

# Relaunching Collective Bargaining Coverage in Outsourced Services

**RECOVER Policy papers** 



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Centre d'Estudis Sociològics sobre la Vida Quotidiana I el Treball (QUIT) | Universitat Autònoma de Barcelona

Coordinator

http://quit.uab.cat

Researchers involved:

Oscar Molina
Alejandro Godino

Joan Rodríguez



Amsterdam Institute for Advanced Labour Studies (AIAS) | University of Amsterdam

http://www.uva-aias.net/en/home

Marteen Keune

Noëlle Payton



Institute of Public Affairs (IPA)

http://www.isp.org.pl/

Jan Czarzasty

Dominik Owczarek



Durham University Business School | Durham University

https://www.dur.ac.uk/business/

Bernd Brandl

Anne Kildunne



Università degli Studi di Teramo

http://www.unite.it/English/

Marcello Pedaci

Adolfo Braga

Marcello Pedaci

Adolfo Braga

Carmela Guarascio

### INTRODUCTION

Collective bargaining coverage is an important element of industrial relations systems as it determines the capacity of collective agreements to protect workers effectively. Moreover, it has also been identified as a key institution reducing earnings disparities, lowering the incidence of low pay and limiting labour market dualisation. Ensuring high coverage is accordingly key to guarantee an inclusive and socially sustainable recovery in the post-crisis period.

Several factors explain differences in coverage levels across countries: the structure of collective bargaining, the existence of extension mechanisms, membership of trade unions and employer organizations etc. Notwithstanding the relatively high levels of coverage that characterize most EU countries, a long-term trend consisting in the decline in coverage can be observed. Several factors may account for this trend: declining union membership, collective bargaining de-centralization, erosion of extension mechanisms. Some of the long-term structural trends have accelerated in the crisis years, including the de-centralization in collective bargaining and the implementation of reforms changing extension mechanisms.

Most studies of collective bargaining coverage have focused on its quantitative dimension, i.e., on how many workers are covered. Less attention has been paid to explaining coverage gaps, and even less to analyse other (more qualitative) problems related to coverage. Among the later, the extension of outsourcing practices has led to blurring the boundaries of both companies and sectors, hence posing important challenges to industrial relations actors and institutions when it comes to ensuring coverage.

# **OBJECTIVES**

The project focus on different realities / manifestations of outsourcing. These include workers in facility management companies, TAW, bogus self-employed workers and free lancers. All of them reflect the multi-faceted character of outsourcing, leading to the growth in groups of workers under very different legal status and very often left at the margins of existing collective arrangements at company or sector level.

The aim of the RECOVER project is to analyse collective bargaining coverage in outsourced services with a view to:

- a) identify coverage gaps / overlaps / conflicts related to outsourcing practices;
- b) study the role / capacity of existing institutions in dealing with them;
- c) analyse the strategies deployed by social partners in order to address these problems and
- d) provide actors with some policy guidance in order to ensure inclusive and effective coverage.

## **RECOVER POLICY PAPERS**

The purpose of these documents stemming from the core research is to provide the key points of research findings and new theoretical perspectives and pay particular attention to highlighting best practices and policy recommendations to non-academic readers engaged in decision-making at public and social partner levels.

- Outsourcing dynamics and regulatory framework in France
- Outsourcing of services and collective bargaining coverage in Italy
- Outsourcing and Collective Bargaining in the UK
- Cheap is cheap, no matter what they say. Collective bargaining and working conditions in outsourced services in Poland
- Who overcomes collective bargaining? Outsourcing practices and regulation in Spain
- Outsourcing in the Netherlands: Challenges to traditional sector boundaries.