

# 14. Trade unions, precarious work and dualisation in Europe

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## 1. INTRODUCTION<sup>1</sup>

Non-standard employment, including fixed-term contracts, temporary agency work, (dependent) self-employment and (marginal) part-time contracts, has been on the rise in Europe in recent decades, in particular in the service sector (Eichhorst et al. 2010; European Commission 2011a). One of the corollaries of this development is that job quality is under pressure and that job precariousness (i.e. jobs with low levels of security, bad working conditions, low wages and/or limited social security rights) is on the rise (Peña-Casas and Pochet 2009; Greenan et al. 2010).<sup>2</sup> Non-standard employment is not necessarily precarious; however, most precarious jobs are indeed non-standard jobs. It is the precarious nature of many non-standard jobs that makes them a major concern in today's labour market in Europe. Certain social groups (e.g. the young, migrants, women, the low skilled and elderly workers) are overrepresented among precarious jobs and are often trapped in the lower segments of the labour market.

The rise of precarious employment is not simply an outcome of inevitable economic and technological developments. It is also an outcome of conflicts and choices both in the political sphere and in labour relations (Crouch and Keune 2012). At the macro-level, national and European political actors determine, to an important extent, in what institutional context employment is situated (through labour legislation, labour market policies, social security, economic and social policy, etc.). Major differences in labour market regulation can be observed between European countries (Marsden 1999; Hall and Soskice 2001) and over time regulations can change substantially (e.g. OECD 2012). Political actors here include not only governments, political parties and the European Commission but also neo-corporatist actors, i.e. employers' organisations and trade unions, who exercise influence on labour market reforms through consultation, pressure and social pacts (Pochet et al. 2010; Molina and Rhodes 2002). Hence,

political actors set the institutional context for labour market behaviour, putting constraints on certain types of behaviour and enabling others.

However, macro-level institutions leave ample space for labour market actors to develop a variety of meso and micro strategies. At the micro level, employers and managers make choices concerning their competitive strategies and the types of jobs, contracts and working conditions they offer. They face constraints here as well. One is that their options are limited by the preferences and negotiating power of individuals. The other, key to this chapter, is that in many cases they negotiate with trade unions or face other types of trade union pressure concerning the terms of employment, types of contract, working conditions, etc. This sets additional limits to their options to pay low wages, use flexible contracts or impose bad working conditions.

This chapter presents a comparative analysis of trade union strategies towards precarious employment. It discusses the extent to which trade unions are interested in the fate of precarious workers, what strategies they follow and what instruments they employ. The relationship between unions and precarious work is not a straightforward one. A major factor here is that trade union membership among precarious workers is generally very low and much lower than among standard workers (European Commission 2011b). If we consider, as economists often do, trade unions simply as organisations that defend the interest of their members, precarious workers and their interests will not figure high on their agendas. Often, this argument is couched in terms of insiders and outsiders, where insiders are permanent, well-paid employees with good working conditions and high job security, whose dismissal is costly; and outsiders who have low wages, low protection against dismissal, flexible contracts and bad working conditions or are unemployed (for an overview see Lindbeck and Snower 2002). The interests of these two groups are then claimed to differ (*ibid.*; Rueda 2007): insiders want to defend their insider status and privileges, first of all through strong job security which protects them from dismissal and makes entry of outsiders difficult; while outsiders want to reduce job security of insiders and increase flexibility to make their entry into the labour market and into the better jobs easier. Because of the very limited membership among outsiders, trade unions are seen as organisations furthering the interests of the insiders while ignoring or even opposing the interests of the outsiders. Differences between unions in different countries then result from differences in membership: more encompassing unions with high membership care more about outsiders than unions with lower membership (Lindvall and Rueda 2013).

However, a number of objections can be raised against this economics-based argumentation. One, often recognised by the proponents themselves,

is that the division of the labour market into two groups is simplistic and is rendered for analytical purposes only: the differences between insiders and outsiders is more a matter of degree than of kind (Lindbeck and Snower 2002). As a result, the line that divides which workers unions would represent and which they would not represent blurs. A second objection is whether the interests of insiders and outsiders indeed differ so strongly. Emmenegger (2009), analysing survey data, concludes that this is not the case: outsiders and insiders both favour tight job protection even if the latter do so more strongly than the former. If this is the case, unions are not simply the expression of insider interests but will further the interests of outsiders as well (even if not necessarily with the objective of representing outsiders).

Third, it can be questioned if unions are indeed simply interest groups defending the interests solely of their members. Hyman (2001) argues that trade unions have different functions and identities as well. They can be representatives of their members, but also class actors opposing the capitalist system and societal actors that represent the interests of society at large, including those of the weaker in society, even if they are not union members. He claims that all union identities and strategies contain elements of these three functions, and that the emphasis differs according to national and historical circumstances. In particular, the societal function points towards the likelihood of unions deliberately and specifically representing not only insiders but (non-member) outsiders as well, thus aiming to improve the quality of precarious employment out of considerations of solidarity and social justice.

Fourth, the standard insider-outsider theory pays little attention to the question of to what extent insider and outsider jobs are interrelated and affect each other. On the one hand, it can be argued that insiders benefit from the existence of outsiders because the latter provide the labour market with the required flexibility and therefore allow insiders to be secure. On the other hand, a growing segment of outsider jobs may well undermine the bargaining position of insiders as they are more and more compared to and replaced by outsider jobs. Indeed, the growth of precarious jobs may well lead to declining standards in insider jobs where such interrelations exist. Therefore, insiders may have an interest in the reduction of precarious work to protect themselves.

Finally, if the share of precarious workers increases while union membership declines, the precarious segment of the labour market may become of interest to the unions as a new source of membership, required for the survival of the unions as such.

Following from the above, there are sufficient reasons to assume that trade unions may develop strategies aimed at reducing the incidence of

precarious employment and/or to reduce the level of precariousness and improve the quality of such jobs. Conceptually, a number of different union strategies towards precarious work and precarious workers can be conceived, both concerning the relationship between the two groups (for analytical purposes we can distinguish between precarious and non-precarious workers) and concerning the incidence and level of precariousness (Penninx and Roosblad 2000; Heery and Abbot 2000). Where the two groups are concerned, unions can: exclude precarious workers from their constituency and interests and only represent non-precarious or standards workers; include/integrate precarious employees into the union constituency and serve as broad interest representation organisations without making specific differences between precarious and standard workers or members and non-members; or separate precarious workers from the rest of the constituency and treat them as a distinct group that requires specific policies and instruments. Concerning the incidence and level of precariousness, unions can principally reject precarious work and aim for the elimination of all forms of precarious work in the economy; or they can try to bridge the divide between precarious and regular employees by reducing precariousness and thus bring the employment conditions of precarious employees closer to the employment conditions of regular employees.

The strategies trade unions follow can be expected to reflect the state of the labour market, the extent to which unions view precarious work as an issue that concerns them, and the institutional and material resources they can draw upon. Naturally, more than one of these strategies may be followed at the same time, and different strategies may be followed for different sectors or groups of precarious workers. They can address the national, sectoral/occupational or company level. Also, they can be pursued by using different instruments. Boonstra et al. (2011) distinguish five main instruments at the disposal of unions to deal with precarious work:

- improve the terms and conditions of precarious workers through collective agreements;
- litigation, taking precarious employment cases to court;
- influencing the legislative process at the central level through social dialogue or industrial action to improve the legal rights of precarious workers;
- mobilising and organising precarious workers into trade unions;
- media campaigns to influence public opinion.

The choice trade unions make where these instruments are concerned can be expected to be determined by the extent and type of precarious work

they want to address, the strategy they follow and their resources. Below the context in which unions in the six cases operate will be presented first (Section 2), after which a summarised account of trade union strategies and precarious work will be presented for each case (Section 3). Section 4 concludes.

## 2. THE LABOUR MARKET AND INDUSTRIAL RELATIONS

The six cases discussed here are Denmark, Germany, Spain, Italy, the Netherlands and the UK. This group of countries constitutes a good sample of the variety of labour markets and industrial relations systems that can be observed across Western Europe. Table 14.1 presents labour market data that gives some indication of precariousness across these countries. Of the six countries, Denmark, the Netherlands and the UK have been consistently above the EU average employment rate, and in more recent years Germany is also an above average performer, being the only country that has consistently improved its employment rate during the crisis. In Italy the employment rate has been consistently below the EU average, whereas in Spain it had caught up with this average in 2007, but then the crisis caused the Spanish employment rate to plummet. The

Table 14.1 *The labour market, 2002–2011*

	Employment rate			Employees on fixed-term contracts (%)			Employees in low-wage work (%)
	2002	2008	2011	2002	2008	2011	2009
EU-27	62.4	65.8	64.3	12.4	14.2	14.2	–
Denmark	75.9	77.9	73.1	8.9	8.8	9.2	13.6
Germany	65.4	70.1	72.5	12.0	14.7	14.7	20.2
Spain	58.5	64.3	57.7	32.1	29.4	25.6	15.7
Italy	55.5	58.7	56.9	9.9	13.9	13.7	8.0
Netherlands	74.4	77.2	74.9	14.2	18.0	18.0	17.6
UK	71.4	71.5	69.5	6.0	5.2	6.1	20.6

*Note:* low-wage work is defined as earning less than two-thirds of the national median hourly wage.

*Source:* Eurostat (employment rate and fixed-term contracts), [http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search\\_database](http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database) and Schmitt (2012), Figure 1 (low-wage work).

employment rate can be considered an indicator of overall employment security, i.e. of the chance to find a new job when losing one's previous job, but also because it correlates negatively with the unemployment rate. Hence, it can be expected that precariousness caused by employment insecurity is lower in countries with a high employment rate.

Fixed-term jobs are more prone to be precarious jobs than jobs with an open-ended contract, first of all because of their fixed expiry date which raises insecurity. They are also at a disadvantage, however, because persons on fixed-term contracts often have less access to training and face greater difficulties in accruing rights to social benefits, unemployment benefits, occupational pension schemes or paid leave. The same is often true for temporary agency workers and for persons that work fewer hours per week. Fixed-term employment had been particularly high in Spain throughout the 2000s; however, its decline following the impact of the crisis underlined the vulnerability of these types of contracts. Also in the Netherlands the rate of fixed-term contracts has consistently been above the EU average, and the difference is widening. In Italy and Germany in 2011, the percentage of fixed-term contracts was close to the average, but in both countries it was substantially higher than in the early 2000s, suggesting that they may surpass the average in a few years' time. The UK and Denmark have the lowest rates of temporary work, clearly below the EU average. However, they are also the two countries in the group that have the lowest employment protection levels as set by law, i.e. where it is easiest for employers to dismiss workers. Hence, while they have fewer workers on temporary contracts, jobs are in general less secure because of lower dismissal protection. Only in Denmark is this risk partially offset by relatively high and extensive unemployment benefits

A third indicator is the percentage of employees in low-wage work, i.e. earning less than two-thirds of the national median hourly wage. Low-wage work is particularly high in the UK and in Germany, where it exceeds 20 per cent. It is lowest in Italy, with only 8 per cent, and in Denmark, with 13.6 per cent.

The six countries also differ in terms of the characteristics of trade unions and collective bargaining systems (Table 14.2). Net trade union density is lowest in Spain, but Germany and the Netherlands are not much higher. It is intermediate in the UK and Italy and high in Denmark. Bargaining coverage does not correspond to these density figures since it is strongly influenced by the level at which bargaining takes place and by extension procedures. For example, in Spain and the Netherlands sector bargaining and extensions result in a bargaining coverage of over 80 per cent, with union density below 20 per cent. In all countries bargaining coverage is higher in the public than in the private sector, and in the

Table 14.2 Unions and collective bargaining, around 2010

	Union density	Bargaining coverage	Bargaining coverage (private sector)	Bargaining coverage (public sector)	Predominant bargaining level	Extensions col. agreements	Legal minimum wage
DK	68.5	85	77	100	sector	no	no
DE	18.6	61.1	57.5	97	sector	some industries only	no
ES	15.6	82.5	72.3	100	central/sector	more or less general	yes
IT	35.5	85	–	–	sector	more or less general	no
NL	19.3	84.3	81.5	100	sector	in many industries	yes
UK	27.1	30.8	16.8	64.5	company	no	yes

Source: ICTWSS database, 2013.

private sector it is (much) lower in private services than in industry. It is no surprise then that precarious work is often concentrated in private services. Finally, in Denmark, Italy and (until recently) Germany, no legal minimum wage exists, and minimum wages, if at all, are set in collective agreements, including serious differences between sectors.

### 3. TRADE UNION STRATEGIES TOWARDS PRECARIOUS EMPLOYMENT

Within the above context, trade unions in the six countries have developed their own strategies towards precarious employment. This section will summarise these strategies by discussing the overall views and strategies of the main national confederations as well as some of the more specific strategies and policies aimed at the more salient themes or precarious groups. This section builds on six case studies exploring these questions in depth for the period of the late 1990s–2011.<sup>3</sup>

#### 3.1 Denmark

In Denmark, until recently the largest union confederation, LO, had no overall strategy towards precarious employment, and the member organisations did not give it a high priority (Mailand and Larsen 2011). The limited attention to precarious employment in Denmark is first of all the result of the relatively low incidence of such types of employment, even though they seem on the rise in recent years. Indeed, for many years, the employment rate in Denmark has been high and unemployment low, and the unemployed have had comparatively good unemployment benefits and reintegration support (Madsen 2006). As a result, Danish workers for a long time had only limited pressure to accept precarious jobs. A possible exception may have been migrants who have more difficulties accessing social security benefits and are overrepresented among low-wage earners. Also, both trade union density and collective bargaining coverage have been very high for EU standards, giving unions a relatively strong bargaining position and a relatively encompassing perspective on the labour market. Few workers lack the protection of a collective agreement and high-quality employment has always been an objective of the unions. All in all, this fostered low levels of precarious employment and a limited need for unions to address the issue.

Still, more recently, the issue is becoming more salient for Danish unions, following several years of a centre-right government (2001–2011), a growing weight of various types of non-standard employment, rising

unemployment following the crisis, a reduction of unemployment benefits, and a declining union density (still remaining far above the EU average however). Consequently, unions have been adjusting their strategies and activities. As discussed by Mailand and Larsen (2011), in the past 10–20 years the approach of the largest union, LO, towards precarious work has gradually changed from reducing these types of employment as such, towards trying to improve their quality. Also, it decided in 2011 to put more effort in mapping the incidence and quality of non-standard jobs and to promote the rights of non-standard employees whenever new legislation is adopted or existing legislation is revised. This approach stems both from the general objective to ensure high-quality employment for all and from the fear that precarious employment will result in downward pressure on the wages and working conditions of standard employees. In this respect, one of the key concerns of the Danish unions has been the issue of Central and Eastern European migrant workers and social dumping. These migrants often work for lower wages, with more flexibility and under worse conditions than their Danish colleagues, thus exerting downward pressure on the employment conditions of the latter. As Mailand and Larsen (2011) show, through collective bargaining, court cases, recruitment efforts, blockages and other means, the unions try to raise the migrants' wages and working conditions to levels similar to those of comparable Danish workers. The results of these attempts have been mixed, and it has proven particularly difficult to organise migrant workers.

Concerning temporary agency workers, trade unions have similar concerns of solidarity with these workers and of unfair competition and downward pressure on the wages and working conditions of regular employees. Consequently, many unions have, often successfully, attempted to assure that they get the same hourly wage as the regular workers in the hiring companies. Together with the employers, who often share this objective, the position of temporary agency workers has been substantially improved. Another successful example has been the unions' Job Patrol campaign, focused on guaranteeing the compliance of employers with the rules concerning youth workers. Through this campaign the conditions of thousands of youth workers were improved. The preferred instrument to address precarious employment has been first of all collective bargaining, in line with the fact that collective agreements are the main form of labour market regulation in Denmark, with the high bargaining coverage high membership and strong bargaining power of Danish unions. But also instruments like organising and public campaigning have been used in conjunction.

### 3.2 The Netherlands

In the Netherlands, unions have been dealing with precarious work actively since the 1990s following the growing incidence of fixed-term contracts, part-time work, temporary agency work and low pay (Boonstra et al. 2011). Initially flexible types of employment were rejected as unacceptable. However, as a consequence of actual labour market developments, the trade unions soon started to follow a strategy directed at inclusion of this atypical workforce. The idea was for all work to be uplifted to the standards of the law and the collective labour agreements, thus improving the legal position as well as the working conditions of flexible workers and reducing pressure on the conditions of regular workers. In the second half of the 1990s, the unions concluded an agreement with employers in which they exchanged their interests in a trade-off according to a model that has become known as ‘flexicurity’, codified in the Law on Flexibility and Security that came into force in 1999. Trade unions accepted more flexibility for employers, but in exchange they demanded the guarantee of workers’ rights and extension of social security rights to atypical jobs. Also, part of this flexibility could be reduced or increased through collective agreements. After a little over ten years however, the trade unions have started to recognise that this has to some extent been a miscalculation. There are sectors and groups in the labour market where flexible contracts are now standard, instead of the exception that the trade unions foresaw when they concluded the agreement. Also, forms of bogus self-employment have developed, marginal part-time employment is expanding, and most recently new forms of flexible types of employment have emerged. And although the coverage rate of collective agreements remains high at around 85 per cent, it is getting more and more difficult for unions to prevent collective agreements from turning into instruments of flexibilisation instead of reducing flexibility.

As a result, recently the approach towards precarious work has been adapted and diversified. Dutch unions have joined the International Labour Organisation (ILO) in the campaign for ‘decent work’. This is first of all an encompassing approach aimed at limiting the number of precarious jobs and at improving the conditions of precarious jobs. The motives underlying this strategy are mixed. They include considerations of social justice and the desire to improve the conditions of the worst off; the aim to reduce the pressure precarious jobs exert on the terms and conditions of regular workers; and the goal of getting a better membership base among precarious workers and thus strengthen the position of the unions in general in a situation where unions membership is declining. Within

this context, the Confederation of Dutch Trade Unions (FNV) sets the following objectives:

- Limit flexible contracts to ‘sick and peak’, i.e. to the replacement of permanent workers that are ill and to peaks in economic activity. If a person works for 9 months a year, it should be on a normal (permanent) contract.
- Equal pay for equal work. For example, temporary agency workers should be paid according to the normal collective agreement valid at the company where they work from the very first day.
- Work should lead to economic independence and not to low pay and working poverty.

Also, the FNV has identified a number of sectors which it deems specifically problematic in terms of the Decent Work Agenda, including the postal sector, the cleaning sector, meat processing, the supermarkets, domestic aid, the construction sector, education, the taxi sector and the temporary agency work sector. The unions have started organising campaigns to get members in these sectors and put pressure on employers. Additionally, this has been accompanied by media campaigns to inform the general public about the characteristics and consequences of precarious work. They are also involved in court cases to try and get a ban on exploitative payrolling practices. They are trying to improve the collective agreement for the temporary work agency sector and debating if they should stop making such agreements altogether and should start to treat temporary agency workers again exclusively under the regular collective agreement of the sector or company in which they are employed. Also, considering that the bargaining position of the trade unions in quite a few sectors is simply not strong enough and that collective agreements on a number of occasions are used to further flexibilise the regulations concerning fixed-term contracts, they are pushing for changes in the legislation to make it tighter and to reduce possibilities for flexibilisation through collective agreements. They also put the employer practice of dismissing workers on open-ended contracts and replacing them by fixed-term contracts of (bogus) self-employment on the agenda of the key institutions of the Dutch ‘Poldermodel’, the tripartite Social Economical Council and the bipartite Foundation of Labour, with the view of placing it on the political agenda and changing regulations and practice.

### 3.3 Germany

In Germany, following government reforms, declining collective bargaining coverage and declining union bargaining strength, a rapid increase in precarious jobs occurred in the last 10–15 years, including low-paid jobs, very flexible jobs and very small jobs, in particular in the private services. For the German trade unions, addressing precarious employment has become a priority issue based on several considerations (Bispinck and Schulten 2011). First, is that they consider widespread precarious employment as being inconsistent with the traditional German model of a social market economy, leading to increased inequality and injustice and potentially becoming the source of societal conflict. Second, the unions argue that precarious employment undermines the wages, working conditions and bargaining power of employees in standard employment. Precarious workers are used by employers to discipline the standard workers, forcing them to accept concessions concerning their employment conditions, which have been also under pressure from legislative changes and declining union membership and bargaining coverage (see also Eichhorst and Marx 2011). Third, because the membership and bargaining power of the German unions has been declining steadily in the past decade or so, the growing precarious segment of the labour market is more and more seen as a potential recruitment pool of new members and as a renewed base for trade union legitimacy and bargaining power. Indeed, precarious workers are potentially the ones that could benefit the most from strong union representation.

For some time now the German unions have been calling for a stop to the growth of precarious employment and for a return to open-ended jobs with full access to social and labour rights as the standard form of employment. In recent years campaigns against different forms and dimensions of precarious employment have moved more and more into the centre of trade union activities, which follow four strategic approaches (Bispinck and Schulten 2011). The first is collective bargaining, the traditional instrument of German unions. This is used extensively to bargain for the limitation of low pay and marginal part-time jobs, to enforce equal pay for equal work for temporary agency workers and to improve access of disadvantaged groups to training. However, with the coverage of collective agreements in decline (at present coverage is falling below 60 per cent), many, often precarious workers, fall outside the protection of collective agreements. Also, in certain sectors, particularly in the private services, unions do not have sufficient bargaining strength to avoid low wages and increasing flexibility.

As a second strategy, then, German unions campaign for changes in the

legislation in order to limit, prevent or even forbid certain forms of precarious employment; these include the abolition of mini-jobs, stricter limits on fixed-term jobs and temporary agency work and full access for the dependent self-employed to social security. In this respect, the most salient effort in recent years has been the campaign to get a statutory minimum wage, which recently was indeed adopted by the German government. These efforts represent an encompassing, labour market-wide approach. They follow from the fact that the German unions view the increase of precariousness in Germany as mainly the result of deliberate political strategies aimed at the deregulation of workers' protection. In their view it is therefore, first of all, the responsibility of the state to reintroduce a much stricter labour regulation.

A third strategy outlined by Bispinck and Schulten (2011) concerns the organising of workers in precarious employment. This has become one of the main challenges due to the fact that it concerns by now about one-third of the workforce, because membership is declining and because the improvement of the conditions of precarious workers does not only require better regulations but also organisational power to enforce these regulations. Still, organising precarious workers has proven a daunting task, and traditional recruitment channels largely fail. Therefore they have now developed special organising campaigns for specific groups of precarious workers in which they provide practical help and assistance on an individual basis. Primary examples have been in security services and supermarkets but also the metal sector and temporary agency workers.

Fourth, the unions have been elaborating their own vision and discourse on the humanisation of work under the heading 'Good Work'. This serves as a counter-project against the dominant view that precarious employment is necessary to make the labour market more flexible to increase competitiveness and employment. This view has been widely proposed and debated and has been translated into a broad range of more specific activities, including the drawing up of a Good Work index, again minimum wage initiatives, health promotion, the strengthening of training and knowledge transfer, and the better balancing of work and private life.

Bispinck and Schulten (2011) show that some of the union strategies employed in recent years have been successful. Still, they argue, all in all, the reach of the union initiatives has been rather limited to date and they have had only a limited impact on overall precariousness.

### **3.4 Spain**

Spain is probably the country with the highest incidence of precarious work among the six countries discussed here. It has an extraordinary high

share of fixed-term contracts and while its level of low-wage employment seems to be average, the average wage level in Spain is clearly below those of the other five countries. Moreover, employees suffer from a generalised weak position towards employers following from the characteristics of the economy, labour legislation and industrial relations (Rocha Sánchez et al. 2013; Prieto 2014). This situation has only gotten worse because of the profoundness of the present crisis and the labour market reforms implemented in recent years. It comes as no surprise then that reducing precariousness is a priority issue for Spanish trade unions. The Spanish unions have campaigned extensively against precarious work by making use of their relatively strong mobilisation power. In particular the excessive flexibility of fixed-term contracts, the difficulty of temporary and part-time workers to accrue rights to social security and maternity leave, and the level of wages have been flagged by the unions as problematic issues. However, unlike in other countries, also the increasingly precarious character of employment in general is a key part of the unions' protests. Addressing precarious work is justified first of all by referring to concepts like decent work, job quality and basic workers' rights, and the failure of precarious employment to meet such standards. Additionally, precarious employment is posed by the unions as the core of a failed economic and social project in which successive governments have relied on cheap and flexible labour as the main motor of development (Rocha Sánchez et al. 2013; Prieto 2014). This project has, apart from widespread precarious work, also resulted in low levels of productivity and innovation, economic stagnation and high unemployment (Rocha Sánchez et al. 2013; Prieto 2014). Improving the quality of jobs is then also presented as a prerequisite to improve economic and social performance and to exit the deep crisis Spain has been experiencing since 2007.

The unions first of all address the government with their actions (Ramos Martín 2012): often their campaigns, including general strikes, are triggered by government proposals for labour market reforms concerning temporary contracts, the collective bargaining system, the regulation of temporary work agencies and wage setting. During the present crisis government reforms have further flexibilised and decentralised the labour market, leading to an intensification of union protests. On these same issues, the unions have also been active in social dialogue, and in the past decade a number of bipartite and tripartite agreements were negotiated with the employers' organisations and the government. A major issue in such agreements was the attempt to reduce the use of temporary contracts. Through dialogue and protests, unions have had some successes. At the same time, especially during the crisis, the various governments have been focusing on austerity, flexibilisation and decentralisation of employment

relations. Governments have to a large extent ignored the trade unions in developing their anti-crisis policy, thereby substantially reducing union influence (by not taking their concerns into account) and union power (by changing the collective bargaining system).

Considering that collective agreements cover almost the entire labour market in Spain, they are potentially a powerful instrument for trade unions to address precarious work. However, in practice, as Ramos Martin (2012) shows, collective agreements can often become instruments of flexibilisation, for example by further extending the possibilities for employers to use fixed-term contracts. Indeed, at the sectoral/regional levels where most agreements are negotiated, the bargaining position of unions is not strong, also because of low membership levels, among the lowest in the EU. It is because of this that Spanish unions first of all address the government and the legal framework when trying to improve the situation of precarious workers in general and certain groups in particular. Concerning the latter, one major effort has been their campaigning for equal treatment of temporary civil servants compared to permanent civil servants, making sure that their years in temporary positions count equally in the build-up of internal promotion rights. This issue was, after years of campaigning, taken to the Court of Justice of the European Union which ruled in favour of the temporary civil servants. Another concern is the case of domestic workers, who used to be subject to special legal regulations that allowed their employers to dismiss them at any time without any type of compensation. Also, in practice they had no access to social protection and did not manage to accumulate sufficient pension contributions. After years of trade union campaigning and after the issue had also been incorporated in two tripartite agreements, the government in 2011 adopted the necessary legislation to remedy this situation, thus improving the working conditions of over 700,000 workers, mainly women.

### **3.5 Italy**

The labour market in Italy is also characterised by high uncertainty and precariousness (Burroni and Carrieri 2011). In the past 15 years, the labour market has been thoroughly flexibilised through a rapidly expanding use of a variety of non-standard contracts and bogus self-employment; this flexibilisation has however not been matched by new and adequate forms of (social) security for the flexible workers (Burroni and Carrieri 2011). Precarious work is high on the agenda of the Italian trade unions. Not unlike in Spain, in Italy the unions consider the labour market reforms in the last decade to have favoured the expansion of precarious work. They see precariousness more and more as a generalised feature of

labour market developments, thus weakening the position of workers as well as undermining productivity and innovation (CGIL 2013). Hence, they do not see precarious work only as a problem of certain groups but also of society at large.

At the same time, the Italian unions face some particular challenges. One is that about half of their membership consists of pensioners, and representing these pensioners in the policy debates on social security and pension reforms is a major task of the unions. As a result, at the national level, in the debates on social security, the unions have for long concentrated on the pension issue, which obscured the need for a strengthening of other types of social benefits (Burroni and Carrieri 2011).

Another challenge is that the Italian unions on several occasions have been deeply divided on their positions regarding the regulation of the labour market and reform proposals from the government. Participating in tripartite negotiations to influence the political agenda and directly have an impact on labour market reforms and to create new social security tools has been a major activity of the Italian unions to address precarious work. These types of negotiations have had ups and downs over time, however, depending on the issues at hand and on the political colour of the government. In the 1990s unions participated in a number of important social pacts that had major positive implications for precarious workers; in the 2000s this became more complicated however (Pulignano and Negrelli 2010). Stronger differences emerged between the government and employers on the one hand and unions on the other as to the right course of reforms. Also, and more important here, differences between the three major union confederations became more apparent, leading to a situation in which the CISL and UIL unions signed several agreements with the government and employers, but which were rejected by the largest union confederation, the more leftist CGIL. An important exception was the 2007 social pact on the regulation of pensions and the labour market, which was signed by all unions. It was not a coincidence that this was done under the centre-left Prodi government, whereas under the various centre-right governments, finding agreement with all unions proved much more complicated. The 2007 agreement included, among others, new forms of security for young workers, improved unemployment benefits, the abolition of on-call jobs and stricter rules for the use of fixed-term contracts. Indeed, unions have had some success with tripartite agreements. At the same time, they have not been able to stop further flexibilisation of the labour market nor to get new comprehensive forms of social security in place (Burroni and Carrieri 2011).

Apart from trying to influence reform policy, the Italian unions have also developed their own initiative to address the problem of precarious

employment (Burroni and Carrieri 2011). One important example is that, starting in the late 1990s, they have established new organisations specifically aimed at organising and representing flexible and often precarious workers (e.g. temporary agency workers, dependent self-employed). These unions both try to foster the shift from flexible to standard jobs and the improvement of the rights and conditions of flexible workers. To this effect, they represent the interests of non-standard workers in the political arena through dialogue, campaigns and collective mobilisation. They work inside the confederations to which they belong in order to coordinate their action with other sectoral federations and to promote a more general agenda that gives more space to the needs of atypical workers. They also engage in collective bargaining at the company level and at the national level, and they offer services to non-standard workers, particularly with respect to the dissemination of information on the protections, rights, legal framework, etc. adapted to the requirements of these groups. These new unions have seen their membership grow over time, with the largest of them reaching over 50,000 members in 2010. They remain very small however compared to the regular unions and to the potential membership. They have also started to play a role in the negotiation of a number of collective agreements, especially at company level. It has not always been easy though to play a larger role in the industry-wide agreements, where the regular unions also cover the conditions of flexible workers and inter-union coordination becomes complicated.

Second, in cooperation with the employers, the unions have created a specific and bilateral welfare system for temporary agency workers financed by the social partners themselves. Under this system they improve health and safety practices, introduce new guarantees for temporary agency workers, promote forms of stabilisation of careers and income, deliver additional benefits and welfare measures, set up training activities, etc. In this way, the workers in this growing segment of the labour market have seen their work become less precarious.

### **3.6 The United Kingdom**

In the UK, precarious workers were for long largely outside the scope of trade unions. This has changed however in recent years. A major sign of this changing position was that the main trade union confederation, the TUC, took the initiative in 2007 to establish a Commission to examine the challenges of these workers. The findings of the Commission include the observations that there is growing recognition in the union movement that until then, unions had largely failed to reach those in vulnerable employment, and that there is an increased interest in and

awareness of their disadvantaged conditions as well as more attempts by unions to put the issue on the political agenda (TUC 2007). Precarious work is first of all rejected as being socially unacceptable and against the principles of social justice. However, especially in the crisis period, the unions have also observed a rapid growth of precarious work, making it not so much a problem for specific groups but a danger for all workers.

In response, the UK unions have been developing a series of initiatives aimed at precarious workers – or vulnerable workers in their terminology (Simms 2011). One major area concerns collective bargaining. This has proven a challenging enterprise, since collective agreements cover only about one-third of employees and are often company based. The companies or sectors where high levels of precarious employment have emerged in recent decades are often not unionised and no extension mechanisms of other agreements exist. Their future coverage by collective agreements hence depends largely on them becoming organised. At the same time, there are some sectors which traditionally have had large numbers of precarious workers and have long-established bargaining practices. Two such examples include performing artists and nurses. Indeed, they show that organising and regulating precarious work is indeed possible and can be effective. Also, there are examples of new forms of precarious work that unions have tried to cover in their bargaining processes, for example workers involved in contracting out of public services to private employers or in transfers of undertakings. A good example of a union expanding its bargaining coverage to new groups of precarious workers beyond the core group of members is the transport unions. These unions have started to organise and extend collective bargaining to more precarious groups of workers in transport, for example cleaners on the London Underground.

The other major area in which many union initiatives have been developed is that of organising new workers. This has included, among others, cleaning workers, Polish migrant workers in an industrial region in the North of England, fixed-term and hourly paid workers in higher education and performance artists (Simms 2011). These examples show that successes can be achieved with targeted campaigns, motivated union organisers and sufficient resources. They also show, however, that organising precarious workers remains a difficult and time consuming task which requires a great deal of human and financial investment and substantial personal contact. Also, they demonstrate that it is hard to keep organising campaigns up for a longer period of time because of declining enthusiasm or dwindling financial support. Indeed, they require a strong commitment from the unions involved, both from their leadership and staff.

#### 4. CONCLUSIONS

The six country cases have provided a number of important insights and lessons concerning trade union activities towards the reduction of precarious employment. Most notably, the importance of precarious employment as an object of trade union strategies has increased substantially with the rise of such employment in recent decades across Europe. In spite of the fact that unions are often considered to be representatives of insiders rather than outsiders on the labour market, they all have developed a range of initiatives to attempt to curb that trend and to improve the conditions of precarious workers, even when these workers are generally not part of their membership. They have done so out of various motives. One is their orientation as societal actors interested in raising workers' status in society in general and advancing social justice. Indeed, in all six countries trade unions see themselves, to an important extent, as champions of social justice and hence representatives of the entire workforce, not only of their members, but in particular where the weaker groups in the labour market are concerned. They frequently refer to ILO standards and in particular to the ILO's Decent Work programme as inspiration and guidance in this respect. Another motive is that as representatives of the interests of their members, they observe that with the growth of precarious employment, the position of so-called insiders or standard workers gets put under pressure. This was particularly the case in Germany, Denmark and the Netherlands. The fate of the two groups is interrelated and employers use precarious workers to put pressure on the wages and conditions of standard employees. Reducing precarious employment and/or improving the quality of precarious jobs is therefore seen as a way to uphold labour market standards in general. Third, especially in Spain and Italy, unions consider the rapid growth of precarious work as generally weakening the position of all workers as well as undermining productivity and innovation. Hence, they see growing precariousness as a threat to their entire society and economy. Fourth, precarious workers are seen as a potential new source of membership, badly needed especially in the countries where trade union density has been declining. Priorities differ though: Spanish unions are decisively more preoccupied with precarious work than Danish unions, following from the differences in incidence and depth of precarity.

The studies also show that unions use a variety of strategies and instruments to address problems of precarious work, including collective bargaining, influencing national policies and legislation through social dialogue or campaigning, litigation in courts, organising precarious workers and providing them with services, mobilisation and campaigns to influence public opinion. Most unions have been engaged one way or the

other in all of these types of activities, but the emphasis differs strongly between countries depending on the specific national labour market situation, national industrial relations institutions and the resources the unions can draw upon. For example, Danish unions have a strong bargaining position as a result of their high membership and bargaining coverage, whereas UK unions have a much weaker bargaining position. Dutch unions can draw upon their national corporatist institutional position to target government policies, whereas German unions lack such institutionalised channels. Spanish and Italian unions have a relatively strong mobilisation capacity and hence use public protest as a means to influence the government.

From a union perspective all strategies and instruments have their strengths but also their weaknesses or problematic sides. For example, collective bargaining is the traditional regulatory instrument for unions and may provide them with direct leverage over the conditions of precarious workers. At the same time, in many countries only part of precarious workers are covered by such agreements, while in several cases (Spain, certain sectors in Germany) the bargaining power of unions has proven to be insufficient to substantially improve the position of precarious workers that are covered. Legislation has the advantage of having, in principle, comprehensive coverage. At the same time, it does not react rapidly to the emergence of new types of precarious employment, thus employers continue to explore the boundaries of legislation. Furthermore, improvements in such legislation depend very much on the colour of the governments in power. Organising can give unions an entry in unorganised sectors and lead to new members. However, organising precarious workers is notoriously difficult and has only been successful in a small number of cases, especially where ample resources were dedicated to it, union leadership provided its support and also public opinion was mobilised. But even in those cases it is complicated to maintain success when resources dry up and support dwindles, while organising often results in conflicts with employers and managers.

In spite of the interest of most unions to work on reducing precarious work, the steady rise of such types of employment clearly shows that their efforts have not been sufficient to curb the trend. This can to some extent be explained by the declining strength of unions, especially in countries like Spain or Germany, and their inability to counter government reforms or employers' strategies. It also partially depends however on the strategic choices of unions: even though they do give more and more importance to activities aimed at reducing precarious work and in several cases even consider this a priority issue, the discourse remains to some extent symbolic as actual resources dedicated are often meagre and organising and

other campaigns remain temporary. To give an example, the Job Patrol in Denmark was quite successful in that it helped to improve wages and working conditions as well as health and safety for a large number of youth workers as well as giving the trade union movement good publicity. However, at some point the LO decided to terminate the programme as part of budget cuts, necessary because of declining membership (Mailand and Larsen 2011). If a resourceful union like the Danish LO takes such a decision, it does question the commitment to outsiders and to reducing precarious work. At the same time, the resources available to most unions are of course limited compared to the fast growth of precarious employment, in particular in countries where membership is low and declining, and institutional positions are weak. In most EU countries it seems doubtful that unions can achieve a substantial decline in precarious employment on their own. Indeed, an effective and structural reduction of precarious work requires much more effort and resources from both trade unions and other actors like employers and their organisations, parliaments and non-governmental organisations. Consequently, unions will have to strengthen their cooperation, alliances and dialogue with other actors to get the results they want.

## NOTES

1. This chapter is an outcome of the Project 'Bargaining for Social Rights' (BARSORI) financed by the European Commission, (Agreement Ref. VS/2010/0811) of which the author was the coordinator.
2. Precarious employment refers to employment that combines some of the following characteristics: low levels of income and/or income security, low job and employment security, bad working conditions, limited access to training, limited social security rights and/or limited voice. There is no one single indicator of precariousness, which can be the result of different combinations of the here mentioned characteristics.
3. It concerns six country studies conducted under the Bargaining for Social Rights (BARSORI) project on trade union experiences with precarious employment in Denmark (Mailand and Larsen 2011), Germany (Bispinck and Schulten 2011), Italy (Burroni and Carrieri 2011), the Netherlands (Boonstra et al. 2011), Spain (Ramos Martin 2012) and the UK (Simms 2011). For the integral case studies see <http://www.uva-aiaas.net/355>.

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