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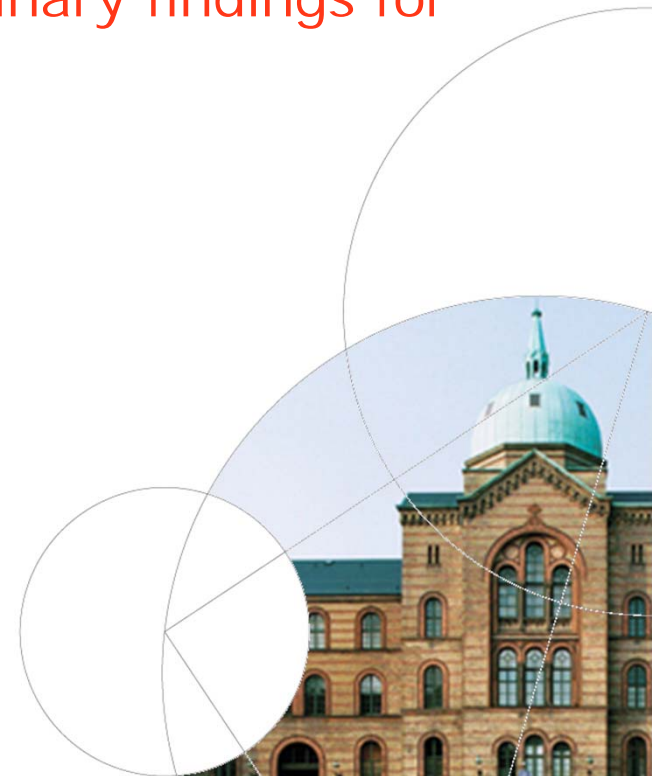
The impact of unionisation through innovative service provision on union membership and industrial relations – the first preliminary findings for the Breakback project

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Introducing the Danish IR-model

Danish IR- traditions – generally speaking:

- Wage and conditions primarily regulated through collective agreements – but Danish labour law also important
- High union density (68%)
- High collective agreement coverage (84%)
- Shop steward coverage (52%)
- Relations btw. social partners: high trust, consensus and respect for divergent interests

BUT: The Danish IR-model witnessed marked changes in recent years



Introducing the Danish IR-model

General trend of European IR-systems: Increased decentralisation – Denmark no exception

The Danish way: Centralised decentralisation:

Entails:

→ increased scope for company based bargaining within the framework of sectoral agreements

→ a reproduction of the following to company level:

- Sectoral bargaining structures (strong union rep. at workplace level)
- Sectoral social partners' power relations
- Sectoral social partners' trust-based bargaining relations

→ Close coordination btw. social partners at sectoral and company level

But: Marked intersectoral variations:



Danish IR- model within the selected sectors

Different scope for company based wage bargaining within sectoral agreements:

- Standardized wage-setting systems (industrial cleaning, transport)
- Minimum wage-setting system (manufacturing, construction and hotel/restaurants)
- Danish labour law – Salaried Employees Act covers large share of employees within retail, hotel and restaurants

Wide sector variations as to union densities, collective agreement coverage, shop steward coverage and company based bargaining

Table 3: Key figures in the Danish IR-model in selected sectors in per cent

	Union density	Collective agreement coverage (companies)	Shop steward coverage	Company based bargaining – only companies covered by CA
Manufacturing	75	73	48	86
Construction	70	84	40	68
Industrial cleaning	54	Estimate 40-50	:	73
Retail	32	57	23	24
Hotel and restaurants	33	30-40	:	37

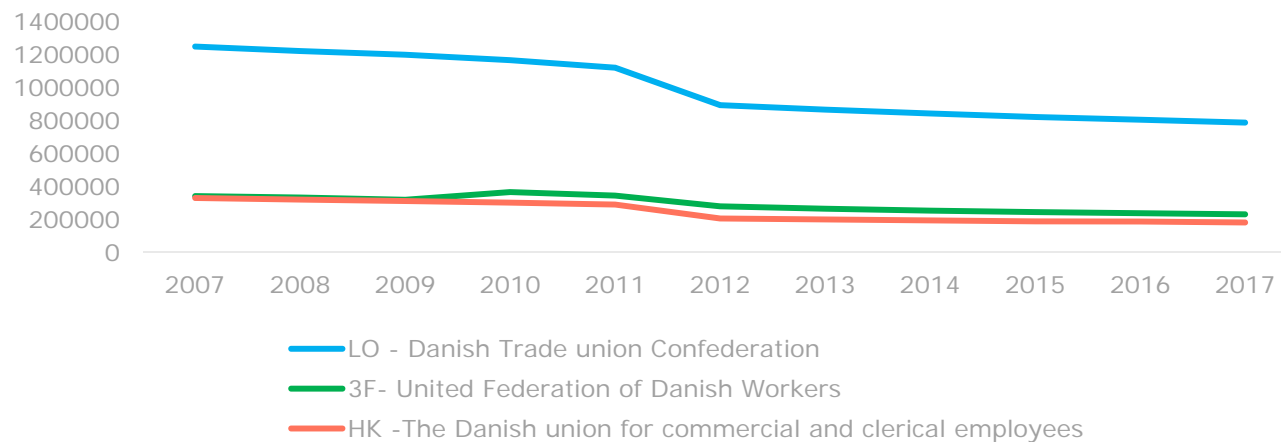
Source: Larsen and Ilsøe, 2017



Danish IR-Model –recent development in union density

- **Generally speaking:** Declining union density from 73% in 1995 to 68% in 2015
- **LO** - The largest Danish Union Confederation (LO) particularly affected by member loss, especially their affiliated **HK** and **3F**

Figure 1. Recent development in selected Danish trade union membership base in actual numbers



Source: Statistics Denmark, 2007-2017



Innovative Trade union services – a few examples

3F: Largest Danish trade union

- Organise skilled and unskilled blue collar worker
- Consists of 6 divisions ranging from private services, manufacturing, agriculture, construction, public sector and transport
- Only workers with employee status can be members

Examples of innovative union services

- Expanded its scope of services ranging from various insurances, renting of summer houses, lower membership fees for selected member groups
- Regulating subcontractors and strengthening such regulation through collective bargaining in the cleaning sector (2004, 2007; 2012; 2014)
- New and strengthened collective agreed social rights for atypical workers like temps, part-time workers etc.
- Sectoral wage supplement (2017)
- Regulating platform work through collective agreement (2018)



Innovative Trade union services – a few examples

HK- one of the largest Danish trade unions

- Organise commercial and clerical workers
- Consists of 4 divisions –private, retail, state and local government sectors
- Organise freelancers and traditional employees

Examples of innovative union services:

- Expanded its scope of services ranging from various insurances, lower membership fees for selected groups to business services targeting self-employed
- Collective agreement for freelancers
- Regulating platform work through collective agreements (2018)
- Set- up of service bureau for freelancers (2018) (fee 8%)
- Pension scheme for freelancers, solo-self-employed and employees without CA-coverage (2017)
- Insurance for platform workers (2017)



Summing up

- **Danish IR-model** – comparatively strong - but important cross-sectoral variations
 - Union density range from 75% in manufacturing to 33% in retail
 - CA-coverage: 84% to 30% - and even lower in some sectors
 - Marked variations in workplace representation
- **Examples of innovative service provision:** - HK and 3F
 - Expanding membership package to cover various business services
 - Regulating digital platforms, freelancers and subcontracted workers
 - Strengthening rights for non-standard workers like temps etc.
- **Key questions remain:** What is the take-up of such services among union members and have such services led affected the recent development in selected trade union's membership base



Thank you for your
attention!

