

Local (Territorial) Level of Unionisation and Collective Bargaining

Good Practices in Turkiye and EU - Switching to local

Context

This text contains good practices of Local-Territorial Unionization and Collective Bargaining Level in Turkiye and Europe. In addition to Turkiye, good practice examples from Italy, Spain and Germany are included.

Collective bargaining refers to all negotiations between one or more employers (or their organisations) and one or more workers' organisations (trade unions) for determining working conditions and terms of employment, including issues related to pay and working time, and for regulating relations between employers and workers, as outlined in ILO Convention 154. A number of dimensions of collective bargaining ('bargaining structure') have been identified. These include coverage which refers to the percentage of employees directly affected by agreements; the level that bargaining occurs at; the scope, or range of topics encompassed by bargaining; and depth – that is the extent to which agreements are jointly implemented and reviewed.

As in many countries, collective bargaining practices at the local level have developed in a different way in Turkiye and European Countries.

In Turkiye, the collective bargaining process has developed towards the beginning of the 21st century, and in this respect, two main trends have gained remarkable momentum. One of these is the narrowing of the scope of collective bargaining in general, and the other is the process of "decentralization". Essentially, both processes are global, but the decentralization process resolves the collective bargaining process, which is the main centralized/unified collective bargaining unit in Turkiye, in all business lines in which it is effective; Collective bargaining is gaining importance at the workplace level.

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Oz Iplik Is Trade Union

Local and Territorial Level Good Practices of Collective Bargaining – Turkiye

The collective bargaining process in Turkiye is very limited, with good practices strengthening unionization at the territorial level and between both trade unions and factories, and the collective bargaining process is usually at the workplace and enterprise level.

“In Turkiye, the predominant level of collective bargaining is the workplace and the enterprise levels, while in countries where the collective bargaining coverages are relatively higher than in other countries, collective bargaining is more predominant at the sectoral and national level. Additionally, the negotiation of collective bargaining at the sectoral level is legally impossible in Turkiye, however, group collective bargaining, which negotiates at the workplaces and the enterprises in the same industry, may be qualified as the substitution of sectoral collective bargaining.” Gormus, A. (2020)

GOOD PRACTICES IN TURKIYE

It is seen that the collective bargaining process in Turkiye developed in the form of collective group bargaining at the local level until the 1980s.

Practice: In the food industry, between 1965-1967, Ege Tüm Gıda-Is Union entered into a collective bargaining agreement with three employers' unions, of which İzmir bread factories and bakeries are members. Although three employers' unions are parties, it is understood that the negotiations were carried out as a single group and the same rights were obtained. Although information on the number of bakeries within the scope of the collective bargaining agreement and the number of workers working in these bakeries is not available, it is clear that the collective bargaining process has a very wide scope. In the same period, Ege Tüm Gıda-Is Union concluded group collective bargaining agreements at five flour factories in Balıkesir⁵⁰, three flour factories in Denizli, two flour factories in Manisa and three flour factories in Afyon. However, in the 60s, the group bargaining process in the food business was mainly effective in the tobacco and oil industry.

At the beginning of 1966, a collective bargaining agreement was concluded between the Ege Tüm Gıda-Is Union and the Turkish Tobacco Employers' Union for the workers working in 44 tobacco factories established in the private sector. This is the oldest collective bargaining agreement concluded in the Tobacco group, and was drawn up and signed on February 11, 1966, based on the minutes of the agreement dated January 19, 1966. Finally, the strike carried out in 5 oil factories in İzmir at the end of 1966 became one of the effective workers' actions in the group bargaining process. There are 5 workplaces within the scope of the collective bargaining agreement concluded on 05.01.1967, following the 55-day strike between the Ege Tüm Gıda-Is Union and the Turkish Food Industry Employers' Union. The contract was concluded to start from 01.08.1966 and end on 01.12.1968.

A few good practices that can be examples of collective bargaining developed at the local level by Oz Iplik Is Trade Union, which operates to increase the power of unionization at the territorial level in Turkiye, can be listed as follows;

Practice: In Turkiye, At the national as well as at the local and territorial level, trade unions play an important role in achieving public-interest goals and contribute to the protection of human rights through constructive dialogue with employers to organize workers, conduct the collective bargaining process, sign collective bargaining agreements and improve the working conditions of their members are the main actors in supporting.

Oz Iplik Is Trade Union has 43254 members in Textile, Garment and Leather Industries as of January 2023 and can play a crucial role in ensuring the respect, promotion and protection of human rights and labour rights as well as ensuring implementation and monitoring of policies at national, local and territorial levels. Oz Iplik Is Trade Union has extensive experience, knowledge and capacity to implement projects successfully by using social dialogue as a tool.

The Collective Bargaining Agreement, which was held on 1 January 2020 with the participation of H&M, Employer and Oz Iplik Is Trade Union,

It constitutes an important example of both bilateral and multilateral social dialogue in Turkiye, as well as at the territorial level. ÖRMA Tekstil, of which Oz Iplik Is Trade Union is organized, was one of the selected examples for the pilot implementation carried out by H&M to examine the best examples of Collective Bargaining Agreements in Turkiye in this context, an implementation in which employers, unions and an international brand participated was an exemplary implementation that developed the multilateral social dialogue and also It has been a practice that improves both the territorial and national method.

One of the issues that will respond to the expectations of brands, especially within the scope of social responsibility; Important issues such as gender equality, occupational health and safety and environmental factors were taken as a basis, and articles that would have a positive impact and set an example on Collective Bargaining Agreements signed between producers and unions were included in the Collective Bargaining Agreements.

Among the items determined by Oz Iplik Is Trade Union within the scope of implementation by H&M and ÖRMA Tekstil, Article 4 was accepted as it is. One of the most important reasons for the acceptance of this contract article is the employers' desire not to lose customers. This article is also a commitment for employers.

Again, in line with the scope of the article, it has been experienced that there are some positive reflections of brands in employee and employer interviews.

In the part where the purpose of the agreement is defined, Ilo c190 was included to be considered to create a working environment free from all kinds of violence and harassment,

To provide a work culture with a zero-tolerance view to preventing violence and harassment. Also, the term "violence and harassment" in working life is defined.

In addition to the accepted article, some important articles such as gender equality and fair income distribution were included in the action plan prepared by the union and the employer.

Work exceeding 45 (forty-five) hours per week within the framework of the relevant legislation is considered overtime and the overtime wage is paid to the employees with an increase of 75%. Overtime wages are paid to the employees together with their monthly wages, at the latest on the 12th day of the month following the month in which they are entitled.

Leaves, women's committees, and Those who are determined by a court decision to have committed violence against women do not take part in union boards, workplace management and disciplinary committees, equal pay for work of equal value was also added in the draft by having multinational brands in the table

This pilot implementation and the signed Collective Bargaining Agreement are examples of good social dialogue, both bilateral and multilateral, as well as territorial level in Türkiye.

Another good practice in Türkiye is the pilot project implemented by ACT. The project could aim to bring interested brands, suppliers and trade unions together in a collaborative approach to pilot on a granular level a negotiated protocol on wages and other issues of mutual interest to be implemented at factory level.

ACT Türkiye project (pilot)

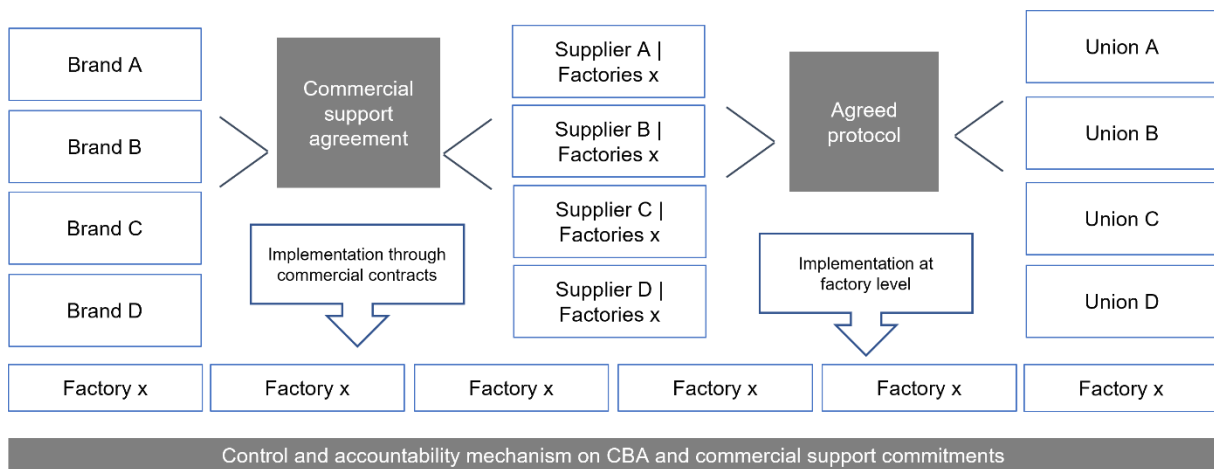
Objectives

- To work towards a mainly wage-related measurable success story based on the ACT principles
- To achieve effective wage increases for workers towards a living wage
- To provide a learning opportunity to identify and test what model of coordinated collective bargaining could be workable and scalable to seek a level playing field for employers, trade unions and brands
- To demonstrate that buyers are willing to agree on Türkiye specific commercial support commitments and to identify and agree which commitments are needed for suppliers to enter into coordinated collective bargaining
- To work on a model tailored to the country-specific conditions and needs of the industry in Türkiye:

- Living wages and competitiveness: Under the current economic conditions, aiming for living wages can only mean trying to mitigate the massive adverse impacts on real wages caused by high inflation. The pilot project would aim to develop structures that support investments of suppliers in wages.
- Legal framework: Current Turkish labor law does not offer a framework for industry-side collective bargaining, therefore an approach adapted to the existing legal conditions is needed in the country.
- Industrial relations: Building on the strength of the experiences and to some degree established structures of industrial relation and collective bargaining

Overview

- The project could aim to bring interested brands, suppliers and trade unions together in a collaborative approach to pilot on a granular level a negotiated protocol on wages and other issues of mutual interest to be implemented at factory level.
- Implementation would be supported by Turkiye-specific commercial support commitments of brands and a control and accountability mechanism agreed between all three parties. *(To be developed: robust control and accountability mechanism to be negotiated between all three parties – IndustriALL/Affiliates; Brands; suppliers/factories).*



Note on diagram: some factories may be common to different suppliers and some suppliers (and therefore Factories) may be common to different Brands

- Criteria for suppliers/factories: Suppliers who already have CBAs
- Mapping to consider
 1. Sub-sector/Product types (for example socks, denim, woven, textile)
 2. Region such as Anatolia versus Izmir or Istanbul
 3. Existence of wage bands
 4. Who expressed interest in ACT

5. Suppliers/vendors and/or factories where participating brands have a minimum collective or aggregate percentage of capacity (to be defined).
6. Clustering the current Brand portfolio of supplier into:
 - ACT pilot lead brands = X % of business
 - Other Act brands = Y% of business (suggestion that brands who are not pilot lead brands would still need to support the project)
 - Non ACT brands = z% of business (suggestion to try to bring them into the project)

Value proposition

- **What would be in it for brands:**

1. Measurable and guaranteed real wage growth that brands can report on
2. Commitments from suppliers, could include:
 - a. Transparency of baseline remuneration
 - b. Transparency of real wage growth
 - c. Transparency on timeline to incorporate increase in costs
 - d. Stability of volume requires stability in product execution by supplier/factory
 - e. Other non-cost related commercial parameters to be met such as on time delivery quality and social and environmental compliance.
3. [to be developed]

- **What would be in it for suppliers/factories:**

1. Tangible commercial support commitments by brands including for example:
 - a. Order stability for x period of time
 - For example volume commitment for 5 years or 3 years.
 - Need to consider as well what we are able to provide to suppliers once this time span is over (as they may not be able to go back to lower wages after the pilot)
 - b. Respecting wages as itemized costs
 - c. [to be developed]

To be discussed: commercial country support commitments might differ based on the supply chain structure and business relationship between suppliers and brands.

GOOD PRACTICES IN ITALY

Not unlike a significant proportion of the trade union movements developing within the fold of older industrial traditions, in Italy, too, the trade unions are facing difficulties. The reasons why Italian trade unions are under pressure remain substantially similar to those affecting, more or less severely, the international trade union movement as a whole

(Bryson et al. 2011; Visser 2012; Gumbrell-McCormick and Hyman 2013; Bernaciak et al. 2014).

A range of epoch-breaking transformations have occurred, changes that have profoundly eroded and cast into disarray both the objective and subjective conditions that, in the course of the twentieth century, led to the development and consolidation of strong and influential trade unions in Europe. Among others, these changes include the consequences for labour of neoliberal globalisation: financialisation of the economy, post-Fordism and deindustrialisation, precarisation of work, neo-individualism and disintermediation in the representation of social interests. In a global and increasingly common scenario, cross-national differences – in terms of the varieties of capitalism (Hall and Soskice 2001) and representation systems (Frege and Kelly 2004; Pedersini 2014) – still matter with regard to the character and severity of the challenges confronting national trade unions.

However, beyond such enduring institutional diversification and path dependency, some scholars have stressed the growing ‘converging divergences’ (Katz and Darbyshire 2000) toward a fairly common neoliberal model (Baccaro and Howell 2011). This is the result of three decades of radical and global changes in Western employment systems, lately accelerated by the deep financial and economic crisis and the measures misguidedly taken to combat it (Lehndorff 2015). Labour law has been deregulated almost everywhere and, in the Italian case – through an endless series of ‘reforms’ – has led to a dramatic decline in the OECD Employment Protection Legislation Index. Collective bargaining, too, has passed from an ‘incremental corrosion to frontal assault’ (Marginson 2014).

With the new European economic governance (NEEG), internal devaluation has become a functional substitute for currency devaluation, whereas ‘austerity’-oriented ‘structural reforms’ are aimed at increasing the ‘flexibility’ of labour market institutions, reducing multi-employer bargaining systems, freezing extension mechanisms, cutting or freezing minimum and public sector wages, indexation, fostering decentralisation and stepping up derogations (Schulten and Müller 2014; Van Gyes and Schulten 2015; Leonardi and Pedersini 2018).

A ‘toxic austeritarianism’ (Hyman 2015) has left little or no margin for domestic democratic institutions and social actors, which have been downgraded from political to executive subject.

Practice: By June 2011, Confindustria and all trade union confederations (CGIL included this time) signed the first of the abovementioned three agreements on representation and bargaining: in addition to defining stricter rules on negotiating parties and procedures, they confirm the substantial primacy of the industry-wide level, while admitting the limited

possibility of applying less favourable conditions in terms of performance, working hours and labour organisation. Indifferent to the will already expressed by most representative and signatory social partner associations, in August 2011 the government – responding to the already quoted request from the ECB – enacted a law (Act No. 148/2011) with the purpose of paving the way to a drastic decentralisation of the system. In fact, Art. 8 on ‘proximity contracts’ envisages ‘specific agreements’, signed at company or territorial level by the comparatively most representative associations, which can derogate (for the worse) on all issues regulated by the higher level of bargaining and – importantly – by the law.

GOOD PRACTICES IN GERMANY

In Germany, the vast majority of collective agreements are conducted at the sectoral level, differentiated by region. With some exceptions (such as Volkswagen), bargaining at the company level involves only small firms whose separate agreements closely follow the sectoral settlements. Co-ordination is assured by the associational strength of sectoral employer organisations and trade unions which control and co-ordinate the bargaining rounds undertaken at territorial level. In addition, pilot agreements in key branches and regions of the metalworking sector usually serve as the model for bargaining in the rest of that sector, as well as in other branches.

The practice of sectoral bargaining is backed by labour law, which makes supplementary bargaining by works councils over pay rates illegal, unless they are entitled to do so by an “opening clause” laid down in the collective agreement. Such clauses were, for example, included in agreements on workingtime reduction and flexibility after 1984, the details of which were fixed in thousands of supplementary local “works agreements” [Jacobi et al. (1992)].

In practice, works councils have always been able to make some amendments to sectoral pay agreements by negotiating on piece rates and various premia related to performance and work effort.

Practice: Self-employed workers In Germany, self-employed freelance journalists, who are considered “**employees**” if at least 50 per cent of their salary comes from a single employer/client, are exempt from the antitrust regulation forbidding the conclusion of agreements on common fees and prices. This is based on a collective agreement signed in 2009 among the national Federation of German Newspaper Publishers (BDZV), a number of territorial publisher associations and the two main trade unions of the sector (DJV and ver.di). The arrangement sets collectively agreed fees in detail for articles and pictures/images provided by self-employed freelance workers, in order to set common rules “**towards legal certainty and transparency**”. Self-employed freelance workers are required to demonstrate that their main occupation is journalism, so as to ensure that only economically dependent self-employed workers are covered by the agreements.

Practice: Agency work has increased very significantly in Germany over the last fifteen years, particularly in the manufacturing sector. The limited evidence available suggests a shift from a reactive use of agency work, characterised by ad hoc assignments, to a more strategic use

in which it has become a structural component of the sector's workforce. Even before this rapid increase in the use of agency work, the sectoral trade union, IG Metall, had launched a campaign to recruit agency workers and improve their working conditions, in part due to the perceived pressures they exerted on the working conditions of the union's core constituency. The issue of equal treatment was at the centre of this strategy. IG Metall portrayed the use of agency work as a strategy for weakening collective bargaining and workers' representation, and for circumventing dismissal protection. The progressive opening of IG Metall to contingent workers points to a redefinition of the union's constituencies (Benassi and Dorigatti, 2014:3).

GOOD PRACTICES IN SPAIN

Undocumented migrant workers in the agriculture sector in Spain Undocumented migrants or migrants with precarious residence status are among the most vulnerable groups in the labour market. The problems that these workers face include low pay or withholding of pay, no accident insurance, long working hours and sexual harassment (Ağtaş et al, 2007; Izacara Palacios, 2009) among others.

Several obstacles prevent undocumented migrants from joining unions or engaging in collective action, particularly their own reluctance to denounce their situation or to accept trade union mediation. Other obstacles to their organisation are: A widespread perception among trade unions that engaging with undocumented migrants is illegal. Hesitance of trade unions to accept immigration, especially byirregular migrants and in times of crisis or high unemployment (Penninx and Roosblad, 2002).

Undocumented migrant workers are perceived to exert downward pressure on the working conditions of national workers, hence conflicting with the interests of trade union core membership. Notwithstanding these difficulties, many trade unions in Europe and the United States have succeeded in achieving an enhanced level of protection for undocumented migrant workers (LeVoy and Verbruggen, 2005: 7).

Trade union experiences with undocumented agricultural workers in Southern Europe demonstrate several effective approaches that may be used. Spain has a large agriculture sector, and documented migrant workers account for around 25% of the total workforce in agriculture. The sector also attracts around 35% of all undocumented migrants, estimated at around one million (Molina, 2014).

Several trade unions have developed inclusive strategies to try to improve their conditions, including legal information and assistance, help to obtain residence and work permits and visas, guidance on regularisation procedures, and supporting appeals to the labour courts. The two largest trade union confederations in Spain, Comisiones Obreras (CCOO) and Unión General de Trabajadores (UGT), consider such services to be part of a broader organising agenda (Ağtaş et al, 2007).

Trade unions in Spain have also developed social assistance strategies, such as the establishment of immigration committees to provide food and clothes to undocumented workers. They have created migrant workers' centres to raise awareness about their rights and the need to unionise. Prominent examples are the Centros de Información para Trabajadores Extranjeros (CITEs) established by the CCOO and the social centres created by the Agricultural Workers' Union (SOC).

Other initiatives include training programmes and language courses, and the distribution of leaflets on issues such as health and safety at work, gender violence and xenophobia. The CCOO organises awareness-raising programmes for Spanish workers, particularly those who come into contact with undocumented migrants, such as the police and court employees. Both CCOO and SOC conduct campaigns demanding the regularisation of all undocumented migrants as well as equal rights for migrant workers with nationals. Trade unions in Spain have built coalitions with NGOs, political parties and community organisations to defend undocumented migrants' rights.

For example, the SOC, in association with the Confederación General del Trabajo de España (CGT) and a migrants' rights organisation called Organización Democrática de Inmigrantes y Trabajadores Extranjeros (ODITE), organised occupations of churches and demonstrations demanding residence and work permits for undocumented migrants in Huelva. This province receives thousands of undocumented workers, mostly from Morocco and other African countries, each year for the strawberry harvest (Ağtaş et al, 2007). Trade unions considered these strategies to be a first and necessary step in their efforts to organise undocumented workers.

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