ANNEX 1

The ETUC position on the current economic governance and Semester process, with regard to their effects on collective bargaining and wage-setting mechanisms

(Final Statement adopted by the Collective Bargaining Coordination Committee in the ETUC Collective Bargaining School, Florence on 10-11 June 2013)

At the end of June 2013, as every year in the framework of the European Semester, the European Council was asked to formally adopt the new proposals on Country Specific Recommendations the European Commission launched at the end of May.

In 2013 the Commission addressed recommendations on wages and collective bargaining to 8 Member States (BE, DE, ES, FI, FR, IT, LUX, SI) plus 4 additional members already subject to a Troika programme (CY, GR, IE, PT).

The general line behind the Commission’s 2013 recommendations insists on the idea that downwards wage flexibility is to be the main, if not the only, instrument of adjustment.

This persistent ideology has already led to the undermining of wage formation systems in many Member States with interventions ranging from cuts in minimum wages in some countries to marginalisation or downgrading collective bargaining systems and the role of collectively bargained wages. It has also led to breaches against ILO conventions and the European Charter of Fundamental Rights.

The ETUC is strongly against the continuation and intensification of such policy.

Europe, the Euro Area in particular, is already at a tipping point. Nominal wage dynamics have weakened below 2% and real wages on average in the Euro area have now been falling or stagnating for 4 years in a row. In combination with fiscal austerity and the failure of the ECB to act in a way to restore credit flows to the economy, this has caused domestic demand to fall, resulting in a deep depression attested by six quarters in a row of economic recession. This has also dragged inflation down to levels that are too low and too close to deflation to be compatible with the looked-for economic recovery and sustainable growth (euro area inflation now at 1,2/1,4%). This also threatens the ECB’s price stability target of 2% from below.

The ETUC is therefore alarmed by the fact that the Commission’s 2013 wage recommendations have the intention to continue with and even intensify this policy of “internal wage devaluations”. This will not lead to improved competitiveness, as competitive gains in the European internal market will cancel each other. Instead, the regressive effect of wages being squeezed on domestic demand will dominate, with economic performance and jobs suffering from this. The final result will be a continuing depression, continuing job destruction and low inflation tipping over into straightforward deflation of general falling prices.

It will also lead to rising inequalities with falling wage trends being accompanied by a further increase in profits, dividends, bonuses and CEO pay.

The ETUC regrets that the Commission ignores these dangers. Concluding, as the Commission does in its Euro Area study/recommendation, that the overall trend is fine since wages are
going down in the crisis countries and wages are still going up in stronger economies is simply not sufficient or adequate.

The ETUC insisted and will insist in the future on the Council NOT to adopt the Commission’s recommendations on wages, and to request the Commission to undertake a serious analysis of the consequences of ‘internal wage devaluations’ policies on the whole of the Euro Area/European economy.

The ETUC recalls that article 153 5 of the Treaty excludes the European Union from having competence on wages and insists that the EU institutions are forced, according to the regulations on economic governance, to strictly respect national systems of industrial relations and collective bargaining and the right to bargain and to take actions.

The ETUC supports its members, when requested, in tackling the Commission’s wage recommendations by developing discussions/negotiations with their respective Governments, in order to try to influence and modify the approach currently undertaken by the Commission and ensure that the autonomy of social partners in collective bargaining and wage setting at all levels is fully respected.
ANNEX 2: THE ETUC TOOLKIT FOR COORDINATION OF COLLECTIVE BARGAINING AND WAGES IN THE EU ECONOMIC GOVERNANCE

FOREWORD
This document includes 5 toolkits which propose a working method for the Collective Bargaining Coordination Committee (CBCC). Building a trade union toolkit to enhance coordination of collective bargaining in Europe is primarily a ‘capacity building’ exercise.

A common methodology can only be built together. That is why this document must be seen as a ‘work-in-progress’.

It is also a ‘work-in-progress’ because the 5 toolkits cover, for the moment, only the first priority set out in the ETUC resolution: “Collective bargaining: The ETUC priorities and working programme” (March 2012) and the priorities set in the ETUC resolution: “The ETUC coordination of collective bargaining and wages in the EU economic governance” (October 2013).

Toolkits 1 to 3 aim at enhancing the trade union position in the EU Semester. Toolkits 4 and 5 deal with the so-called ‘golden rule’ of inflation + productivity.

The ETUC resolution also includes defensive agreements, open clauses and minimum wages. These issues will be addressed in the near future.

As far as transnational negotiations are concerned, this issue is dealt by a specific ETUC project.

Collecting and analyse data in a proper way is a difficult exercise. It will be implemented and adjusted step by step during the time. The ETUC, together with the European Trade Union Federations and the national Confederations, did already developed different methods and tools supporting this activity. Now it is the time to make it more systematic and effective.

The toolkit aims at being an instrument to facilitate such exercise, also through setting up a specific interactive website within the ETUC general website (http://collective.etuc.org). Furthermore the toolkit will become a facility for collective bargaining internal training that is going to be organised in cooperation with the ETUI. The ETUI data collection and surveys will be fundamental basis for the implementation of the toolkit.

The coordinating and collecting activity supported by the toolkit will be fully respectful of the autonomy of the national and sectoral trade unions, and of their strategies in the negotiations. The objective of such exercise is to strengthen and implement the ETUC internal coordination, according to the priorities set in the resolutions mentioned above.

Toolkit 1 – 3: THE ETUC COORDINATION OF COLLECTIVE BARGAINING AND WAGES IN THE EU ECONOMIC GOVERNANCE

The new Economic Governance is based on multilevel policy making and on a multilateral system of surveillance in which national and European policies are closely interlinked. Wage trends and collective bargaining reforms are monitored during the European Semester and are often the subject of policy recommendations.
Social partners do not have enough influence on the European Semester. Country Specific Recommendations are the basis for reforms of labour law and industrial relations that have downgraded the rights and working conditions of employees. The current strategy for the decentralization of collective bargaining has turned into the deregulation of collective bargaining systems.

A general message in favour of continued wage moderation is a biased position. It implies that National Reforms Programmes and the consequent CSRs will carry on promoting wage moderation and attack on collective bargaining even when there is no evidence to justify it.

Decisions on how to organise collective bargaining and wage setting is a national competence, falling within the social partners’ autonomy and sovereignty. The collective bargaining systems differ according to national industrial relations and traditions. Article 153 5 of the Treaty establishes that the issue of pay is outside the scope of EU competences. This should be taken into account by the EU institutions and the national governments.

It is vital that the influence of trade unions in the EU Semester is increased. Unfortunately, the majority of national Governments do not involve social partners when drawing up their NRPs. Social partners are also excluded from the process of transforming NRPs into CSRs.

In 2012, only the Swedish and (partially) the Italian Governments obtained changes in their CSRs relating to the part concerning collective bargaining and wage-setting mechanisms, following a request from social partners. If this demonstrates a general weakness of the trade union movement in the European Semester, these two cases show that it is possible to enhance the trade union voice.

In its conclusions at the summit in December 2012, the European Council declared itself ready to enhance the role of social partners in the new economic governance and launched a debate to establish how social partners could be involved in the European Semester. It is a long and complicated process.

European trade unions need to increase their influence on the European Semester now. The 2013 CSRs focus once again on collective bargaining and wage formation systems at national level, and the ETUC should not leave its affiliates alone in tackling further Governments’ interventions and reforms.

The ETUC rejected new tripartite formats at EU level for monitoring wage trends and collective bargaining activities, such as the EMCO exercise of 1 February 2013. At the same time the ETUC highlights the need for a renewed and strengthened internal coordination, aimed at countering EU interference in the autonomy of social partners as well as confronting the European Semester when it looks at wage developments.

A new ETUC coordination of collective bargaining should be designed to be autonomous and easily applicable. It should aim at making the trade union voice louder and more influential within the Economic Governance.

This objective could be achieved by enhancing trade union capacities to be consulted and to react in a timely manner to the decisions made within the EU Semester.

The ETUC coordination should enhance the position of the ETUC affiliates to defend collective bargaining systems and to increase their bargaining power. National social partners, in their full autonomy, have to be involved in all the steps of Governments’ decisions concerning NRPs and CSRs, particularly when wages and collective bargaining are at stake. The ETUC has to demand it from the European institutions.

The ETUC will improve and coordinate better its method of collecting data, information and evaluations from its affiliates, in order to set up an annual report on wages and collective bargaining at EU level and to react in a coordinated way to the general strategies carried out by the European Commission through the CSRs.
This “two-level” method of coordination includes a more structured and continuous exchange of information aimed at setting common strategies. It implies the highlighting of benchmarks for measuring the quantitative and qualitative effects of the coordination action.

It includes monitoring trends, which are relevant to collective bargaining and wage development at any level (national, sectoral, company, cross-border and transnational levels), as well as the analysis of other complementary factors influencing wage- and purchasing power- dynamics, as, for instance, gross labour costs, fiscal burdens, the economic dependency of unemployed people, etc.
METHODOLOGY

The process through which the ETUC and its affiliates will get coordinated to participate in the EU economic governance is called ETUC Semester. The website http://collective.etuc.org has been created to that end, with restricted access. A login will be granted to the CBCC members.

ETUC Semester is divided into two phases.

The first phase (in blue) establishes the strategy for involving the ETUC and its affiliates in a joint action so that they can react to the Annual Growth Survey and the other documents setting the strategic scenario for the EU Semester.

WHAT TO DO

By December 15th, national confederations and ETUFs will deliver their comments on the impact that the AGS and related documents they may have on collective bargaining and wage policies in their own country. National confederations and ETUFs will ensure the involvement of sector trade unions at national level.

By January 30th the ETUC will deliver its general report on the AGS, for the parts involving wages and collective bargaining (to be coordinated with the general ETUC annual position on the AGS, and to be endorsed by the CBCC, according to the positions and decisions of the affiliates in the different countries and sectors).

HOW TO DO IT
Documents will be posted on the website collective.etuc.org. Each country will post comments under their national page. Comments cannot be longer than 1500 characters. The ETUFs will post their comments under their own page on the same website.

The ETUC will post its documents under the page “EU” under the name “Report on wages and collective bargaining, YEAR”

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The second phase (in green) sets out the strategy for reacting to and influencing the Country Specific Recommendations, for the parts involving wages and collective bargaining.

WHAT TO DO

Within 7 days after the publication of proposals for CSRs, national confederations and ETUFs will deliver their comments to the CSR concerning their own country/sectors.

Within 15 days after the publication of CSRs, the ETUC will deliver its general report under the name “ETUC claims on CSRs, YEAR” (to be coordinated with the general ETUC annual position on the AGS, and to be endorsed by the CBCC, according to the positions and decisions of the affiliates in the different countries and sectors).

HOW TO DO IT

Comments will be posted on the website collective.etuc.org. Each country will post comments under their national page. Comments cannot be longer than 1500 characters. The ETUFs will post their comments under their own page on the same website.

The ETUC will post its Report under the page “EU”.

Two issues remain open: the strategy to be completed should be integrated with the following issues that will be defined by the ETUC competent bodies:

- Venue and timing of an exchange between the ETUC and the EU Institutions. These will be defined on the basis of the ETUC Reports and within the framework of the wider strategy of TU involvement in the EU Economic Governance process.

- The strength of the ETUC action will also depend on the form of internal endorsement and publicity given to the two ETUC Reports issued at the end of the first and the second phases.
TOOLKIT 2: MAP OF NATIONAL PRACTICES

The ETUC strategy maps strategies that affiliates use to participate in the EU Semester. *(The table below has been filled in with incomplete samples from the CB School in Florence 2013)*

<table>
<thead>
<tr>
<th></th>
<th>Country 1</th>
<th>Country 2</th>
<th>Country 3</th>
<th>Country 4</th>
<th>Country 5</th>
<th>Country 6</th>
<th>...</th>
<th>Country 28</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategy</strong></td>
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<td></td>
<td></td>
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<tr>
<td><strong>Actors involved</strong></td>
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<td></td>
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<tr>
<td><strong>Effectiveness</strong></td>
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</tbody>
</table>

The ETUC Semester implies that trade unions are involved at national level in the discussion of the National Reform Programmes and at national and European levels in the preparation of the CSR.

What form this involvement will actually take is left up to national practices (trade union unilateral positions, bilateral exchange, tripartite bodies, etc.). What is important is that trade union positions can be supported by appropriate and timely information from national governments. The ETUC will monitor national practices in order to:

- check the effectiveness of the trade union involvement at national level;

- support the European Commission in the claims of national affiliates to establish procedures, venues and bodies to take active part in the EU Semester;

- exchange practices and disseminate the best ones;

Toolkit 2 is updated each year during the spring meeting of the CBCC and made available on the website. Contents fall under the responsibility of national confederations.
The ETUC strategy on collective bargaining and wages includes a strong demand for restoring fundamental labour rights in Europe, with particular reference to collective bargaining rights and wage setting systems.

Under great pressure to speed up the removal of macroeconomic imbalances, public authorities decided to limit the autonomy of the social partners in order to prevent the latter from building up again (through collective agreements) what the public authorities wanted to remove definitively (through labour law reforms).

This implies two orders of problems: the first is that the EU strategy of coordination of collective agreements has to be based on proper respect for the EU’s fundamental rights and aimed at restoring autonomous collective bargaining in all EU Countries. The second is that labour reforms trigger a downward spiral for working conditions in Europe. The risk is that a contest for social dumping could deprive collective bargaining of its main qualities of solidarity and equality.

The Barometer will consider three areas which are relevant for the development of balanced collective bargaining rounds:

- Collective bargaining structure (this part refers to changes occurring in the balanced development of collective bargaining for setting working conditions: it will take into account changes in the setting of collective bargaining levels, legitimacy of collective bargaining players, organization of trade unions and employer associations, etc.);

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**TOOLKIT 3: BAROMETER OF TRADE UNION RIGHTS IN EUROPE**

The ETUC strategy includes a strong demand for restoring fundamental rights in Europe. (The table below is completed with examples based on recent facts in years 2012/2013)

<table>
<thead>
<tr>
<th></th>
<th>Country 1</th>
<th>Country 2</th>
<th>Country 3</th>
<th>Country 4</th>
<th>Country 5</th>
<th>...Country 28</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Situation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collective bargaining</td>
<td>Recent facts</td>
<td>Recent facts</td>
<td>Recent facts</td>
<td>Recent facts</td>
<td>Recent facts</td>
<td>Recent facts</td>
<td>Recent facts</td>
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<tr>
<td>Social dialogue</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Labour legislation</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alerts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Respect of EU Charter</td>
<td>Green</td>
<td>Yellow</td>
<td>Red</td>
<td>Red</td>
<td>Red</td>
<td>Red</td>
<td>Red</td>
</tr>
</tbody>
</table>

The ETUC strategy on collective bargaining and wages includes a strong demand for restoring fundamental labour rights in Europe, with particular reference to collective bargaining rights and wage setting systems.
- Social dialogue (this part refers to the capacity of social partners to set macro policies in bilateral or tripartite bodies, to manage labour market issues, and other forms of negotiations that do not directly determine working conditions);

- Labour law (this part refers to changes in the legislation which affect the capacity of trade unions to play their bargaining role effectively, especially the right of associations, protection of employee representatives, representativeness criteria, limitations to undertake collective actions, etc.).

The toolkit will be updated once per year during the autumn meeting of the CBCC. The barometer will be used to include a remark on the respect of rights to collective bargaining within the ETUC Report on wages and collective bargaining, YEAR.
Toolkit 4 - 5: THE ETUC GOLDEN RULE FOR HIGHER WAGES

Economic Governance will continue to keep control on wage developments in Europe. Presumably, once the economic crisis has (hopefully) been left behind, the attitude of public authorities in planning macroeconomic policies will be more respectful of the autonomy of social partners. But surely they will not refrain from calling upon social partners to take up new responsibilities within a shared socio-economic analysis.

In this scenario, “being together” is an act of force, which should induce public authorities to start a dialogue with trade unions.

The entire macroeconomic scenario is a reference but not a binding framework.

Macroeconomic governance attempts to manoeuvre complex variables like levers in a complicated piece of machinery. The Scoreboard is an example of that process. But policy makers cannot dispose of social partners as it suits them, even though wage setting is part of the levers that policy makers are keen to manoeuvre.

Now, we are all aware that the priorities of the collective bargaining players change according to the specific socio-economic situation of the country in which the negotiation round is taking place. A comparison between the different countries will therefore tend to reflect where these countries can be placed in the business cycle.

In principle, the two macroeconomic variables that are taken into consideration for wage formation are inflation and productivity trends. Such variables must in any event be flexible and adjusted according to the different economic situations in the countries, whilst ensuring that real wage developments remain in a positive -- or at least not a negative -- terrain in all the countries. In countries facing a good business cycle position and relatively low unemployment rates, wage trends should be higher than in the others.

A European coordination of collective bargaining needs a common assessment of the collective bargaining outcomes. The problem is finding the right balance between the need for simplification (EU level) with the ability to include specific features that are necessary for understanding the attitude of the social partners (national level).

Toolkit 4 and 5 will compare inflation trends and real increases of wages, embodying a trade union perception of both trends.

WHY

A coordinated strategy at European level needs analytical instruments to appreciate wage trends better. It will improve exchanges among ETUC affiliates and will help identify political messages, and possibly common methods and positions. This exercise should help achieve a more profitable exchange at EU level, fully respectful of the autonomy of the national organisations when setting bargaining platforms as collective bargaining players.

It is meant to support national trade unions in their bargaining positions, practices and rights, and to strengthen the European trade union movement in facing EU interventions on wages and collective bargaining.

HOW

This exercise is cyclical and based on wage trend forecasts, actual wage trend detection and impact assessment. Warning: There is an interval of 16 months between the forecasts and the publication of
actual wage performances. This explains overlaps in monitoring wage trends in different years (see figure below).

Figure 1. Pace of the wage trend monitoring for subsequent years.

This exercise compares forecasts on a predefined year T1 (2014) worked out in year T0 (2013) with the actual outcomes whose statistics are available on the successive year T2 (2015). In T0 (2013) the CBCC compares wage developments in each country, and in T1 (2014) the target is compared to actual wage performances. Actual wage performances are available only the following year T2 (2015).

A comparison system should be able to assess the distance between the ‘expected’ and ‘actual’ results of a trade union strategy. It should be composed of:

- A European comparison
- National comparisons
- TU targets. They are oriented by setting each country/sector in a predefined scenario
- Performance indicators
European and national comparisons are easily available as they are provided for by national statistical agencies. The added value of this exercise is that it provides a parameter pointing out trade union expectations on wage trends (called TU target).

In the first year of implementation of the toolkit, data concerning the previous three years will be collected so as to provide a consistent basis for the comparison system so as to be to register wage dynamics and variations linked to economic developments after the crisis.
TOOLKIT 4: COMPARING WAGE DEVELOPMENTS ON THE BASIS OF PURCHASING POWER OF WAGES (YEAR T0 ON YEAR T1)

EU Comparison: Harmonised Index of Consumer Prices (forecast for year T1)

National Comparison: HICP for the specific country adjusted according to the national rules (imported inflation, economic shocks). (Forecast for year T1.)

Trade Union Target: Optimal wage increase according to the scenario in which the country/sector operates. (Target for year T1.)

Output: The actual wage performance of the Country/Sector in T1. If the output diverges from the target, the country/sector will explain why.

SIMULATION: In T0 the following table will be completed with EU and national comparisons/targets.

NB: Figures are based on a simulation and do not necessarily reflect actual trends.

Step 1: In T0 the CBCC builds forecast for year T1.

<table>
<thead>
<tr>
<th>Estimation 2013</th>
<th>DE</th>
<th>IT</th>
<th>FR</th>
<th>ES</th>
<th>PT</th>
<th>GR</th>
<th>AT</th>
<th>BE</th>
</tr>
</thead>
<tbody>
<tr>
<td>EURO AREA HICP (Eurostat)</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>National Infl. Index (Eurostat)</td>
<td>1.9</td>
<td>2.1</td>
<td>1.4</td>
<td>2.6</td>
<td>1.4</td>
<td>0.1</td>
<td>2.5</td>
<td>1.8</td>
</tr>
<tr>
<td>TU Target (virtual)</td>
<td>3</td>
<td>2.1</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1</td>
<td>3</td>
<td>1.8</td>
</tr>
</tbody>
</table>

Step one is used to monitor forecasts in the development of nominal wages. It indicates whether trade union demands at national or sector level are in line with the official inflation index as declared by local governments in their own country.

Step 1 is an example of how national ETUC members give their view on the optimal wage development (TU Target) against the official inflation index. Determining the inflation index at national level has always been discretionary or ‘political’. It is important that wage performances are
measured by means of the trade union perception of the purchasing power of wages. National confederations will rely on this precept to communicate a trade union optimum concerning wage increases at national level in order to maintain the purchasing power of households.

The table in Step 1 will be completed through this process, and comments will be attached and made public before the end of the year.

**Step 2 compares expected and actual nominal wage performances as made available in year 2 (the example below is based on actual performances in year 2012).**

Step 2 implies that actual performances on wages and price index are known. Their publication by national statistical institutes or Eurostat is expected in April/May of the following year. For example, wage and inflation trends for 2012 can be assessed in April 2013.

The table below refers to official HICP in 2012 and trends of nominal wages. There are many other sources that explain wage trends in nominal and real terms, combined with many other economic factors as well. The added value of this exercise is to compare wage trends with trade union expectations. In fact the line “trade union target” reports the demands/expectations of wage increases from the trade unions at the beginning of the year (in the example, beginning of 2012).

Of course, Step 1 and 2 do not replace further analysis, which remains necessary to master such a complex phenomenon. They should rather be seen as providing a stimulus for a more intensive debate in the CBC Committee and as a means of helping draw common conclusions.

<table>
<thead>
<tr>
<th>Year 2012</th>
<th>DE</th>
<th>IT</th>
<th>FR</th>
<th>PT</th>
<th>AT</th>
<th>BE</th>
<th>NL</th>
<th>FIN</th>
<th>ES</th>
<th>GR</th>
<th>IRL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Actual inflation rate</strong></td>
<td>2.1</td>
<td>3.3</td>
<td>2.2</td>
<td>2.8</td>
<td>2.6</td>
<td>2.6</td>
<td>2.8</td>
<td>3.2</td>
<td>2.4</td>
<td>1</td>
<td>1.9</td>
</tr>
<tr>
<td><strong>Actual wage increases</strong></td>
<td>2.3</td>
<td>1.4</td>
<td>1.9</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>2.3</td>
<td>1.2</td>
<td>-1</td>
<td>-10</td>
<td>-2</td>
</tr>
<tr>
<td><strong>Trade union targets (examples)</strong></td>
<td>3</td>
<td>2.1</td>
<td>1.5</td>
<td>1.5</td>
<td>3</td>
<td>1.8</td>
<td>3</td>
<td>3</td>
<td>1.2</td>
<td>1</td>
<td>3</td>
</tr>
</tbody>
</table>

Countries with positive wage trends
If the blue line is further from the centre than the red line, wages have lost purchasing power (in our simulation this is the case in IT, FR, NL, and FIN). Wages have likely increased in real terms in PT, AT and BE. In Germany, nominal wages are in line with inflation.

Considering that the TU optimum is more reliable than the official inflation index declared by the government, if the grey line is further from the centre than the red line, wages have increased below trade union expectations (in these countries it is more likely that real wages have decreased or are stagnant, ex. NL, DE, FIN, IT).

The optimal situation is when the blue line stays inside the red one. In this case, real wage increases are recorded but it is not possible to assess whether such an increase fulfils the second criterion, productivity. That is what the next toolkit is intended for.

Countries with negative wage trends

Countries with negative wage trends are reported in a different radar so as not to alter the visual representation of trends in Countries with positive (>0) trends.
Productivity is hard to work out. It is a reliable target for collective bargaining when considered in its aggregate terms at national level for the entire economy or for a single branch (e.g. industry).

As explained in Annex 1, only a few countries go for a wealth distribution based on aggregate productivity indexes. As a general rule, such countries have strong national sector collective bargaining.

EUROSTAT provides figures on labour productivity on a quarterly basis. Data on productivity per worked hour is available as well. However, more reliable data sources for labour productivity and wage developments can be discussed/proposed at the CBCC.

When collective bargaining is at (or closer to) company level, wage increases are the result of labour-related performance or business performance indicators. Such indicators are not pure productivity indicators. Italian decentralized agreement cases give examples of well-structured collective bargaining systems in which wage increases above the inflation rate indexation are negotiated at company or territorial level.

This issue must be more fully debated at the CBCC and at the Collective Bargaining School in order to arrive at a working method, which addresses the needs of all the ETUC affiliates better.

The ETUC toolkit should be designed to detect wage increases in line with the full potential of the national economy.

The proposal is to monitor trends which are strictly correlated to a fair labour remuneration according to purchasing power and productivity developments.

Trends to be monitored are:

- Share of GDP remunerating labour against share of capital remuneration
- Household wealth
- Inequality index: Gini Index.
As a consequence of the implementation of the toolkit, the meetings of the CBCC will have permanent items on the agenda.

The CBCC meets twice per year, in autumn and in spring.

The agenda of the spring meeting will include the following items:

- Updating of the Map of National Practices involving trade unions in the EU Semester at national level
- Forecasts on wage development for the current year
- AGS analysis and expectations for the NRP/CSR and employment packages

The agenda of the autumn meeting will include the following items:

- Updating of the Barometer of Trade Union Rights in Europe.
- Analysis and common conclusions on wage trends of the previous year
- Implementation of the CSR at national levels

The Task Force will continue to perform its tasks as it happens today giving continuity to the work of the CBC Committee between the two annual meetings.

In particular, the Task Force will meet 2 to 4 times: the day before the Meeting of the Collective Bargaining Coordination Committee (only if necessary), in December and in April. The December/April meetings will help provide an initial assessment of wage trends, following the pace of the monitoring as shown in figure 1 (page 11).

The Collective Bargaining School remains an annual event in which the Committee can produce more in-depth analyses on specific issues to be decided on a year by year basis.