in late 2020, which increased the allowance to 70-77 per cent after three months on short-time and 80-87 per cent after a further three months (Schulten 2021).

In Sweden, the recently introduced statutory short time scheme envisages the possibility to reduce working time at 20 per cent, 40 per cent and 60 per cent. An exceptional COVID-19 measure introduced, for limited periods, the possibility to reduce working time up to 80 per cent. The replacement rate is relatively high, as it ranges from 96 per cent for a 20 per cent reduction to 88 per cent for an 80 per cent cut in working time. Most of the wage integration comes from state funds, while employers have to pay between 1 per cent for the lower working time reduction and 8 per cent for the higher one. Collective bargaining has a stronger role in this case, since the presence of a collective agreement is required to take advantage of the provision and because the local collective agreements specify the various implementation details (starting from the level of working time reduction and the affected employees). It is true that the scheme can also be used if 70 per cent of employees are in the involved operating unit. However, reference to collective agreements is far more common (Swedish Agency for Economic and Regional Growth 2021).

Spain is one of the countries with the highest temporary employment rates in the EU. The vulnerability of these workers in the context of the pandemic crisis led the government to approve several measures to protect them, including a relaxation of conditions to access unemployment benefits or short-time working mechanisms. Social dialogue played a key role in maintaining and extending short-time working mechanisms and temporary lay-offs. Four tripartite pacts were signed between the government and social partners to ensure protection for workers and facilitating the recovery for companies.

In addition to government policies and schemes, additional measures were implemented in some collective agreements or at sectoral and company level. In the metal sector of Belgium, additional wage premia to workers in temporary unemployment were made available.³³

Together with the implementation of temporary lay-offs or short-time working schemes, one of the mechanisms put in place by collective agreements in order to allow for the rapid adaptation to deteriorating economic circumstances was the negotiation of moderate wage increases (when negotiations resumed) or the application of exceptionality clauses in collective agreements, allowing to modify an existing collective agreement (either unilaterally by the employer or after negotiations with workers' representatives).

An example can be found in the case of Spain in the Renault collective agreement, signed in February 2018.³⁴ In order to safeguard jobs, the agreement contains a two-year freeze on salaries. In return, however, management has undertaken to hire 1,000 new employees and to ensure the industrial future of the sites, with the production of new hybrid and electric models.

In the case of the 2021 large retail collective agreement in Spain, trade unions and employers made an explicit commitment to maintain employment levels by granting the implementation of whatever mechanisms of internal flexibility were necessary before resorting to external flexibility. Moreover, it also granted the possibility for firms applying for the first time the collective agreement to introduce a gradual implementation of measures contained in the collective agreement, after negotiation with workers. Similarly, to maintain activity levels in the sector, some flexibility was introduced in Sunday shifts, but with a maximum of five days of work on Sundays and holidays per worker.³⁵ Finally, in November 2020, the Inditex retail department and trade unions signed an agreement to safeguard employment and working conditions of workers affected by 300 shop closures accelerated by the COVID-19 pandemic. The agreement contained a commitment to relocate from shops to the logistics department all the workers made redundant because of shop closures.³⁶

Interviewees consistently reported that due to the sudden and deep shock, the priority in companies was to preserve jobs and that government measures provided the mechanisms to do so. During 2020, few sectors and companies engaged in the renewal of collective agreements and there was accordingly limited evidence of integrative solutions in collective agreements. Only now, since a return to normality has seemed close, collective bargaining gain momentum.

Integrative solutions in collective bargaining to face the pandemic and its consequences took many forms. Internal flexibility, including short-time work and work sharing, were the most prominent responses across countries. As has been pointed out previously, this was in most cases implemented through laws, leaving the possibility for collective agreements to adapt regulations to the specific circumstances of the sector or company.

Another instrument complementing short-time work is training. Some of the companies relying to a larger extent and for longer periods on temporary lay-offs and short time arrangements will face, once the schemes end, the need to either retrain some of the employees or even dismiss them. Training will accordingly play a key role in those companies with furloughed workers.

³³ Eurofound (2020), *Temporary unemployment premium for employees in the metal sector*, case BE-2020-13/1055 (measures in Belgium), COVID-19 EU PolicyWatch, Dublin

³⁴ See text at <https://www.ugt-fica.org/41-ultimas-noticias/4481-ugt-fica-renault-espa%C3%B1a-firma-los-textos-del-convenio-colectivo-2021-2024>

³⁵ See text at https://www.boe.es/diario_boe/txt.php?id=BOE-A-2021-9764

³⁶ See text at <https://www.ccoo-servicios.es/archivos/inditex/ccoo-inditex-acuerdo-final-art41.pdf>

► 5 Facilitating inclusive recovery: a contribution of collective bargaining to promote or achieve equal and inclusive outcomes for workers

After the relative slowdown in collective bargaining occurring in 2020, the renewal of collective agreements gained momentum in the early months of 2021 in Spain. The analysis of these collective agreements, already in a context of improved expectations and growth prospects, can shed some light into the ways in which they will contribute to promote an inclusive recovery.

The public sector in most countries led the recovery and improvement in working conditions. First, the pandemic served to highlight the problems affecting parts of the public sector. Public sector trade unions in all the countries analyzed took the opportunity to denounce problems of under-staffing and under-investment in sectors like healthcare, hospitals, long-term care, primary and secondary education, public employment services, culture, and museums.³⁷ Moreover, they also claimed to improve earnings and working conditions. These claims were linked to the impact of austerity policies following the 2008 financial and sovereign debt crisis.

In the Spanish case, public sector unions urged the government to act on precarious employment in the public sector. The three largest public service federations in Spain maintained talks with the public services minister early in 2021 to underline their concerns about precarious employment and to urge action to implement existing agreements to curb the use of temporary contracts.³⁸ The unions raised issues around staffing levels and the ageing public sector workforce but stressed that job insecurity was a major problem and that the proportion of workers on temporary contracts was still too high and had worsened in response to the pandemic due to new contracts to meet new demands in the healthcare and education sectors. The federations also called for action to remove any discrimination in the treatment of temporary workers when compared to permanent staff. All these issues are being discussed in the process for a new agreement covering public sector workers. In addition to the above long-standing issues, trade unions also put on the bargaining agenda recovering lost purchasing power, improving working conditions and career and professional classification, training, equality plans and occupational health.

Particularly relevant was the case of residential and home care services in Spain. This sector was at the center of the pandemic due to the high incidence of cases and deaths in residential home facilities. Trade unions and employers denounced the government and underlined the need to act rapidly to prevent a similar situation to that observed during 2020. They asked for increased funding of the sector, hardly hit by austerity policies, but also for improved working conditions of workers (mostly women) in the sector.

Similar developments were observed in the Belgian public sector, where the new agreements signed in 2021 delivered significant improvements. This was the case of the agreement between the Flemish government and public sector trade unions in the healthcare and social services sectors.³⁹ The agreement delivered a range of benefits for workers including new posts to tackle high workloads, a 1.7 per cent increase in wages with some additional increases for those on the lowest pay rates and those with long service. Moreover, in elderly care, the rehabilitation sector, psychiatric care homes and sheltered living initiatives, a new pay structure from 1 July 2021, brought pay rates in alignment with those in the hospital sector and home nursing.

³⁷ See <https://www.efe.com/efe/espana/cultura/trabajadores-de-museos-estatales-retoman-los-paros-para-pedir-mejores-condiciones/10005-4383301> for Spain

³⁸ See <https://www.fespugt.es/areas/politica-sindical/noticias/28601-ugt-ccoo-y-csif-remiten-una-carta-al-nuevo-ministro-de-politica-territorial-y-funcion-publica-en-la-que-le-urgen-a-resolver-problemas-que-no-admiten-mas-demora>

³⁹ See <https://www.epsu.org/epsucob/2021-epsu-collective-bargaining-news-april-no7/new-agreement-also-union-action-non-profit>

However, some initiatives in collective bargaining in the private sector were also observed. In some cases, these came from public funds. Thus, in Belgium a so-called “Corona bonus” for employees was agreed in May 2021. This EUR 500 bonus benefitted employees in companies that played an important role during the health crisis. This bonus took the form of meal cheques.⁴⁰

While in Italy job protection was achieved by the above-mentioned combination of the special COVID-19 short-time working scheme and the ban on dismissals, in Germany collective bargaining highlighted the issue of preserving jobs, especially in the metalworking sector. This was mainly achieved at company level through working time reductions with partial or no wage compensation, but also by cutting annual bonuses, as through for journalists in the newspaper sector and for ground staff in Lufthansa, where unions also agreed a wage freeze and a reduction of existing short-time top-ups (Schulten 2021).

⁴⁰ See <https://www.brusselstimes.com/belgium/168202/belgian-government-agrees-on-coronavirus-bonus-in-form-of-consumption-cheques-pierre-yves-dermagne-belgium/>

► 6 Shaping future work practices

There was consensus among the social partners interviewed about the pandemic acting as a catalyst in accelerating changes that were already taking place. This is particularly the case when it comes to changes in work organization, and more specifically, to the introduction of remote work. However, the interviews also revealed the impact of the National Recovery and Resilience Plans, particularly when it comes to technological transformations and the transitions to a green economy. Even though it is difficult to know the extent to which this will have a reflection in collective bargaining, some evidence has been collected in this regard.

Remote working has certainly been one of the major developments in Europe as companies were striving to cope with the health and safety issues at the workplace and the mobility restrictions during the pandemic. Although remote work might have been mandated by legal regulations and supported by collective bargaining at national and local levels on health and safety measures, during the pandemic it predominantly fell within the remit of managerial prerogatives. Before the pandemic, the utilization of remote work had been fairly limited, and a light regulatory framework had seemed to fit well with the companies' and workers' needs and expectations. The massive utilization of remote and home work during the pandemic has however highlighted several critical issues and the need for more detailed regulation, including a potential and significant role for collective bargaining. The main issues which have emerged concern health and safety and the availability of a suitable workspace, the risk of isolation and the emergence of new inequalities and the practical difficulties of conciliation (especially during lockdowns). These themes seem to replicate the traditional questions concerning telework, although the current debate, at least in some countries, such as Italy, focuses on new forms of mobile work, where work can be performed in different places, according to the employee's choice (CNEL 2021).

When it comes to telework and the right to disconnect, several collective agreements in Spain started to include specific clauses during the pandemic. In September 2020, social partners and the government reached an agreement on remote work. This agreement provided some general standards but left implementation and adaptation to companies (together with workers' representatives) and collective agreements. In particular, companies must sign individual remote work agreements with all those workers deciding to work this way. These individual agreements must be validated by the works' council. In this vein, the 2021 department stores collective agreement includes innovative clauses and new social rights such as teleworking, for which EUR 25 will be paid per month. The collective agreement also includes clauses on digital disconnection, the registration of equal pay and the increase in paid leave on working days.

The right to disconnect linked to telework has also been regulated in the national collective agreement for savings banks in Spain. This was the first national sector-wide agreement including the right to disconnect at the end of an employee's fixed working day. According to this collective agreement, a compulsory period of disconnection should exist between 19.00 and 8.00. Moreover, any meetings held outside the normal working day must finish by 19.00. The agreement also regulates teleworking and establishes a number of benefits for those employees spending more than 30 per cent of their working hours working from home; a computer, a mobile phone, an ergonomic chair, and an office equipment bonus of up to EUR 130, plus EUR 55 per month to cover other overheads, pro rata to their working hours.

In Italy, legislation covering so-called smart (mobile) work envisages the conclusion of an individual agreement to set the basic rules on how the workers' tasks can be performed outside the company's premises, including ways to ensure break periods and the right to disconnect. During the COVID-19 pandemic, the legislator suspended the requirement of an individual agreement, and the employer could directly establish remote working arrangements for employees, especially to ensure business continuity during lockdowns and health and safety at the workplace, where, for instance, social distancing provisions had to be applied. In this situation, some sectoral framework agreement and company deals on remote working were signed,

while trade unions have demanded more detailed regulation and the recognition of a specific role for collective bargaining (CNEL 2021).

In Slovakia, too, remote work was extensively used, especially for clerical workers, while rules were essentially set by legislation, without a contribution from collective bargaining or tripartite relations. According to the interviews with Slovak social partners, bipartite dialogue between employers and the government was somehow effective in influencing the regulatory framework and its adaptation to the different phases of the pandemic. Indeed, employers apparently had a higher leverage on government than trade unions, also because the economic crisis was threatening economic activities and involved a significant increase in expenses to cope with health and safety issues at the workplace. The need to ensure business continuity and avoid a dramatic impact on the economy and employment seemingly made the government more sensitive and responsive to employers' demands.

► 7 Collective bargaining: mitigating the effects of the pandemic on inequality

The impact of the pandemic on the labour market has varied greatly across countries, sectors, and groups of workers. As any crisis, the pandemic is likely to affect disproportionately the most vulnerable workers (including low skilled, those with temporary contracts or the self-employed). First and foremost, this was due to the higher risk of poverty among the low paid on short-time work and among workers in temporary, intermittent, and non-standard jobs, who were less covered by employment protection and income support policies. Another source of inequality was the variable economic impact of the pandemic, which concentrated in certain sectors, including some with a large share of low-paid jobs and/or non-standard contracts, such as the hotels and restaurants sector, segments of the retail industry and the arts and entertainment sector. Intensification of work and worsening working conditions in other sectors were the flip side of the coin. This was the case of frontline workers in the health sector, but logistics and delivery services faced similar developments. The possibility to work safely from home at full salary contrasted with the need to continue to work onsite, with higher health risks and sometimes reduced pay, due to involvement in partial short-time work schemes.

Several mechanisms were put in place to ameliorate the potentially negative effects of the pandemic on inequality. As mentioned above, in several collective agreements in Germany, low-paid workers received higher pay increases or higher bonuses. Similarly, the debate about introducing a minimum floor for short-time work allowances was essentially aimed at reducing pay gaps in this difficult economic juncture.

Sometimes, a clear distinction between the public and private sectors emerged. Compared to the private sector, where workers experienced modest increases in pay levels and minimum wages, public sector workers in Belgium and Spain witnessed larger wage increases. As pointed out previously, in the Belgian case, efforts were made to equalize wage levels and working conditions of care workers (characterized by relatively poor employment standards) to those of workers in the healthcare sector, including hospitals. Moreover, the EUR 500 “Corona bonus” also benefitted to a large extent workers in low-wage sectors, such as retail, cleaning, transport or construction, therefore becoming an important tool to upgrade salary conditions of those at the lower end of the distribution.

Similar steps were taken in the care sector in Spain. Here, trade unions, including CCOO and UGT, involved in national social dialogue in the dependent care sector, welcomed the government’s commitment to increase funding for the system by EUR 600 million in 2021. There was a further commitment to maintain the same amounts of annual investment in the coming years until reaching an increase of EUR 1800 million during the current parliament. The additional funding should help improve the quality of service as well as the quality of employment. The unions noted in particular the longstanding problems related to inadequate career development, low pay and pensions in the sector, which is dominated by women workers. Unions also wanted to see the funding go towards a strengthening of public management and improvement and expansion of the public network.

Minimum wages play a key role in reducing wage inequalities and protecting low-wage workers. However, collective bargaining plays a similar role and there is evidence in collective agreements of clauses specifically aimed at reducing inequalities. The pandemic highlighted some sectors traditionally characterized by low pay and there were some developments which went into this direction, for instance some higher-than-average wage increases in Germany in the health and care sector as well as in the long-term care sector. More clearly, trade unions pushed for addressing rising inequalities in their relationship with governments, by demanding measures such as the minimum short-time allowance in Germany. In the metal sector in Belgium, social partners agreed to provide additional premiums to employees in temporary unemployment schemes,⁴¹ sometimes through specific provisions benefitting those with lower wages (such as differential top-ups in Germany).

⁴¹ Eurofound (2020), [Temporary unemployment premium for employees in the metal sector](#), case BE-2020-13/1055 (measures in Belgium), COVID-19 EU PolicyWatch, Dublin

► Conclusion

Even though the pandemic has very often been framed as an exogenous shock having a similar development and effects, the reality is that its impact has varied significantly across countries and economic sectors in many of its dimensions. This variegated impact led to the implementation of a wide array of policy responses by governments and social partners, with some commonalities, but also significant differences.

The assessment of the impact on collective bargaining and the responses given by social partners made clear that social dialogue institutions played an important role in shaping responses. First, whilst in Belgium and Sweden the impact on collective bargaining was very limited due to the renewal of agreements before the pandemic, in other countries, such as Germany, Italy or Spain, there was a postponement of negotiations due to the pandemic. In all countries, bargaining around wages led to the implementation of wage freezes in different ways, with employment preservation and health and safety issues being the most important topics on the agendas of social partners. Moreover, although with differences in the specific mechanisms, duration and coverage, short-time work schemes became one of the most important response implemented in all countries. Although remote work became widespread, it has been regulated very differently across countries.

Policies towards frontline workers were also very different not only across countries, but also between different groups of workers. Common to all countries were attempts to improve working conditions of (public sector) health workers, but other groups, such as care workers, retail workers or even education workers, received limited or no attention in some countries.

► **Table 6. The role of social dialogue and collective bargaining during the pandemic (2020/2021)**

Country	Social dialogue	Collective bargaining
Belgium	Medium-High	High
Sweden	Medium-High	Medium-High
Germany	Medium	High
Italy	Medium-High	Medium-High
Spain	High	Medium-High
Slovakia	Low	Low-Medium
UK	Low	Low

The evidence presented in this working paper shows the importance of strong social dialogue and collective bargaining institutions in mitigating some of the challenges posed by the pandemic (Table 6). Social dialogue and collective bargaining are flexible governance instruments that can quickly react to challenges posed by sudden changes. This is particularly important in the case of a shock with an asymmetric impact across sectors, that requires the development of policies adapted to sectoral conditions. Those countries with strong sectoral collective bargaining institutions were able to rely on them to govern policy responses and implement specific instruments to face the impact of the pandemic on business and employment in the sector. This gave those countries an additional mechanism to improve the fit between sector-specific impact, needs and policies.

In the case of social dialogue, the revitalization in forms of consultation and involvement of social partners during the pandemic responded to governments' awareness of the challenges posed by the pandemic. Even though both legitimacy and effectiveness arguments could be used to explain the greater reliance on social partners, the effectiveness argument became particularly relevant, since the complexity and far-reaching

impacts of the pandemic on the labour market made the inclusion of social partners more relevant. There were nevertheless uneven developments across countries. Some of the variations identified relating to the intensity of involvement of social partners could be traced back to the institutional role played by social dialogue, with some countries having a weak record of social partners' involvement in policymaking, the UK a case in point, but also Slovakia or even Germany. In the other countries analyzed, the institutionalization of social dialogue and tradition of social dialogue and concertation on policies was intensified during the pandemic, consistent with previous trajectories.

The severity of the pandemic in each country does not seem to have played a very significant role, except possibly in the very early stages of the pandemic and in the countries hit more strongly and with stricter responses, such as in Italy. The main interacting factors were indeed the magnitude of the response from the State and the role that industrial relations institutions played. The latter certainly represented an asset in addressing the many economic, employment and social challenges brought by the pandemic in 2020 and 2021.

Annex

In order to elaborate the report, primary and secondary sources of information were used.

Primary sources consisted of semi-structured interviews with peak level social partners in the countries analyzed, complemented with the analysis of documents produced by social partners.

Secondary sources consisted in the use of available databases, newspapers, technical and policy reports and academic publications.

List of interviews:

1. Confindustria (Italy)
2. UNISON (UK)
3. TUC (UK)
4. CISL (Italy)
5. UIL (Italy)
6. Confederation of Swedish Enterprise (Sweden)
7. LO (Sweden)
8. KOZ SR (Slovakia)
9. Arbeitgeberverband Pflege (Germany)
10. VBO-FEB (Belgium)
11. CEOE (Spain)
12. ACV-CSC (Belgium)
13. RÚZ SR (Slovakia)
14. CCOO (Spain)
15. UGT (Spain)
16. WSI-Hans-Böckler-Stiftung (Germany)
17. DGB (Germany)
18. Confederation of Swedish Enterprise (Sweden)

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