

# The Management of Collective Bargaining

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AN INTERNATIONAL  
COMPARISON

Keith Sisson

**The Management of  
Collective Bargaining**  
*An International Comparison*

Keith Sisson

Basil Blackwell

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# Abbreviations

## Britain

### Employers' Organizations

BEC	British Employers' Confederation – amalgamated with FBI and NABM to form CBI in 1965.
BPIF	British Printing Industries Federation – formerly British Federation of Master Printers.
CBI	Confederation of British Industry – the employers' / trade confederation formed in 1965 through amalgamation of the BEC, FBI and NABM.
CIA	Chemical Industries Association.
CMF	Clothing Manufacturers' Federation.
EEF	Engineering Employers' Federation.
FBI	Federation of British Industries – trade confederation which joined with BEC and NABM to form CBI in 1965.
FCEC	Federation of Civil Engineering Contractors.
NABM	National Association of British Manufacturers – trade confederation which joined with BEC and FBI to form CBI in 1965.
NFBTE	National Federation of Building Trades Employers.*
NPA	Newspaper Publishers Association – the employers' organization of the national daily and Sunday newspapers printed in London and Manchester.

\* The NFBTE changed its name to the Building Employers' Confederation in 1984. NFBTE will be used in the text rather than BEC, to avoid any confusion with the British Employers' Confederation.

NS Newspaper Society – the employers’ organization of the regional and provincial newspapers.

**Trade Unions**

ASE Amalgamated Society of Engineers – forerunner of the Amalgamated Engineering Union.

TUC Trades Union Congress.

**France**

**Employers’ Organizations**

CGPF Confédération Générale de la Production Française/ Confédération Française du Patronat Français – names of the employers’/trade confederation prior to 1940.

CNPF Conseil National du Patronat Français – employers’/trade confederation (post-1945).

CPF Confédération de la Presse Française – employers’ organization of the provincial newspapers.

FFSPIG Fédération Française des Syndicats Patronaux de l’Imprimerie et des Industries Graphiques – printing employers’ organization.

FNB Fédération Nationale du Bâtiment – building employers’ organization.

FNTF Fédération Nationale des Travaux Publics – civil engineering employers’ organization.

FPF Fédération de la Presse Française – employers’ organization of the Paris (and some provincial) daily newspapers.

PME Confédération Générale des Petites et Moyennes Entreprises – employers’ confederation of small and medium sized firms.

UIC Union des Industries Chimiques – chemical employers’ organization.

UIH Union des Industries d’Habillement – clothing employers’ organization.

UIMM Union des Industries Métallurgiques et Minières – metalworking employers’ organization.

**Trade Unions**

CFTD Confédération Française Démocratique du Travail – second largest trade union confederation with socialist tendencies. Originally the Confédération Française des Travailleurs Chrétiens, some of whose members seceded to maintain the CFTC.

CFTC	Confédération Française des Travailleurs Chrétiens – trade union confederation with links with the Catholic church. The term ‘maintenu’ is used to describe the organization retaining the title following the formation of the CFTD.
CGC	Confédération Générale des Cadres – trade union confederation of supervisors and senior white-collar workers.
CGT	Confédération Générale du Travail – largest trade union confederation with close links with the Communist Party.
CGT-FO	Confédération Générale du Travail-Force Ouvrière – the ‘reformist’ trade union confederation which seceded from CGT in 1948. Now largely representative of white-collar workers especially in the public sector.
FDL	Fédération du Livre – main printing trade union.

### Italy

#### **Employers’ Organizations**

AIE	Associazione Italiana Editori – employers’ organization of weekly newspapers and periodicals.
AIIA	Associazione Italiana Industriali Abbigliamento – clothing employers’ organization.
AIIGCT	Associazione Italiana Industriali Grafiche Cartotecnica e Transformatrici – printing and paper products employers’ organization.
ANCE	Associazione Nazionale Costruttori Edili – construction employers’ organization.
ANIC	Associazione Nazionale dell’Industria Chimica – chemical employers’ organization.
ASAP	Associazione Sindacale per le Aziende Petrochimiche e Collegate a Partecipazione Statale – employers’ organization of public sector enterprises in the oil and chemical industries.
CONFAGRICOLTURA	Confederazione Generale dell’Agricoltura Italiana – agricultural employers’/trade confederation.
CONFCOMMERCIO	Confederazione Generale del Commercio Italiano – commercial employers’/trade confederation.
CONFINDUSTRIA	Confederazione Generale dell’Industria Italiana – employers’/trade confederation.
FEDERMECCANICA	Federazione Sindacale dell’Industria Metalmeccanica Italiana – metalworking employers’ organization.

FIEG	Federazione Italiana Editori Giornali – employers' organization of daily newspapers (and some weekly magazines).
INTERSIND	Associazione Sindacale Intersind – employers' organization of public sector enterprises.

### **Trade Unions**

CGIL	Confederazione Generale Italiana del Lavoro – main trade union confederation with strong links with the Communist Party.
CISL	Confederazione Italiana dei Sindacati Lavoratori – second largest trade union confederation with links with the Christian Democrat Party.
UIL	Unione Italiana del Lavoro – third main trade union confederation with links with the Socialist Party.

## **Sweden**

### **Employers' Organizations**

AG	Allmänna Gruppen – the so-called 'general' employers' organization which looks after the interests of the chemical employers.
BA	Byggnadsämmesförbundet – building employers' organization.
GAF	Grafiska Arbetsgivareförbundet – printing employers' organization.
JBF	Järnsbruksförbundet – iron and steel employers' organization.
SAF	Svenska Arbetsgivareföreningen – the employers' confederation.
SBI	Svenska Byggnadsindustriförbundet – civil engineering employers' organization.
SIF	Sveriges Industriförbund – the trade confederation.
SKF	Sveriges Konfektionsindustriförbund – clothing employers' organization.
SVEABUND	Svenska Väg-och Vattenbyggarnas Arbetsgivareförbund – bridges and waterways employers' organization.
SVF	Sveriges Verkstadsförening – engineering and shipbuilding employers' organization.
TAF	Tidningarnas Arbetsgivareförening – newspaper employers' organization.

**Trade Unions**

LO	Landsorganisationen i Sverige – the manual workers' trade union confederation.
PTK	Privattjänstemannakartell – the SACO and TCO 'umbrella' organization which negotiates on behalf of white-collar workers in the private sector.
SACO	Sveriges Akademikers Centralorganisationen – the professional workers' trade union confederation.
TCO	Tjänstemannens Centralorganisationen – the white-collar workers' trade union confederation.

**West Germany****Employers' Organizations**

AC	Arbeitsring Chemie – chemical employers' organization.
AES	Arbeitgeberverband Eisen und Stahl – iron and steel employers' organization.
BDA	Bundesvereinigung der Deutschen Arbeitgeberverbände – the employers' confederation.
BDI	Bundesverband der Deutschen Industrie – the trade confederation.
BDZ	Bundesverband Deutscher Zeitungsverleger – newspaper employers' organization.
BI	Bekleidungsindustrie – clothing employers' organization.
BVD	Bundesvereinigung Druck – printing employers' organization.
Gesamtmetall	Gesamtverband der Metallindustriellen Arbeitgeberverbände e.V. – engineering and shipbuilding employers' organization.
HVB	Hauptverband der Deutschen Bauindustrie – civil engineering employers' organization.
VDA	Vereinigung der Deutschen Arbeitgeberverbände – a predecessor of the BDA.
ZVB	Zentralverband des Deutschen Baugewerbes – building employers' organization.

**Trade Unions**

DGB	Deutscher Gewerkschaftsbund – the trade union confederation.
IG Metall	Industriegewerkschaft Metall – metalworkers' trade union.



## Editors' Foreword

The University of Warwick is the major centre in the United Kingdom for the study of industrial relations, its first undergraduates being admitted in 1965. The teaching of industrial relations began a year later in the School of Industrial and Business Studies, and it now has one of the country's largest graduate programmes in the subject. Warwick became a national centre for research into industrial relations when the Social Science Research Council (now the Economic and Social Research Council) located its Industrial Relations Research Unit at the University. Subsequently, in 1984, the Unit was reconstituted as a Designated Research Centre attached to the School of Industrial and Business Studies. It continues to be known as the Industrial Relations Research Unit, however, and now embraces the research activities of all members of the School's industrial relations community.

The series of Warwick Studies in Industrial Relations was launched in 1972 by Hugh Clegg and George Bain as the main vehicle for the publication of the results of the Unit's projects, as well as the research carried out by staff teaching industrial relations in the University and the work of graduate students. The first six titles in the series were published by Heinemann Educational Books of London, and subsequent titles have been published by Basil Blackwell of Oxford.

The Unit is making the role of management in industrial relations a central aspect of its current research programme. This volume, by the present Director of the Unit, is a major part of this endeavour, and presents the results of an ambitious international study. A considerable amount of material, much of it previously unavailable in English, was collected from secondary sources dealing with France, Italy, Sweden, West Germany, Britain, Japan and the USA. Original material was also gathered in a systematic programme of interviews with employers' organization officials and managers in the first five of these.

The book uses this material to present the first thorough comparative account of the role of employers and their organizations in the development and practice of collective bargaining. The starting point is the often-neglected fact that a key characteristic of the structure of collective bargaining is whether employers combine with one another to deal with trade unions. In Britain and Western Europe employers have traditionally dealt with trade unions through the agency of employers' organizations, whereas in Japan and the USA they have preferred to deal with them independently. In Western Europe multi-employer bargaining through employers' organizations continues to be the predominant pattern; in Britain multi-employer bargaining is in decline.

In accounting for the differences in employers' behaviour, the book places considerable emphasis on the origins of and early developments in the structure of collective bargaining. The institutional arrangements which emerged – and which were grounded in the different patterns of industrialization – have had a profound effect on the behaviour of employers as well as trade unions. The argument is developed in a way that makes it possible not only to present a considerable amount of empirical material but also to explain some of the key features of industrial relations in Britain and other countries.

*George Bain*  
*Richard Hyman*  
*Keith Sisson*

## Preface

This study owes a great deal to Hugh Clegg. It was Hugh who first stimulated my interest in undertaking a comparative analysis of the role of employers and their organizations. It was Hugh who, along with Jan, my wife, did so much down through the years to help me keep at it. It was Hugh who, along with other colleagues at Warwick – and notably George Bain, William Brown (now at Cambridge), Paul Edwards and Roy Lewis – read several drafts of the manuscript and made numerous suggestions for its improvement. The fact that some of the study's conclusions might be seen to be at variance with those of his own work did not appear to worry him in the slightest.

A considerable debt of gratitude is also due to the large number of employers' organization officials and managers, in this country and in France, Italy, Sweden and West Germany, whose willingness to answer questions frankly not only made the study possible, but also helped to dispel the myth that their reluctance to talk to researchers was a major reason for the neglect of management in the industrial relations literature; to Paul Banfield, Gerry Cronan, Daniel Keohane, the late Brian Robinson, and Peter Summerfield, all postgraduate students, for assisting with the fieldwork in Britain; to Jenny Jackson for helping to produce some of the statistics in the Appendix; to Annemarie Flanders for helping to produce the list of references and the index; to Connie Bussman for typing so many drafts that she probably knows the text off by heart; and to the British Academy and the Wolfson Foundation for helping to make it possible for me to spend six months of a sabbatical year in France and Italy doing fieldwork for the study.

Peter 'Jake' Jackson deserves a special word of thanks. Not only was he responsible, with the financial support of the Unit, for the original fieldwork carried out in Sweden and West Germany, but he also helped

to shape many of the questions and ideas that went into the design of the project. Had he stayed in the Unit or been able to continue on the project, there is little doubt that his name would have been included on the title page.

The bulk of the fieldwork was undertaken in the second half of the 1970s. The delay in writing up the results is entirely my own responsibility. A heavy teaching and administrative load in the School, and then the demands of being the Director of the Industrial Relations Research Unit contributed. Much more important, however, was the time taken trying to resolve a number of problems that anyone who has done serious comparative research will immediately recognize. In tackling these problems, I have tried to take into account new developments from literature published since the fieldwork was conducted, and I hope that the study has benefited by placing the fieldwork data in their broader context.

Piecing together a balanced picture from extremely superficial, and in some cases non-existent, secondary sources proved to be an exceedingly long drawn out business. Then there was the need to check, and check again, the interpretation to be placed on these sources; views about the logic of collective action by employers and the government of employers' organizations – even those of the most distinguished scholars – turned out to be especially vulnerable to the tendency to see issues simply from the standpoint of one's own country. The attempt to integrate a considerable amount of empirical material theme by theme rather than country by country also proved much more difficult than might be imagined, and explains why the material is divided country by country within four of the eight chapters. Coupled with this was the problem of developing an explanatory framework which was not so general that, in trying to explain everything, it really explained nothing, and which emphasized uniformities from one country to another and yet which took into account the rich diversity of behaviour. Finally, and perhaps most difficult and important of all, there was the problem of capturing the significance for present day behaviour of both the long-term interaction between trade unions and employers and the critical incidents in this relationship – which explains why the study does not follow recent fashion in depicting complex social processes in terms of figures and diagrams.

*Keith Sisson*

# Contents

List of Tables and Figures	ix
Abbreviations	x
Editors' Foreword	xv
Preface	xvii
<b>1 Aims and Approach</b>	<b>1</b>
The Structure of Collective Bargaining: Multi-Employer or Single-Employer Bargaining?	1
The Approach of Previous Studies	4
The Argument of the Present Study	10
The Plan of the Study	16
<b>2 Multi-Employer Bargaining in Britain and Western Europe: The Issues Redefined</b>	<b>17</b>
Britain	18
Italy	22
Sweden	27
West Germany	31
France	35
Conclusions	40
<b>3 An Anatomy of the Employers' Organizations</b>	<b>45</b>
The Structure of the Employers' Organizations	46
Primary or Secondary Organizations?	54
Membership Density	66
Legal Status	68
The Costs of Membership	69
Range of Activities	70

Government	75
Conclusions	80
<b>4 Centralized or Decentralized Negotiations?</b>	<b>81</b>
The Level of Negotiations within the Branches	81
The Role of the Employers' Confederations	90
The Significance of the Levels of Negotiations	106
<b>5 'Common Law' or 'Statute Law' Collective Bargaining?</b>	<b>109</b>
The Contents of Multi-Employer Agreements	109
The Status of Multi-Employer Agreements	121
Conclusions	134
<b>6 Trade Unionism: Challenge and Response</b>	<b>137</b>
France	141
Germany	147
Italy	151
Sweden	156
Britain	162
Summary	169
<b>7 The USA and Japan: Special Cases?</b>	<b>171</b>
The USA	174
Japan	179
Summary	185
<b>8 A Review of the Findings</b>	<b>187</b>
<b>Appendix: Who are the Employers?</b>	<b>192</b>
The Number and Size of Employers	192
Ownership and Control	198
Summary and Conclusion	199
<b>References</b>	<b>201</b>
<b>Author Index</b>	<b>213</b>
<b>General Index</b>	<b>217</b>

# List of Tables and Figures

## Tables

2.1	Types of Workplace Bargaining	42
3.1	The Employers' Confederations	47
3.2	The Branch Organizations in Chemicals	49
3.3	The Branch Organizations in Clothing	50
3.4	The Branch Organizations in Construction	51
3.5	The Branch Organizations in Metalworking	52
3.6	The Branch Organizations in Printing	53
4.1	Pay Negotiations in Sweden	95
A.1	Manufacturing Enterprises Employing Over 40,000, 1972	194
A.2	Manufacturing Establishments Employing Under Ten Persons, United Kingdom Compared with Other Countries, 1963	195
A.3	Establishment Size by Industry: United Kingdom (1968) and United States (1967)	196
A.4	Average Size of Twenty Largest Establishments by Industry: Britain, West Germany, France, Italy, Sweden, and Japan, 1963 Four-Establishment Concentration Ratios: Britain, France and West Germany	197

## Figures

3.1	The Employers' Confederations	56
3.2	The Branch Organizations in Chemicals	58
3.3	The Branch Organizations in Clothing	59
3.4	The Branch Organizations in Construction	60
3.5	The Branch Organizations in Metalworking	62
3.6	The Branch Organizations in Printing	64

## Aims and Approach

Ever since the publication *Industrial Democracy* by the Webbs in 1897, collective bargaining has been seen, first and foremost, as a method of trade union action to be compared with mutual insurance and political activity. Admittedly, perceptive observers such as Flanders (1970b: 215) have been at pains to emphasize that there could be no adequate theory of collective bargaining which saw it only in these terms and which overlooked the management interest. For reasons that are not altogether clear, however, especially in view of the attention that managerial strategies towards the control of the labour process have received in recent years (see, for example, Braverman, 1974; Burawoy, 1979 and 1985; and Edwards, 1979), there has been no systematic attempt to explore managerial attitudes and policies towards collective bargaining, even though it is one of the most important methods of settling the conditions of employment in industrialized market economies. Indeed, as Clegg (1976: 119) points out in a previous volume in this series, very little information of any kind is available about the role played by employers and their organizations in collective bargaining. The result is that there has been a widespread failure to appreciate how much this role varies from one country to another, and what the implications are for the conduct of collective bargaining.

### **The Structure of Collective Bargaining: Multi-Employer or Single-Employer Bargaining?**

The present study sets out to make a contribution towards remedying these deficiencies. It compares and contrasts the role of employers and their organizations in the development and practice of collective bargaining



in a number of industrialized market economies: Britain, France, West Germany, Italy, Japan, Sweden and the USA. In particular, it is concerned with one of the key distinguishing characteristics of the structure of collective bargaining, namely whether or not the bargaining is collective on the part of employers. By definition, collective bargaining requires collective action on the part of employees. It does not require collective action on the part of employers; individual employers as well as employers' organizations can be the bargaining agents with trade unions. In other words, collective bargaining can be multi-employer or single-employer. Furthermore, multi-employer bargaining can be national or regional in scope; it can also be single-industry or multi-industry, depending on whether or not the 'peak' employers' organization or employers' confederation is a bargaining agent. Single-employer bargaining can also take place at a number of levels depending on the structure of the firm, although this aspect will not be a major concern in the study. More importantly, the individual employer can be involved in both multi-employer and single-employer bargaining; in this case the latter is usually referred to as workplace bargaining.

To put the subject matter of the study into context, the great majority of the employers in Britain has traditionally negotiated with trade unions through the agency of an employers' organization. Such multi-employer bargaining had developed in many industries at either the district or national level by the end of the nineteenth century and was subsequently reinforced by the recommendations of the Whitley Committee during and immediately following the First World War. The report of the Donovan Commission (1968: 12) described multi-employer bargaining as the 'keystone of the formal system of industrial relations'. According to the Ministry of Labour's evidence quoted by the Commission (1968: 13), there were about 500 separate institutions, many called National Joint Industrial Councils, on which employers' organizations negotiated both substantive and procedural agreements with trade unions for entire industries or sections of industries.

Employers' organizations continue to negotiate multi-employer agreements with trade unions in most industries, but in recent years more and more issues have been covered by collective bargaining that is specific to a single employer. In 1968 the report of the Donovan Commission argued that the workplace bargaining in which employers had increasingly become involved was in many respects in conflict with the formal system of industrial relations. To deal with many of the problems that it saw stemming from this conflict, the Commission argued that employers should negotiate effective single-employer agreements to supplement the multi-employer agreements negotiated by their employers' organizations. Subsequently, the negotiation of productivity agreements, the revision of payment systems, and the introduction of job evaluation and domestic disputes and grievance procedures have achieved some of