

Enhancing trade union influence in policy making The italian experience

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The actors

- Three main confederations: Cgil, Cisl, Uil
- Other independent unions in services and public utilities
- One big employers association in the industrial sector (Confindustria)
- A network of employers association for small businesses, retail sector, etc.

Dimensions of the structure

The degree of centralization of the structure and system of the Italian c.b. is on the middle in the international ranking: in between the low degree of USA and the high degree (Nordic countries).

With the 1993 agreement the decentralization of the bargaining activity is controlled by the central level (centralised decentralisation). After the crisis of 2008, the Italian structure follows the decentralizing trend of the other European experiences. (ex banking sector).

Institutional framework for I.R.

- By law and tripartite agreements
- Art. 39 Constitution (1948) not implemented.
- Art. 40 Constitution (right to strike) partially implemented • Workers Statute (1970)
- Law on strikes in public essential services (1990 and 2000)
- Basic agreement (tripartite) 1993 (revised in 2009 and 2011) • Art. 8/dl August 2011 (following ECB letter)

I.R. and the State

- Role of the State: **admission** (promotion), **exclusion**, **correction**
- **admission**: workers statute (1970), 1993 agreement; desficalization productivity wage (2013)
- **exclusion**: law on strikes in public services (1990); shutdown of the concertation table (center-right gov.); opening clauses (2011).
- **correction**: 1993 agreement; art. 8 (2011).

Collective bargaining

The degree of autonomy

(inside and outside the structure).

High degree of autonomy (from the law and from the central level of c.b) **during 1970-85.**

After 1993 agreement **reduction of the autonomy** (inside the structure) but confirmation of the outside autonomy.

Dimensions of the structure

- The Italian structure is **two level**: national (intersectoral and industrial) and local (mainly company).
- The absolute **extension** (or coverage) of the structure is high: around the 80% of the labour force (intersectoral and industrial agreements). That explains the high (?) unionization rate (around 30%).
- But only 30/35% of the labour force is covered also by **local/company agreements**.

- As for the effects of the **economic cycle** (ups and downs), in the past the effect of the downs was centralisation, but in the era of global markets it happens exactly the opposite.
- As for **the role of governments and public institutions** normally the promotion policies support a process of centralisation and institutionalisation of the c.b. That was true also in the Italian case.
- Is possible a creeping **process of erosion of industrial** (or multy -employer) **bargaining**.
- In Italy it's not functioning a system of legal **minimum wage**.

Italian labour market reforms

Three main reforms have been passed in Italy .

The first, the so called Treu package, 1997, introduced flexible contracts and agency work for the first time.

The second, the 'Biagi reform' of 2003, increased the so-called 'flexibility on the margin' by expanding the range of temporary and flexible contracts.

Finally, the 'Fornero reform' of 2012 was passed under a 'technical' coalition government led by Monti, attempted to increase the job and income protection for non-standard contracts, but without a major impact on the institutional framework, which remained characterised by deep dualism.

FORMS OF PRESSURE ON COLLECTIVE BARGAINING AND LABOUR MARKET IN EUROPE

- Recommendations, surveillance and scoreboard (**European Commission**)
- Memorandum to the countries that asked financial assistance (**Troika, International Monetary Fund**)
- ECB interventions on financial markets (**European Central Bank**)

CHANGEMENTS ON INDUSTRIAL RELATIONS PROCESSES

Common typologies

- Reversal in the hierarchy between decentralized agreements and contracts sector
- Opening clauses
- Limitation extension mechanisms
- Reducing the duration of the agreements
- Limitation of automatic renovation of collective contracts
- Eliminate residues of wage indexation systems
- Wage cuts or blocks (public sector and minimum wages)

ECONOMIC CRISIS AND SALARIES

The decline of salaries reflects:

- Reducing the bargaining power of labor force
- Changes in the rules of collective bargaining
- Exchange in some countries between wage moderation and maintaining employment
- Cuts or freeze public wages
- Changes in composition of the workforce
- Changes in the distribution among sectors
- For countries outside the Euro Area national currency devaluation

Who is Marta?

She is the hypothetical precarious worker that Italian Prime Minister Renzi accused the unions of not caring about during one of his speeches.

Renzi's narrative of the disastrous conditions of the Italian labour market is that Italian unions are responsible for the segmented and stagnating situation.

For Renzi they are only concerned with protecting their members and unable to move on towards a 'new' and 'modern' model of organisation of labour and industrial relations.

“Marta” and Italian trade unions

Italian unions have strived to represent all workers, to counteract labour market dualisation.

To unify labour (e.g. through the stabilisation of co.co.pros and the equality of pay for temporary agency workers) and

To bargain also on the behalf of atypical workers since the very introduction of such forms of work.

Is Renzi right?

The problem of (especially young) outsiders in the Italian labour market is a crucial one, and unions might not have always been up to the task.

- But Renzi – before moving accusations against the unions – **should first put remedy to past policies that increased labour market segmentation** by multiplying the types of contractual relationships and that allowed employers' opportunistic strategies to use a cheaper flexible workforce instead of permanent contracts.
- It is good that making the Italian labour market fairer and more equal seems to be a priority.
- The lesson from past experiences **is that successful reforms need full involvement of the unions rather than their marginalisation.**

The “Jobs Act” contents

Changes in the rules of individual and collective dismissals for new employees;

Introduction for new employees of a contract protections growing (with fewer protections...);

Liberalization of fixed-term contracts;

Limited intervention on the containment of atypical contracts;

Reduction of historical italian social shock absorbers

Attempt to insert protections universal against unemployment (flexicurity model);

Tax incentives for permanent contracts.

And us?

We have chosen the most responsible and difficult:

Urge the Government, with amendments and alternative proposals on the merits of its economic and social policy, in official and informal tables

Even in the absence of a real recognized role.

Results on Jobs Act

The results of our intervention were significant. **The return to the centrality of employment for an indefinite period** (encouraged by tax incentives) represents an important turning point in a labor market dominated by insecurity, especially youth.

We asked, consistently and with partial success, that the primacy of employment for an indefinite period corresponds to **the repeal of all types of contract due to false self-employment.**

Regaining the Agenda: popular campaign for a law on taxes

The draft law to popular initiative wants to push the Government to adopt a reform of the tax system to help grow the country, supporting the work and economy

Giving more resources to those who work, pensioners and social areas medium-low, through the introduction of a bonus of € 1,000 per year for all taxpayers with an individual income up to € 40,000



- providing services to citizens, without resorting to the increase of local taxation;
- enhancing the fight against tax evasion at national and local levels;
- realizing a major operation redistribution of wealth in favor of the areas social medium - low to correct the exponential growth of the inequalities that has taken place in the last quarter century, the great wealth by taxing financial and great riches;
- supporting the family with favorable fiscal policies

Italian trade union and youth

Aims to bring together Tu and young people, their expectations, their dreams, their needs, in order to build, together with the young, lasting and significant.

To hire the fragility that young people today express through work that is missing or precarious and unstable and transform their vulnerability in a new union leadership.

Through young delegates, officers and militants, gets to listen to the youth to understand, make synthesis and realize their rights of social citizenship through work.

Tu and youth

Five epistemological axes:

1. **Make the common knowledge**, the union updates its framework of knowledge and guidance, his cognitive map on the "young planet" and became known by the Young

2. **Create development and employment**, young people do not live a separate reality but a fragmented reality, which often do not know the real potential of all existing fields in the territory and that remain unused

3. **Guide and protect youth in the labour market and in the bridge from education and vocational training.**

The interdependence of these three dimensions is strategic to create a "good work", "work resilient" to overcome the crisis.

Focus on effective organizational policies which must be put in place to protect "young people in the labour market"

Tu and young people

4. Protect the young in the workplaces and companies.

The use of different types of contracts requires special attention in overseeing the development and protection of youth work. Through the analysis of best practices of collective agreements Cisl will draw a road map for the protection of youth workers

5. Offer to young people a real association space, to create a sort of Job Matching, where the aspirations, needs, questions are taken and oriented to a path of accompaniment (taking care) of young people in the labour market and in the union.

Youth, Trade Union and crisis



Is it possible to **exit from the crisis, without change**, with the same values with which we entered?

1. Affirmation of the principle of functional rationality (pragmatism)
2. Greed, easy money, unbridled consumerism (superfluos and well being unlimited)
3. Lack of confidence in the collective behaviour of the virtuous an the prevailing logic: "*homo homini lupus*"
4. Weakening the ethics of responsibility (Max Weber)

And Europe?

Today Cisl organize in Florence an important international meeting about United States of Europe.

Cisl believes in more and more **European Federalism**.

- Accelerating the transition from the rules to the European Institutions;
- Structurally reforming the Fiscal Compact, adopting Eurobonds for the part of the debt exceeding 60%
- By funding an investment plan European three-year € 1.000 billion in debt diverting national contributions, combining the expansive monetary policy of the ECB redistributive fiscal policies in favor of social areas, middle and low.

Advance federal Europe and solidarity represents a decisive contribution to the evolution of a global governance that the world has a vital need.

Epistemological and cultural routes for trade union renewal

- Regain a **sense of history** (and a sense of future...)
- Adequately **answers to the crisis** (new vision for the trade unions and building solidarity from “macro-relations”)
- Rebuild the bonds of **solidarity** and **citizenship**
- **New models of development** (example: industrial relations in a green economy or economic democracy)

GLOBALISATION AND SOCIAL CRISIS

From political frameworks to economic and social frameworks

Destructive individualism triumph?

Social Field is disappearing? (Alain Touraine)

Subjects and cultural relations

Openness, mobility, fractures, restlessness

"End of a world is not the end of the world"

Subject activation and welfare evolution.

New language of "modernity", the role of "minorities". (Young?)