



ALEXANDRU IOAN CUZA  
UNIVERSITY of IAȘI



FACULTY OF ECONOMICS  
AND BUSINESS ADMINISTRATION



Co-funded by  
the European Union



*Jean Monnet Chair. EU Public Administration Integration and Resilience Studies,  
acronym EU-PAIR, project nr. ERASMUSJMO-2021-HAI-TCH-RSCH-101047526*

# EU Labour Relations

Prof., PhD. Hab. Ana-Maria Bercu

[bercu@uaic.ro](mailto:bercu@uaic.ro)

Prof., PhD. Hab. Mihaela Tofan

[mtofan@uaic.ro](mailto:mtofan@uaic.ro)

Assoc. Prof., PhD. Ada-Iuliana Popescu

[ada.popescu@uaic.ro](mailto:ada.popescu@uaic.ro)

<https://eu-pair.uaic.ro>

email: [eupair@uaic.ro](mailto:eupair@uaic.ro)



ALEXANDRU IOAN CUZA  
UNIVERSITY of IAȘI



FACULTY OF ECONOMICS  
AND BUSINESS ADMINISTRATION



Co-funded by  
the European Union

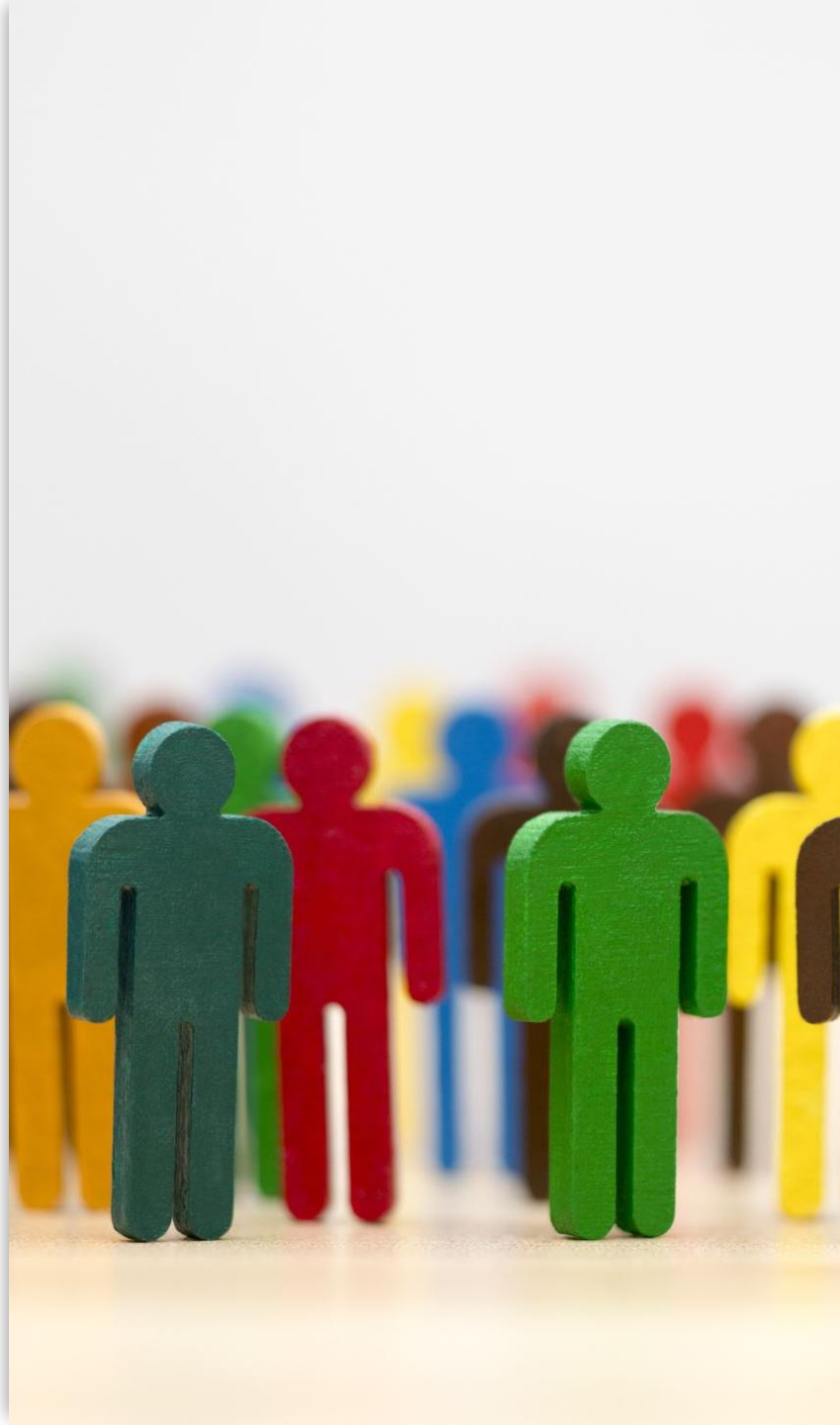


*Jean Monnet Chair. EU Public Administration Integration and Resilience Studies,  
acronym EU-PAIR, project nr. ERASMUSJMO-2021-HAI-TCH-RSCH-101047526*

Disclaimer: "The European Commission's support for the production of this publication does not constitute an endorsement of the contents, which reflect the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein."

# First question

- Which is your view about the relationship between employer and employees into organization?
- **Welcome to the field of labor relations and collective bargaining;**
- We will draw upon our „real world” experience in negotiation labor contract, individual and collective;



+  
o

# Part 1

## The nature and context of labor relations

+  
o

# Learning objectives

## The approaches of EU Labor Relations and Industrial Relations

### Understand

Understand the different views of the employment relationship and the interaction in Labor Relations System

### Explain

Explain the integral nature of the concept: conflict, cooperation and regulations

### Identify

Identify the importance and difficulties of comparing labor relations in different countries

### Appreciate

Appreciate the character of labour process and labour market and the interrelations between macro and micro employment issues

# Labor Relations

- Is the relationship which exists between employers and employees.
- It is most important that this relationship is good!



# Know your rights!!!

- You should know which are your labor rights!!!
- The right to work!
- The right to bargain!
- The right to be safe and secure at the work place!
- The right to be paid for your work!
- The right to be part of an union!
- Please continue.....



# Good Labor Relations Lead To:

- Discussions taking place on an ongoing basis
- Disputes over wages, working conditions and promotion can be settled without a strike



# Poor Labor Relations

- Disputes and strikes
- Loss of pay for employees
- Loss of profits for employers
- Unhappy workers looking for new jobs

Organizations:

1. Big organizations
2. Small and medium organizations.

At local or international level!



# The actors of Labor Relations

3 main actors:

- ♦ **Shareholder**- represented by management, association of employers. Always to gain as much profit and productivity.
- ♦ **Employees**- being represented by trade unions. To get good salary, good working conditions
- ♦ **Government**; being represented by specialized government agencies concerned with workers, enterprise and their relationship. Try create industrial harmony

Each of the actors above always conflicting between one another in order to achieve their objectives.



# Trade Unions

- An organisation formed by workers to protect the interests of their members.



# Functions of a Trade Union

- Protect the rights of their members
- Negotiate wages and salaries
- Negotiate work conditions
- Represent members at National Pay Agreements



# Benefits of joining a trade union

- Higher standard of living for members- better wages and conditions
- Greater job security if union is powerful
- Increased bargaining power, one voice for all workers
- Protection against discrimination or unfair dismissal



# Types of Trade Unions

- Industrial Unions: members work in the same industry **eg** banking or nursing, education, defense, health, energy etc.
- Craft Unions: members belong to a particular trade and have served an apprenticeship **eg** Brick and Stonelayers Trade union, the craftsmanship cooperative etc.



# Types of Trade Unions

- White Collar Unions: members are usually professional **eg** teachers unions, civil servants, police officers, aviation officers
- General Unions: members come from a variety of occupations **eg** SIPTU (Services, Industrial, Professional and Technical Union)






# Shop Steward

Is the local union representative and is elected by members for a term of 1 to 5 years

## **Main Duties**

1. Recruit new members
  2. Act as a link between members and union headquarters
  3. Negotiate with an employer on behalf of members
- 

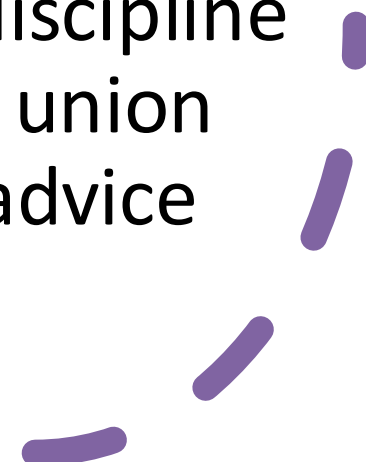


# Why Join an Union?

- **Job security**
- **Wages and benefits**
- **Working conditions**
- **Fair and just supervision**
- **Need to belong**
- **Collective voice**



# Job security

- Employees want protection from:
    - Unfair or arbitrary decisions by management;
    - If layoffs – seniority should be followed;
    - If there are issues about discipline and discharge – the union provides them with advice and counsel
- 

# Wages and benefits


- „Bread and butter”
- Contract negotiations to receive better wages and benefits
- To renegotiate the wages and benefits;
- To be paid for their work in accordance with the provisions in force.

# Working conditions

- Safe and healthy conditions of work;
- To know which are the conditions of work since to beginning;
- To understand the risk of unrespect the working conditions;

A large red circular graphic on the left side of the slide, partially cut off by the edge.

## Fair and just supervision

- Workers expect that the grievance and disciplinary process negotiated by the union in the Collective bargaining agreement will provide them protection against biased or unreasonable supervisors;
  - „just cause”, followed by arbitration process and judges
- 
- A decorative purple dashed line graphic in the bottom right corner of the slide.

# Need to belong

- Need to be part of a large group of workers that shares one's values and concerns
- Bring the workers together
- Create social network at workplace



# A collective voice



'strength in numbers'



The powerful voice of the workers



Collective voice – collective power to accomplish the goals



The power is used to increase take-home wages, to ensure job protection, to improve working conditions, or to sit across the bargaining table as an equal with the employer



# Theories and concepts used to analyze Labor Relations

- ♦ Approaches used to define labor relations:
  - a. **Institutional-based definition:** labor relations are a sum of institutional processes that establish and administer the rules regulating workplace relations
  - b. **Social-psychology-based definition:** labor relations are a sum of social psychological interactions between individuals
  - c. **Class-based definition:** labor relations are a sum of institutions, processes and interactions which are product of wider social and economic influences, in particular the class divisions of contemporary capitalism

# Approaches

## **A. HRM: an integrated theoretical**

approach; this 'narrow and normative' HRM tends to draw most heavily on analytical tools derived from psychology and organizational behavior.

- The focus is on individual employees and the management initiatives and organizational policies that enhance employees' job satisfaction, motivation, work performance and organizational commitment.

---


## Approaches

### **B. Employment Relations:**

- contracts of employment (involving trade unions, worker collectives, labor courts and government agencies) as well as management of conflict arising out of the personal interaction between the individuals at the workplace, are part of workplace relations together with the labor management functions (recruitment, selection, training, personnel development, performance management etc.)

# Definition of Labor Relations (1)

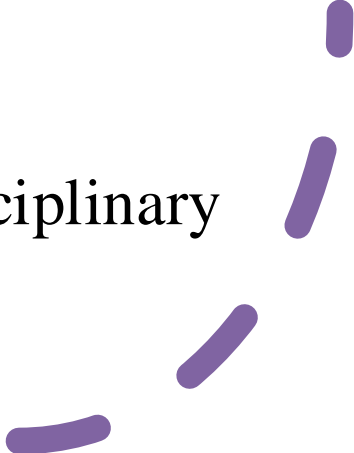
**Labor relations encompasses a set of phenomena, both inside and outside the workplace, concern with determining and regulating employment relationship**



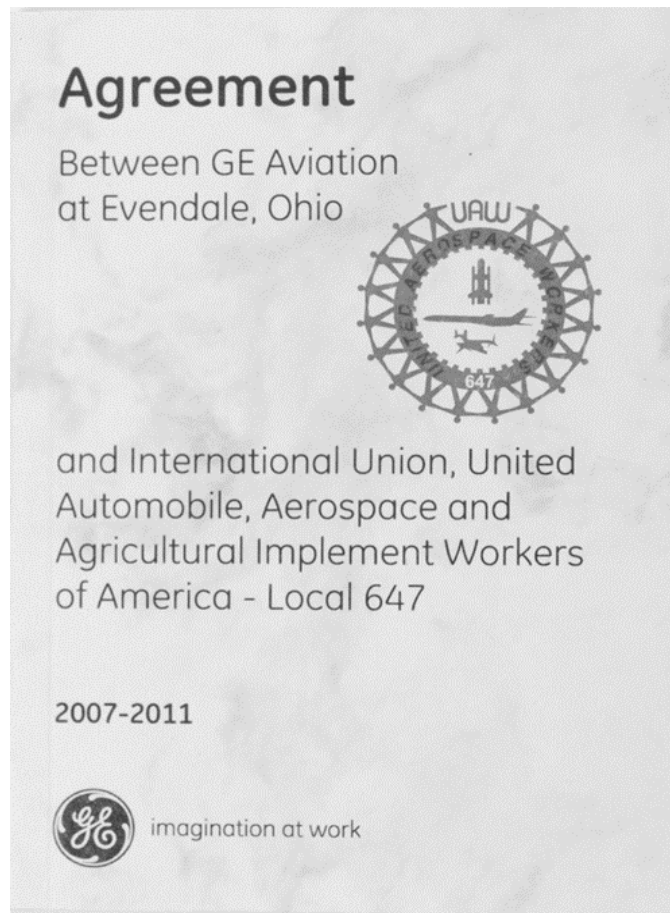
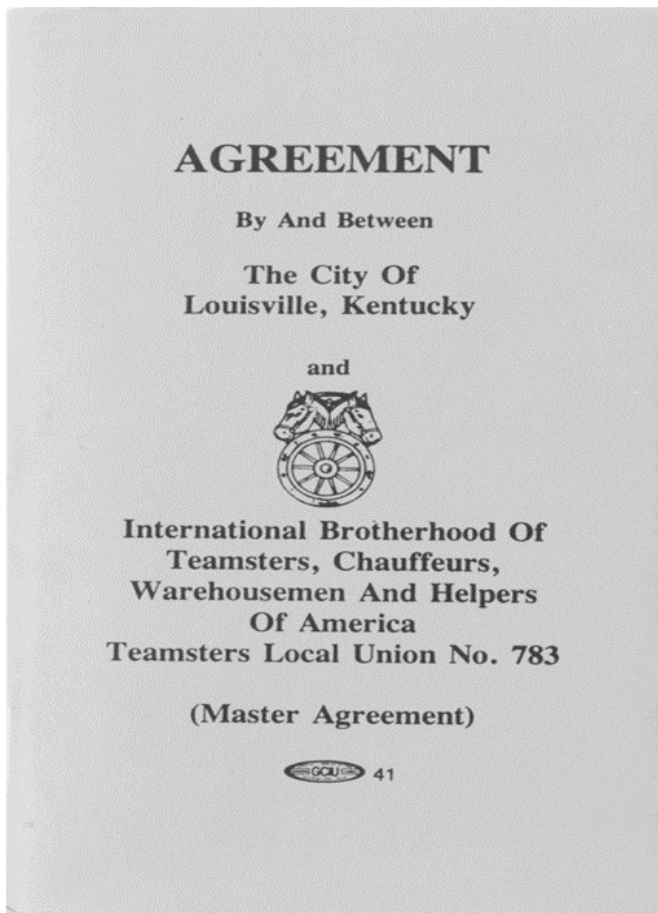
# Definition of Labor Relations (2)

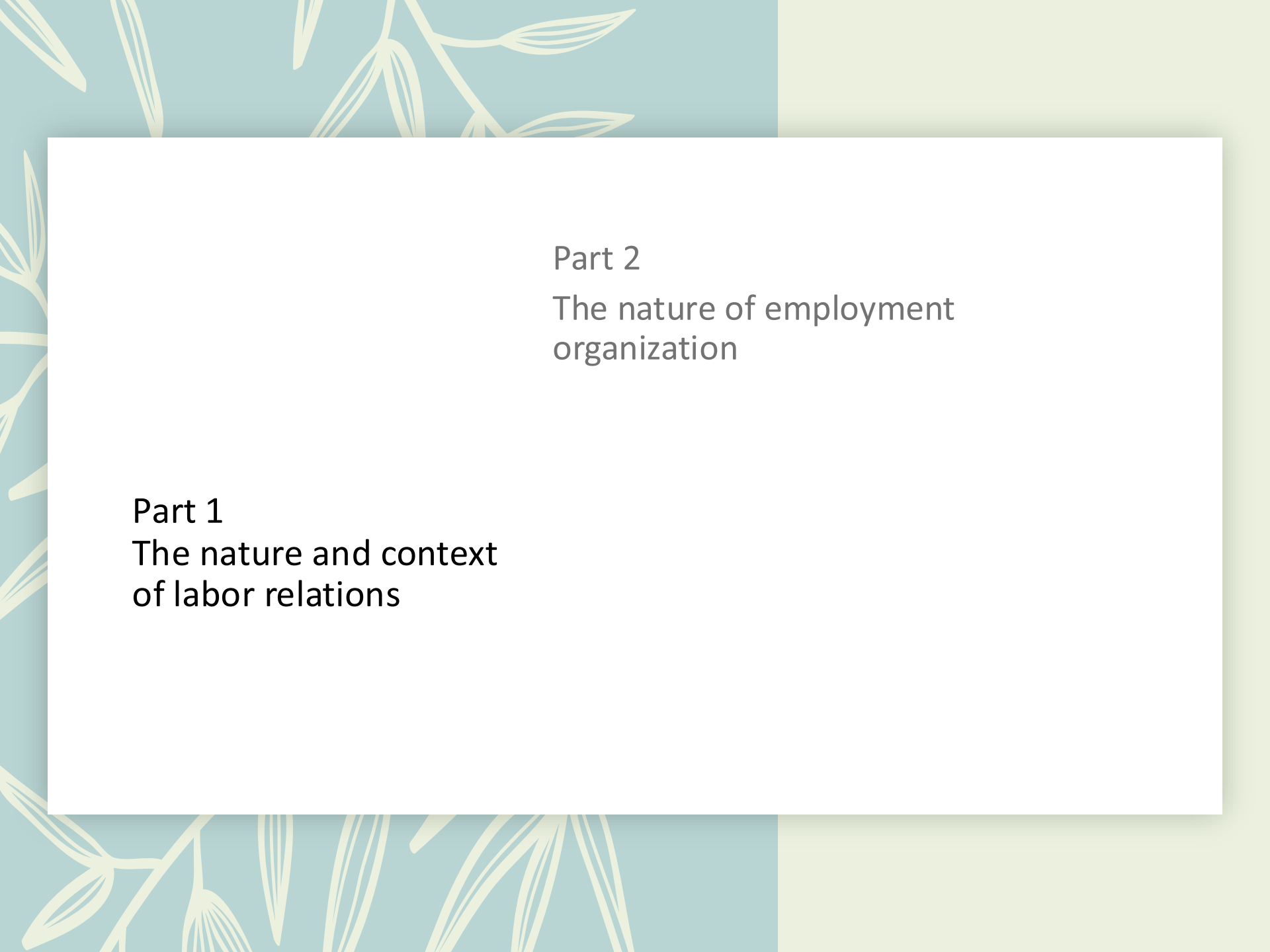
- A particular set of phenomena associated with regulating the human activity of employment
- The making and administering of the institutions and rules of work regulation
- Socio-industrial conflict (in all its forms) and its resolution
- Explicit and implicit bargaining between employees and employers
- A broad definition:  
*'labor relations is about the behaviors and interaction of people at work'.*

# Definition of Labor Relations (3)

- ♦ Labor relations (IR) assumes the employment relationship is conflictual power relations at work.
  - ♦ Traditionally, it focused on 'collective' aspects of employment.
  - ♦ It has expanded to incorporate 'individual' aspects.
  - ♦ Labor relations is interdisciplinary by nature.
- 

# Figure 1.1 - Collective Bargaining Agreement



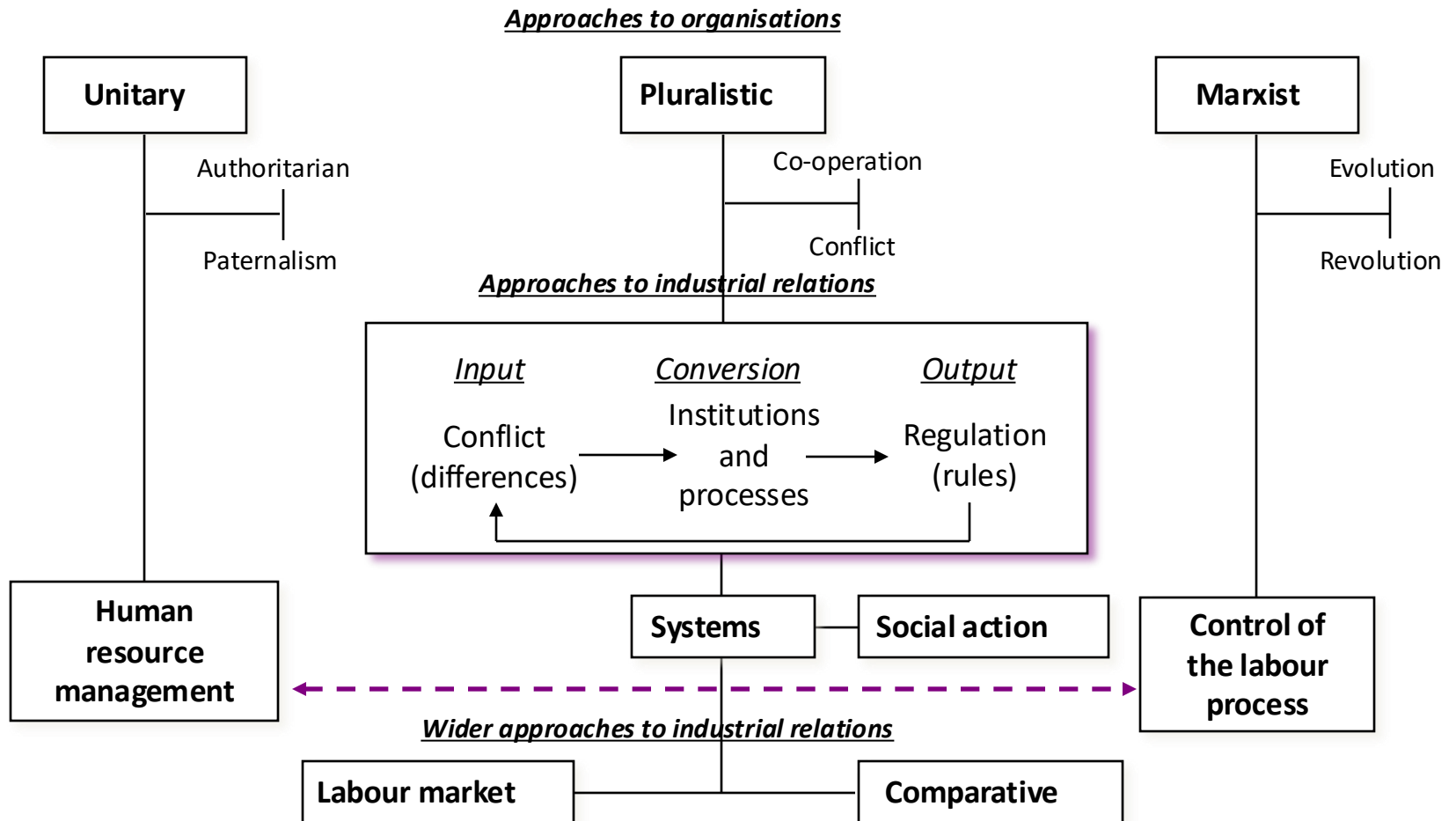


**Part 1**  
The nature and context  
of labor relations

**Part 2**  
The nature of employment  
organization



# Approaches to labor relations



# Unitary perspective – informs human resource management (HRM) - unitarism

- Assumptions
  - Capitalist society
  - Integrated group of people within the work organization
  - Common values, interests and objectives; a common purpose and shared goals, with no fundamental conflict of interest between labour and capital
- Nature of conflict and its resolution
  - Irrational and aberrant ( straying from the path)
  - If there is/are conflict(s), they are frictional and personal
  - Conflict is an aberration, the result of:
    - poor communications
    - poor management
  - Coercion (force) or paternalism (limiting freedom through regulation)
- Role of Trade Unions
  - Intrusion from outside
  - Historical anachronism (relating to a wrong period)
  - Management only forced to accept trade unions in economic relations



# Unitary view

Organization is:

- A group that united
- Having same objectives
- Single authority
- Common value, interest and objectives
- Managers have the right to manage, managers have prerogative to make decisions. Those who challenge are not rational.

Unitary also has considerable support in the academic sphere. A great deal of work in human relations school fall into this category- it emphasizes the importance of social relations in industry.

It stresses that conflict is the result of poor social relations, to overcome they suggest for ex. better communication, they ignore differences in interest, the source of conflict.

- scientific management (Taylorism/scientific management):
- work study/ ‘one best way’
- establishment of work rules.
- human relations (Mayo/the Hawthorne experiments)
- emphasis on work groups and social relations at work
- less importance given to economic incentives.

- neo-human relations (McGregor/Likert/Herzberg):
- importance of individual needs of workers
- creating satisfaction from the nature of job.
- human resource management:
- emphasis on the management of commitment
- integration of employees into organizational strategy.

### **What are the criticisms of unitarism?**

A narrow approach that neglects causes of conflict.

Fails to explain the prevalence of conflict within organizations.

Does not account for uneven distribution of power among employees and employers in the decision-making process.



# The analytical tools of HRM

HRM is the modern form that a unitarist approach to IR typically takes, that is:

- the management of the employment relationship primarily from the perspective of the employer.

This can be seen in the main focuses of HRM:

- plan human-resource requirements
- recruit and select employees
- train and manage employee performance
- reward employees
- dismiss or retire employees.

**The two main schools within the HRM approach are:**

**‘soft’ HRM—‘developmental humanism’**

**‘hard’ HRM—instrumental integration of employees into firm objectives.**

# Soft' HRM



focuses on individual employees and the management strategies needed to increase employee satisfaction, organizational commitment, motivation and work performance



employees have universal needs, best identified and met using techniques drawn from psychology and organizational behavior



the techniques of management, aimed at achieving these goals, are considered to be 'best practice', the 'best' ways to develop employees towards organizational goals.



# 'Hard' HRM



focuses on the better integration of HR strategies into business strategy



employees are seen as a commodity to be better allocated, in order to assist the achievement of business strategies



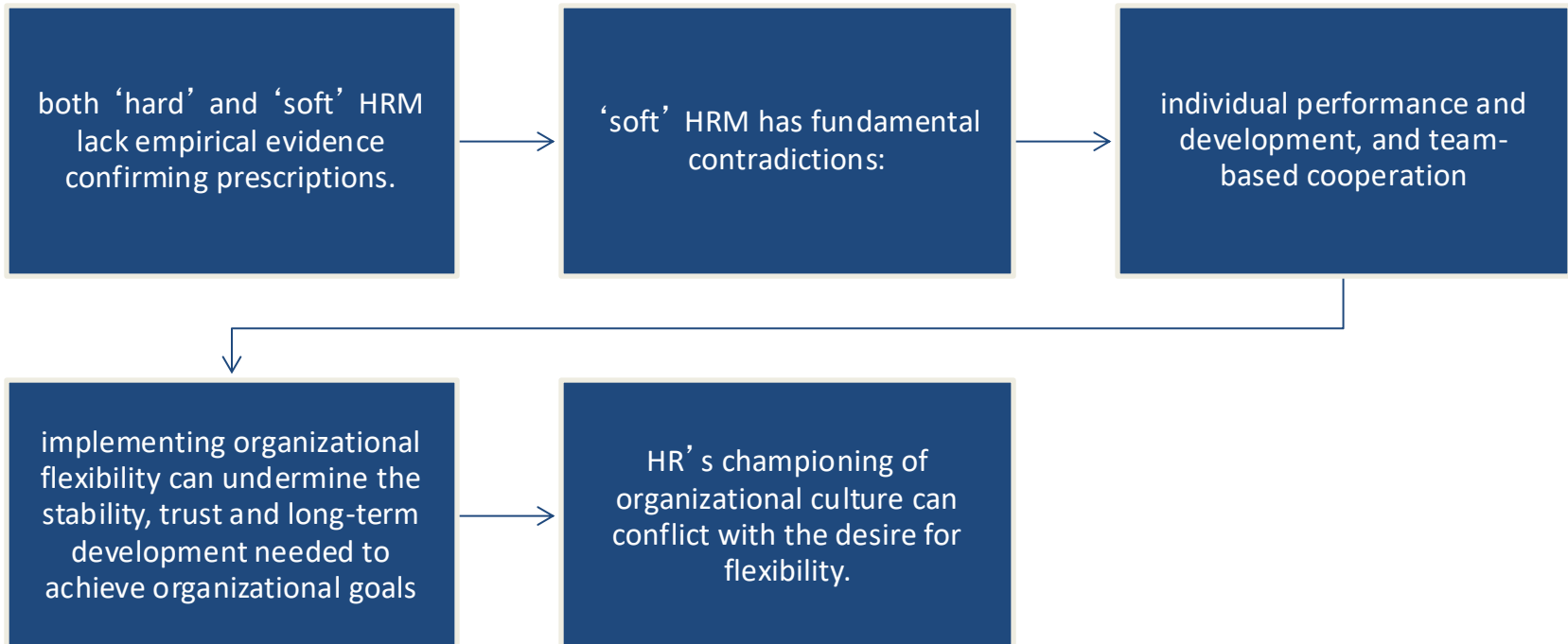
decisions about the adoption of specific HRM policy becomes increasingly about cost–benefit analysis.



Management's aims are to achieve 'best fit' between HR strategy and business strategy.

# Criticisms of HRM approaches

---



# Pluralist perspective – neo-institutionalism

## Assumptions

Post-Capitalist society, where a relatively widespread distribution of power and authority within the society, a separation of ownership from mgt., a separation, acceptance and institutionalization of political and industrial conflict

- Coalescence of sectional groups within work organization
- Differing values, interests and objectives
- Competitive authority/loyalty structures (formal & informal)

## Nature of conflict and its resolution

Rational and inevitable

- Structural and institutionalized
- Compromise, negotiate and agreement

## Role of Trade Unions

Legitimate and accepted in both economic and managerial relations

- Internal and integral to organization


1. Conflict result from industrial and organizational factors.

Different roles of management and employees

- Managers are responsible for efficiency, productivity and profitability
- Employees: more of personal term (better pay ,good working conditions and good job security).

2. Conflictual behavior results from:

- specific situation (e.g the closure of some part of organization and change to new technology);
- general management principal (to cut cost, increase profit and productivity)



Pluralist also assume sometime normative divergences between the parties are not so fundamental or so wide to be unbridgeable. Where each group prepared to limit its claim and aspiration.

Resolution of the conflict is characterized by the need to establish accepted institution and procedures which achieve collaboration, through comprehensive, codified systems of negotiated regulations.

# A radical perspective: The labour process; Marxism

---

**What are the common features of radical perspectives?**

---

Fundamental and inherent conflicting interests between management and workers.

---

Uneven distribution of power between bargaining groups, within the workplace and society.

---

The role of trade unions—to challenge managerial control.

---

The state protects the interests of capitalists.

# What are the criticisms of a radical perspective?

---

## Preoccupied with conflict:

- obscures any cooperation or shared goals between management and workers.
- Class struggle not part of modern capitalism.
- Capital is not homogenous:
  - competition among capitalists.
  - Under-estimates the independence of the state.



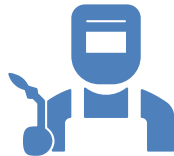
Class struggle and control in the labor process.



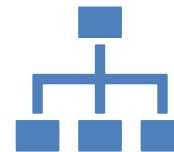
Marx argued that capital social relations are based on a fundamental divide between the bourgeoisie and the proletariat.



Labor possesses labor power—the potential effort that each employee offers.




Potential labor does not always equal actual labor.



Management's task is to convert this labor power into actual work and effort, in order to make a profit.





This gives rise to the central theme within the labour-process approach: How does management maximise the conversion of ‘potential’ labour into ‘actual’ labour?

Labour is not always compliant in this process, resulting in conflict between management and labour.

As this relationship is open-ended, management seeks to establish methods for ensuring control, to maximise ‘actual’ labour effort.

---

The labour-process argument: How does management maximise the conversion of labour power into actual labour?

- Braverman (1974) argued that management seeks control and improved performance through deskilling labour.
- Friedman (1977) argued that management could use either:
  - direct control or
  - 'responsible autonomy' based approaches.



## **Part 3**

# **European Legal Framework of Labor Relations**



# Comparative approach

## Difference between:

- *Comparative* (analysing different countries)
- *International* (transnational institutions and phenomena)

## Importance of comparative approach

- Inform public policy debate
- Changing world economy
- Development of 'fair' international employment standards

## Problems of comparison

- Lack of common terminology and definitions
- Differences between stated institutional framework and reality of actual practice
- Problems of transferability

# Convergence

## Logic of industrialisation

- All countries subject to same economic, technological and market forces
- All need concentrated, disciplined workforce with new and changing skills
- Similar government role in providing economic and social infrastructure for industrialisation (competing for same international investment)

## Modified convergence

- Countries at different stages of industrialisation
- Alternative solutions to common problems
- Regional based convergence

# Divergence

---

- Distinctive value systems and cultural features
- Heterogeneity *within* national industrial relations systems (decentralization & flexibility)
- Different strategic choices by Government, employers and unions at macro (society) and micro (organization) levels on nature, content and process of employment relationship
- Political-economic framework of newer industrialized countries versus pluralistic framework of older industrialized countries

# Employee Rights Laws

---

- **At international level:**

- a. Labor International Organization;
- b. European Council;
- c. European Union Council.

- **At European Union level:**

- **A. 1957 – Treaty of Rome** – Economic European Community
  - Increasing the life and labour conditions of workers (art. 117);
  - Free movement of workers;
  - Principle of equity of wage between women and mens for the same work maded
  - Offer to Council the rights to establish the general principles for a common policy considering the professional forming of workers

- **A. 1957 – Treaty of Rome – Economic European Community**

- Creation of European Social Fund (art 123 of Treaty) – fight against poverty, unemployment and help the poor regions to develop

- **B. European Single Act (1985; effects since 1987)**

- for the first time the Community has the right to adopt **directives** considering: work, safety and security conditions;
- December 1989, Strasbourg, European Council, Community Charter of Fundamental Social Rights
- are stated the following **principles**: free movement of workers, rights considering the wages and employment, rights about living and working conditions, social protection rights, professional forming rights, equal treatment between men and women, workers rights considering information, consultation and participation at decisions process, safety protection rights and security at work, protection of children and young people, guaranteeing a minimum income for the elderly, rights of social and professional integration of disable
- Was sign by 11 states except Great Britain (it signs in 1998)



## C. Maastricht Treaty (1992)

- Acceleration the process of social community legislations;
- establish the **qualified majority** for the domains like increasing the work life conditions, informing and consulting the workers, equity between men and women, integration of people excluded from work market;
- establish the **absolute majority** for: social security and social protection of workers; protection of workers in terms of the labor contract dissolution, representation and collective defense of workers interests and employers, financial contributions which assist the promotion of employment
- The following domains are excepted from social policies accords:
  - Wages and benefits, association rights, right to strike and right of lock-out

- **1993 - Green Carte considering the European Social Policy. Options for future**
- **1993 – White Carte considering the strategy “Grow, competitiveness and employment”, Bruxelles**
- **1994-1994 – White Carte considering the European Social Policy – the direct effect of Green Carte**

### **European Social Policy:**

- employment, a new coordination between economic and social policies, creation of new workplaces, development and consolidations of legislation

## D. Amsterdam Treaty (1999)

- 4 principal objectives:
- **Employment and citizens rights;**
- Suppression of last barriers for free movement of persons and security consolidations;
- Permitted to Europe to consolidate it's position at global level;
- streamlining the EU's institutional architecture

**Employment and citizens rights** – promotion of a professional workforce, qualified and adaptable

Are established 2 principle:

**a. Nondiscrimination** – the European Union can fight against any kind of discrimination even if it's about sex, gender, race, ethnical origin, religion, disabilities, age or sex orientation

**b. Equality between men and women at work** – positive discrimination

## **E. Nice Treaty (2003)**

-Initiation of European Union Fundamental Rights Charter

Lisbon Strategy (2000)

Until 2010 the European Union will be the most dynamic and competitive knowledge economy in the world

**F. Lisbon Treaty (2004) – European Constitution,** block by French and Holland people when they vote No for the act

**In force since 1<sup>st</sup> of December 2009**

Work relations rights:

-prohibition of slavery and forced labor;

-freedom to choose an occupation and right to work;

-the right of workers or their representatives to information and consultation in good time;

-the right of workers and employers to negotiate and conclude collective agreements and recourse in case of conflict to collective action to defend their interests, including strike.

- **2020 Strategy (2010)**

**European Commission – “2020 Europe: An European strategy for intelligent growth, ecological and favorable to inclusion”**

- Increase the attractiveness of work;
  - getting the unemployed into work;
  - Poverty reduction and promotion of social inclusion;
  - reforming pension systems etc.
- 
- **Euro Pact (2011) – measures to combat economic crises**



## Social partners

- At European level the unions rights are not express recognize;
- Principle of union freedom:
  - Freedom of association of employees and employers;
  - Rights to collective negotiations;
  - Rights to strike if are interests conflicts;
- The European Single Act – 2 principles:
  - Social dialog principle;
  - Conventional relationships principle between social partners at European level.



## Social partners (cont.)

- Maastricht Treaty – increasing the role of social partners, collective bargain agreement at European level;
- The social dialog :
  - a. At central inter-professional level;
  - b. At the level of activities sectors through consultative committees;
  - c. At the European interests group.



# Patronal Organizations

- Are regularly consulted by European Commission considering the regulations, directives projects and another juridical instruments
- 1. **BUSINESSEUROPE** (European Business Confederation) – 45 patronal organizations from industry from 35 countries (European member states, European Economic Space, states from East and Center of the Europe) :
  - 7 Principal Committees and 60 working groups
  - General secretariat, Presidents Council, Executive Office
  - From Romania: ACPR – Alliance of Patronal Confederations from Romania



- 
- 2. CEEP ( European Center of Public and General Interest Enterprises) - employers from public sectors
  - - lobby in Bruxelles
  - -from Romania – FNPSPR - National Federation of Employers of Public Services of Interests

### 3. UEAPME (European Union of Craft and SMEs)

- 82 organizations from 34 countries;
- 12 millions of SMEs and 55 millions of employees
- From Romania – CNIPMMR – National Council of SMEs

# Syndical organizations

- Regularly consulted by European Commission
- ETUC ( European Confederation of Syndicates) – representative union of employees at European level since 1973
- Congress – supreme body, meeting once at 4 years
- President, General Secretary, 2 Adjunct Secretaries, 4 Confederal Secretaries
- 60 millions of members, 84 syndical organizations, from 36 countries
- 4 from Romania: National Trade Union Bloc, Cartel Alfa, National Confederations of Freedom Trade Unions from Romania Fratia (CNSLR Fratia), Democratic Trade Unions Confederation



# Term employment and temporary work

## 1. Health and safety of workers at work

Legal framework:

Directive No. 89/391/CEE considering the introduction of measures for promoting the security and health of workers at work

Directive No. 91/383/CEE considering the increasing of measures considering the security and health of workers at work

- Objective: insurance for workers in an employment relationship for the period of time or temporary work agency of the same level of protection of health and safety at work

- Scope:
- Directive applies to labor relations governed by a labor contract duration, concluded directly between employers and workers, the termination of employment is determined by objective conditions such as reaching a specific date, completing a specific task or produce a specific event.
- Directive shall apply to temporary employment relationships between a temporary ham agent who is the employer and the worker, when the latter is assigned to work for a company or a unit that resorting to its services and / or exercising control over it

# Rules



WORKERS  
INFORMING



PROFESSIONAL  
FORMING



MEDICAL  
SUPERVISION OF  
WORKERS



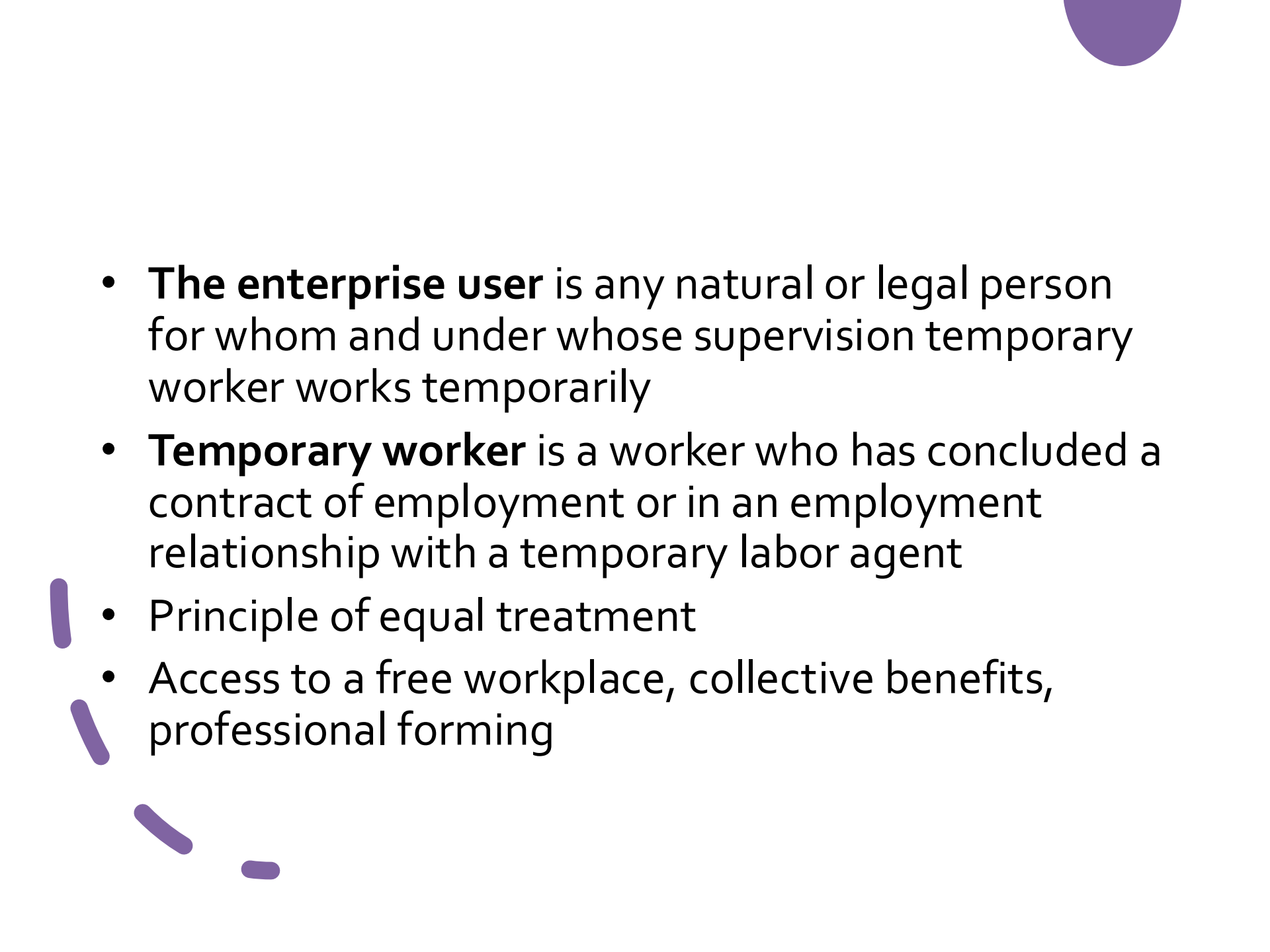
PREVENTION AND  
PROTECTION  
SERVICES

# Term Work

- Patronal Organizations requested in 1999 a framework-agreement considering the term work
- Included in art. 7 from Community Carte considering the fundamental rights of workers:
- Internal market – increasing the life and work conditions;
- Flexible organization of work
- Non-discrimination principle
- Measures to prevent the abuses

# Temporary Work

- European Council from 2007 – flexi-work
- Directive No. 2008/104/CE considering the work through temporary agent
- **Temporary agent** is any person or entity which, in accordance with national legislation, may conclude employment contracts or employment relationships with temporary workers in order to put the user undertakings to work temporarily under their supervision or management

- 
- **The enterprise user** is any natural or legal person for whom and under whose supervision temporary worker works temporarily
  - **Temporary worker** is a worker who has concluded a contract of employment or in an employment relationship with a temporary labor agent
  - Principle of equal treatment
  - Access to a free workplace, collective benefits, professional forming



# The social dialog

**Discussions and agreements** between social partners: employees representants, employers representants and government

**The objective:** social peace

**Forms of social dialog:**

- Negotiation
- Consultation
- Information
- Common administration.

# Forms of social dialog

- ♦ **Bipartite:** relations between syndicate and patronage; the government is mediator ;
- ♦ **Tripartite:** relations between syndicate, patronage and government; consultation, action, coordination and control.
  
- ♦ **Measures:**
  - Government's obligation to consult the social partners prior to the adoption of new norms considering the labor relations;
  - Creation of new mechanisms for the participation of syndicate and patronage as a co-administration organizations in the domains with a major social impact factors.



# The tripartite bodies

- **Co-administration bodies:** National Agency for Labor Workforce; National House for Assurance and Social Protection, National Fund for Professional Sickness and Accidents, Health Care National House, Supply National House;
- **Advisory bodies:** Social and Economic Council, Commissions of Social Dialog

# Syndicates

- ◆ **Principles of syndical right**

Freedom of work: Right of association and freedom of syndicate are recognize as human rights

**The syndicate:**

-the organization who has as aim to defend the professional and economic interests of its members and the right of the members to unify their efforts in order to defend the common professional interests.

# Syndical right

- ♦ All the provisions governing the organization and functionality of the syndicates, their role in the society, in relation with the employers representatives and the public authorities

## **The principle of syndical freedom**

- **Convention no. 87/1948 concerning the syndical freedom and protection of the syndical rights (the employees and employers have the right to constitute organizations or to affiliate to it)**
- **Convention no. 98/1949 concerning the right of union organization and collective bargaining**



# LAST QUESTION

DO YOU KNOW YOUR RIGHTS AND DUTIES  
AS EMPLOYEE OR EMPLOYER WITHIN EU?

