



Collective Bargaining for an inclusive, sustainable, and resilient recovery: Social Dialogue Report 2022

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Concerns over growing inequality in earnings and widening gaps in labour market opportunities, have been on the rise. This is mirrored by sluggish productivity growth on the one hand, and a declining labour income share on the other. The COVID-19 pandemic has exacerbated these inequalities and exposed existing vulnerabilities in economies, labour markets and societies. Measures taken to contain the spread of the virus resulted in the loss of earnings for millions of enterprises and hundreds of millions of workers. Business continuity was jeopardized and a clear distinction emerged between those who were able to adapt their working patterns and shift to telework, and those whose work was suspended or who lost their employment altogether. The former often better remunerated, the latter frequently among the low-paid. Collective bargaining has played a role in mitigating the impact of the COVID-19 crisis on employment and earnings, helping to cushion some of the effects on inequality while reinforcing the resilience of enterprises and labour markets.

Key Highlights:

- According to the report, collective bargaining can make an important contribution to the inclusive and effective governance of work, with positive effects on stability, equality, compliance and the resilience of enterprises and labour markets.
- Over one-third of employees in 98 countries have their pay and working conditions regulated by one or more collective agreements (weighted average).
- Regulatory coverage by collective agreements varies considerably across countries, regions, and levels of development. Over one-third of employees in 98 countries have their pay and working conditions regulated by one or more collective agreements.
- The report states that in places where collective bargaining takes place on a single-employer basis at the enterprise level, an average of 15.8 per cent of employees are covered by collective agreements. In places where it occurs in multi-employer settings, there is greater opportunity to shape inclusive regulatory coverage, with an average coverage rate of 71.7%. The higher the coverage of employees by collective agreements, the lower the wage differences.
- A number of important developments have taken place in the recognition of the right to collective bargaining.
 - Measures to afford workers the right to collective bargaining in the public sector have been adopted in multiple countries
 - Legislative and institutional action have been taken, to promote machinery for voluntary negotiation in sectors, occupations and among groups of workers where effectively exercising the right to collective bargaining is a challenge.
 - In line with the transition from the *Informal to the Formal economy Recommendation, 2015* various strategies have been adopted by trade unions to organize and formalize the contracts of workers in the informal economy and negotiate collective agreements with employers that regulate their terms of employment and conditions of work.
 - In view of the rapid growth in diverse forms of work arrangements- including temporary, part-time, and on-call work, multi-party employment relationships, dependent self-employment and, most recently, platform work performed under different work and employment relationships- several countries have taken steps to ensure the effective recognition of the right to collective bargaining for all workers.

- Apart from evidence on how collective agreements improve conditions and establish frameworks for skills development, collective agreements can make a significant contribution to the inclusive and effective governance of work.
 - Collective agreements can advance equality by reducing earnings inequality, promoting gender equality and the inclusion of women, young people, migrant & other vulnerable categories of workers.
 - Collective agreements can facilitate the tailoring of regulatory solutions to specific industry enterprise and worker needs.
 - Provisions in collective agreements, particularly in settings where multi-employer bargaining predominates, can complement social protection systems (healthcare , pensions, or unemployment benefits).
 - Collective agreements can reinforce statutory provisions on critical issues such as OSH (Occupational Safety & Health)
 - Collective agreements are testing new approaches to the transitions that lie ahead- whether demographic, environmental or technological. The report highlights the experimentation taking place with regard to platform workers.
- The focus of the bargaining agenda throughout 2020-21 was on
 - Occupational safety and health (OSH)
 - Sickness and disability
 - Working hours and leave
 - Working-time arrangements to balance work and family
 - Employment security
- Certain agenda items received less attention
 - Improvements in wages and benefits
 - Social security and pensions
 - Training
 - Job classification systems
 - Gender equality
- Collective bargaining has played an important role in mitigating the impact of the COVID-19 crisis on employment and earnings, helping to cushion some of the effects on inequality while reinforcing the resilience of enterprises and labour markets by supporting the continuity of economic activity, explains the report.
- The tailoring of public health measures and strengthening of occupational safety and health at the workplace, together with the paid sick leave and healthcare benefits provided for in many collective agreements, have contributed to protect millions of workers.
- Collective bargaining was also used throughout 2020 and 2021 to negotiate short-order flexibility in wage-setting, working time and work allocation in exchange for employment guarantees.
- Collective agreements signed to facilitate COVID-19 telework are evolving into more durable joint frameworks for decent hybrid and tele-working practices. They address issues such as changes in work organization, adequate training and costs related to telework. Some address cybersecurity and data protection.
- Collective bargaining will be an essential tool to face the fundamental changes that are shaking up the world of work. In view of the rapid growth in diverse work arrangements- including temporary, part-time, and on-call work, multi-party employment relationships, dependent self-employment and most recently, platform work performed under different work and employment relationships- several countries have taken steps to ensure the effective recognition of the right to collective bargaining for all workers, said the ILO report.
- To be really effective, several priorities need to be addressed:
 - Revitalizing employers' work and workers' organizations: A human centered recovery implies that employers and workers have a voice in decisions and policies affecting them. The representative character of Employer and Business Membership Organizations (EBMOs) and trade unions- both in terms of their membership strength and their capacity to integrate diverse interests- is the cornerstone of effective social dialogue.
 - Realizing the effective recognition of the right to collective bargaining for all workers: In view of the transformative changes that are under way in the world of work, it is necessary to strengthen the institutions

of work to ensure adequate protection for all workers, including the effective recognition of the right to collective bargaining.

- Promoting an inclusive, sustainable, and resilient recovery: Collective bargaining needs to address inequality and exclusion, ensure economic security, facilitate just transitions, achieve work-time flexibility, and improve work-life balance, pursue a transformative agenda for gender equality and promote sustainable enterprises.
- Supporting the implementation of the 2030 Agenda for sustainable Development: The role of employers' and workers' organization is critical to attain SDG Goal 8 (on decent work and economic growth) and can also support other SDGs.

Read more: [Social Dialogue Report 2022: Collective bargaining for an inclusive, sustainable, and resilient recovery](#)

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