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TABLE OF CONTENTS

TABLE OF CONTENTS 4

ABBREVIATIONS 12

INTRODUCTION 15

THE SHIPBUILDING INDUSTRY IN THE EUROPEAN UNION 18

1. Delimitation and scope of activities of the sector 18
2. Socio-economic features of the sector 21
3. Description of the organisations actives in the sector 24
4. Description of social dialogue in the sector 41

NATIONAL REPORTS 47

AUSTRIA 48

1. Description of the sector 48
2. Organisations active in the sector 49
3. Industrial relations in the sector 52
4. Conclusion 54

Abbreviations 54

BELGIUM 55

1. Description of the sector 55
2. Organisations active in the sector 56
3. Industrial relations in the sector 59

4. Conclusion 61
Abbreviations 61

CYPRUS **63**

1. Description of the sector 63
2. Organisations active in the sector 65
3. Industrial relations in the sector 66
4. Conclusion 68
Abbreviations 68

CZECH REPUBLIC **69**

1. Description of the sector 69
2. Organisations active in the sector 72
3. Industrial relations in the sector 72
4. Conclusion 73
Abbreviations 73

DENMARK **74**

1. Description of the sector 74
2. Organisations active in the sector 75
3. Industrial relations in the sector 80
4. Conclusion 81
Abbreviations 81

ESTONIA **83**

1. Description of the sector 83
2. Organisations active in the sector 85
3. Industrial relations in the sector 87
4. Conclusion 88

Abbreviations 88

FINLAND **89**

1. Description of the sector 89
2. Organisations active in the sector 91
3. Industrial relations in the sector 94
4. Conclusion 95

Abbreviations 95

FRANCE **97**

1. Description of the sector 97
2. Organisations active in the sector 99
3. Industrial relations in the sector 102
4. Conclusion 104

Abbreviations 104

GERMANY **106**

1. Description of the sector 106

2. Organisations active in the sector 107
3. Industrial relations in the sector 110
4. Conclusion 111
Abbreviations 111

GREECE **113**

1. Description of the sector 113
2. Organisations active in the sector 114
3. Industrial relations in the sector 119
4. Conclusion 120
Abbreviations 120

HUNGARY **121**

1. Description of the sector 121
2. Organisations active in the sector 124
3. Industrial relations in the sector 124
4. Conclusion 126
Abbreviations: 126

IRELAND **127**

1. Description of the sector 127
2. Organisations active in the sector 128
3. Industrial relations in the sector 129
4. Conclusion 130

Abbreviations 130

ITALY **131**

1. Description of the sector 131
2. Organisations active in the sector 132
3. Industrial relations in the sector 137
4. Conclusion 139

Abbreviations 139

LATVIA **142**

1. Description of the sector 142
2. Organisations active in the sector 144
3. Industrial relations in the sector 147
4. Conclusion 148

Abbreviations 148

LITHUANIA **149**

1. Description of the sector 149
2. Organisations active in the sector 151
3. Industrial relations in the sector 152
4. Conclusion 152

Abbreviations 153

LUXEMBOURG **154**

MALTA **155**

1. Description of the sector 155
2. Organisations active in the sector 157
3. Industrial relations in the sector 159
4. Conclusion 159

Abbreviations 159

POLAND **161**

1. Description of the sector 161
2. Organisations active in the sector 164
3. Industrial relations in the sector 167
4. Conclusion 169

Abbreviations 170

PORTUGAL **171**

1. Description of the sector 171
2. Organisations active in the sector 173
3. Industrial relations in the sector 177
4. Conclusion 177

Abbreviations 177

SLOVAK REPUBLIC **179**

1. Description of the sector 179

2. Organisations active in the sector 179
3. Industrial relations in the sector 180
4. Conclusion 181
Abbreviations 181

SLOVENIA **182**
1. Description of the sector 182
2. Organisations active in the sector 184
3. Industrial relations in the sector 185
4. Conclusion 187
Abbreviations: 187

SPAIN **188**
1. Description of the sector 188
2. Organisations active in the sector 190
3. Industrial relations in the sector 193
4. Conclusion 195
Abbreviations 195

SWEDEN **196**
1. Description of the sector 196
2. Organisations active in the sector 198
3. Industrial relations in the sector 201
4. Conclusion 202

Abbreviations 202

THE NETHERLANDS **203**

1. Description of the sector 203
2. Organisations active in the sector 204
3. Industrial relations in the sector 209
4. Conclusion 210

Abbreviations 210

UNITED KINGDOM **212**

1. Description of the sector 212
2. Organisations active in the sector 213
3. Industrial relations in the sector 215
4. Conclusion 216

Abbreviations 216

ANNEX **217**

A. References 217

B. Consultation 225

ABBREVIATIONS

Organisations' abbreviations:

AWES:	Association of European Shipbuilders and Shiprepairers
BIAC:	Business and Industry Advisory Committee to the OECD
CEC:	European Confederation of Executives and Managerial Staff
CECOP:	European Confederation of Workers' Co-operatives, Social Co-operatives and Participative Enterprises
CEEMET:	Council of European Employers of the Metal, Engineering and Technology-Based industries
CEFIC:	European Chemical Industry Council
CEI-BOIS:	European Confederation of Woodworking industries
CEN:	European Committee for Standardization
CESA:	Community of European Shipyards' Associations
CESI:	European Confederation of Independent Trade Unions
COGECA:	General Confederation of Agricultural Co-operatives in the European Union
ECEG:	European Chemical Employers Group
EFBWW:	European Federation of Building and Woodworkers
EFFAT:	European Federation of Food, Agriculture and Tourism
EICTA:	European Information & Communications Technology Industry Association
EMCEF:	European Mine, Chemical and Energy Workers' Federation
EMEC:	European Marine Equipment Council
EMF:	European Metalworkers' Federation
EPSU:	European Federation of Public Service Unions
ETF:	European Transport Workers' Federation

ETUC:	European Trade Union Confederation
ETUFTCLF:	European Trade Union Federation for Textile, Clothing, Leather and Footwear
EuPC:	European Plastics Converters
EURMIG:	European Union Recreational Marine Industry Group
Eurocadres:	Council of European Professional and Managerial Staff
FEANI:	European Federation of National Engineering Associations
FECER:	European Federation of Executives in the Sectors of Energy and Research
FEM:	European Federation of Materials Handling and Storage Equipment
FICT:	Fédération Internationale des Cadres et des Transports
ICA:	International Co-operative Alliance
ICCA:	International Council of Chemical Associations
ICEM:	International Federation of Chemical, Energy, Mine and General Workers´ Unions
ICFTU:	International Confederation of Free Trade Unions
ICOMIA:	International Council of Marine Industry Associations
IFBSO:	International Federation of Boat Show Organisers
IFBWW:	International Federation of Building and Woodworkers
IMF:	International Metalworkers' Federation
IMO:	International Maritime Organisation
IOE:	International Organisation of Employers
IOF:	International Officers Forum
ITF:	International Transport Workers' Federation
ITGLW:	International Textile, Garment and Leather Workers' Federation
IUF:	International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations
ORGALIME:	European Federation of Engineering Industrial Associations

RIOST:	International Network of Subcontracting, Industrial Cooperation and Partnership Organizations
UEAPME:	European Association of Craft, Small and Medium-sized Enterprises
UNI:	Union Network International
UNICE:	Union of Industrial and Employers' Confederations of Europe
WCL:	World Confederation of Labour
WEM:	Western European Metal Trades Employers Organisation

Abbreviations used in the text and in tables in the national summaries:

CB:	Does the organisation take part in collective bargaining?
Density companies or enterprises:	Number of enterprises of the sector affiliated to the organisation divided by the total number enterprises of the sector
Density SW:	Number of salaried workers of the sector affiliated to the organisation divided by the total number of salaried workers of the sector
SME:	Small-to-Medium Enterprise
SW:	Salaried workers

INTRODUCTION

Presentation of the study

This report has been produced as part of the research into the institutional representativeness of social partners in the European Union, and the situation of trade unions and employers' associations in the candidate countries. The research has been conducted by the Institut des Sciences du Travail (Université catholique de Louvain) at the request of the Employment and Social Affairs Directorate-General of the European Commission (Call for tenders No VC/2004/0547).

The issue of the representativeness of European organisations came to the fore in the context of the promotion of social dialogue. In a communication published in 1993[1], the European Commission set out three criteria determining the access that employers' and workers' organisations had to the consultation process under Article 3 of the Agreement on Social Policy. According to the terms of this communication, the organisation must: *(1) be cross-industry or relate to specific sectors or categories and be organised at European level; (2) consist of organisations which are themselves part of the social partners structures of Member States which have the capacity to negotiate agreements, and which are representative of all Member States, as far as possible; (3) have adequate resources to ensure their effective participation in the consultation process.* In 1996, it adopted a consultation document[2] that sought to bring together the widest range of views on the measures to be employed in fostering and strengthening European social dialogue. At that point, given that the social partners at European level were, and still are, in the process of structuring themselves and accepting new applications for membership, the European Commission conducted a study on the representativeness of inter-professional and sector organisations in the European Union, and in a new communication[3] in 1998, announced the measures that it proposed to take in order to adapt and promote social dialogue at European Union level. In it, the Commission reaffirmed the three criteria established by the 1993 Communication, permitting European organisations to be recognised as representative for consultation purposes under Article 3 of the Social Policy Agreement. Finally, in 2002, the Commission reaffirmed its support for a strengthening of social dialogue in its communication *The European social dialogue, a force for innovation and change*[4]. In the respect of the three criteria set up by the Commission, as has been pointed out in previous studies[5], *the changes focus on the disappearance of demands relating to the inter-sector nature of organisations and on the fact that they are established in all Member States; the new rules have not been formulated in a very restrictive manner, they only require employers' and workers' organisations to represent "several" Member States. This relaxation of the implementation condition might pose a demarcation problem in the sense that there is no criterion setting out a minimum number of Member States to activate it*.

Against this background, it is clear that one of the main issues, both for the Commission and for the European social partners, is the enlargement of the European Union and its impact on the process of social dialogue at Community level: *The Communication underlines the vital role and the weaknesses of social dialogue in the candidate countries. Much has been achieved over the*

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[1] COM(93) 600 final of 14 December 1993, Communication from the Commission concerning *the application of the Protocol on Social Policy*.

[2] COM(96) 448 final of 18 September 1996 concerning *the development of the social dialogue at Community level*.

[3] COM(98) 322 final of 20 May 1998, Communication from the Commission, *Adapting and promoting the Social Dialogue at Community level*.

[4] COM(2002) 341 final of 26 June 2002, Communication from the Commission, *The European social dialogue, a force for innovation and change*.

[5] Spineux A., Walthery P. et al., *Report on the representativeness of European social partners organisations*, Report coordinated by the Institut des Sciences du Travail of the Université catholique de Louvain, for the European Commission, Directorate General for Employment, Industrial Relations and Social Affairs, Louvain-la-Neuve, 1998.

past decade with the support of Community programmes and initiatives. However, a lot remains to be done to strengthen the capacities of social partners and involve them in the accession process[6]. As far as the European Commission is concerned, it is *only with sufficiently robust national structures that the social partners will be able to participate effectively in negotiations and in other European social dialogue activities and also implement agreements at national level* [7].

The development of social dialogue, therefore, formed part of the "*acquis communautaire"(community achievement): The Treaty requires that social dialogue be promoted and gives additional powers to the social partners. The candidate countries are, therefore, invited to confirm that social dialogue is accorded the importance required and that the social partners are sufficiently developed in order to discharge their responsibilities at European Union and national level, and to indicate whether they are consulted on legislative drafts relating to the taking over of the employment and social policy acquis… Therefore, the development not only of tripartite structures but also of autonomous, representative bipartite social dialogue is an important aspect for the future involvement of the candidates countries' social partners in the social dialogue activities developed at European and national level*[8].

Enlargement of the European Union is a major issue from a quantitative and qualitative point of view: *The quantitative leap is quite clear as soon as the number of partners rises. The delegations taking part in social dialogue will be enlarged, and that, as we know, does not facilitate dialogue. However, the leap is also qualitative in that the new entrants present the industrial relations systems they have inherited from their national histories*[9].

The aim of the report is to produce a study that sets out both brief descriptions of the way that social dialogue functions in the countries concerned, and descriptions of the various workers' and employers' organisations involved in social dialogue at sector level. This study may be seen as a tool to help understand these quantitative and qualitative factors.

Research approach and comments on methodology

For the purposes of this study, a network of University researchers throughout the 25 European Union Member States was set up. These researchers are independent of both the European Commission and employers' and workers' organisations. Each researcher was charged with drawing up a report based on a common template. A questionnaire tailored to the specific realities of the shipbuilding industry sector was elaborated to that effect. Each national report issued by the expert was submitted to the national organisations in order to enable them to make comments on collected data. The IST took charge of coordinating the study and drawing up the summaries. Constant communication and ongoing collaboration between the IST, national experts and national organisations takes place in order to associate the various players of the process of research. The report is also checked by the European organisations and their members in order to enable them to make comments on the report. This phase of consultation represents an important stage of research. Lastly, the report is checked by the European Commission's services. The IST wishes to stress its independence with regard to the political consequences and decisions which may be made on the basis of this study.

The research process, in its design, comprises a phase of collection of data on the players and the social dialogue in which they participate, but also an active approach embracing the building of a consensus, which is an integral part of the process of social dialogue itself. Thus, whereas in a good number of cases the data collected do not permit total definition of the role played by

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[6] COM(2002) 341 final of 26 June 2002, Communication from the Commission, *The European social dialogue, a force for innovation and change*.

[7] Op cit.

[8] *Enlargement of the European Union. Guide to the negotiations. Chapter by chapter*, European Commission, DG Enlargement, June 2003.

[9] Léonard E., Spineux A., *Les relations industrielles en Europe aujourd'hui*, Institut des Sciences du Travail, UCL, 2003 (unpublished).

the organisations, the contacts made during the data collection and the discussions with the different players concerned should be an integral part of a process of mutual recognition[10]. The main sources used within the framework of this study are thus the social partners themselves.

Lastly, a few words on the consultation process involving the European social partners must be added. The organisations which have been consulted are cited in annex. The comments that the IST received from these organisations, and those of their members have been incorporated in different ways, depending on the kind of information received:

- The observation is directly included in the content of the report
- When a difference of opinion exists between the employers' or workers' organisation and the expert, the observation is included as a footnote in the report, as well as the justification of the expert.

The consultation for this report on the shipbuilding industry took place during the months of November-December 2005.

Finally, given that national situations are very changeable and evolve rapidly, it is important to stress that the aim of this study is to take "a snapshot" of the situation of the organisations in 2005. Interviews with the organisations took place, and the national reports were written, between April and July 2005.

[10] Reply to Call for Tenders VT/2002/83. Studies on the representativeness of the social partners at sector level in the European Union and monographs on the situation of the social partners in the candidate countries, Institut des Sciences du Travail, UCL, 2002.

THE SHIPBUILDING INDUSTRY IN THE EUROPEAN UNION

Preliminary note: This comparative study does not cover Luxembourg. Not a single enterprise is active in the shipbuilding industry in that country.

1. Delimitation and scope of activities of the sector

Basically, the shipbuilding sector may be limited to activities included in the *NACE classification — REV.1, section D, division 35, group 35.1: Building and repairing of ships and boats.*

This group is divided into two classes:

- 35.11: Building and repairing of ships;
- 35.12: Building and repairing of pleasure and sporting boats.

Code 35.11 *Building and repairing of ships* includes the following activities:

- building of commercial vessels: passenger vessels, ferry-boats, cargo ships, tankers, etc.;
- building of warships;
- building of fishing boats.

This class also includes:

- construction of drilling platforms, floating or submersible;
- construction of floating structures: floating docks, pontoons, coffer-dams, floating landing stages, buoys, floating tanks, barges, lighters, etc.;
- maintenance, repair or alteration of ships.

The following activities are excluded from this class:

- manufacture of ships' propellers, see code 28.75;
- manufacture of marine engines, see code 29.11;
- manufacture of navigational instruments, see code 33.20;
- manufacture of amphibious motor vehicles, see code 34.10;
- manufacture of inflatable boats or rafts, see code 35.12.

Code 35.12 *Building and repairing of pleasure and sporting boats* includes the following activities:

- building of inflatable;

- building of sailboats with or without auxiliary motor;
- building of motor boats;
- building of other pleasure and sporting boats: canoes, kayaks, skiffs;
- maintenance, repair or alteration of pleasure boats.

The following activities are excluded from this class:

- manufacture of marine engines, see code 29.11;
- manufacture of sailboards, see code 36.40.

At European level, the workers' organisation (EMF – European Metalworkers' Federation) engaged in the sectoral social dialogue committee dedicated to the shipbuilding industry, covers the totality of NACE 35.1. The employers' organisation (CESA – Community of European Shipyards' Association) only covers NACE code 35.11 "*Building and repairing of ships".*

The delimitation of activities covered by the "shipbuilding industry" social dialogue committee does not include military shipbuilding production. Therefore, the *building of warships* has been excluded from the scope of activities covered by this study.

At national level, the range of activities statistically included in the sector is generally congruent with the NACE classification. However, it should be noted that in some countries, certain closely related activities (mainly from the supply industry, marine equipment, etc.) are sometimes considered as forming part of the sector. This is the case for Poland and Spain.

From the point of view of collective bargaining, the situation varies from one country to another. In the majority, shipbuilding constitutes part of the metalworking industry. In others, NACE 35.11 and NACE 35.12 are totally independent and under separate collective agreements.

The table below clarifies the delimitation of the shipbuilding industry in each country, from the statistical point of view and from the standpoint of collective bargaining. This information serves as a reference for the remainder of this comparative study. We have made every effort to respect as closely as possible the different national realities.

Delimitation of the shipbuilding sector from the statistical (S) and the collective bargaining (CB) point of view (by country)

Country	**Delimitation of the shipbuilding industry sector**	
Austria	S	Activities included in the sector correspond to NACE 35.1
	CB	The sector is integrated into the associational system of industrial relations that relates to the broader area of the metalworking industry
Belgium	S	Activities included in the sector correspond to NACE 35.1
	CB	The sector is integrated into the collective bargaining covering the steel, mechanical and electrical construction sectors and the metalworking industry sector
Cyprus	S	Activities included in the sector correspond to NACE 35.1
	CB	Shipbuilding industry workers are affiliated to the Cyprus Metalworkers, Mechanics and Electricians Trade Union (SEMMEK) or to the Cyprus Industrial Workers Federation (OVIEK). The latter covers the footwear, clothing, beverages, metal, plastics, chemicals, electrical and motor vehicle import sectors.
Czech Republic	S	Activities included in the sector correspond to NACE 35.1
	CB	Activities included in the sector correspond to NACE 35.1
Denmark	S	Activities included in the sector correspond to NACE 35.1

	CB	From the point of view of collective bargaining, shipbuilding constitutes part of the metal trade and industry sector.
Estonia	S	Activities included in the sector correspond to NACE 35.1
	CB	Activities included in the sector correspond to NACE 35.1
Finland	S	Activities included in the sector correspond to NACE 35.1.
	CB	Sub-sectors NACE 35.11 and NACE 35.12 are independent and mostly under separate collective agreements. Employees in the 35.11 group are mostly members of trade unions in the metal industry while employees in the 35.12 group are members of trade unions in the chemical and wood industry sectors.
France	S	Code 35.1 in the French Nomenclature of Activities divides the sector into four categories: 35.1A – Building of warships (excluded from the scope of this study); 35.1B – Civil shipbuilding; 35.1C – Repairing of ships; 35.1E – Building of pleasure boats.
	CB	The sector is not unified from the collective bargaining point of view: NAF 35.1B and 35.1C are under collective agreements for the whole metalworking industry while NAF 35.1E is under a collective agreement covering specifically this field of activity.
Germany	S	Activities included in the sector correspond to NACE 35.1
	CB	In the framework of collective bargaining, shipbuilding is included in the metalworking and electrical industries.
Greece	S	Activities included in the sector correspond to NACE 35.1
	CB	NACE 35.1 is covered by the collective agreement for the metalworking sector
Hungary	S	Activities included in the sector correspond to NACE 35.1
	CB	Activities included in the sector correspond to NACE 35.1
Ireland	S	Activities included in the sector correspond to NACE 35.1
	CB	Activities included in the sector correspond to NACE 35.1
Italy	S	Activities included in the sector correspond to NACE 35.1
	CB	The shipbuilding industry is covered by four industry-wide agreements for the wider metalworking sector.
Latvia	S	Activities included in the sector correspond to NACE 35.1
	CB	Activities included in the sector correspond to NACE 35.1
Lithuania	S	Activities included in the sector correspond to NACE 35.1
	CB	Activities included in the sector correspond to NACE 35.1
Malta	S	Activities included in the sector correspond to NACE 35.1
	CB	Activities included in the sector correspond to NACE 35.1
Poland	S	Activities included in the sector correspond to NACE 35.1. However, actors in social dialogue sometimes consider certain closely related activities, which are mainly handled by subsidiary companies, as forming part of this sector, even though they are statistically excluded.
	CB	Activities included in the sector correspond to NACE 35.1 and certain closely related activities, which are mainly handled by subsidiary companies.
Portugal	S	Activities included in the sector correspond to NACE 35.1
	CB	In the framework of collective bargaining, shipbuilding is included in the metalworking sector
Slovak Republic	S	Activities included in the sector correspond to NACE 35.1
	CB	Activities included in the sector correspond to NACE 35.1
Slovenia	S	Activities included in the sector correspond to NACE 35.1
	CB	A broad sectoral collective bargaining system covers NACE 27, 28, 29, 30, 31, 32, 33, 34 and 35
Spain	S	Activities included in the sector correspond to NACE 35.1. However, due to extensive outsourcing, it becomes extremely difficult to define the industry precisely since supply companies whose activity is not limited exclusively to shipbuilding are sometimes included in the industrial sector, and other times not. Consequently, some statistical data also includes activities of the supply companies not limited exclusively to shipbuilding (marine equipment).
	CB	The sector is covered by collective agreements for the engineering and metalworking sector.

Sweden	S	Activities included in the sector correspond to NACE 35.1
	CB	Shipbuilding is covered by agreements concluded in three different branches: engineering industries, steel and iron industries, and wood products industries.
The Netherlands	S	According to the Dutch Central Statistics Office, the shipbuilding industry is classified as follows: SBI 3511: building and repairing of ships, dredging materials, drilling platforms, and related activities; SBI 3512: building and repairing of pleasure and sporting boats.
	CB	The sector is not unified and is covered by various sectoral collective agreements. Most activities of NACE 35.11 are under umbrella agreements for the metalworking and electrical engineering sector. Other activities of NACE 35.11 as well as a large part of NACE 35.12 (building and repairing pleasure and sporting boats with a metal hull) are under the umbrella agreement for the metalworking and technology-based branches. Lastly, activities of building and repairing pleasure and sporting boats with a wooden or synthetic hull (part of NACE 35.12) are covered by a specific branch agreement.
United Kingdom	S	Activities included in the sector correspond to NACE 35.1
	CB	Activities included in the sector correspond to NACE 35.1

Source: national reports

As mentioned above, the activity of building warships has been excluded from the scope of this study. However, in some countries, it is not possible to isolate the civilian shipbuilding industry from military activities as companies in the sector undertake orders both for commercial ships and warships (this is the case in Germany, Greece, Italy, Spain, the Netherlands and the United Kingdom). In those countries, socio-economic data cover both the civilian and military shipbuilding industry.

2. Socio-economic features of the sector

The European shipbuilding industry has been faced with intense difficulties for a number of years. It has had to cope with a serious imbalance between supply and demand as well as exacerbated competition from the Southeast Asian countries (especially China, South Korea and Japan). Between 2000 and 2003, the European industry saw its orders decline by 70%[11]. In this context, a number of companies have gone out of business and in some countries the sector has almost completely disappeared. Most of the other countries have adapted their production, focusing on ships with high added value (more sophisticated products based to a higher level on the knowledge–high tech niches). This trend, coupled with innovation in production methods and active outsourcing strategies, has had the effect of cutting employment in the sector by nearly 70% since 1975[12].

This section presents the socio-economic features of the shipbuilding industry for each country. As seen from the table below, in the majority of the countries, the shipbuilding industry is a small sector within the national economy. Even if the share of the sector in total employment seldom exceeds 1%, its economical situation nevertheless varies from one country to the next. In Austria, Cyprus, Hungary, Ireland and the Slovak Republic, the importance of the sector in the national economy is almost negligible and its share in the national GDP does not exceed 0.03%. In other cases (Belgium, the Czech Republic, Malta and Slovenia), the shipbuilding industry is also considered a small activity with employment of fewer than 2,000 salaried workers. By contrast, in France, Germany, Italy, Poland, Spain, the Netherlands and the United Kingdom, the building and repairing of ships and boats employs more than 10,000 salaried workers.

[11] Report 2003 from the European Commission to the Council on the Situation in World Shipbuilding, COM(2003)232

[12] AWES annual report – 2002

Economic and employment weight of the shipbuilding sector by country

	Economic weight (share in the national GDP)	**Employment weight**	**Number of companies** a) NACE 35.11 b) NACE 35.12	**Number of salaried workers** a) NACE 35.11 b) NACE 35.12	**Commentary**
Austria	0.0017%	0.01%	a+b) 28	a+b) 305	The sector is dominated by a few very small companies (79% have fewer than 10 employees) and by one shipbuilding company with 98 employees. All in all, the presence of the sector in the country's economy is almost negligible.
Belgium	ND	0.06%	a) 66 b) 22	a) 1,123 b) 201	Following the closure of the main shipyards, the shipbuilding industry has become a very marginal activity. Today, for the most part, the sector boasts only small companies specialising in maintenance and ship repair, and there is only one shipyard facility for the repair of sea-going vessels.
Cyprus	0.0004%	0.04%	a) 8 b) 22	a) 55 b) 42	The shipbuilding industry is one of the smallest sectors of the Cypriot economy and it is characterised by small enterprises (50% do not employ salaried workers – the remainder employ fewer than 100 salaried workers)
Czech Republic	ND	Under 0.1%	a+b) 272	a+b) 552	Production has declined sharply since the early 1990s. Today, shipbuilding is a small industry and 70.22% of enterprises do not employ any salaried workers.
Denmark	0.34%	0.2%	a+b) 384	a+b) 4,722	The sector is dominated by small enterprises (65% do not employ any salaried workers) and by one large shipyard employing around 50% of salaried workers in the sector. NACE 35.12 sub-sector is relatively strong in Denmark.
Estonia	ND	0.4%	a) 57 b) 18	a+b) 2,281	The shipbuilding industry is a small sector in the Estonian economy. Only two enterprises employ more than 250 salaried workers.
Finland	0.1%	0.3%	a) 4 b) 180	a) 4,823 b) 2,100	NACE 35.11 sub-sector is dominated by four companies which together own six large shipyards. 90% of companies in NACE 35.12 sub-sector employ fewer than 10 salaried workers.
France	ND	0.75%	a) 56 b) 61	a) 8,322 b) 8,202	Both sub-sectors NACE 35.11 and NACE 35.12 employ more than 8,000 salaried workers. Turnover of the civilian shipbuilding sub-sector amounts to € 1,500 million and € 150 million for ship repairing.
Germany*	ND	0.09%	a) 79 b) 23	a) 22,359 b) 2,977	Although the German shipbuilding sector has dramatically declined since 1985, it earned € 4.5 Billion in sales in 2004. The majority of companies in the sector employed between 20 and 99 workers in 2002. The same year, 54.4% of employees worked for the eight largest shipyards (more than 1,000 employees).
Greece*	ND	ND	a+b) 996	a+b) About 8,000	Since 1986, the sector has entered a period of continuous and rapid decline reflected in the closing down of many yards. The sector is highly polarized between the three large shipyards on the one hand (employing around 40% of salaried workers in the sector), and the plethora of micro-firms located in the Perama Zone on the other.
Hungary	*This share is inexpressible (infinitesimal percentage)*	*This share is inexpressible (infinitesimal percentage)*	a) 2 b) 8	a) 135 b) 145	The shipbuilding sector is currently of negligible importance in the Hungarian economy. Only two companies build and repair ships for inland waters, and about eight smaller companies produce sailing boats, mainly made of plastic.
Ireland	0.03%	0.02%	a) 17 b) 8	a) 391 b) 58	Although the shipbuilding industry has been an important field of activities in Ireland for centuries, at present it is a small industry of 25 units. None of these companies build large sea vessels.
Italy*	ND	0.19%	a) 1,112 b) 1,925	a) 18,832 b) 7,657	The sector is characterized by the presence of a large State-owned company, Fincantieri, which accounts for about one third of total employment in the sector, and by a high polarisation between Fincantieri and a few other large or

					medium-sized private companies, on the one hand; and a multitude of SMEs, mainly contractors or companies carrying out activities of building of pleasure and sporting boats, on the other.
Latvia	ND	0.3% *(estimate)*	a+b) 45	a+b) 3,000 *(estimate)*	The sector is dominated by repair services and only two shipbuilding companies employ more than 100 salaried workers. Overall data on sales of shipbuilding and ship repair services show that the sector is currently expanding.
Lithuania	0.5% *(estimate)*	0.4% *(estimate)*	ND	a+b) 5,500 *(estimate)*	Lithuania's shipbuilding industry has been growing in recent years. Most employees work in the three largest enterprises (those with a workforce of over 1,000).
Malta	8%	1.39%	a) 3 b) 12	a) 1,846 b) 60	The sector consists of one large state-owned ship repair yard (*Malta Shipyards Limited*, employing 1,776 salaried workers), 2 small private repair yards and 12 micro-companies operating in NACE 35.12. For a long time, *Malta Shipyards Limited* was one of the main motors of the Maltese economy. However, since 1982 it has been operating at a loss and has had to rely on heavy state subsidies.
Poland	0.4% *(estimate)*	0.4%	a) 1,475 b) 235	a) 32,740 b) 2,422	In 2002, the sector underwent a major crisis in profitability. In this context, the country's main shipbuilding yards, which were privatised during the 1990s, have been wholly or partly taken over by the state. The sector has also seen the emergence of smaller private companies that specialise in building smaller vessels.
Portugal	ND	Around 0.2%	a+b) 165	a+b) 4,729	Portuguese shipyards have undergone a decline in recent years and have lost market share. Today, the sector is dominated by two large enterprises which together employ 42.9% of the sectors' workers. The remaining enterprises are SMEs.
Slovak Republic	ND	ND	a+b) 1	a+b) 1,298	Although it is a landlocked country, the Slovak Republic has always had a prosperous shipbuilding company, *Slovenske lodenice Komarno*. However, this company experienced a grave crisis in the 1990s and is struggling to survive today. It no longer plays an important role in the national economy.
Slovenia	ND	ND	a) 16 b) 24	a) 136 b) 415	The Slovenian shipbuilding industry is a small sector of activities. All companies in NACE 35.11 have fewer than 10 salaried workers. In NACE 35.12, one enterprise is characterised as large (with approximately 260 employees). Sub-sector 35.12 mainly consists of boat maintenance and repair.
Spain*	ND	0.2% *(estimate)*	a+b) 2,214	a+b) 25,000 *(estimate)*	Shipbuilding has been the target of ongoing and important restructuring for the last 20 years. These plans have involved significant reductions in the workforce. 43% of companies in the sector do not employ any salaried workers.
Sweden	0.4%	0.094%	a) 247 b) 987	a) 1,247 b) 2,352	Shipbuilding declined rapidly starting in the mid-1970s. Today, the sector has only 3,600 workers, compared to 28,000 in 1975. The sector's activities include the building of freight ships and oil platforms, and the building and repairing of pleasure and sporting boats. 67.1% of companies do not employ salaried workers.
The Netherlands*	ND	0.33%	a) 570 b) 1,025	a+b) Around 25,000	The Dutch shipbuilding industry is specialized in the production of technological high-quality ships and it has a powerful position in various niche markets. 52% of companies do not employ salaried workers.
United Kingdom*	0.1% of total turnover	0.15%	a+b) 1,463	a+b) 32,000	Between 1995 and 2003, total output for the sector declined by 4% (in constant prices). However this general picture masks a shift in production with a sharp output decline in the shipbuilding and repairing sub-sector (35.11), and growth in the pleasure and sporting boats sub-sector (35.12).

Source: national reports
* Data include the building of warships
ND: No data

The economic structure of the sector differs from one country to another. In Austria, Belgium and Cyprus, all enterprises active in the sector are SMEs (employing fewer than 200 salaried workers). The majority of the remaining countries are characterized by a polarization between a plethora of small (or small and medium-sized) firms on the one hand, and a few large companies generally employing the majority of workers in the sector on the other (the case of the Czech Republic, Denmark, Estonia, Finland, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Malta, Poland, Portugal, Spain, Sweden and the Netherlands). A good example of this situation is the case of Greece, where the sector is divided between a huge number of micro-firms (employing fewer than 10 salaried workers and making up 95% of enterprises in the sector) and three large shipyards employing 40% of workers in the sector. In some countries, this polarization matches the sub-division of the shipbuilding industry sector (NACE 35.11– Building and repairing of ships; NACE 35.12 – Building and repairing of pleasure and sporting boats). For example, in Finland, 87% of enterprises employ fewer than 10 SW, these being mainly active in NACE 35.12, while four large shipyards active in NACE 35.11 employ 61% of salaried workers in the sector (we also observe this situation in Hungary, Italy and Malta).

Lastly, it should be noted that the number of companies without salaried workers is high is some countries: Cyprus (50%), the Czech Republic (70%), Denmark (65%), Greece, Italy (40%), Spain (43%), Sweden (67%) and the Netherlands (52%).

As regards employment characteristics, the workforce in the sector is mainly male and skilled. The majority of workers are blue-collar.

3. Description of the organisations actives in the sector

1. <u>European level</u>

Workers' organisation: The European Metalworkers' Federation (EMF)

The European Metalworkers' Federation (EMF) was founded in 1971 and brings together the national professional associations representing metalworkers in the majority of the Member States of the European Union as well as from Norway and Switzerland and the candidate countries. All in all, EMF organises 6.5 million workers in 30 countries and 65 national metalworkers' unions.

The core tasks of this organisation are the following[13]:

- *To defend the trade union, social and political interests of the European metalworkers' unions vis-à-vis the EU institutions (Parliament, the Council and the Commission) and the European employers' organisations in the metal industry;*
- *To coordinate and implement the initiatives and actions of the European metalworkers' unions at European level;*
- *To serve its member organisations where European interests are involved;*
- *To collaborate with the other federations affiliated to the European Trade Union Confederation (ETUC);*
- *To represent the European interests of the metalworkers' unions at international level.*

[13] http://www.emf-fem.org

EMF has a mandate to engage in bargaining at European level, and since 2003 this organisation has participated in the sectoral social dialogue committee for the shipbuilding industry. In this framework, it focuses on the following areas: Industrial development, restructuring, competitiveness and employment; working conditions and industrial relations; globalisation and its impact on the economic and social situation; the EU's eastern enlargement and its economic and social consequences; the international division of labour and trade; training; research, technology and development; code of conduct; sustainable industrial development of the sector; work organisation and employment, the image and attractiveness of industrial work of the shipbuilding sector[14].

Employers' organisation: The Community of European Shipyards' Associations (CESA)

The Community of European Shipyards' Associations (CESA) was formally established on 28 May 2004 as a result of the merger between the Association of European Shipbuilders and Shiprepairers (AWES) and the Community of EU shipbuilders Associations (CESA). This federation represents the shipbuilding and ship repairing industry in 14 European countries.

The purposes[15] of CESA are the following:

- *To promote the interests of the European shipbuilding and shiprepair industry;*
- *To enhance cooperation of shipyards and other member companies of the National Associations of Shipbuilders and Shiprepairers in Europe;*
- *To study any matters CESA may consider to be of interest to the Industry; to promote and/or participate in any studies, reports, etc., to seek and propose solutions, and, in general, to undertake any activity in order to maintain, develop and promote shipbuilding and shiprepair in Europe;*
- *To represent on a common basis the interests of the European shipbuilding and shiprepair industry before the governing and advisory bodies of the European Union and other international entities;*
- *To promote its policies and initiatives regarding shipbuilding, shiprepair and marine industries;*
- *To promote and facilitate research, development and innovation in the shipbuilding and shiprepair industries, including the promotion of relevant projects and the dissemination of results among its members;*
- *To promote safe and environmentally friendly shipping, including an active contribution to the work of the International Maritime Organisation (IMO).*

The different working groups and committees within the CESA focus on the following areas: R&D in the field of the shipbuilding and shiprepair industry, and equipment manufacturers; monitoring of market developments; market forecast; international trade policy relating to shipbuilding; social dialogue; ship maintenance, repair and conversion group; naval yards; safety and environment.

Since September 2003, CESA has been engaged in social dialogue with EMF in the framework of a European sectoral social dialogue committee for the shipbuilding industry.

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[14] EMF Work programme 2003-2007

[15] http://www.cesa-shipbuilding.org

2. National level

Workers' organisations

At national level, the situation relative to the organisations active in the sector is rather heterogeneous.

The main objective of this part is to present for each country the different organisations active in the shipbuilding industry, their membership (total membership and number of members active in the shipbuilding industry), the density (number of salaried workers affiliated to the organisation / number of salaried workers in the sector), the recognition system, their role in sectoral collective bargaining and lastly, their European affiliations.

Workers' organisations active in the shipbuilding sector by country

Country	Organisation	Total members - Members in the sector	Density	Recognition	Role in national collective bargaining at sectoral level	European affiliations
Austria	GPA (The Union of the White-Collar Workers of the Private Sector)	287,558 - ND	ND	GPA and GMT are member unions of the national federation ÖGB which has legally granted recognition as a bargaining party. Only the ÖGB (in contrast with its member unions) has the legal right to conclude collective agreements.	GPA autonomously negotiates sectoral collective agreements but it signs in the name of the ÖGB	UNI-Europa
	GMT (The Union of the Blue-collar Workers of the Metal Industry, Mining, the Power Industry and the Textiles Industry)	216,799 - ND	ND		GMT autonomously negotiates sectoral collective agreements but signs in the name of the ÖGB	**EMF**; EMCEF
Belgium	CSC-Métal/ACV-Metal (The Metal section of the CSC)	220,000 - ND	ND	These organisations are legally recognised as representative.	It negotiates and signs sectoral collective agreements	**EMF**
	CNE (General Federation of White-Collar Workers)	120,000 - ND	ND		It negotiates and signs sectoral collective agreements	**EMF**
	LBC-NVK (General Federation of White-Collar Workers-National Managers' Union)	294,000 - ND	ND		It negotiates and signs sectoral collective agreements	**EMF**
	CMB (Metalworkers' Union)	178,000 - ND	ND		It negotiates and signs sectoral collective agreements	**EMF**
	SETCa/ BBTK (Belgian Union of White-Collar Staff, Technicians and Managers)	324,294 - ND	ND		It negotiates and signs sectoral collective agreements	**EMF**

	CGSLB/ACLVB (Federation of Liberal Trade Unions of Belgium)	220,000 - ND	ND		It negotiates and signs sectoral collective agreements	**EMF**; ETUC
Cyprus	SEMMEK (Cyprus Metalworkers, Mechanics and Electricians Trade Union)	3,180 - 60	62%	Organizations recognize one another, and are recognized by the state as representative of workers at national, industry and enterprise levels, as the case may be.	In the shipbuilding industry, SEMMEK negotiates and signs collective agreements at the enterprise level.	UNI-Europa
	OVIEK (Cyprus Industrial Workers Federation)	12,000 - 35	36%		In the shipbuilding industry, OVIEK negotiates and signs collective agreements at the enterprise level.	**EMF**; UNI-Europa; EFFAT; ETUFTCLF; EMCEF
Czech Republic	There are only two enterprise-level trade union organisations operating side-by-side in the two main shipyards. One is a union member of the Czech Metalworkers' Federation (Odborový svaz KOVO), the largest trade union in the Czech Republic; the other is a member of the Transport Workers' Union (OSD). Odborový svaz KOVO is a member of EMF.					
Denmark	"CO-Industri" Cartel (Central Organisation of Industrial Employees)	306,794 - ND	ND	Mutual recognition (this recognition system is laid down by collective agreements).	It negotiates and signs sectoral collective agreements	**EMF**
	Danish Metalworkers Union (Dansk Metal)	140,618 - Approx. 3,000	63.5% (estimate)		It negotiates and signs sectoral collective agreements	ETF; **EMF** (indirectly through CO-Industri)
	Malerforbundet I Danmark (National Painters Union in Denmark)	14,000 - 358	7.6%		It negotiates and signs sectoral collective agreements	**EMF** (indirectly through CO-Industri)
	3F (United Federation of Danish Workers)	363,729 - ND	ND		It negotiates and signs sectoral collective agreements	EFBWW ; UNI-Europa ; **EMF** (indirectly through CO-Industri)
	TL (Danish Association of Professional Technicians)	30,650 - ND	ND		It negotiates and signs sectoral collective agreements	UNI- Europa; **EMF**(indirectly through CO-Industri)
	HK-Private (Union of Commercial and Clerical Employees in Denmark)	370,420 - ND	ND		It negotiates and signs sectoral collective agreements	UNI-Europa ; ETF ; **EMF** (indirectly through CO-Industri)
	DEF (Danish Union of Electricians)	30,107 - ND	ND		It negotiates and signs sectoral collective agreements	UNI-Europa; **EMF** (indirectly through CO-Industri)
	TIB (Danish Union of Wood, Industrial and Building Workers)	68,000 - Approx. 300 (TIB estimate)	6.4% (estimate)		It negotiates and signs sectoral collective agreements	EFBWW; **EMF** (indirectly through CO-Industri)

	IDA (Danish Society of Engineers)	61,000 - more than 300 (IDA estimate)	7% (estimate)		IDA does not take part in sectoral collective bargaining for the sector	**EMF**; FEANI
	MMF (Danish engineers´ Association)	8,711 - Approx. 13	0.2 %		It negotiates and signs sectoral collective agreements	FICT; FECER
Estonia	There is only one enterprise-level trade union organisation operating in the sector (Loksa Shipyard's trade union). This union covers 14.2% of salaried workers in the sector and is a member of the national sectoral organisation: the Federation of Water Transport Workers' Trade Unions (EVAF). EVAF is not a member of any European or international organisation.					
Finland	Metalli (Metalworkers' Union)	167,400 - ND	95-98% of NACE 35.11	There is no formal recognition system on the part of the social partners. The recognition system is based mainly on mutual recognition.	It signs sectoral collective agreements for the metalworkers (including NACE 35.11 workers)	**EMF**
	Kemianliitto (Chemical Workers´ Union)	49,000 - ND	ND		It signs sectoral collective agreements for the chemical industry (including NACE 35.12 workers)	No
	PUULIITTO (Wood and Allied Workers' Union)	50,000 - 812	53% of boats builders		It signs sectoral collective agreement applying exclusively to the builders of boats	NFBWW EFBWW
	TU (Union of Salaried Employees)	130,000 - ND	ND		It signs collective agreements for white-collar workers through various sectors (including NACE 35.1)	**EMF**; EMCEF; NIF
	AKAVA (Confederation of Unions for Academic Professionals in Finland) – IL ry is one of its member (for more details, see the national report)	436,000 - ND	ND		It signs collective agreements for high level education, experts and managerial staff through various sectors (including NACE 35.1)	ETUC; Eurocadres; **EMF** (IL ry)
	Sähköalojen ammatttiliitto (Trade Union for Electrical Branch employees)	32,000 - ND	ND		It signs collective agreements for electrical workers through various sectors (including NACE 35.1)	No
France	FTM-CGT (Metalworkers' Federation of the General Confederation of Labour)	ND - 1,800	21.6%	These organisations are legally recognised as representative in NACE 35.11	It signs sectoral collective agreements for the metalworking sector (including NACE 35.11 workers)	**EMF**
	FO-Métaux (Workers' Force Metallurgy Confederated Federation)	ND - ND	ND		It signs sectoral collective agreements for the metalworking sector (including NACE 35.11 workers)	**EMF**
	FGMM-CFDT (Mines and Metallurgy General Federation of the French Democratic Confederation of Labour)	ND - ND	ND		It signs sectoral collective agreements for the metalworking sector (including NACE 35.11 workers)	**EMF**

	Fédération de la métallurgie de la CFE-CGC (French Confederation of Professional and Managerial Staff)	ND - ND	ND		It signs sectoral collective agreements for the metalworking sector (including NACE 35.11 workers)	No
	FGM-CFTC (Metallurgy General Federation of the French Christian Workers' Confederation)	ND - ND	ND		It signs sectoral collective agreements for the metalworking sector (including NACE 35.11 workers)	**EMF**
	Fédération nationale des industries chimiques de la CGT (CGT National Federation of the Chemical Industries)	ND - ND	ND	These organisations are legally recognised as representative in NACE 35.12	It signs sectoral collective agreements for NACE 35.12 exclusively	ND
	Fédération Bâtiment/Bois de la CGT-FO (CGT-FO Building/Wood Federation)	ND - ND	ND		It signs sectoral collective agreements for NACE 35.12 exclusively	ND
	Fédération Chimie et Energie de la CFDT (CFDT Chemical and Energy Federation)	ND - ND	ND		It signs sectoral collective agreements for NACE 35.12 exclusively	ND
	Fédération de la métallurgie de la CGC (CGC Metallurgy Federation)	ND - ND	ND		It signs sectoral collective agreements for NACE 35.12 exclusively	ND
	Fédération Bâtiment/Bois de la CFTC (CFTC Building/Wood Federation)	ND - ND	ND		It signs sectoral collective agreements for NACE 35.12 exclusively	ND
Germany	IG Metall (Trade Union in manufacturing and services of the metal, electrical, textile, garment, wood and plastics industries)	2,426,094 - 12,053	40-50%	Mutual recognition system	IG Metall negotiates and signs sectoral collective agreements for metal and electrical industries	**EMF**; EFBWW
Greece	POEM (Panhellenic Metalworkers' Federation)	35,000 - 6,000	75% (estimate)	ND	It negotiates and signs sectoral collective agreements at national level	**EMF**

	Syndikato Ergatoypallilon Metallou Peiraia, Attikis & Nisson (Piraeus Metalworkers' Union)	9,500 - ND	ND		It negotiates and signs sectoral collective agreements at local level	No
	Panellinia Enossi Amovoliston, Kathariston, Bafeon (Panhellenic Association of Sandblasters, Cleaners, Painters, and similar occupations)	2,738 - ND	ND		It negotiates and signs sectoral collective agreements at local level	No
	Somateio Katergassias Xylou & Nafpigoxylourgikon Ergassion Peiraios & Perihoron (Association of Wood–processing and Vessel Woodwork of the Piraeus region)	800- 800	100% of the sub-sector's employees in the Region		It negotiates and signs sectoral collective agreements at local level	No
	Sonateio Ilektrologon Episkevon Egatastaseon Ploion Attikis & Nisson (Union of Electricians in Ship-repairing of Attica)	380 - ND	ND		It negotiates and signs sectoral collective agreements at local level	No
Hungary	There is only one enterprise-level trade union organisation operating in the sector (Balaton Shipping Company Trade Union). This union covers 10.7% of workers in the sector.					
Ireland	No trade union represents the workers in the Irish shipbuilding industry.					
Italy	FIOM (Federation of White- and Blue-collar Metalworkers)	about 364,000 - ND	ND	The Italian recognition system is highly informal and uncertain as a contrast between constitutional principles and actual practice is observed. Indeed, the Constitution states that only "registered" trade unions are allowed to sign collective agreements, but in practice, *mutual recognition* is the only principle followed for the negotiation of national collective agreements.	Signatory of sectoral collective agreement for metalworking industry	**EMF**
	FIM (Italian Federation of Metalworkers)	190,118 - ND	ND		Signatory of sectoral collective agreement for metalworking industry	**EMF**
	UILM (Union of Italian Metalworkers)	91,110 - ND	ND		Signatory of sectoral collective agreement for metalworking industry	**EMF**
	UGL Metalmeccanici (Federation of Italian Metalworkers)	ND - ND	Less than 1% (estimate)		Signatory of sectoral collective agreement for metalworking industry	No
	FAILM (Italian Autonomous Federation of Metalworkers)	ND - ND	Less than 1% (estimate)		It does not take part in sectoral collective bargaining	CESI

	Federmanager (National Federation of Industrial Company Managers)	about 80,000 - about 40	about 0.1%		It signs intersectoral agreements for industrial managers	No
Latvia	ŪTAF (Water Transport Trade Union Federation)	2,500 - 93	3%	The social partners have no formal or reciprocal recognition systems	It signs two enterprise-level collective agreements	ETF
	Latvijas Kuģu Remonta Arodbiedrība (Latvian Ship Repair Trade Union)	354 - 354	12%		It signs two enterprise-level collective agreements	No
Lithuania	There is no sector-level union federation for the shipbuilding sector					
Malta	GWU (General Workers' Union)	48,000 - 1,808	94.8%	ND	It negotiates and signs enterprise-level collective agreements for the shipbuilding industry	**EMF**; ETUC
Poland	Maritime Industry Workers' National Section of the Independent Self-Governing Trade Union "Solidarnosc" (Sekcja Krajowa Przemyslu Okretowego NSZZ "Solidarnosc")	7,611 - 7,611	21.6%	These organisations are officially recognised by the employers as representative partners	This organisation has the power to sign bipartite sectional collective agreements	**EMF** through the Office of the Metal workers
	WZZPGM (Free Trade Union of Maritime Industry's' Workers)	9,000 - 5,500	15.6%		This organisation has the power to sign bipartite sectional collective agreements	No
Portugal	FEQUIMETAL (Inter-union Federation of Metallurgy, Mines, Chemicals, Pharmaceutical, Petrol and Gas Industry)	82,000 - 2,540	45.5%-53.7% (depending on the source)	Organisations that take part in collective bargaining in the sector are automatically recognised as representative.	It negotiates and signs sectoral collective agreements for the entire metalworking sector	**EMF**
	SINDEL (National Industry and Energy Trade Union)	ND - 120	2.1%-2.5%		It negotiates and signs sectoral collective agreement for the entire metalworking sector	EMCEF; EPSU
	SIMA (Trade Union of Metallurgical and Similar Industries)	65,000 - 1,000	17.9%-21.1% (depending on the source)		It negotiates and signs sectoral collective agreement for the entire metalworking sector	**EMF**
Slovak Republic	Slovenske lodenice Komarno trade union: this trade union is active in the company *Slovenske lodenice Komarno* (there is only one enterprise active in the sector in the country). It covers 46.2% of workers in the enterprise. Once a year, the trade union concludes an enterprise collective agreement with the employer. The Slovenske lodenice Komarno trade union is a member of KOVO (the Slovak Metalworkers' Union), which is a member of EMF.					
Slovenia	There are no trade unions in Slovenia that deal with workers in the shipbuilding industry.					
Spain	FM-CCOO (Metal and Steelworks Federation of Workers' Commissions)	185,000 - 5,500	22%	Spanish legislation recognises the right to take part in collective bargaining for trade unions according to their results in social elections at	It negotiates and signs sectoral collective agreement at provincial or autonomous community level	**EMF**

	MCA-UGT (National Federation of Metal and Construction Workers and Allied Trades of the General Workers Union)	169,500 - 3,400	14%	company level.	It negotiates and signs sectoral collective agreement at provincial or autonomous community level	**EMF**
	CIG-METAL (Metalworkers' Federation of the Galician Trade Union Confederation)	8,539 - 879	3.5% in Spain; 12% in Galicia		It negotiates and signs sectoral collective agreement at provincial or autonomous community level	No
	ELA-METALA (Federation of Metalworking Industries and Allied Trades of Basque Workers' Solidarity)	ND - ND	ND		It negotiates and signs sectoral collective agreement at provincial or autonomous community level	**EMF**
	CAT (Autonomous Collective of Workers)	1,600 - 1,000	4%		It negotiates and signs enterprise-level collective agreements	No
Sweden	Metall (The Metall Workers' Union)	284,405 - 568	15.8%	ND	It negotiates and signs sectoral collective agreements for blue-collar workers	**EMF**; EMCEF; NM; NIF
	Skogs-och Träfacket (The Forest and Wood Workers' Union)	45,741 - 513	14.3%		It negotiates and signs sectoral collective agreements for blue-collar workers	EFBWW; NBTF
	CF (The Swedish Association of Graduate Engineers)	75,900 - 158	4.4%		It negotiates and signs sectoral collective agreements for blue-collar workers	**EMF**; EMCEF; NM; NIF
	SIF (The Union of White-Collar workers in Industry)	301,086 - 626	17.4%		It negotiates and signs sectoral collective agreements for white-collar workers	**EMF**; EMCEF; NM; NIF; EFBWW; NBTF
	LEDARNA (Association of Management and Professional Staff)	65,000 - 155	4.3%		It negotiates and signs sectoral collective agreements for white-collar workers	CEC
The Netherlands	FNV Bondgenoten, Sector Metaal (FNV Allied Section, Metal Sector)	ND - 5,000-5,500 (estimate)	20-25%	Mutual recognition	It negotiates and signs sectoral collective agreements	**EMF**

	FNV Bondgenoten, Sector Bouw (FNV Allied Section, Construction Industry sector)	ND - ND	ND		It negotiates and signs sectoral collective agreements	EFBWW
	CNV Bedrijvenbond Vakgroep Metaal en Electro (CNV industrial, food production and transport sectors, Metal and Electrical section)	ND - 2,900 in all; 1,350 (without unemployed and pensioners)	5.5%		It negotiates and signs sectoral collective agreements	**EMF**
	CNV Hout- en Bouwbond (CNV wood and construction industry)	ND - ND	ND		It negotiates and signs sectoral collective agreements	EFBWW
	De Unie (The Union)	ND - 500	2%		It negotiates and signs sectoral collective agreements	**EMF**
	VHP Metalectro (Association for Higher personnel in the metalworking and electrical engineering sector)	ND - ND	ND		It negotiates and signs sectoral collective agreements	**EMF**
United Kingdom	Amicus	1,200,000 - 6,000 *(estimate)*	ND	ND	They belong to the bargaining cartel "CSEU" (Confederation of Shipbuilding and Engineering Unions) which is the negotiating body for collective bargaining on pay and employment conditions at enterprise level. Moreover, these organisations take part in tripartite consultation (negotiation) in the sector.	ETUC; **EMF**
	GMB	600,000 - 22,000 *(estimate)*	ND			ETUC; **EMF**
	TGWU	835,000 - ND	ND			ETUC; **EMF**

Source: National reports
ND: No data

As can be seen from the table, the European Metalworkers' Federation (EMF) has members in 18 of the 24 countries taken into account in this comparative study. In many cases, EMF represents several trade unions in the same country. EMF has no affiliated members covering the shipbuilding industry in Estonia, Hungary, Ireland, Latvia, Lithuania or Slovenia. However, it should be noted that five of these countries present particular industrial relations systems for the shipbuilding industry:

- In Ireland and Slovenia, no national trade union organization represents shipbuilding industry workers. This situation may be explained by the small number of workers in the sector (551 in Slovenia; 449 in Ireland). In Ireland, the huge prevalence of small companies also hinders the presence of trade unions.
- In Estonia, Hungary and Lithuania, the sector is characterized by the prevalence of enterprise-level trade union organizations. In Estonia and Hungary, only one enterprise-level trade union represents shipbuilding industry workers; these organizations cover less than 15% of salaried workers in the sector in both cases (14.2% in Estonia, 10.7% in Hungary). They

are affiliated to higher-level national organizations but none of these sectoral organizations are EMF members. There are no data as regards the enterprise-level trade unions active in Lithuania.

Generally speaking, the member organisations of EMF include the main or some of the main trade unions in the sector. All these organisations take part in collective bargaining covering shipbuilding industry workers, except in Denmark where IDA only provides legal support and guidance during individual negotiations for its members. In the Czech Republic, Malta, the Slovak Republic and the United Kingdom, this participation takes place at enterprise level since there are no collective negotiations at sector level (indirectly through their members' organisations in the Czech Republic and in the Slovak Republic).

It is also worth noting that, in many cases, the other organisations that are not members of EMF often represent a smaller sub-sector or a larger sector (wood construction, chemical workers, electrical workers), a particular territory (local, provincial trade unions) or a specific category of employees (Management and Professional staff).

Employers' organisations

Employers' organizations active in the shipbuilding industry by country

Country	Organisation	Company members — Density companies	Salaried workers — Density salaried workers	Recognition	Role in national collective bargaining at sectoral level	European affiliations
Austria	FMS (The Federal Organization of the Machinery Industries)	28 (in NACE 35.1); 595 in total – 100%	305 (in NACE 35.1); 64,782 in all – 100%	FMS is part of the Austrian Chamber of the Economy (WKÖ): each Federal Organization of the WKÖ can directly conclude collective agreements.	FMS is a member of the bargaining cartel which negotiates and concludes collective agreements on behalf of employers of the metal-working industry.	CECIMO; CECOF; CEMA; ELA; EUCETSA; EUMABOIS; EUROPUMP; FEBMA; WEM; ACEA; ACEM; CLCCR; COLIBI; EUROFEU
Belgium	Agoria	15 (directly or indirectly linked to NACE 35.1); 1,300 in all – ND	ND – ND	This organisation is legally recognised as representative.	It negotiates and signs sectoral collective agreements.	WEM ; ORGALIME ; Eurométaux ; EuPC; EICTA; Others

Cyprus	No employers' organisation exclusively represents the shipbuilding industry sector. However, some companies are members of the Federation of Employers and Industrialists (OEV). OEV does not participate in collective bargaining in the shipbuilding sector but it provides its members with advice and information to enable them to negotiate and conclude enterprise collective agreements with trade unions.					
Czech Republic	No employers' organisation in the Czech Republic covers shipbuilding industry companies.					
Denmark	DI (Confederation of Danish Industries)	92 – 24%	4,050 – 85.8%	Mutual recognition – This recognition system is laid down by collective agreements.	It negotiates and signs sectoral collective agreements	UNICE
	Danske Maritime (Danish Maritime)	9 (in NACE 35.11) – all the largest shipyards	3,150 (in NACE 35.11) – 66.7% (in NACE 35.1)		It does not take part in sectoral collective bargaining for the sector	**CESA**
	Skibs- og Bådebyggeriernes Arbejdsgiverforening (Employer's Association of Ship and Boat Building)	75 – 19.5%	Approx. 900 – 19%		It does not take part in sectoral collective bargaining for the sector	No
	DS (Association of Danish Master Smiths in Craft and Industry)	Minimum 40 – ND	ND – ND		It negotiates and signs sectoral collective agreements	No
	Foreningen for Skibs- og Bådebyggere i Danmark (Association for Ship and Boat Building in Denmark)	ND – ND	ND – ND		It negotiates and signs sectoral collective agreements	No
Estonia	No employers' organisation exclusively represents the shipbuilding industry sector. However the two main shipyards in the country are both members of the Estonian Employers' Confederation (ETTK) and together with another enterprise are members of the Federation of Estonian Engineering Industry (EML). At present, these organisations do not participate in collective bargaining in the shipbuilding sector and are not members of the European employers' organisation, CESA.					
Finland	Teknologiateollisuus ry (Technology Industries of Finland)	6 – 100% of NACE 35.11	5,500 – 100% of NACE 35.11	There is no formal recognition system for the social partners. The recognition system is based mainly on mutual recognition.	It negotiates and signs sectoral CA for the entire metalworking sector	ORGALIME; CEEMET
	AFMI (Association of Finnish Marine Industries)	46 in all; 6 in NACE 35.11 – 100% of NACE 35.11	15,000 in all; 5,500 in NACE 35.11 – 100% of NACE 35.11		It does not take part in collective bargaining	**CESA**; EMEC
	Finnboat (Finnish Marine Industries Federation)	170 – 90% of NACE 35.12	2,100 – 99% of NACE 35.12		It does not take part in collective bargaining	ICOMIA
	Venealan työnantajat ry (Employers of the Boating Industries)	16 – 9% of NACE 35.12	800 – 38% of NACE 35.12		It negotiates sectoral collective agreement for NACE 35.12 workers exclusively but it does not sign the agreement	No
France	CSCN (Shipbuilders' Employers Federation)	6 – 21.4%	3,860 – 59.38%	There is no recognition system provided by law for employers' organisations.	It does not take part in collective bargaining	**CESA**

	UIMM (Union of Metallurgy Industries and Trades)	ND – ND	ND – ND		It negotiates sectoral collective agreement (at national and territorial level) for the entire metalworking industry	CEEMET
	FIN (Federation of Nautical Industries)	ND – ND	ND – ND		It negotiates sectoral collective agreement at national level for the NACE 35.12 sub-sector	No
Germany	Gesamtmetal Nord-West-Metall (Employers' Association for the Metal and Electrical Industry North-West-Metal)	40 of which 6 shipyards – 6%	Approx. 14,550 of which 3,985 in the yards – 16%	Mutual recognition system	It negotiates sectoral collective agreement for metal and electrical industries at regional level	No
	Gesamtmetal Metall Unterweser (Employers' Association for the Metal and Electrical Industry Metal Unterweser)	ND – ND	36,600 in total – ND		It negotiates sectoral collective agreement for metal and electrical industries at regional level	No
	Gesamtmetal Nordmetall (Employers' Association for the Metal and Electrical Industry North-Metal)	250 of which approx. 25 yards – 25%	8,000 in the shipbuilding – 32%		It negotiates sectoral collective agreement for metal and electrical industries at regional level	No
	VSM (German Shipbuilding and Ocean Industries Association)	110 in all; 60 in NACE 35.11 – 76% of NACE 35.11	21,195 in NACE 35.11 – 95% of NACE 35.11		It does not negotiate collective agreements	**CESA** ; EMEC
Greece	GSEVEE (General Confederation of Greek Small Business & Trades)	ND – ND	ND – ND	This organization is recognized as representative at national level	It concludes various sectoral collective agreements at national level	UEAPME
	ENEPEM (Association of Metal Production and Processing Industries of Piraeus)	60 in all; ND for NACE 35.1 – ND	ND – ND	ND	It concludes sectoral collective agreements for metal industry workers at national level	European Federation of Metal Industries
	ENAP (Association of Piraeus Shipbuilders)	300 in all; ND for NACE 35.1 – ND	ND – ND	ND	It concludes sectoral collective agreements at local level	No
	Association of Artisans – Employers-Mechanics of Piraeus	78 in all; ND for NACE 35.1 – ND	ND – ND	ND	It concludes sectoral collective agreements at local level	No
	Association of Contractors of Vessel Woodworks of Piraeus Area	21 in all; ND for NACE 35.1 – 100% of the sub-sector in the region	ND – ND	ND	It concludes sectoral collective agreements at local level	No

	Association of Sandblasting, Painting & Cleaning Contractors of Attica	37 in all; ND for NACE 35.1 – ND	ND – ND	ND	It concludes sectoral collective agreements at local level	No
	Association of Electricians for Shipbuilding and Ship-Repair Activities of Piraeus	Around 100 – ND	ND – ND	ND	It concludes sectoral collective agreements at local level	No
	EENB (Association of Hellenic Shipbuilding and Ship-repairing Industries)	3 – EENB represents the three larger shipyards	3,174 – 49% of NACE 35.11	ND	It does not take part in collective bargaining for the sector	**CESA**
	Association of Perama Shipyard Owners	ND – ND	ND – ND	ND	It does not take part in collective bargaining for the sector	No
Hungary	There is no employers' organization active in the sector					
Ireland	IMF (Irish Marine Federation)	90 in all; 4 for 35.1 – 80% of the marine industry	ND – ND	No recognition measure	It does not take part in collective bargaining	EURMIG
Italy	Federmeccanica (Italian Federation of Metalworking Industries)	ND – ND	ND – ND	The Italian recognition system is highly informal and uncertain and constitutional principles contrast with actual practice. Indeed, the Constitution states that only "registered" trade unions are allowed to sign collective agreements, but in practice, *mutual recognition* is the only principle governing the negotiation of national collective agreements	It negotiates and signs sectoral collective agreement for the metalworking sector	No
	Assonave (Italian Association of Shipbuilders)	15 – ND	7,765 – 41.2% of NACE 35.11		It does not play any role in collective bargaining	**CESA**; EMEC
	UCINA (National Union of Shipyards and Shipbuilding and Allied Industries)	about 400 – about 21% of NACE 35.12	ND – ND		It does not play any role in collective bargaining	No
	Unionmeccanica (Italian Association of Small and Medium-sized Metalworking Industries)	ND – ND	ND – ND		It negotiates and signs sectoral collective agreement for the metalworking sector	No
	ANCPL (National Association of Manufacturing and Labour Co-operatives)	ND – ND	ND – ND		It negotiates and signs sectoral collective agreement for the metalworking sector	CECOP

	Federlavoro e Servizi (National Federation of Manufacturing and Labour Co-operatives)	ND – ND	ND – ND		It negotiates and signs sectoral collective agreement for the metalworking sector	No
	AICPL (Italian Association of Manufacturing and Labour Services Co-operatives)	ND – ND	ND – ND		It negotiates and signs sectoral collective agreement for the metalworking sector	No
	FNAM (National Federation of Metalworking Artisans)	ND – ND	ND – ND		It negotiates and signs sectoral collective agreement for the metalworking sector	No
	Assomeccanica (National Mechanical Engineering Association)	ND – ND	ND – ND		It negotiates and signs sectoral collective agreement for the metalworking sector	No
	CASA (Independent Confederation of Artisans' Organisations)	ND – ND	ND – ND		It negotiates and signs sectoral collective agreement for the metalworking sector	No
	CLAAI (Confederation of Italian Free Crafts Associations)	ND – ND	ND – ND		It negotiates and signs sectoral collective agreement for the metalworking sector	No
Latvia	Mašīnbūves un Metālapstrādes Rūpniecības Uzņēmēju asociācija (Association of Mechanical Engineering and Metalworking Industries of Latvia)	97 in all – 12-13% (estimate)	ND – ND	The social partners have no formal or reciprocal recognition systems	It does not take part in collective bargaining for the shipbuilding sector	ORGALIME
Lithuania	LLSRA (Association of Lithuanian Shipbuilders and Ship Repairers)	28 – 30% (estimate)	5,100 – 90% (estimate)	ND	It does not have the power to negotiate or sign collective agreements.	No
Malta	Malta Boat Builders' Federation	11 – 91.6% (NACE 35.12); 73.3% (NACE 35.1)	40 – 66.7% (NACE 35.12) ; 2.1% (NACE 35.1)	ND	It does not take part in collective bargaining	No
Poland	ZPFO (Association of Polish Maritime Industries)	35 – ND	32,000 – 91%	This organization is recognized as representative	It is empowered to sign sectional collective agreements at national level	**CESA**

Portugal	AIM (Maritime Industries Association)	45 – 16.9%-27.3% of NACE 35.1 (depending on the source)	ND – 90% of NACE 35.1	Organisations that take part in collective bargaining in the sector are automatically recognised as representative.	It does not take part in sectoral collective bargaining. It is represented in collective bargaining by the National Metal Federation (FENAME) to which it is affiliated.	**CESA**
	AIMMAP (Association of Metallurgical, Metal Mechanics and Similar Industries of Portugal)	5 in NACE 35.1 – 1.9%-3% (depending on the source)	313 in NACE 35.1 – 5.6%-6.6% (depending on the source)		It signed a sectoral Collective Labour Contract covering the metalworking sector (including the ship building and repair sector)	No
	ANEMM (National Association of Metalworking Industries)	about 5 in NACE 35.1 – 1.9%-3% (depending on the source)	ND – ND		It does not take part in sectoral collective bargaining. It is represented in collective bargaining by the National Metal Federation (FENAME) to which it is affiliated.	CEEMET ; ORGALIME ; FEM ; CEMA
Slovak Republic	No employers' organisation represents the shipbuilding sector.					
Slovenia	ZKI (Metal Processing Industry Association)	40 in NACE 35.1 – 100%	551 in NACE 35.1 – 100%	Mutual recognition	ZKI signed a collective agreement covering sectors NACE 27 to NACE 35. It is currently involved in negotiation of a new collective agreement.	ORGALIME
Spain	UNINAVE (Spanish Union of Shipbuilders)	22 – 1% of NACE 35.1	13,500 – 54% of NACE 35.1	The law establishes that the proportion of negotiating rights for employers' organisations is based on the number of workers in the companies affiliated to their organisation	It does not intervene in the collective bargaining process with the unions.	**CESA**
	AEDIMAR (Spanish Association of Maritime Equipment Industries)	250 – 11%	10,500 – 42%		It does not intervene in the collective bargaining process with the unions.	EMEC
	PYMAR (Small and Medium-sized Shipyards in Process of Restructuring S.A.)	23 – 1%	2,523 – 10%		It does not take part in the bargaining process leading to collective agreements.	No
	CONFEMETAL (Spanish Confederation of Metalworking Employers' Organisations)	ND – ND	ND – ND		Although it does not itself take part in collective bargaining, the provincial level collective agreements in the metal industry affecting companies in shipbuilding are nevertheless negotiated by territorially based employers' associations which are overwhelmingly affiliated to CONFEMETAL.	CEEMET
Sweden	Teknikföretagen (The Association of Swedish Engineering Industries)	17 in NACE 35.1 – 4.2%	403 in NACE 35.1 – 11.2%	ND	It negotiates and signs sectoral collective agreements for blue-collar workers and white-collar workers	CEEMET; ORGALIME
	Metallgruppen (The Association of Swedish Metal Industries)	1 in NACE 35.1 – 0.3%	147 in NACE 35.1 – 4.1%		It negotiates and signs sectoral collective agreements for blue-collar workers and white-collar workers	No

	TMF (The Association of Wood and Furniture industries)	10 in NACE 35.1 – 2.5%	500 in NACE 35.1 – 13.9%		It negotiates and signs sectoral collective agreements for blue-collar workers and white-collar workers	CEI-BOIS
The Netherlands	VNSI (Netherlands' Shipbuilding Industry Association)	165 – 95% in building of sea ships; 65% in repairing of ships; 55% in building of small ships	ND – ND	Mutual recognition	VNSI does not directly participate in collective bargaining for the sector (it participates indirectly through its membership of higher level national federation).	**CESA**
	FME-CWM (Federation for the Metal and Electrical Industry – Contact Group of Employers in the Metal Industry)	165 in NACE 35.1 – around 95% in NACE 35.1 (estimate)	ND – ND		It negotiates and signs sectoral collective agreements	CEEMET
	Koninklijke Metaalunie (Royal Metalunion)	200 in the yacht building industry, 50 in the shipbuilding industry and 75 shipbuilding supply companies – 90-95% in NACE 35.12	3,800 in NACE 35.1 (estimate) – ND		It does not directly participate in collective bargaining for the sector (it participates indirectly through its membership of a higher level national federation).	No
	HISWA Vereniging (Dutch Boating Industry Association)	1,100 in all – 60% of NACE 35.12	ND – ND		It negotiates and signs sectoral collective agreements	EURMIG
United Kingdom	SSA (Shipbuilders and Shiprepairers Association)	50 – ND	ND – ND	ND	It participates in collective bargaining in the sector but this is infrequent, and generally on a company-by-company basis rather than industry-wide.	**CESA**

Source: National reports
ND: No data

The Community of European Shipyards' Associations (CESA) has members in 11 of the 24 countries taken into account in this study[16]. CESA has no affiliated member in Austria, Belgium, the Czech Republic, Cyprus, Estonia, Hungary, Ireland, Malta, the Slovak Republic, Slovenia, Latvia, Lithuania and Sweden. In three of these countries (the Czech Republic, Hungary and the Slovak Republic), no national employers' organisation represents shipbuilding companies. Furthermore, in Austria, Belgium, Cyprus, Estonia, Latvia and Sweden, employers' organisations active in the sector are not exclusively dedicated to the shipbuilding industry but usually cover the wider metalworking sector or the engineering industry. Employers' organisations exclusively representing shipbuilding companies exist in the remaining three countries (Ireland, Malta and Lithuania). None of these belongs to CESA but the Association of Lithuanian Shipbuilders and Ship Repairers (LLSRA) is currently preparing to join the European organisation.

[16] In addition, the organisation has members in Romania, Croatia and Norway. These countries are not covered by this comparative study.

Generally speaking, member organisations of CESA include some or all of the main employers' organisations in the *Building and Repairing of ships sub-sector* (NACE 35.11). Furthermore, all these organisations represent a high density of employment in the sector (employment density is generally over 50% and over 90% in Germany, Finland, Portugal, Poland and the Netherlands).

As for sectoral collective bargaining, the majority of CESA members do not take part in negotiations. Only members in Poland and the United Kingdom are involved in collective bargaining in the sector (mainly at company level in the case of the United Kingdom since no sectoral negotiations take place in this country). Members in the Netherlands and Portugal also participate in collective bargaining for the sector, but only indirectly (through their membership of higher level national federations).

4. Description of social dialogue in the sector

1. European level

On 17 September 2003, CESA and EMF officially commenced a European-level social dialogue for the shipbuilding industry, within the framework of a sectoral social dialogue committee set up under the auspices of the European Commission. The main aims of European-level sectoral social dialogue in shipbuilding are as follows[17]:

- to maintain the profitability of the sector
- to guarantee future industrial perspectives for the European shipbuilding industry
- to support the sector's competitiveness
- to maintain a high level of quality jobs.

2. National level

The structure of social dialogue in each of the countries considered is diverse and complex. In some countries, tripartite[18] consultation for the shipbuilding industry takes place (Cyprus, Ireland, Poland, Spain, the Netherlands and the United kingdom). In the others, the structure of social dialogue in the sector is purely bipartite.

Basic features of tripartite concertation specifically for the shipbuilding sector

Country	Existence	Basic features of tripartite concertation	Results
Austria	No	/	/
Belgium	No	/	/
Cyprus	Yes but occasionally	Tripartite social dialogue usually takes place when bipartite social dialogue has failed to resolve a dispute	One agreement was signed in the shipbuilding industry sector during 2003-2004
Czech Republic	No	/	/

[17] Minutes of the sectoral social dialogue committee for shipbuilding, Brussels, 26 November 2003.

[18] *Tripartite* consultation is characterised by the involvement of the government and the social partners (trade unions and employers' organisations) while *bipartite* dialogue exclusively involves the social partners.

Denmark	No	/	/
Estonia	No	/	/
Finland	No	/	/
France	No	/	/
Germany	No	/	/
Greece	No	/	/
Hungary	No	/	/
Ireland	Yes	The Irish Marine Forum provides a platform for discussion for the various actors in the sector	/
Italy	No	/	/
Latvia	There is no tripartite concertation that deals specifically with the shipbuilding sector, although representatives of shipbuilding industry organisations participate as experts and consultants when matters relevant to the sector are being considered in the National Tripartite Cooperation Council (quite infrequent).		No collective agreements are signed at this level
Lithuania	No	/	/
Malta	No	/	/
Poland	Yes	In the two regions in the north east of Poland, Szczecin and Gdansk, where the shipbuilding sector is particularly well established, provincial tripartite commissions meet regularly and raise issues relating to the shipbuilding sector.	No formal collective agreements are signed at this level.
Portugal	No	/	/
Slovak Republic	No	/	/
Slovenia	No	/	/
Spain	Yes but occasionally	There is no permanent tripartite concertation forum. Tripartite social dialogue only takes place at particular times, dealing with specific questions.	/
Sweden	No	/	/
The Netherlands	Yes	There are regular consultations between members of parliament, the social partners and other representatives of the maritime cluster within the so-called Round Table Group Shipbuilding Industry.	No collective agreements are signed at this level
United Kingdom	Yes	Negociations take place within the *Building and Marine Industries Forum* (The Forum provides a mechanism for closer co-operation between the various stakeholders in the industry) and the *Sector Skills Council for Science, Engineering and Manufacturing Technologies Sector skills councils*	Cooperation Agreements

Source: national reports

Basic features of bipartite social dialogue for the shipbuilding sector by country

	Structure of sectoral bipartite social dialogue for the shipbuilding industry	Collective agreements	Coverage rate
Austria	The shipbuilding industry is integrated into the associational system of industrial relations for the broader metal-working industry. Collective bargaining is differentiated by employee categories.	2 collective agreements (one for blue-collar, one for white-collar) are regularly concluded yearly.	100%
Belgium	Social dialogue in the shipbuilding industry takes place at sectoral level in two Joint Committees: one covers blue-collar workers in the steel, and mechanical and electrical construction sectors; the second covers white-collar workers in metal	Together, these joint committees concluded 11 sectoral collective	100%

	manufacturing.	agreements in 2004	
Cyprus	Collective bargaining in the shipbuilding sector is structured at enterprise level, the main reason for this being the absence of an established employers' organization in the sector. (four enterprise-level collective agreements)		
Czech Republic	The scope of social dialogue in this sector is minimal, and takes place in only one enterprise, albeit the biggest in the sector. One collective agreement has been signed in this framework covering 40% of the workers in the sector, but it expired in 2004. No new agreement has been signed since then.		
Denmark	The Danish model of collective bargaining is characterized by centralized decentralization: A central collective agreement concluded at sectoral level provides the framework for a bargaining process at enterprise level (local). In the case of the shipbuilding industry, this sector constitutes part of the Industry and is thus covered by the central/sectoral collective agreement called "Industry Agreement". Moreover, the sector is covered by two sectoral agreements, one covering building and repair of small boats and the second the entire metal industry (including NACE 35.1). It should also be noted that an informal but active dialogue on shipbuilding sector issues is held between trade unions and employers of the sector.	- The Industry Agreement (central collective agreement) - Two sectoral agreements	ND
Estonia	In Estonia, collective bargaining for the shipbuilding industry takes place in only one enterprise: Loksa Shipyard's. A collective agreement covering all employees in the enterprise (31.7% of workers in the sector) is renewed yearly.		
Finland	Collective bargaining functions mainly at sectoral level but is also influenced by national tripartite negotiations. In the shipbuilding industry, the sector is not unified: NACE 35.12 is under the collective agreement for the entire metalworking sector, and NACE 35.11 is covered by two agreements – one for the boat building sub-sector and one for the chemical industry. NACE 35.1 workers are also covered by collective agreement for electrical workers in all sectors of activity and by collective agreement for white-collar employees in all sectors of activity.	Various collective agreements covering different fields of activity	Around 90%
France	Sectoral collective bargaining for the shipbuilding industry is not unified. NACE 35.11 is covered by bargaining for the entire metalworking industry taking place at two levels: national and regional (these levels are interconnected). By contrast, NACE 35.12 is covered by a national collective agreement covering this field of activity alone.	Various collective agreements covering different fields of activity	100% (extension of all agreements)
Germany	Sectoral collective bargaining takes place at regional level in Germany. In the framework of collective bargaining, the shipbuilding industry is included in the metalworking and electrical industries.	13 regional agreements	ND (considered high)
Greece	Sectoral collective bargaining takes place at national level and local level: At national level, the shipbuilding industry is included in the metalworking sector; at local level, various collective agreements cover different sub-categories of NACE 35.1	7 sectoral collective agreements (4 local agreements and 2 nation-wide agreements)	100%
Hungary	Collective bargaining for the shipbuilding industry is only developed at enterprise level, in only one enterprise.		
Ireland	There is no sectoral collective bargaining for the shipbuilding industry.		
Italy	At national level, the shipbuilding industry is covered by four collective industry-wide agreements for the metalworking sector, and applying to four different types of companies: industrial companies; SMEs; co-operatives; craft companies.	4 collective industry-wide agreements	The majority of workers are covered
Latvia	Bipartite social dialogue in the sector only takes place at enterprise level (coverage rate: around 9%)		
Lithuania	Collective bargaining only takes place at enterprise level		
Malta	Collective bargaining only takes place at the enterprise level; there is no sectoral collective bargaining. Only two enterprises are covered by a collective agreement: the state-owned Malta Shipyard Ltd and the private-sector Bezzina Ship Repair Yard, but 95.8% of the total number of salaried workers are covered by these agreements.		
Poland	There is regular sectoral social dialogue for the Maritime Industries but no collective agreements have been concluded. As a result, collective agreements only exist at company level in this sector (it is estimated that around 90% of workers in the	/	/

	sector are covered by enterprise-level collective agreements).		
Portugal	Bipartite collective bargaining for the ship building and repair sector takes place at the sectoral level. This sector is included within the umbrella agreement for the entire metalworking sector.	4 collective labour contracts	100% (via an extension procedure)
Slovak Republic	A collective bargaining process takes place in the only enterprise active in the sector. A collective agreement is signed every year with the employer. All workers in the company are covered by the agreement (100% of workers in the sector are covered).		
Slovenia	A broad sectoral collective bargaining system covers NACE 27, 28, 29, 30, 31, 32, 33, 34 and 35.	1 sectoral collective agreement	100%
Spain	For the industry as a whole there are 15 company-level collective agreements that cover the main shipyards. These agreements cover employment conditions for approximately 50% of the industry workforce. Companies which do not have their own negotiated agreement (some shipyard companies, but above all those in the supply sector), apply the engineering and metalworking collective agreements negotiated at provincial or autonomous community level.	20 sectoral collective agreements	Around 50% of the industry workforce
Sweden	Collective bargaining related to shipbuilding activities takes place at the industry level. Strictly speaking, however, shipbuilding does not constitute a united collective bargaining sector, but belongs to three separate sectors: engineering, iron and steel, and wood products.	6 sectoral collective agreements cover shipbuilding: three for blue-collar workers and three for white-collar workers.	Around 90% (estimate)
The Netherlands	From the point of view of collective bargaining, the sector is not unified and is covered by four different sectoral collective agreements. Most activities of NACE 35.11 and part of NACE 35.12 are under umbrella agreements for the metalworking and electrical engineering sector. Other activities of NACE 35.11 as well as a large part of NACE 35.12 are under the umbrella agreement for the metalworking and technology-based branches. Lastly, activities of building and repairing pleasure and sporting boats with a wooden or synthetic hull (part of NACE 35.12) are covered by a specific branch agreement.	4 sectoral collective agreements	100% (extended)
United Kingdom	As is the norm in the United Kingdom, collective bargaining on pay and conditions takes place at company level. There are no industry-level agreements.		

Source: National reports
ND : No data

In many countries, sectoral collective agreements cover a large percentage of employees in the sector.

The structure of bipartite collective bargaining for the shipbuilding industry varies appreciably from one country to the next:

- In the majority of the countries studied, the shipbuilding sector is not covered by any sectoral collective bargaining process (case of Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, the Slovak Republic and the United Kingdom). In these countries, collective bargaining only takes place at the enterprise level. Reasons leading to this situation can be many:
    - Absence or weakness of representative trade union organisations or employers' organisation in the sector;
    - Very small number of enterprises in the sector;
    - Predominance in the sector of one or two large firms along with a plethora of micro-firms;

    - Inter-union disputes;
    - etc.

- In seven other countries, the shipbuilding sector is integrated into the industrial relations system that relates to a wider sector (generally the metalworking industry). This is the case in Austria, Belgium, Germany, Italy, Portugal, Sweden and Slovenia;
- In Poland, institutionalised social dialogue covers exclusively the Maritime Industries. However, no collective agreement has been signed at this level;
- In Ireland, social dialogue in the sector takes place solely on a tripartite basis. No collective agreements are signed at this level;
- In the remaining countries, we observe a particular structure for collective bargaining. In Finland and France, for example, NACE 35.11 and 35.12 are totally independent and under separate collective bargaining.

Summary Table: Levels of social dialogue in the shipbuilding industry

	TRIPARTITE	BIPARTITE	
		Sectoral level	Enterprise level
Austria		X	X
Belgium		X	X
Cyprus	X (occasionally)		X
Czech Republic			X
Denmark		X	X
Estonia			X
Finland		X	X
France		X	X
Germany		X	X
Greece		X	
Hungary			X
Ireland	X (discussion)		
Italy		X	X
Latvia			X
Lithuania			X
Malta			X
Poland	X (regional level)	X (no collective agreements concluded)	X
Portugal		X	X (no collective agreements concluded)
Slovak Republic			X
Slovenia		X	
Spain	X (occasionally)	X	X
Sweden		X	X
The Netherlands	X (discussion)	X	X
United Kingdom	X		X

Source: National reports

NATIONAL REPORTS

AUSTRIA

1. Description of the sector

Delimitation and activities of the sector

Shipbuilding activities in Austria cover the delimitations of NACE 35.1, “Building and repairing of ships and boats”.

Socio-economic features of the sector

In Austria, the sector defined by NACE 35.1 is almost negligible in quantitative terms: in 2000 it counted 28 companies, with total employment of 320, which included 305 employees[19]. The latter represent approximately 0.01% of Austria’s total number of employees and the sector accounted for 0.0017% of GDP in 2000.

The sector is comprised solely of small and medium-sized companies: no company has more than 99 employees and 78.6% of companies have fewer than 10 salaried workers. All in all, there is only one shipbuilding company of notable size, ÖSWAG, which has two locations (one in Upper Austria and one in Vorarlberg) and 98 employees. ÖSWAG's products include after-sales service, maintenance, repair, construction and modification of riverboats on the river Danube and Central European lakes, custom-made manufacturing and steel processing.

Due to the extremely small scope of the sector, no other data on its economic properties are available.

Company size in 2000, shipbuilding industry (NACE 35.1)

<table>
<tr><th>Firm size by employment</th><th>Number of companies by firm size</th><th>% companies by firm size</th><th>Number of employees by firm size</th><th>% employees by firm size</th></tr>
<tr><td>1-4 employees</td><td>13</td><td>46.4%</td><td>17</td><td>5.6%</td></tr>
<tr><td>5-9 employees</td><td>9</td><td>32.1%</td><td>45</td><td>14.8%</td></tr>
<tr><td>10-19 employees</td><td>3</td><td>10.7%</td><td rowspan="3">243</td><td rowspan="3">79.7%</td></tr>
<tr><td>20-49 employees</td><td>1</td><td>3.6%</td></tr>
<tr><td>50-99 employees</td><td>2</td><td>7.2%</td></tr>
<tr><td>>100 employees</td><td>0</td><td>0%</td><td>0</td><td>0%</td></tr>
<tr><td>Total</td><td>28</td><td>100%</td><td>305</td><td>100%</td></tr>
</table>

Source: Statistik Austria (2002)

[19] Source: Statistik Austria 2002.

2. Organisations active in the sector

Workers' organisations

All trade unions for NACE 35.1 are members of the Austrian Trade Union Federation (Österreichischer Gewerkschaftsbund, ÖGB)[20]. The ÖGB and its member unions are voluntary associations financed by voluntary dues paid by their members. Unions are structured in terms of sector and employee category (blue- and white-collar workers) to ensure maximum complementarity. As a result, the membership scopes of unions are mutually exclusive and non-competitive.

As a voluntary association, the ÖGB obtains legal recognition as a bargaining party. Only the ÖGB (in contrast to its member unions) has the legal right to conclude collective agreements. In practice, this means that the unions autonomously (i.e. without interference by the ÖGB) negotiate collective agreements for their members, while formally they have to sign the collective agreements in the name of the ÖGB. The ÖGB (together with its member unions) has a de facto monopoly on bargaining on behalf of labour. Moreover, it participates in formal consultations and its member unions also take part in consultations in sector-specific matters.

It is extremely difficult to estimate the density ratio of both the member unions and certain member subgroups, since the membership domains of the unions crosscut conventional statistical definitions. The density ratios reported below should therefore be seen as very rough estimates.

The **Union of Private-Sector White-Collar Workers** (Gewerkschaft der Privatangestellten, **GPA**)

The GPA was formed in 1945 after the collapse of the Nazi regime, as a sub-unit of the ÖGB. It represents white-collar employees in the entire private sector (including in NACE 35.1) and has about 325 staff members. In 2002, the GPA had a total of 287,558 members. Precise data on the number of white-collar employees in the sector covered by GPA do not exist. Hence, only a rough estimate can be made, i.e. an overall density of approximately 30%. In the case of NACE 35.1 there are no membership figures available.

The GPA autonomously negotiates collective agreements for private-sector white-collar workers but it signs in the name of the ÖGB. This includes the white-collar workers of NACE 35.1, as this sector is covered by the collective agreements concluded for the metalworking industry.

At international level, the GPA is a member of Union Network International (UNI).

The **Union of Blue-collar Workers of the Metal Industry, Mining, the Power Industry and the Textiles Industry** (Gewerkschaft Metall-Textil, **GMT**)

The GMT was created in 2000 from the merger of the Union of Blue-collar Workers of the Metal Industry, Mining and the Power Industry (Gewerkschaft Metall-Bergbau-Energie, GMBE) and the Union of the Blue-collar Workers of the Textiles Industry, Clothing Industry and Leather Industry (Gewerkschaft Textil-Bekleidung-Leder, GTBL)[21]. In 2001, the GMT had 216,799 members and around 220 staff members. The density of GMT is estimated at approximately 88.7%[22]. No figures specific to NACE 35.1 exist.

[20] Only the ÖGB has legal personality, whereas its member unions are dependent sub-units.

[21] Both the GMBE and the GTBL were set up as sub-units of the ÖGB after the collapse of the Nazi regime in 1945.

[22] An estimate of the GMT's overall density requires employment figures which are broken down by both employee categories and sub-sectoral branches. Such data are available for 1999 (Rechnungshof 2000), the year before the GMT was formed. Hence, only a "consolidated" density derived from aggregate membership of the predecessors of the GMT can be estimated: for the GMBE and the GTB, the corresponding estimates are 92.7% and 58.7%, respectively. This yields a gross density of GMT of approximately 88.7%.

The GMT autonomously negotiates collective agreements for all employees in its sector. This includes the blue-collar workers of NACE 35.1. Like the GPA, the GMT signs collective agreements in the name of the ÖGB.

The GMT is a member of the European Metalworkers' Federation (EMF) and the European Mine, Chemical and Energy Workers' Federation (EMCEF).

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Gewerkschaft der Privatangestellten GPA	Union of Private-Sector White-Collar Workers	White collar	287,558	ND	ND	Yes, via ÖGB	ÖGB	No	Uni-Europa	No	UNI	No
Gewerkschaft Metall-Textil, GMT	The Union of Blue-collar Workers of the Metal Industry, Mining, the Power Industry and the Textiles Industry	Blue collar	216,799	ND	ND	Yes, via ÖGB	ÖGB	No	EMF EMCEF	No	No	No

SW: salaried workers
Density: number of salaried workers affiliated with the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

Employers’ organisations

The employers' association for NACE 35.1 is one of the WKÖ's[23] Federal Organizations. The WKÖ, together with its subunits, was established by the Economic Chambers Act (Handelskammergesetz) of 1946.

The membership unit of the WKÖ’s Federal Organizations is the business licence. It does not correspond to the number of companies or establishments. Indeed, companies often have more than one licence[24], such that the number of licences under the umbrella of a certain Federal Organization normally exceeds the number of member companies if the Federal Organization's scope comprises more than one licence. Each WKÖ Federal Organization has nine Länder sub-units, echoing the federal structure of the Austrian state.

Membership in the Federal Organizations is mandatory: every company licensed to carry on a business falling within the scope of the membership domain of a certain Federal Organization is legally obliged to be a member of this Organization and its Land-level sub-units. Hence, density in terms of employers and employees is always 100%.

[23] Austrian Chamber of the Economy (Wirtschaftskammer Österreich, WKÖ).

[24] According to business law, a certain kind of business activity can be conducted by a company if this company has the corresponding business licence.

As part of the WKÖ, each Federal Organization is an employers' organization directly eligible to conclude collective agreements. The WKÖ and its sector sub-units have this capacity *ex lege*, in contrast with the other employers' organisations, which have voluntary membership, for which a special recognition procedure is required. In the NACE 35.1 sector, only the WKÖ's Federal Organization (FMS) takes part in collective bargaining, since there are no other employers' organisations.

The **Federal Organization of the Machinery Industries** (Fachverband der Maschinen- und Stahlbauindustrie Österreichs, **FMS**)

The FMS' covers all kinds of engineering, manufacture of metal structures and parts of structures and thus falls within NACE 35.1, which accounts for only a very small part of its membership, however. In 2001, the FMS had 595 member companies with a total of 64,782 employees[25]. Consequently, it was the largest federal organization within the area of industry in terms of employees covered. The FMS has 26 staff members, two of whom work part-time. It is a member of the bargaining cartel of the Federal Organizations which negotiates and concludes collective agreements on behalf of employers of the metalworking industry.

At national level, Federal Organizations are not really affiliated to the WKÖ, they <u>are part of</u> the WKÖ. At European and international level, the FMS is a representative of Austria in the following organizations:

CECIMO:	European Committee for Cooperation of the Machine Tool Industries
CECOF:	European Committee of Industrial Furnace & Heating Equipment Manufacturers
CEMA:	European Committee of Associations of Manufacturers of Agricultural Machinery
CIMAC:	International Council on Combustion Engines
ELA:	European Lift Association
EUCETSA:	European Committee of Environmental Technology Suppliers Assoc.
EUMABOIS:	European Federation of Woodworking Machinery Manufacturers
EUROPUMP:	European Committee of Pump Manufacturers
FEBMA:	Federation of European Bearings Manufacturer's Association
GCI:	Genie Climatique International (International Climate Control Engineering Organization)
WEM:	Western European Metal Trades Employers' Organisation
ACEA:	European Automobile Manufacturers Association
ACEM:	Association of European Motorcycle Manufacturers
CLCCR:	Liaison Committee of the European Body and Trailer Building Industry
COLIBI:	Liaison Committee of European Bicycle Manufacturers
EUROFEU:	European Committee of the Manufacturers of Fire Protection and Safety Equipment and Fire Fighting Vehicles
IMMA:	International Motorcycle Manufacturers Association
OICA:	International Organisation of Motor Vehicle Manufacturers

[25] Source: Economic Chamber of Austria (Wirtschaftskammer Österreich)

Employers' organisations

Organisation		Sub-sectors covered	Companies	SW	Density Companies	Density SW	CB	National affiliations		European affiliations		International affiliations	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Fachverband der Maschinen- und Stahlbauindustrie Österreichs, FMS	The Federal Organization of the Machinery Industries	Engineering, manufacture of metal structures and parts of structures	595, of which 28 in NACE 35.1	64,782, of which 305 in NACE 35.1	100%	100%	Yes	No	No	See list above	No	See list above	No

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

3. Industrial relations in the sector

Social dialogue for the sector of building and repairing of ships and boats is purely bipartite (without any state interference).

a. Collective Bargaining at sectoral level

In Austria, the sector of building and repairing of ships and boats is covered by collective agreements for the entire metalworking industry[26]. Collective bargaining in this industry is formally differentiated by employee categories (blue- and white-collar workers) and two collective agreements (one each for blue-collar workers and white-collar workers) are concluded yearly. They cover the entire country in both cases. According to labour law there is no obligation to negotiate collective agreements.

Two unions represent the sector's employees in this collective bargaining: the GMT, which represents the sector's blue-collar workers, and the GPA for white-collar workers. The GMT and the GPA negotiate jointly but formally conclude separate collective agreements for their constituency. On the employers' side, metalworking companies are represented together by several narrower WKÖ Federal Organizations, which have formed a bargaining cartel. Within this bargaining cartel, shipbuilding industry workers are represented by the FMS.

[26] The scope of the collective agreements embraces the metalworking industry as a whole (including NACE 35.1). An exception to this rule is the electrical and electronics branch of the metalworking industry, for which separate collective agreements have been concluded since 2001 (Source: EIRO (2002) *Annual Review 2001*. Luxembourg: Office for Official Publications of the European Communities).

The pattern of regularly concluded collective agreements

Bargaining Parties	Scope of the collective agreements		
	Sector	*Category*	*Territory*
- GMT - bargaining cartel of several Federal Organizations of the WKÖ	Metalworking industry (including shipbuilding)*	Blue-collar workers	Federal
- GPA - bargaining cartel of several Federal Organizations of the WKÖ	Metalworking industry (including shipbuilding)*	White-collar workers	Federal

* As demarcated by the aggregate membership scope of the Federal Organizations' bargaining cartel

Collective wage agreements are concluded for periods of one year. These agreements specify minimum pay rates as well as an actual-pay clause (Istlohnklausel) that specifies sectorally agreed percentage increases to be applied to rates actually paid, which may vary from company to company. These clauses enable the bargaining partners to get a grip on the wages of those employees who are not affected by the minimum pay rate as a consequence of overpayment. In addition to wage agreements, "umbrella agreements" (Rahmenkollektivverträge) regulate important non-wage issues, such as working time, bonuses, severance pay and periods of notice. Umbrella agreements are usually fixed for a period of validity which is longer than one year.

Altogether, the collective agreements cover all employees and employers belonging to NACE 35.1 since FMS is based on mandatory membership. As a result, mechanisms to extend the scope of collective agreements to unaffiliated employers are useless in the case of this sector (although Austrian labour law provides for such mechanisms).

Collective bargaining is characterized by a high degree of stability and a cooperative climate. Moreover the metalworking industry sets the pace for bargaining in other sectors and thus constitutes the specific mode of economy-wide bargaining coordination by pattern bargaining which is characteristic of the Austrian bargaining system[27]. In quantitative respects, this means that the metalworking industry tends to set the upper limit for standard wage increases across the economy. In qualitative respects, it is normally this industry which introduces innovative breakthroughs (e.g. the first collective agreements on flexible working time and flexible pay) which others then copy as a model for their own collective agreements.

b. <u>Social Dialogue: Company-related Employee Representation</u>

In Austria, employee representation is institutionalized at firm and at multi-firm level[28]. Within every firm with five or more employees, a *works council* (Betriebsrat) must be set up, if the workforce so requests. They can either be formed separately for white-collar workers and blue-collar workers, or may combine representation of both categories. In multi-plant companies, each works council is entitled to elect a certain number of its members to a central (enterprise) council.

The works council's rights are precisely defined, ranging from information and consultation to co-determination, including the opportunity to conclude plant agreements (Betriebsvereinbarungen) with management in the case of a rather narrow range of social and personnel matters. Generally, the probability that a works council exists tends to increase with the size of a company. In the metalworking industry, works councils are rather widespread as they cover 73% of the employees in the industry (understood in the broad sense)[29].

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[27] Source: Traxler, F. (1998) "Austria: Still the Country of Corporatism" in A. Ferner and R. Hyman (eds.) *Changing Industrial Relations in Europe.* Oxford: Blackwell; Traxler, F., Blaschke, S. and Kittel, B. (2001) *National Labour Relations in Internationalized Markets.* Oxford: Oxford University Press.

[28] Source: Traxler, F. (1998) "Austria: Still the Country of Corporatism" in A. Ferner and R. Hyman (eds.) *Changing Industrial Relations in Europe.* Oxford: Blackwell.

[29] Source: ÖGB (1999) ÖGB Nachrichtendienst Nr. 3002, November 1999.

4. Conclusion

Since Austria's territory does not include a coast, the presence of shipbuilding in the country's economy is almost negligible. There are very few companies, all of which are small. The sector is nevertheless integrated into the system of industrial relations for the broader field of the metalworking industry. There are no specific organizational structures or interest politics tailored to the sector.

Abbreviations

FMS:	Federal Organization of the Machinery Industries (Fachverband der Maschinen- und Stahlbauindustrie Österreichs)
GMBE:	Union of Blue-collar Workers of the Metal Industry, Mining and the Power Industry (Gewerkschaft Metall-Bergbau-Energie)
GMT:	Union of the Blue-collar Workers of the Metal Industry, Mining, the Power Industry and the Textiles Industry (Gewerkschaft Metall-Textil)
GPA:	Union of the White-Collar Workers of the Private Sector (Gewerkschaft der Privatangestellten)
GTBL:	Union of the Blue-collar Workers of the Textiles Industry, Clothing Industry and Leather Industry (Gewerkschaft Textil-Bekleidung-Leder)
ÖGB:	Austrian Trade Union Federation (Österreichischer Gewerkschaftsbund)
WKÖ:	Austrian Chamber of the Economy (Wirtschaftskammer Österreich)

BELGIUM

1. Description of the sector

Delimitation and activities of the sector

Statistics in Belgium observe the definitions laid down in the NACE classification, and the socio-economic data presented below are based on codes NACE 35.11 – Building and repairing of ships and 35.12 – Building and repairing of pleasure and sporting boats. The information that has been collected provides a relevant overview of the sector.

Socio-economic features of the sector

The shipbuilding industry has become a very marginal activity in Belgium following the closure of the Cockerill Yards in 1982 and of Boelwerf Vlaanderen in 1994, and the bankruptcy of Vlaamse Scheepsbouwmaatschappij (VSM), a company consisting of five medium-sized shipyards, in 1995. During the early 1980s, the Cockerill Yards and Boelwerf Vlaaderen employed nearly 5,000 people and were considered trade union “bastions”; today, for the most part, the sector boasts only small companies specialising in maintenance and ship repair, and there is only one shipyard facility (in Antwerp) for the repair of sea-going vessels. The decline of the shipbuilding sector has mainly been brought about by the economic crisis and by stiffer competition from Japanese, and later Korean, shipyards. For over two decades, public authorities at federal, and then at regional, level intervened with a view to maintaining a high level of activity and employment in the sector, but in 1995, the Flemish government decided to stop granting the sector subsidies.

According to some industry representatives, the maintenance of a certain level of activity in the shipbuilding industry is strategically relevant and then the shipbuilding sector has now reached its lowest possible level of activity[30]: arguments in support of this position are based on the existence of major ports in Belgium, namely the port of Antwerp, and on the revival of river-transport in Belgium and in Europe. This is illustrated by the strong development of river transport containerised freight and the Seine-Scheldt/Seine-Escaut river-link project. The activities that need to be retained are not shipbuilding and the construction of barges, but rather maintenance and breakdown services.

As the table below shows, the NACE 35.1 group employs 1,324 salaried workers in Belgium, and has 83 establishments and 88 employers. No data are available on the number of self-employed workers in the sector.

Table 1: Shipbuilding sector in Belgium

NACE/Sector	**Jobs**	**Establishments**	**Employers**
35.11 Building and ship repairing	1,123	66	66
35.12 Building and repairing of pleasure and sporting boats	201	17	22
Total	1,324	83	88

Source: ONSS, 2002 and 2004 on centralised and decentralised bases

[30] According to the employers’ federation Agoria, the size of the sector is such that, for confidential reasons, statistical data on the subject are no more available.

Table 2: Breakdown of jobs, establishments and employers (NACE 35.11 and 35.12)

Size	**Jobs**	**Establishments**	**Employers**
1 to 4 workers	76	37	40
5 to 9 workers	97	15	16
10 to 19 workers	195	16	14
20 to 49 workers	320	8	11
50 to 99 workers	230	4	4
100 to 199 workers	406	3	3
200 to 499 workers	0	0	0
500 to 999 workers	0	0	0
1,000 and + workers	0	0	0
Total	1,324	83	88

Source: ONSS, 2002 and 2004 on centralised and decentralised bases

No establishment or employer has more than 200 employees. The vast majority of companies are very small, 45% having a workforce of 1-4 people. According to the information that has been collected, the informal economy does not seem to be a significant feature in the sector.

Employment in the sector (0.06% of total employment) mainly consists of blue-collar workers, who account for 82% of all employees, and men, with 92.6% of the jobs, are particularly well represented. Working conditions are relatively hard. By comparison with other branches of activity, skills levels are rather low, and workers are trained "on the job". Because of the decline of the shipbuilding sector, previously acquired skills are disappearing.

With regard to wages, current pay scales are related to the metalworking sector, and are therefore close to the average wage in Belgium.

2. Organisations active in the sector

Workers' organisations[31]

The **Confederation of Christian Trade Unions** (Confédération des Syndicats Chrétiens/Algemeen Christelijk Vakverbond, **CSC/ACV**) is a multi-industry, federal-level trade union organisation. With 1.6 million members (2002 figures), it is the largest trade union organisation in Belgium.

The CSC/ACV is organised at inter-professional and professional levels. The inter-professional level, which is structured on a geographical basis, is composed of local sections grouped into 21 regional federations. The professional level is divided into company sections according to two criteria: the workplace (the company) and the worker's status (blue-collar workers, white-collar workers and managerial staff). These sections are then grouped into 16 occupational confederations organised at national level; these confederations represent the CSC/ACV on the Joint Committees where bipartite sectoral social dialogue takes place.

The CSC/ACV represents shipbuilding industry workers, and has signed collective agreements on two Joint Committees: Joint Committee 111 and Joint Committee 209:

[31] Given the very small number of workers employed in the shipbuilding industry, this section will give no indication of membership figures for the various trade union organisations in the sector.

- on Joint Committee 111, the CSC/ACV is represented by CSC-Metal (CSC-Métal/ACV-Metaal, 220,000 members in 2005), which recruits blue-collar staff in the metalworking sector;
- on Joint Committee 209, the CSC/ACV is represented by the General Federation of White-Collar Workers (Centrale Nationale des Employés, CNE) and the General Federation of White-Collar Workers-National Managers' Union (Landelijke Bediende Centrale-Nationaal Verbond voor Kaderpersoneel, LBC-NVK): the CNE (120,000 members) speaks for white-collar workers and managerial staff in private sector in Brussels, and in the Walloon and German-speaking regions, and is structured by sector (commerce, finance, industry, the non-market sector and Joint Committee 218[32]); the LBC-NVK (294,149 members in 2005) represents white-collar workers and managerial staff in the Dutch-speaking private sector.

The CSC/ACV is affiliated to the ETUC and the World Confederation of Labour (WCL); the CSC-Metal, CNE and LBC-NVK are members of the European Metalworkers' Federation (EMF) and the International Metalworkers' Federation (IMF).

The **Belgian General Federation of Labour** (Fédération Générale du Travail de Belgique/Algemeen Belgisch Vakverbond **FGTB/ABVV**) is a multi-industry trade union organisation structured at federal level. With a total membership of 1.3 million members (2002 figures), it is the second largest trade union organisation in Belgium.

The FGTB/ABVV is structured at inter-professional and professional levels. At inter-professional level, it is composed of 18 regional and 3 interregional organisations, which bring members together by geographical zone; at professional level, the union has 7 branch federations (branch trade unions) which group the members according to work sector and worker's status.

The FGTB/ABVV is active on the two Joint Committees that cover the shipbuilding industry sector:

- Joint Committee 111: the FGTB/ABVV is represented by the Metalworkers' Union (Centrale de l'industrie du Métal de Belgique/Centrale Der Metaalindustrie van Belgie, CMB), which covers blue-collar workers in such sectors as metalworking, metal fabrications, the electricity sector, non-ferrous metals, precious metals, steel-making and garages, and working, for example, as coachbuilders, and metal merchants and assemblers. The CMB had 178,000 affiliated members in 2003;
- Joint Committee 209: the FGTB/ABVV is represented by the Belgian Union of White-Collar Staff, Technicians and Managers (Syndicat des Employés, Techniciens et Cadres de Belgique/Bond der Bedienden, Technici en Kaders van België, SETCa/BBTK). The SETCa/BBTK (324,000 members in 2003) speaks for all white-collar workers, technicians and operatives in the private sector, teachers and administrative workers in secular education, and blue-collar workers and workers in books, the graphic arts and the media. It is organised on the basis of main sectors such as commerce, finance, industry, the non-market sector, logistics, and information and communication, and includes Joint Committee 218.

The FGTB/ABVV is affiliated to the ETUC and the International Confederation of Free Trade Unions (ICFTU). The CMB and SETCa/BBTK are members of the EMF and the IMF.

The **Federation of Liberal Trade Unions of Belgium** (Centrale Générale des Syndicats Libéraux de Belgique/Algemene Centrale der Liberale Vakbonden van België, **CGSLB/ACLVB**) is the smallest (220,000 members in 2004) of the country's three representative multi-industry trade union organisations. Unlike the FGTB/ABVV and the CSC/ACV, it is chiefly organised on a regional basis. The CGSLB/ACLVB represents shipbuilding industry workers, and has a mandate on Joint Committees 111 and 209. It is affiliated to the EMF, the ETUC and the ICFTU.

[32] Joint Committee 218 covers white-collar workers whose employers are not attached to any particular Joint Committee.

Trade Unions

Organisation		Type of SW	Members	Members working in the sector	Density	CB	National affiliations		European affiliations		International affiliations	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
CSC/ACV	Confederation of Christian Trade Unions		1,600,000	ND	ND	Yes	No	No	ETUC	No	WCL	No
• CSC-Métal/ ACV-Métal	CSC-Metal	blue-collar workers in engineering	220,000	ND	ND	Yes	CSC/ ACV	No	EMF	No	IMF	No
• CNE-GNC	General Federation of White-Collar Workers-National Managers' Union	white-collar workers and managerial staff in the private sector in the Brussels Region and the Walloon Region	120,000	ND	ND	Yes	CSC/ ACV	No	EMF	No	IMF	No
• LBC-NVK	General Federation of White-Collar Workers-National Managers' Union	white-collar workers and managerial staff in Brussels and in Vlaamse Region	294,000	ND	ND	Yes	CSC/ ACV	No	EMF	No	IMF	No
FGTB/ABVV	Belgian General Federation of Labour		1,300,000	ND	ND	Yes	No	No	ETUC	No	ICFTU	No
• CMB	Metalworkers' Union	blue-collar workers in a number of sectors including engineering and the electricity sector	178,000	ND	ND	Yes	FGTB/ ABVV	No	EMF	No	IMF	No
• SETCa/ BBTK	Belgian Union of White-Collar Staff, Technicians and Managers	white-collar workers, technicians and operatives in the private sector; teachers and administrative workers in secular education; blue-collar and other workers in books, the graphic arts and the media	324,294	ND	ND	Yes	FGTB/ ABVV	No	EMF	No	IMF	No
CGSLB/ACLVB	Federation of Liberal Trade Unions of Belgium	All types of worker	220,000	ND	ND	Yes	No	No	EMF ETUC	No	ICFTU	No

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

Employers' organisations

Agoria, previously known as Fabrimétal, is the multi-sector federation for the technology industry, and is one of the country's leading sectoral employers' federations. It is organised into 11 main industry branches (metals and materials, metal products, plastics, mechanical and mechatronical engineering, electrical engineering and electronics, ICT, automotive, aerospace, security and defence), and has 5 regional associations. Agoria's structure is also based on the country's institutional structure, and there are therefore 3 interregional associations: Agoria Bruxelles/Brussel, Agoria Vlaanderen and Agoria Wallonie. The whole organisation has 250 staff.

Agoria represents nearly 1,300 member companies, only about 15 of which are directly or indirectly linked to the shipbuilding industry. The organisation says that nearly 300,000 people are employed in the technology industry, which is the scope corresponding to the sectors that it covers. Agoria generates over a quarter of added value to the Belgian industry.

This organisation has 15 mandates on Joint Committee 111 and 11 mandates on Joint Committee 209.

Agoria is a member of the Federation of Enterprises in Belgium (Fédération des Entreprises de Belgique/Verbond van Belgische Ondernemingen, FEB/VBO), which represents the interests of employers at federal and interprofessional levels. At international level, it is affiliated to a number of European federations including Orgalime, Eurométaux, EuPC and EICTA, and to the Western European Metal Trades Employers' Organisation (WEM).

The **Association of Belgian Steelwork Erectors** (Association des entrepreneurs de montage de Belgique) is not active in the shipbuilding industry.

Employers' organisations

Organisation		**Sub-sectors covered**	**Companies**	**SW**	**Density Companies**	**Density SW**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Agoria	Agoria	metals and material, metal products, plastics, mechanical and mechatronical engineering, electrical engineering and electronics, ICT, automotive, aerospace, security and defence	1,300 in total, 15 of them directly or indirectly linked to NACE 35.1	ND	ND	ND	Yes	FEB/ VBO	No	WEM, Orgalime, Eurométaux, EuPC, EICTA and others	No	No	No

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

3. Industrial relations in the sector

Tripartite concertation

There is no sectoral tripartite concertation covering the shipbuilding industry sector in Belgium.

Bipartite social dialogue

At sectoral level

Social dialogue in the shipbuilding industry takes place at sectoral level under the aegis of the Joint Committee for steel, mechanical and electrical constructions (Commission Paritaire des constructions métalliques, mécaniques et électriques, CP 111) for blue-collar workers, and of the Joint Committee for white-collar workers in metal fabrications (Commission Paritaire des Employés des fabrications métalliques, CP 209). These two Joint Committees cover a very large number of activities including the “steelworks and metal casting industry”, the “manufacture of musical instruments”, “electric installations”, the “building and repairing of ships and boats” and the “manufacture of cutlery and forks”. Altogether, they cover a total of 41 sectors. Given the current socio-economic situation of the shipbuilding industry, this sector is not an important actor in sectoral social dialogue on the two Joint Committees.

On **Joint Committee 111**, there are 34 seats for full members and an equal number for substitute members[33]. These seats are shared out among the following organisations:

- Association of Belgian Steelwork Erectors: 2 full members and 2 substitute members;
- Agoria: 15 full members and 15 substitute members;
- FGTB/ABVV: 8 full members and 8 substitute members;
- CSC/ACV: 8 full members and 8 substitute members;
- CGSLB/ACLVB: 1 full member and 1 substitute member.

One collective agreement was signed by these organisations on the Joint Committee in 2004, 13 having been signed in 2003 and 10 in 2002. They cover all blue-collar shipbuilding salaried workers.

On **Joint Committee 209**, there are 22 seats for full members and an equal number for substitute members. These seats are shared out among the following organisations:

- Agoria: 11 full members and 11 substitute members;
- FGTB/ABVV: 5 full members and 5 substitute members;
- CSC/ACV: 5 full members and 5 substitute members;
- CGSLB/ACLVB: 1 full member and 1 substitute member.

[33] It is the practice in collective industrial relations matters that only members of representative employers’ and workers’ organisations can occupy seats on Joint Committees (Article 3 of the law of 5 December 1968): representatives of workers’ organisations must be representatives appointed by the FGTB, CSC or CGSLB; employers’ organisations wishing to sit in a Joint Committee must be recognised as representative by the relevant Minister.

These organisations concluded 11 collective agreements on this Joint Committee in 2004, 3 having been concluded in 2003 and 4 in 2002. The agreements cover all white-collar shipbuilding salaried workers.

These collective agreements are mainly concerned with issues such as the end-of-year bonus, time-credit schemes ("régime de crédit-temps"), the early retirement pension, training, and unpaid leave. There are no disputes between the actors over recognition issues.

A new sectoral agreement was negotiated and signed on Joint Committee 111 in the wake of the multi-industry agreement for 2005-2006. It is noteworthy that the negotiations leading to this agreement took place in a very tense climate marked by trade union demonstrations, stoppages and the threat of a general strike. The dispute focused on the level of the pay rise for 2005-2006, but negotiation of the sectoral agreement on Joint Committee 209 ended in failure in mid-May.

At enterprise level

The fact that there are no large companies is an obstacle to the development of social dialogue at company level, but the thresholds required for establishing a union delegation in a company (20 blue-collar workers and 30 white-collar workers) are relatively low, and this encourages sectoral union presence in workplaces. Moreover, under the terms of sectoral agreements in metal fabrications, a "budget allocation" is put aside for negotiation at enterprise level, and this too fosters the negotiation of enterprise-level collective agreements. Lastly, there are no figures for the number of collective agreements signed in shipbuilding companies.

4. Conclusion

With 1,324 salaried workers and 88 employers, the shipbuilding sector has become a very marginal activity in Belgium both from an economic point of view and in terms of social dialogue issues. Nonetheless, the maintenance of a certain level of activity in the shipbuilding industry is strategically relevant because of the current situation of river transport in Belgium and the outlook for its development. Indeed, this situation is generating needs in services and in ship maintenance. Social dialogue in shipbuilding takes place at sectoral level on two Joint Committees that cover a very large number of activities, and also at enterprise level, but there are no available figures for how widespread it is.

Abbreviations

CGSLB/ACLVB : Federation of Liberal Trade Unions of Belgium (Centrale Générale des Syndicats Libéraux de Belgique/Algemene Centrale der Liberale Vakbonden van België)

CMB: Metalworkers'Union (Centrale de l'industrie du Métal de Belgique/Centrale Der Metaalindustrie van Belgie)

CNE-GNC: General Federation of White-Collar Workers (Centrale Nationale des Employés)

CSC/ACV: Confederation of Christian Trade Unions (Confédération des Syndicats Chrétiens/Algemeen Christelijk Vakverbond)

FEB/VBO: Federation of Enterprises in Belgium (Fédération des Entreprises de Belgique/Verbond van Belgische Ondernemingen)

FGTB/ABVV : Belgian General Federation of Labour (Fédération Générale du Travail de Belgique/Algemeen Belgisch Vakverbond)

LBC-NVK: General Federation of White-Collar Workers-National Managers' Union (Landelijke Bediende Centrale-Nationaal Verbond voor Kaderpersoneel)

SETCa/BBTK:	Belgian Union of White-Collar Staff, Technicians and Managers (Syndicat des Employés, Techniciens et Cadres de Belgique/Bond der Bedienden, Technici en Kaders van België)

CYPRUS

1. Description of the sector

Delimitation and activities of the sector

Activities covered by the shipbuilding industry sector in Cyprus correspond to NACE classification code DM 35.1 (Building and repairing of ships and boats).

Socio-economic features of the sector[34]

The shipbuilding industry is one of the smallest sectors of the Cyprus economy. In 2003, its annual contribution to GDP at current market prices was 2.5 million Cyprus pounds, about 0.0004% of the national GDP. The sector employed 144 people and domestic exports amounted to 1.2 million Cyprus pounds, 0.7% of total domestic industrial exports. The distribution of sectoral output (i.e. value added at current prices) was 52.2% for the building and repairing of ships and 47.8% for the building and repairing of pleasure and sporting boats.

Summary table: Companies (2003)

Sub-sectors	Number of companies	% companies without SW	% companies with < 10 SW	% companies with 10 to 100 SW	% companies with > than 100 SW
Sub-sector 35.11	8	25.0	37.5	37.6	0
Sub-sector 35.12	22	59.1	40.9	0	0
Total of the sector 35.1	30	50.0	40.0	10.0	0

SW: Salaried Workers

Sources: The data derive from figures supplied by the Statistical Service of Cyprus and from estimates based on secondary sources.

The sector is characterised by small enterprises, with 90% of companies having fewer than 10 salaried workers. It should be noted in this context that the average size of enterprise fell from 6.8 persons in 1990 to 4.6 in 1995 and 4.8 in 2003. There are no state-owned firms. No accurate figures are available for the shadow economy, but it is reckoned to be relatively small and it is mainly attributed to under-reporting by firms.

[34] The data refer to the sector's activities in government-controlled areas, and exclude areas that have been under Turkish occupation since the Turkish invasion of Cyprus in July 1974. The sources of data are the results of consensus, annual industrial sample surveys, and import and export statistics.

Summary table: Workers (2003)

Sub-sectors	Number of workers	Number of SW	Number of SW/ number of SW in the country (%)	Number of SW in companies < 10 SW / number of SW in the sector (%)	Number of SW in companies 10-100 SW / number of SW in the sector (%)	Number of SW in companies > 100 SW / number of SW in the sector (%)
Sub-sector 35.11	63	55	0.024	27.3	72.7	0
Sub-sector 35.12	81	42	0.018	100.0	0	0
Total of the sector 35.1	144	97	0.042	58.8	41.2	0

SW: Salaried Workers

Sources: The data derive from figures supplied by the Statistical Service of Cyprus, and from estimates based on secondary sources.

The sector employs 144 people. 67.4% of whom are salaried workers; the remainder are self-employed or employers. As regards the occupational structure of the labour force, the 2001 Population Census revealed that 65.9% were craft workers and workers in related trades, 9.4% were technicians and specialist staff, 5.8% clerical and related workers, 5.8% professionals, 1.5% managerial, 5.1% unskilled labourers, 2.9 % plant and machine operators, and 3.6% other occupations. The educational level of the labour force was as follows: 38.4% had completed the 'Lyceum' (6 years of secondary education), 9.4% had completed the 'gymnasium' (3 years of secondary education), 23.2% had received a primary school education, 11.6% post-secondary education, 16.7% university education, and 0.7% had received education below full primary level. Women accounted for 5.6% of total full-time employment in the sector[35].

The sector has registered a moderate rate of growth over the last decade, the index of industrial production having risen from 86.1 units in 1995 to 100.0 in 2000 and 101.6 in 2003. The Cyprus government has a development policy of enhancing and modernising the manufacturing sector over the whole spectrum of the operational activities of enterprises, and hopes thereby to improve their capacity to cope successfully with changing market conditions. Cyprus is participating in the EU multi-annual SME programme for 2002-2005. Indicative actions for manufacturing include grants for technological upgrading, government guarantees for investment loans aimed at restructuring and expanding activities, and incentives for promoting mergers and joint ventures.

The problems currently faced by the shipbuilding industry in Cyprus relate to the need for technological upgrading, the rise in foreign competition, especially from neighbouring countries, the inadequacy of the infrastructure, and difficulties in harmonising with EU standards and regulations.

[35] 2001 Population Census

2. Organisations active in the sector

Workers' organisations

The main trade unions active in the shipbuilding industry sector are the Cyprus Metalworkers, Mechanics and Electricians Trade Union (SEMMEK) and the Cyprus Industrial Workers Federation (OVIEK). SEMMEK is part of the Pancyprian Federation of Labour (PEO) and OVIEK is part of the Cyprus Workers Confederation (SEK)[36].

The **Cyprus Metalworkers, Mechanics and Electricians Trade Union** (Syntehnia Ergatoepallilon Metallou, Mihanotehniton Ke Electrotehniton Kyprou, **SEMMEK**) was founded in 1939, and registered as a trade union with the Ministry of Labour and Social Insurance. It covers metalworkers, electricians and mechanics, and has a membership of 3,180 (60 in the shipbuilding industry), of whom 70% are blue-collar workers and 30% white-collar workers.

The SEMMEK employs nine people on a full-time basis. It has an Administrative Council of 20 members, elected by a simple majority by delegates to the congress held every four years. These in turn elect, again by simple majority, an Executive Board of five members. Members pay subscriptions, at an average of 1% of their gross income, and about 0.5-1% for medical, social and welfare benefits. Medical and pharmaceutical care and social and welfare benefits are made available at subsidised rates.

The SEMMEK takes part in consultations, and negotiates and signs agreements at all levels, but mainly at enterprise level. It currently has 29 collective agreements in force, three of which are in the shipbuilding industry. In 2003 and 2004, it signed 30 collective agreements (3 at sectoral level, and 27 at enterprise level) in all its areas of activities: of these, two were in shipbuilding. It also takes part in tripartite consultation, and signs collective agreements at this level.

At European level, the SEMMEK is a member of UNI-Europa. At international level, it is not affiliated to any organisations.

The **Cyprus Industrial Workers Federation** (Omospondia Viomihanikon Ergatoepallilon Kyprou, **OVIEK**) was established in 1962, and registered as a trade union with the Ministry of Labour and Social Insurance. It covers the footwear, clothing, beverages, metal, plastics, chemicals, electricians and motor-vehicle import sectors, and has about 12,000 members (35 in the shipbuilding industry): they are mostly blue-collar workers and craft workers (80%).

The OVIEK has 16 employees. Its funding comes from the members, who pay contributions at the rate of 1% of their earnings and about 0.5 - 1% for medical, social and other welfare benefits. It provides members with medical and pharmaceutical care and social and welfare benefits at subsidised rates.

The union takes part in consultations, and negotiates and signs collective agreements at all levels. It currently has 120 collective agreements in force; they are each of 2-3 years' duration. Of these, 111 are at enterprise level, and 9 are at the sectoral level. The OVIEK also participates in tripartite concertation, and about 30 collective agreements have been signed in this framework. During the period 2003-2004, the union signed two collective agreements at enterprise level in the shipbuilding industry.

At European level, the OVIEK is a member EMF, EMCEF, UNI-Europa, EFFAT and ETUFTCL; at international level, it is a member of ICEM, UNI, IMF, IUF and the ITGLWF.

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[36] The PEO and the SEK are Cyprus's main trade union federations .

Trade Unions

Organisation		Type of SW	Members	Members working in the sector	Density	CB	National affiliations		European affiliations		International affiliations	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Syntehnia Ergatoepallilon Metallou, Mihanotehniton ke Electrotehniton Kyprou, **SEMMEK**	Cyprus Metalworkers, Mechanics and Electricians Trade Union	Metalworkers (57%), electricians (18%) and mechanics (25%)	3,180	60	62	Yes	PEO	No	UNI-Europa	No	No	No
Omospondia Viomihanikon Ergatoepallilon Kyprou, **OVIEK**	Cyprus Industrial Workers Federation	Skilled and semi-skilled workers and technicians (80%); Clerical and Others (20%)	12,000	35	36	Yes	SEK	No	EMF UNI-Europa EFFAT ETUFTCLF EMCEF	No	ICEM UNI IMF IUF ITGLWF	No

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
Note: The numerical data presented are estimates based on data supplied by the various organisations.

Employers' organisations

No employers' organisation exclusively represents the shipbuilding industry sector. However, the Federation of Employers and Industrialists (OEV) provides its members in the sector with advice and information to enable them to negotiate and conclude collective agreements with trade unions.

3. Industrial relations in the sector

Tripartite concertation

There is tripartite social concertation in Cyprus: for the most part, it supports the country's overall economic and social policy, and also embraces dialogue at sectoral and enterprise level. Tripartite social dialogue usually takes place when bipartite social dialogue has failed to resolve a dispute; it follows that there are no matters specific to tripartite dialogue, the issues addressed in tripartite social dialogue exercises being those that have repercussions on the economy in general, and those that cannot be resolved in bipartite dialogue.

In the shipbuilding industry sector, the main actors in this concertation are:

- the Ministry of Labour and Social Insurance;
- the two main trade unions (OVIEK-SEK and SEMMEK-PEO);

- the enterprises concerned.

Ministry of Labour and Social Insurance policy on labour tripartite social dialogue is centred on the development and preservation of sound industrial relations and the maintenance of industrial peace. This policy is pursued through the safeguarding of freedom of association and the encouragement of free collective bargaining, and the provision of assistance for the prevention and settlement of labour disputes for the benefit of both parties, taking into account the interests of the public as a whole and the protection of vulnerable groups of workers.

There is a signed agreement for every case, the signatory parties being the employer and the trade unions. Agreements normally take the form of a complete contract of employment covering rates of pay, contributions, retirement, other benefits, and other terms of employment. They are implemented according to the terms of the collective agreement signed. If a clause is unclear, the Ministry of Labour and Social Insurance usually attempts to resolve it. One agreement was signed within the tripartite framework in the shipbuilding sector during 2003-2004.[37]

Bipartite social dialogue

Collective bargaining in Cyprus takes places at sectoral level[38], higher-than-enterprise level and enterprise level, depending on the issue. These levels are interconnected: if the issue is not resolved at enterprise level, it is referred for discussion to the other levels. The social partners and the government encourage the promotion of bipartite social dialogue, as it contributes to industrial peace, and in many cases is time-saving.

Most collective bargaining in the shipbuilding industry sector is structured at enterprise level, the main reason for this being the absence of an established employers' organisation in the sector. On the workers' side, the two trade unions (SEMMEK and OVIEK) negotiate and sign agreements, while on the employer's side, these roles are performed by the enterprise's owner/manager or representative, usually assisted by the OEV, of which the enterprise may be a member. According to Cyprus's Industrial Relations Code, there is an obligation to take part in collective bargaining at sector or enterprise level. As for the recognition of social actors, organisations recognise one another, and are recognised by the state as representatives of workers or employers, as the case may be, at national, industry and enterprise levels.

The formal procedure for negotiating labour issues at enterprise level in the shipbuilding sector provides that, two months before a collective agreement expires, the appropriate trade unions submit claims to the enterprise's owner/manager, who can also submit claims. Negotiations then take place between trade union representatives and the manager/owner of the enterprise. If they fail to agree at enterprise level, the issues are referred to tripartite social dialogue under the chairmanship of the Ministry of Labour and Insurance (usually Ministry's Industrial Relations Service).

On average, there are four collective agreements in the shipbuilding sector. They are all at enterprise level. These agreements are signed every two or three years, and cover such matters as wages, working time, working conditions, collective issues, and the cost-of-living and other allowances; they also deal with employment-specific provisions contained in the recently enforced EU harmonised labour legislation. The implementation of a collective agreement is governed by the terms of the agreement, and is usually supervised by the trade unions concerned. Complaints may be addressed to the Ministry of Labour for mediation. Collective agreement coverage in the shipbuilding sector is about 95% for employees, and nearly 100% for enterprises that employ

[37] There are no informal procedures for tripartite concentration. There is an agreed code of procedure: it is set out in the Cyprus Industrial Relations Code, and all the social partners have to abide by it.

[38] Bipartite social dialogue at sectoral level is possible, but the issues to be resolved usually have a national context, and tripartite social dialogue may be necessary.

people (i.e. excluding self-employed workers). There are no formal ways of extending collective agreements to parties that are not signatories, but employers usually adopt these agreements for fear that staff will leave for better work.

The social partners have positive views about future developments in social dialogue in the shipbuilding sector and the economy in general. They approach negotiations in a spirit of good faith and mutual understanding, and against a backdrop of the industrial relations principles and practices that prevail in Cyprus. The most important issues in need of resolution are the right to strike in essential services, wage indexation in line with inflation, extension of the age of retirement, and occupational health and safety and the working environment. The number of collective agreements will probably remain relatively constant, but it is likely that their content will change to include items such as changes in the cost-of-living allowance and welfare benefits, extension of the age of retirement, the legally binding nature of collective agreements, and occupational health and safety and the working environment.

4. Conclusion

The shipbuilding industry sector in Cyprus is relatively small in terms of value added contribution to GDP, employment and domestic exports. It is dominated by small enterprise units. Shipbuilding has been a slow growth sector but, with the country expanding its marinas and other infrastructural tourist facilities, it has good potential, especially in building and repairing pleasure and sporting boats. Industrial relations are mainly conducted at enterprise level. If the parties do not reach an agreement, the state intervenes. The problems faced by the sector relate to technological upgrading, an inadequate infrastructure, increased foreign competition, and the harmonisation with EU standards and regulations.

Abbreviations

OVIEK:	Cyprus Industrial Workers Federation (Omospondia Viomihanikon Ergatoepallilon Kyprou)
PEO:	Pancyprian Federation of Labour
SEK:	Cyprus Workers Confederation
SEMMEK:	Cyprus Metalworkers, Mechanics and Electricians Trade Union (Syntehnia Ergatoepallilon Metallou, Mihanotehniton Ke Electrotehniton Kyprou)

CZECH REPUBLIC

1. Description of the sector

Delimitation and activities of the sector

The definition of the shipbuilding industry sector in the Czech Republic matches the NACE codes, that is to say it includes enterprises listed in Group 35.1 "Building and Repairing of Ships and Boats".

Socio-economic features of the sector[39]

The production of cargo vessels in the Czech Republic (river and sea-going vessels) once constituted the core of the sector's output, but volume has fallen sharply since the early 1990s: skilled workers are leaving what was once a prosperous industry, construction teams have disbanded, and shipbuilders obtain the overwhelming majority of their project documentation from abroad and from their customers. Production is not as comprehensive in the Czech Republic as it was before 1989, when the shipbuilding industry was able to build complete vessels with all the necessary instrumentation and other fittings. Since the early 1990s the whole of the maritime electrical and engine manufacture sectors have virtually disappeared, and the industry now focuses on manufacturing cargo vessels for transporting chemicals, liquid gases and containers: these are constructed in the "kasko" design, that is to say a ship's hull with only the most basic on-board fittings. In 2003, the share of revenue earned by Code 35.1 on the sale of its own products and services was only 2% of the entire Group 35. Group 35.1 also lags far behind other groups in Division 35 in terms of work productivity from book added value.

	2000	2001	2002	2003
Average registered number of employees in 35.1 (natural persons)	404	322	451	552
Average monthly wage per employee in 35.1	10,662	13,024	12,825	14,216
Book added value in 35.1 at current prices (CZK thousands)	27,139	39,153	-269,241	66,324
Book added value in 35.1 as a % of total added value in the national economy at current prices	0.0026	0.0035	-0.0213	0.0049

Source: CzSO calculations under commission, Research Institute for Labour and Social Affairs (RILSA) calculations

In 2003, Group 35.1 had a total of 552 employees[40]: despite a slight increase in the number of employees, the sector has long accounted for under 0.1% of total employment in the Czech Republic. With regard to other characteristics of the structure of employment such as gender, education, professional composition, the nature of work relation, and the number of hours worked, it has not been possible to obtain this information because the sector is so small: this has made it impossible to obtain reliable data in sample surveys[41].

[39] The following information describing NACE group 35.1 in the Czech Republic comes from the Czech Statistical Office (Český statistický úřad, CzSO), the Czech Ministry of Industry and Trade, from corporate registers on the internet, from the Ship Transport White Paper (drawn up by the Society of Friends of Navigation, Děčín, 2001), and from the trade press in the Czech Republic.

For some time now, the average wage in the sector has been below the national average: the average wage in the national economy was CZK 15,866 (EUR 515[42]) in 2002 and CZK 16,920 (EUR 531) in 2003. The scale of the grey economy in this area is not known but, according to press reports, some blue-collar jobs are taken by foreign workers, mainly from Ukraine.

Summary table: Workers (2003)

Sub-sectors	Number of workers	Number of SW	Number of SW / number of SW in the country (%)	Number of SW in companies < 10 SW / number of SW in the sector (%)	Number of SW in companies 10-100 SW / number of SW in the sector (%)	Number of SW in companies > 100 SW / number of SW in the sector (%)
Total of the sector 35.1	ND	552	Under 0.1%	ND	ND	ND

SW: Salaried Workers

Source: CzSO calculations under commission RILSA calculations

A total of 272 active enterprises were registered in the sector at 31.12.2004: this is a small number compared with the total number of economic units in the Czech national economy[43]. The overwhelming majority of the sector is made up of self-employed workers and organisations without employees.

Legal form	**NACE 35.1**	
	Number	%
Self-employed	250	91.91
Commercial companies	21	7.72
Cooperatives, state firms, other	1	0.37
Total	**272**	**100.00**

Source: Register of Economic Subjects, CzSO 2004

Summary table: Companies (2004)

Sub-sectors	Number of companies	% companies without SW	% companies with < 10 SW	% companies with 10 to 100 SW	% companies with > than 100 SW	% not stated
Total of the sector 35.1	272	70.22	9.56	2.94	0.74	16.54

SW: Salaried Workers

Source: Register of Economic Subjects, CzSO 2004

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[40] The Czech Ministry of Industry and Trade gives somewhat higher figures.

[41] These features are addressed in the regular Labour Force Surveys published by the Czech Statistical Office, but with such a small number of employees, the methodology used cannot guarantee that there are no results in the statistical error zone.

[42] The yearly average exchange rate for 2002 and 2003 has been taken from the Czech National Bank database (CZK 30.812 = 1 EUR in 2002 and CZK 31.844 = 1 EUR in 2003). Source: www.cnb.cz

[43] 2,023,894 economic units as at 31.12.2004.

Of the three major shipbuilders, only two remain active: České loděnice, a.s. and Veramar Limited o.s. Praha. The third big shipbuilder in the Czech Republic, **Loděnice Mělník**, stopped building ships in 2002, when it was damaged by the disastrous floods that hit the country that year. In the following year, Czech shipyard production was hit by a serious drought, particularly during the summer months[44]. The proprietor of Loděnice Mělník is now merely letting out some of his complex in the town of Mělník, and selling it off in parts.

Currently the largest shipbuilding firm in the Czech Republic is the joint stock company **České loděnice, a.s**. It has registered capital exceeding CZK 80 million, and had a turnover of more than CZK 400 million in 2001 (annual turnover in 2000: CZK 174 million). In addition to activities in 35.1 "Building and Repairing of Ships and Boats", České loděnice is also active in other areas including 61.2 Internal Water Transport. Shipbuilding and repairs take place in two shipyards: at Křešice, near Děčín (which it bought from Československé plavby labské[45]) and at Valtířov. At Křešice, there were 130 people working in the shipyard in 2002, with most of its output going to the Netherlands; Valtířov has as many as 120 permanent employees, and has taken on another 40-60 skilled locksmiths and welders, mainly from Ukraine. There is a shortage of skilled workers in these fields.[46]

The second biggest shipbuilder in the Czech Republic is **Veramar Limited o.s.** Praha, part of the Veramar Group[47]. The construction of ships, ships' sections and structures, and repairs and renovation mainly takes place at Loděnice Chvaletice in the Pardubice Region. The part of the Elbe where the shipyard is located allows for ships' hulls to be built up to a maximum of 85m long, 10.5m wide and 5.5m high. In May 2001, Veramar Limited acquired the Chvaletice shipyard, along with approximately 80 of its original 140 workers. There are now 160 employees altogether.

Shipyards in the Czech Republic are entirely dependent on foreign demand: all new cargo vessels are exported, mainly to the Netherlands and Germany; Norway was once a major buyer as well. Domestic consumption in the cargo vessel sector is influenced by stagnation in the country's water-borne transport, and a resultant lack of interest on the part of domestic shipping operators in modernising their outdated fleets: domestic consumption is concentrated in sporting and recreation boats, water scooters and, to a lesser degree, yachts[48]. Between 2000 and 2003 inclusive, the value of exports of output in code 35.1 group ranged from CZK 374 million to 539 million, depending on the volume of customer orders: sporting and recreation vessels and sea-

[44] These extremely adverse conditions had a serious impact on a business dependent on the weather, and even halted production, but attracted no compensation in the form of aid from the Czech government.

[45] The joint stock company Československé plavby labské was formed in 1992, but the Czech Ministry of Transport cast doubt on the firm's privatisation in 2000, and a court declared it bankrupt in the following year. Shipping executives who left the firm then founded the joint stock company ČSPL: they bought the ČSPL brand from Československé plavby labské and some of its assets, and took over 140 vessels. The shipyards, too, were also sold off after the company went bankrupt: Křešice was acquired by České loděnice, and Chvaletice by Veramar Limited.

[46] České loděnice recently launched its biggest ever tanker: this chemicals tanker, for the Dutch firm Navia, is 135m long and 15m wide, and its sides rise to a height of 5.8 metres. A report in the trade press in January 2005 also stated that České loděnice is planning to sign a contract to set up a joint venture with the Chinese firm of Hudong-Zhongua Shipbuilding. There is also news that České loděnice will also become the owner of "river/sea" boats, which Russia is using to pay off part of its debt to the Czech Republic (It was the owner of České loděnice, who came up with idea of using ships to pay off the Russian debt). The ships concerned are 30 "Valdaj"-type vessels designed for combined river/sea navigation; each is worth $10 million. České loděnice will let the vessels to a Czech-Russian shipping company that will use them in the Baltic Sea. Part of the revenue that the company earns from the rental of the vessels will go to the state.

[47] This is a group of three independent firms that specialise in work related to the building, repairing and painting of vessels, and in consultancy on shipbuilding and water-borne transport.

[48] Very little has been done in recent decades to renew the stock of vessels: the last Czech-made ship to be constructed for a Czech shipping company was completed in 1992, and since then, shipping companies have only bought second-hand vessels from abroad, while most older Czech vessels are sold or scrapped. The main reasons why it is almost impossible to find an investor to buy or modernise fleets in the Czech Republic are existing navigation conditions in the country and the absence of a system of support for investment in water-borne transport: it follows that Czech shipping companies cannot even consider taking out commercial loans. Czech shipyards also have a particular problem with financing export production as the Export and Guarantee Insurance Company (Exportní garanční a pojiš, EGAP) does not insure Czech products with over 60% foreign production and sub-contracts: in the current climate, this presents an almost insurmountable obstacle, and is the reason why the solution for Czech manufacturers is to concentrate on semi-finished products (e.g. steel hulls).

going yachts accounted for a small proportion of these results. In the coming years, export performance in the Czech Republic will continue to rely chiefly on an economic boom in the euro zone. In this context, there is likely to be pressure to renew and modernise the fleets of European shipping companies, with the emphasis on replacing tankers with safer double-hulled vessels: České loděnice, which makes ships of this kind, can expect to win orders in this segment. The decisive factor for the sector remains the development of navigation conditions on the River Elbe. In this regard, shipyards are placing their hopes on the construction of weirs on the Lower Elbe, as these should make the river more navigable, and thereby make it possible for finished products to be supplied promptly, but the Czech Ministry of Environment points out that the investment of CZK 6-8 billion in the building of weirs would be a risky move for the state: even the Ministry of Transport does not believe that the investment would pay off. However, the debate continues.

2. Organisations active in the sector

Workers' organisations

There is no sectoral trade union for the shipbuilding industry.

However, two enterprise-level trade union organisations operate side-by-side at České loděnice's two shipyards in Křešice and Valtířov. The trade union at the Valtířov shipyard is a member of the Czech Metalworkers' Federation (Odborový svaz KOVO), the largest trade union in the Czech Republic. The KOVO is also affiliated to the Czech-Moravian Confederation of Trade Unions (Českomoravská konfederace odborových svazů, ČMKOS) and is a member of the European Metalworkers' Federation (EMF) and the International Metalworkers' Federation (IMF). The enterprise-level trade union at Křešice is affiliated to the Transport Workers' Union (Odborový svaz dopravy, OSD). The OSD is also a member of the ČMKOS. There is no trade union either at Veramar Limited o.s. or at Loděnice Mělník. No further information concerning these enterprise-level trade unions is available.

It should be noted that none of the four currently applicable higher-level collective agreements signed by the KOVO and the OSD covers either České loděnice or any other employer in the shipbuilding industry.

Employers' organisations

No employers' organisation in the Czech Republic covers shipbuilding companies.

3. Industrial relations in the sector

Tripartite concertation

Tripartite social dialogue does not take place at sectoral level in the Czech Republic.

Bipartite social dialogue

There is no bipartite social dialogue at sectoral level for the shipbuilding industry.

At enterprise level, collective bargaining is documented to have taken place up to 2004 in just one company, albeit the biggest in the sector: České loděnice. An enterprise-level collective agreement covering employees at both the company's shipyards at Valtířov and Křešice (a total of around 220 employees, i.e. 40% of salaried workers in the sector) was signed in the company, but it expired in 2004. No new agreement has been signed since then.

This situation has undoubtedly been chiefly brought about by the structure of enterprises in a sector dominated by sole traders and micro-firms. The sector has been through a major restructuring that disrupted or destroyed the original enterprise-level trade union structures.

4. Conclusion

Shipbuilding is a small industry in the Czech Republic. Production has fallen away sharply since the early 1990s, and Czech shipyards are now entirely dependent on foreign demand. The scope of social dialogue in this sector is minimal, and takes place in only one enterprise, albeit the biggest in the sector. One collective agreement has been signed covering 40% of the workers, but it expired in 2004. No new agreement has been signed since then.

Abbreviations

ČMKOS: Czech-Moravian Confederation of Trade Unions (Českomoravská konfederace odborových svazů)

CzSO: Czech Statistical Office (Český statistický úřad)

KOVO: Czech Metalworkers' Federation KOVO (Odborový svaz KOVO)

OSD: Transport Workers' Union (Odborový svaz dopravy)

DENMARK

1. Description of the sector

Delimitation and activities of the sector

Statistics from *Statistics Denmark* comprise the category “Building and repairing of ships and boats” in compliance with NACE categories 35.11 and 35.12. From the standpoint of collective bargaining, the shipbuilding industry constitutes part of the metal trade and industry sector.

Socio-economic features of the sector

In recent decades, the shipbuilding industry has undergone a significant decline in size and importance due to increased competition from the East Asian countries. From 1996 to 1999 five large Danish shipbuilding companies closed[49]. Others restructured into building and repair yards specialised in smaller ships. Today, the Danish shipbuilding industry is dominated by small new shipbuilding and ship repair yards. Denmark is competitive in this field of activities. Only one large shipyard still builds new large ships, Odense Steel Shipyard (hereafter referred to as Lindø), active mainly in the building of container ships for the Danish multinational owner, A P Moller Group. The repair and building of pleasure and sporting boats remains relatively strong in Denmark.

Turnover in the sector decreased appreciably between 1993 and 2004 (a 47% decline). In 2004, it was 5,620,762,000 DKK (EUR 753,342,268), or approximately 1.01% of total turnover in the manufacturing industry[50]. In terms of share of the national GDP, the sector accounted for 0.34% in 2001 and 0.19% of the national gross added value[51]. As can be seen from the table below, employment has also suffered considerably from the decline of turnover in the sector.

Development in employment (NACE 35.1)

	1996	1997	1998	1999	2000	2001	2002	2003	2004
Self-employed	367	358	365	390	383	401	418	196	186
Assist. spouses	25	21	17	18	18	15	13	10	6
Employees	10,666	9,664	9,043	8,021	6,950	6,730	6,532	5,628	5,110
Women, total	877	787	782	768	699	679	663	543	509
Total	**11,058**	**10,043**	**9,425**	**8,428**	**7,351**	**7,145**	**6,983**	**5,935**	**5,434**

Source: Statistics Denmark 2005

The statistics do not provide employment data by sub-sectors. As regards the breakdown of workers by enterprise, Lindø, the biggest yard building new ships in Denmark, officially occupied 2,750 workers in 2004, or about half of all workers in the sector today. The sector is dominated by metalworkers. Other important categories of workers are engineers, electricians, industrial

[49] B&W Skibsværft (1996), Nordsøværftet (1997), Danyard, Aarhus Flydedok, Svendborg Værft (last three 1999). In this context of strong international competition, the Danish state offers financial support to the shipyard industry to ensure Danish competitiveness (in accordance with EC Regulations).

[50] Source: Statistics Denmark.

[51] Source: Statistics Denmark: Latest comparable figures for the shipbuilding sector are only available from 2001. (Share in % is calculated on the basis of the amounts in Danish currency).

wood workers and technical designers. Atypical work occurs mostly in the repairs sub-sector, as the number of employees frequently varies according to the season and the type and size of boats in dock.

Summary table: Workers (2004)

Sub-sectors	Number of workers	Number of SW	Number of SW / number of SW in the country (%)	Number of SW in companies < 10 SW / number of SW in the sector (%)	Number of SW in companies 10-100 SW / number of SW in the sector (%)	Number of SW in companies > 100 SW / number of SW in the sector (%)
Total of the sector 35.1	5,434	4,722	0.2%	8.5%	19.1%	72.4%

SW: Salaried Workers

Source: Statistics Denmark. Figures are full-time equivalents.

64.6% of companies in the sector do not employ salaried workers. Others are mainly SMEs and generally adopt a strategy based on specialisation/innovation and differentiation to remain competitive. In terms of geographical distribution, the enterprises in NACE 35.11 are mainly situated in Fyns Amt, Nordjyllands Amt and Vejle Amt. Together they make up 41% of companies in this sub-sector. The NACE 35.12 enterprises are scattered throughout the country, with the exception of Fyns Amt, where 18% of the enterprises are situated. The underground economy is not important in this sector.

Summary table: Companies (2004)

Sub-sectors	Number of companies	% companies without SW	% companies with < 10 SW	% companies with 10 to 100 SW	% companies with > than 100 SW
Total of the sector 35.1	384	64.6%	24%	9.4%	1.6%

SW: Salaried Workers

Source: Central Business Register[52] (CVR)

2. Organisations active in the sector

As regards recognition, the opposing parties recognize each other as partners for collective bargaining (mutual recognition). This system is laid down by basic collective agreements.

Workers' organisations

The **Central Organisation of Industrial Employees (CO-Industri)** is a cartel of all unions represented in the manufacturing industry. It was created to counterbalance the creation in 1991 of the large employers' confederation, DI (Confederation of Danish Industries). The president and the vice-president of the cartel also constitute the negotiation committee for bargaining with DI[53].

[52] CVR contains data on all businesses in Denmark – i.e. all legal units and all associated production units. Not all companies without SW are active in reality, but the CVR statistics are the only ones that break down figures according to company size. According to Statistics Denmark, the latest figure for active companies (2003) shows a total of 277 within NACE 35.1.

[53] The Danish Metalworkers Union constitutes the largest organisation of this cartel (i.e. with the most members) and thus holds the presidency; the General Workers' Union (SiD) holds the vice-presidency. With effect from January 2005, however, SiD merged with the National Union of Female Workers Union (KAD), forming the United Federation of Danish Workers (3F), and thus became the largest trade union within the CO-industri cartel. So far this has not changed the balance within the cartel.

The result of this negotiation (the Industry Agreement) sets the pace for the entire private sector. CO-Industri employs 36 persons and is a direct member of EMF. The following organisations are members of the CO-Industri Cartel:

- The **Danish Metalworkers Union (Dansk Metal)** was founded in 1888 and holds the chair in CO-industri. Traditionally density is very high in the metalworkers' union due to a historically strong political commitment. Today, Dansk Metal has 150,000 members (of which 84% work in the private labour market). It represents workers with mechanical, technical, electronics and information-technical backgrounds. 250 persons are employed by the trade union.
- The **National Painters' Union in Denmark (Malerforbundet i Danmark)** was founded in 1890. It represents all types of craft painters in different sectors, including in NACE 35.1. This organisation employs 35 persons.
- The **United Federation of Danish Workers** (Fagligt Fælles Forbund, **3F**) was founded in 2005 and represents unskilled and skilled workers, both men and women. It is divided into six employment groups: Building, Green, Public sector, Private service, Industry and Transport, for a total of 363,729 members[54]. In the shipbuilding industry, the union has members who are employed as truck and crane drivers at the yards and others who handle surface treatment of ships (the exact number is not available). More than 300 persons are employed at the organisation's central secretariat.
- The **Danish Association of Professional Technicians** (Teknisk Landsforbund, **TL**) was created in 1919 and represents technical designers in most manufacturing sectors. It is represented in most shipyards and employs 160 persons.
- The **Union of Commercial and Clerical Employees in Denmark** (Handels- og Kontorfunktionærerns Forbund, **HK**) was created in 1900 and employs more than 1,000 persons. Together with 3F, HK is the largest union in Denmark (each with around 370,000 members): 75% of these are women. HK consists of a number of departments, regional branches, national associations and local unions: the shipyard industry belongs to HK/Private and shipbuilding members of HK work in administration and IT.
- The **Danish Union of Electricians** (Dansk El-Forbund, **DEF**) was created in 1904 and is an organisation for workers in the energy, communication, security and alarm systems sectors. It employs 65 persons.
- The **Danish Union of Wood, Industrial and Building Workers** (Forbundet Træ-Industri-Byg, **TIB**) represents carpenters, cabinetmakers and joiners in the building and shipbuilding industry and industrial wood workers in the wood industry. Members of TIB work at both small and large shipyards. Training is provided for ship carpenters and boat builders (in Elsinore), aimed especially at ship accommodation. TIB has a staff of 400 and was created in 1997 from a merger of the Union of Wood Industry and the Carpenters' and Joiners' Union.

The **Danish Society of Engineers** (Ingeniørforeningen i Danmark, **IDA**) represents all engineers and other professions related to high technology (employees, managers and self-employed). 200 of its members have the title "ship engineer", but other kinds of engineers work in the shipbuilding sector as well at different yards in Denmark: IDA estimates that it has more than 300 members working as ship engineers and ship building consultants, consultants in shipping companies, certification and insurance firms, etc. IDA does not negotiate collective agreements in the private sector. In the shipbuilding sector, the engineers have individual contracts, thus IDA provides legal support and guidance during these individual negotiations. It is direct member of EMF and employs approximately 250 persons.

[54] Source: Statistics Denmark.

The **Danish Engineers' Association** (Maskinmestrenes Forening, **MMF**) was founded in 1873 and is a professional/technical association for engineers and dual purpose ship officers, who are either graduates or students at maritime educational institutions. The association has around 8,800 members. The engineers are employed in the maritime sector, in production units and service companies, in consulting companies, and in the public sphere e.g. at hospitals, in supply, inspection, defence and the education sector. Approximately 78% of the members are salaried workers, 15% are senior engineers (retired) and 7% are students. The Danish Engineers' Association negotiates, denounces, and enters into collective agreements on behalf of its members (Managers' Agreement which covers the shipbuilding sector). It employs 16 persons.

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector***	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
CO-Industri (Cartel)	Central Organisation of Industrial Employees	All types	306,794	ND	ND	Yes	No	No	EMF	No	IMF	No
Dansk Metal	Danish Metalworkers Union	Metal workers, shipbuilders	140,618	Approx. 3,000 according to Dansk Metal	63.5%, estimate	Yes	LO[55] CO-Industri	No	ETF	EMF	ITF	IMF
Malerforbundet I Danmark	National Painters Union in Denmark	Painters	14,000	358	7.6%	Yes	LO CO-Industri	No	ND	EMF	ND	IMF
Fagligt Fælles Forbund, 3F	United Federation of Danish Workers	Skilled and unskilled workers	363,729	ND	ND	Yes	LO CO-Industri	No	EFBWW UNI-Europa	EMF	IFBWW ITF UNI-International	IMF
Teknisk Landsforbund, TL	Danish Association of Professional Technicians	Technicians, technical designers	30,650	ND	ND	Yes	LO CO-Industri	No	UNI-Europa	EMF	UNI-International	IMF
Handels- og Kontorfunktionærerne, HK/Private	The Union of Commercial and Clerical Employees in Denmark	Clerical employees, administration, IT	370,420	ND	ND	Yes	LO CO-Industri	No	ETF Uni-Europa	EMF	ITF UNI-International	IMF
Dansk El-Forbund, DEF	Danish Union of Electricians	Electricians	30,107	ND	ND	Yes	LO CO-Industri	No	UNI-Europa	EMF	UNI-International	IMF
Forbundet Træ-	Danish Union of Wood,	Ship Carpenters and	68,000	Approx. 300	6.4%	Yes	LO	No	EFBWW	EMF	IFBWW	IMF

[55] The Danish Confederation of Trade Unions.

Industri-Byg, TIB	Industrial and Building Workers	boatbuilders, industrial wood workers		TIB estimation			CO-Industri					
Ingeniørforbundet I Danmark, IDA	Danish Society of Engineers	Engineers, 'technical knowledge workers'	61,000	IDA estimates more than 300.	Approx. 7%	No	AC[56]	No	EMF FEANI	No	IMF	ND
Maskinmesternes Forening, MMF	Danish Engineers´ Association	Marine engineers, machine engineers	8,711	Approx. 13	0.2 %	Yes	No	No	FICT FECER	No	IOF ITF	No

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
* Most unions do not have information about how many of their members work in the different sectors. This would require a special survey among local clubs and individual companies.

Employers' organisations

The **Confederation of Danish Industries** (Dansk Industri, **DI**) is an intersectoral organisation created in 1991 and the largest employers' organisation in Denmark. DI represents companies within the manufacturing and service industries covering virtually all sub-sectors[57]. This organisation conducts collective bargaining on behalf of its member associations. It employs 450 persons.

The **Danish Maritime** (Danske Maritime), a union member of DI, was established as a sector organisation in 1919. It represents a wide range of activities and interests connected to the entire maritime industry: in addition to shipyards, the production of maritime equipment and installations for the extraction of oil and gas under the ocean floor. Danish Maritime has 17 member companies, of which nine are directly involved with the ship and boat building/repair industry (all the large shipyards in Denmark are members of this organisation).

As an affiliate of DI, the Industry Agreement between CO-industri and DI covers Danish Maritime's member companies. Moreover, Danish Maritime informally cooperates with CO-industri on shipbuilding issues other than the agreement-related issues of wages and working time, i.e. education and continuing vocational training, working environment, health and safety, political issues affecting the industry, etc. This co-operation has taken place for the last 40 years.

Table 4. Employment of Danish Maritime's affiliated companies, 2004[58]

	White-collar workers (Funktionærer)	Blue-collar workers (Timelønnede)	**Total**
Equipment production, offshore, etc.	1,810	1,660	**3,470**
New shipbuilding	470	2,120	**2,590**
Ship repair	80	480	**560**
Total	**2,360**	**4,260**	**6,620**

Source: Danish Maritime: Årsberetning 2003-2004 (Yearly Report 2003-2004).

56 The Confederation of Professional Associations (Akademikernes Centralorganisation, AC).

57 Single companies are not DI direct members but are members of an association affiliated to DI.

58 The figures cover full-timers as well as part-timers. These figures are not directly comparable with the figures of Statistics Denmark given in 'Contextual data'. According to Danish Maritime, the share of part-time workers is small.

The **Employers' Association of Danish Ship and Boat Builders** (Skibs- og Bådebyggeriernes Arbejdsgiverforening) represents 75 companies in shipbuilding and repair (ranging from small to medium-sized shipyards). The organisation is a member of DI, which conducts collective bargaining on behalf of the members. It does not employ any staff as DI takes care of administrative issues.

The **Employers' Association of Danish Master Smiths in Craft and Industry** (Håndværk og Industri, **DS**) represents mainly SMEs within the iron and metal craft and industry (within a wide area of sub-sectors). In NACE 35.1, DS has 40 members active as repair companies, the so-called ship smiths, and members among small boatbuilding companies. In shipbuilding DS signs sectoral collective agreements with Dansk Metal, TIB and 3F. DS is member of HVR and has a staff of 35 persons. At industry level DS has 2,500 member companies with a total of approximately 25,000 employees.

The **Association of Ship and Boat Builders in Denmark** (Foreningen af Skibs- og Bådebyggere i Danmark)[59] is a small employers' association for mainly small shipbuilding and repair yards (e.g. repair of leisure boats of all sizes). The Association has collective agreements with Dansk Metal and 3F, and is a member of the trade association HVR.

Employers' organisations

Organisation		**Sub-sectors covered**	**Companies**	**SW**	**Density Companies**	**Density SW**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name		Number	Number	%	%	Yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Dansk Industri, DI	Confederation of Danish Industries	Entire manufacturing industry	92	4,050	24.0%	85.8%	Yes	DA[60]	No	UNICE	No	No	IOE BIAC
Danske Maritime	Danish Maritime	New shipbuilding, ship repair, production of equipment for ship building	9	Approx. 3,150	It represents all the largest shipyards	66.7% of NACE 35.1 (ND for NACE 35.11)	No	DI	DA	CESA	UNICE	IMO	IOE BIAC
Skibs- og Bådebyggeriernes Arbejdsgiverforening	Employers' Association of Danish Ship and Boat Builders	Shipbuilding: small boats to coasters	75	Approx. 900	19.5%	19%	No	DI	DA	No	UNICE	No	IOE BIAC
Håndværk og Industri, DS	Association of Danish Master Smiths in Craft and Industry	Entire metal industry – including "shipsmiths" (40 companies)	Minimum 40 companies in NACE 35.1	ND	ND	ND	Yes	HVR[61]	No	No	UEAPME	No	No
Foreningen for Skibs- og	Association for Ship and Boat	Building and repair of small boats	ND	ND	ND	ND	Yes	HVR	No	No	UEAPME	No	No

59 The Association has not answered e-mails or phone calls. The information about CB is from Dansk metal.

60 The Confederation of Danish Employers.

61 The Danish Federation of Small and Medium-Sized Enterprises (Håndværks rådet, HVR).

Bådebyggere i Danmark	builders in Denmark												

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

3. Industrial relations in the sector

Tripartite concertation

There is no particular tripartite concertation at sectoral (branch) level in Denmark. Tripartite concertation at national level is an informal, ad hoc dialogue, i.e. the government invites the social partners to discuss special issues. This happens often if labour market issues are on the political agenda, and the social partners normally have appreciable weight.

Bipartite social dialogue

The Danish model of collective bargaining is characterized by “centralised decentralization”. A central collective agreement concluded at sectoral level provides the framework for a bargaining process at enterprise level (local).

From the point of view of collective bargaining, the shipbuilding industry forms part of the metal trade and industry sector and is consequently covered by the central collective agreement known as **the Industry Agreement**.[62] The signatory parties to this agreement are the DI (representing employers) and the bargaining cartel of trade unions, CO-industri. This umbrella agreement deals with all matters related to wages (it determines the minimum increase in the minimum wage over the agreement period.), working time and working conditions (including aspects like pensions, sick leave pay, maternity leave, special holidays, etc.). The Industry Agreement transfers to the partners at enterprise level the right to negotiate wage and working conditions further (thus the actual wage negotiations take place at enterprise level)[63]. It should be noted that the Industry Agreement covers only blue-collar workers. White-collar workers in industry have their own agreement: the Agreement for Salaried Employees in Industry, negotiated simultaneously between DI and CO-industri[64]. The Industry Agreement, including the agreement for salaried employees, covers 240,000 workers or 57.4% of total employment in the manufacturing industry[65].

A few smaller collective agreements are negotiated in the shipbuilding industry. This is partly due to the fact that two employers’ associations – DS and the Association of Ship and Boat Builders in Denmark – do not come under the umbrella of DI[66]. DS has collective agreements with the Danish Metalworkers’ Union, TIB and 3F. The Association of Ship and Boat Builders in Denmark

[62] The current agreement was signed in 2004 and is valid until 2007. The agreement prior to this was signed in 2000 and covered four years.

[63] Social dialogue at enterprise level takes place between the representative of the employees’ union, the shop steward and management.

[64] The conditions of salaried employees in Denmark are also regulated by the "Act governing the legal relationship between employers and salaried employees" (Funktionærloven).

[65] Source: Statistics Denmark, 2004 and DI.

[66] Typically these companies have chosen not to be members of DI because they are too small to have a say within the large employers’ association.

has collective agreements with the Danish Metalworkers' Union and 3F. By and large, these agreements follow the provisions of the Industry Agreement. The Master Smiths' collective agreement covers 10,000 workers, but it is not known how many of these are employed in shipbuilding. There is the so-called Manager's Agreement between MMF and DA, which determines the employment relations between the manager and the employer in companies under the umbrella of DA's affiliates (e.g. DI).

The **Shipyard Committee** (*Skibsværftsudvalget*), a joint committee of the trade unions represented in shipbuilding, coordinated by CO-industri and chaired by a representative from Dansk Metal, has been active for more than 50 years. This Committee coordinates the effort in the shipbuilding sector on the trade union side, and has an informal but active dialogue with the employers in Danish Maritime on issues in the shipbuilding sector.

In a protocol attached to the Industry Agreement 2000 the parties to the agreement, CO-industri and DI, agree to create a joint committee, the **Industrial Policy Committee** with the aim of co-operating on improving the competitiveness, employment and foreign-exchange earnings of the industrial sector[67]. The task of the Industrial Policy Committee is to discuss and describe the joint recommendations of industry with the government and the political parties. This covers all subjects, on which the organisations can agree on a common recommendation in five policy areas: environment and energy; education at all levels; research, technology and innovation; infrastructure and transport; and fiscal policy.

Finally, the social partners in industry co-operate in the so-called **I-BAR** (sectoral working environment council in industry). DI represents the employers, but CO-industri is represented by individual unions, i.e. Dansk Metal, 3F, HK, TIB, DEF and TL. The last union in I-BAR is the Danish Food and Allied Workers' Union, which is not represented in shipbuilding.

4. Conclusion

As in other European countries, the shipbuilding industry in Denmark has been declining in recent decades. Only a few large yards building new ships are left, but Denmark seems to be more competitive when it comes to smaller ship and repair yards. The Danish structure for collective bargaining in the private sector covers the entire country and is articulated at two levels: central sectoral bargaining combined with negotiations at company level. The Industry Agreement concluded between the employers' confederation DI and the employees' cartel CO-industri covers shipbuilding industry companies.

Abbreviations

AC:	Confederation of Professional Associations (Akademikernes Centralorganisation)
CO-Industri:	Central Organisation of Industrial Employees in Denmark (Centralorganisationen af Industriansatte i Danmark)
CVR:	Central Business Register (Det Centrale Virksomhedsregister)
DA:	Confederation of Danish Employers (Dansk Arbejdsgiverforening)
DEF:	Danish Union of Electricians (Dansk El-Forbund)
DI:	Confederation of Danish Industries (Dansk Industri)

[67] The Industry Agreement 2000 – Organisation agreements: Protocol on Industrial Policy Committee.

DS:	Employers' Association of Danish Master Smiths in Craft and Industry (DS Håndværk og Industri)
3F:	United Federation of Danish Workers (Fagligt Fælles Forbund)
HK:	Union of Commercial and Clerical Employees in Denmark (Handels- og Kontorfunktionærerns Forbund)
HVR:	Danish Federation of Small and Medium-Sized Enterprises (Håndværksrådet)
IDA:	Danish Society of Engineers (Ingeniørforeningen i Danmark)
KAD:	National Union of Female Workers union (Kvindeligt Arbejderforbund)
LO:	Danish Confederation of Trade Unions (Landsorganisationen i Danmark)
MMF:	Danish Engineers' Association (Maskinmestrenes Forening)
SiD:	General Workers' Union (Specialarbejderforbundet i Danmark)
TIB:	Union of Wood, Building and Industry Workers in Denmark (Forbundet Træ-Industri-By)
TL:	Danish Association of Professional Technicians (Teknisk Landsforbund)

ESTONIA

1. Description of the sector

Delimitation and activities of the sector

The Estonian shipbuilding industry sector (the building and repairing of ships and boats) includes the following activities:

- The building and repairing of ships (NACE Rev.1.1, DM 35.11), subdivided as follows: the building of ships; the construction of other floating structures and platforms; and the alteration, repair and maintenance of ships, floating structures and platforms;
- The building and repairing of pleasure and sporting boats (NACE Rev.1.1, DM 35.12), subdivided as follows: the building of pleasure and sporting boats; and the alteration, repair and maintenance of pleasure and sporting boats.

The Statistical Office of Estonia uses the internationally recognised NACE classification.

Socio-economic features of the sector[68]

The shipbuilding industry is a very small sub-sector in the Estonian economy. At current prices, the share of the "Manufacture of other transport equipment" (NACE DM 35) accounted for 0.68% of the national GDP in 2004[69].

Summary table: Companies (2002)

Sub-sectors	**Number of companies**	**% companies without SW***	**% companies with less than 10 SW***	**% companies with 10 to 100 SW***	**% companies with > than 100 SW***	**Number of employees not recorded, % of enterprises***
Sub-sector 35.11	57**	ND	ND	ND	ND	ND
Sub-sector 35.12	18**	ND	ND	ND	ND	ND
Total of the sector 35.1	75***	10.7	42.9	34.5	4.8	7.1****

SW : Salaried Workers

68 Since 2003, the Statistical Office of Estonia has only published data by broad industry group (the first level of NACE classification) and not by individual sub-sector. The Office therefore only provides information covering the manufacture of other transport equipment (NACE DM 35) which, besides shipbuilding (DM 35.1), consists of the manufacture of railway and tramway locomotives and rolling stock (DM 35.2), aircraft and spacecraft (DM 35.3), motorcycles and bicycles (DM 35.4) and other transport equipment n.e.c. (DM 35.5).

69 Source: Statistical Office of Estonia. Figures are from an enterprise survey that only covers economically active enterprises, and not state-funded institutions and organisations, not-for-profit institutions, sole proprietors and enterprises of financial intermediation.

Sources: * Commercial Register; ** Statistical Office of Estonia; *** Eurostat; **** Most enterprises that did not state the number of salaried workers (7.1%) probably belong to first group (fewer than 10 salaried workers) as other indicators were relatively small (e.g. net sales, assets and labour costs).

In 2002[70], there were only 75 economically active enterprises in the sector (about 0.2% of all enterprises in Estonia). All of them are private. The sub-sector engaged in the building and repairing of pleasure and sporting boats (DM 35.12, 18 companies) is particularly small. In 2002, about 90% of enterprises in the shipbuilding industry sector were small (i.e. employing fewer than 50 people), and about two thirds were micro-enterprises (i.e. with fewer than 10 employees). Only two enterprises employed more than 250 employees, and fewer than 10% were medium-sized (i.e. between 50 and 249 employees).

Summary table: Workers (2002)

Sub-sectors	Number of workers[1]	Number of SW[1]	Number of SW / number of SW in the country (%)[1]	Number of SW in companies < 10 SW / number of SW in the sector (%)[2]	Number of SW in companies 10-100 SW / number of SW in the sector (%)[2]	Number of SW in companies > 100 SW / number of SW in the sector (%)[2]
Sub-sector 35.11	2,087	ND	ND	ND	ND	ND
Sub-sector 35.12	206	ND	ND	ND	ND	ND
Total of the sector 35.1	2,293	2,281	0.4	5.4	37.9	56.6

SW: Salaried Workers
Sources: [1] Eurostat ;
[2] Commercial Register.

Large and medium-sized enterprises employ two thirds of employees in the sector, while small enterprises (i.e. with fewer than 50 employees) employ one third. No data are available for skills levels, or the gender distribution and categories of salaried workers (white-collar and blue-collar workers). There are also no data for the average wage in the shipbuilding industry sector, although it is possible to draw inferences from the average wage in the manufacture of other transport equipment[71] (7,439EEK (EUR 475.46[72]) in 2003): this is above the average wage in Estonia (6,723EEK = EUR 429.69), and much higher than the average for the manufacturing industry.

There are no estimates of the size of the irregular economy in the sector.

The volume of production in the manufacture of other transport equipment (DM 35) has increased over the last years[73]. A large share of this production is exported (47.8% in 2002[74]), but the share of export sales in the manufacture of other transport equipment has been falling in recent years. In other respects, the last few years have seen an increase in the number of enterprises active in the shipbuilding industry sector, and mainly in the building and repairing of ships sub-sector (DM 35.11)[75].

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[70] As the Statistical Office of Estonia has not published separate data by sub-sector since 2003, only figures for 2002 are available for the shipbuilding industry.

[71] In addition to shipbuilding, NACE DM 35 includes salaries in the manufacture of railway and tramway locomotives and rolling stock, aircraft and spacecraft, and motorcycles and bicycles, although these latter sectors are of marginal importance in Estonia.

[72] Source: Statistical Office of Estonia. The exchange rate is 1 EUR = 15.646 EEK.

[73] These movements in the volume of production have largely mirrored movements in the volume of production in total manufacturing and total industry.

Major problems facing the Estonian shipbuilding industry include a constant shortage of skilled workers and the fact that employees' skills levels do not meet employers' needs (problems related to vocational training are also to be found in other sectors of the Estonian economy). With a view to improving the situation, the largest enterprises have concluded co-operation agreements with vocational training schools that provide the relevant education. All parties are in a position to derive benefits from this cooperation: on enterprises provide practical training, and, former students find it easier to find employment in these enterprises.

2. Organisations active in the sector

Workers' organisations

The only trade union currently representing workers in shipbuilding industry is the **Loksa Shipyard's trade union** (Loksa Laevatehase AS ametiühing); it is only active in only one enterprise: the Loksa Shipyard Ltd (Loksa Laevatehas AS). This enterprise was established in 1905, and was once engaged in both building and repairing ships, but is now only involved in building. It now belongs to the Danish Odense Steel Shipyard Ltd.

The Loksa Shipyard's trade union is the successor to an earlier organisation that went back to Soviet times, and also covers workers at the of Loksa Shipyard subsidiary (Loksa Real Estate (Loksa Kinnisvara OÜ), which grew out of the Loksa Shipyard, and at present has 16 employees, 15 of whom are union members). Both the number of employees at the Loksa Shipyard and trade union membership are lower than they were in Soviet times: in 1989, the Loksa Shipyard had about 1,200 employees, about 95% of them members of the trade union; in April 2005, the enterprise and its subsidiary combined had 724 employees, and 44.6% of them were members of the trade union[76]. Employees in the Loksa Shipyard's trade union share similar characteristics to those of employees in the enterprise as a whole: the Estonians account for about 10% in both (i.e. in the trade union and in the whole of the enterprise), and women for about 33% in the union (106 workers in 2005) and 21% in the whole enterprise (150 workers); white-collar workers account for a larger proportion of the total workforce (about 17% of employees) than of the trade union because directors and departmental managers are not members .

Every year, the Loksa Shipyard's trade union signs a valid one-year collective agreement with company management, and in addition to negotiating the collective agreement, the employer's representative and the employees meet once a quarter in every production unit to discuss such matters as productivity levels, disciplinary matters, the quality of work, the organisation of production and the use of tools. The shop steward (i.e. the trade union representative) also attends these management meetings with employees.

The Loksa Shipyard Ltd's trade union is currently a member of EVAF (the Federation of Water Transport Workers' Trade Unions), a body that mainly brings together trade unions in Estonian ports and in enterprises related to water transport (e.g. trade unions representing workers such as dockers and seafarers); altogether, it covers about 800 workers. The EVAF does not belong to any Estonian, European or international central workers' organisation. It participates in negotiations between Loksa Shipyard Ltd and its trade union (although it does not sign collective agreements), gives advice to its members, represents them in court if necessary, consults them, and organises seminars and training sessions.

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[74] Source: Statistical Office of Estonia.

[75] Sources: Statistical Office of Estonia; Eurostat.

[76] Sources: Loksa Shipyard; the Loksa Shipyards' trade union; Statistical Office of Estonia; and the Commercial Register Database. Note: the number of employees includes those at Loksa Real Estate.

Another trade union, the EMAF (Federation of Estonian Metalworkers' Trade Unions), says that the Loksa Shipyard Lid's trade union will probably affiliate at some point in the future. The EMAF mainly covers trade unions in the manufacture of machinery, metals, apparatus and electronics (27 organisations with about 3,100 members). It is a member of EAKL and the IMF (since 1996), and has observer status on the EMF. The EMAF also takes part in the work of some tripartite institutions at national level such as the Vocational Council of Manufacture of Machinery, Metals and Apparatus (Masina-, Metalli- ja Aparaaditööstuse Kutsenõukogu), the Social and Economic Council (Sotsiaalmajandusnõukogu) and the Adult Education Council (Täiskasvanuhariduse Nõukogu). The Federation has signed a cooperation agreement and a social partnership agreement with an employers' organisation, the EML.

A trade union will probably be established in the BLRT Grupp, the largest enterprise in the sector, at some point in the future; it, too, will be a member of the EMAF[77]. At the moment, this is still at the planning stage: according to the EMAF, the process is being hindered by BLRT management, which is strongly opposed to the idea of a trade union.

Trade Unions, April 2005

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Loksa Laevatehase AS ametiühing	Loksa Shipyard's trade union	Mainly blue-collar workers	323	323	14.2	Yes (at enterprise level, and in only one enterprise)	EVAF	No	No	No	No	No

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

Employers' organisations

No employers' organisation exclusively represents the shipbuilding industry sector, although the Loksa Shipyard Ltd and the BLRT Grupp are both members of the **Estonian Employers' Confederation** (Eesti Tööandjate Keskliit, ETTK) and, together with another enterprise (SRC–Ship Repair & Conversion (SRC Laevaremont OÜ[78])), are members of the **Federation of Estonian Engineering Industry** (Eesti Masinatööstuse Liit, EML). At present, these organisations do not participate in any collective bargaining in the shipbuilding industry sector.

The **EML** mainly brings together employers active in the manufacture of machinery, metals, apparatus and electronics, and in the vocational schools that provide education for future workers in these fields (altogether 101 organisations). It is a member of the **ETTK**, and through it is a member of the Advisory Committee on Free Movement of Workers (Tööjõu Vaba Liikumise Nõuandekomitee). It is also a member of ORGALIME and CEEMET. According to its constitution, the EML may represent its members in negotiations with state agencies and organisations representing employees. It concluded a cooperation agreement with the EMAF in 2000 and a social partnership agreement in 2003. This latter agreement, which is currently being renewed, deals with the quality of the labour force, occupational safety, the working environment, and productivity in the metalworking sector; it does not cover wages.

[77] Source: EMAF (Federation of Estonian Metalworkers' Trade Unions).

[78] SRC–Ship Repair & Conversion is engaged in ship repair, and had a workforce of about 125 at the beginning of 2005.

The EMAF would eventually like these agreements to be turned into a sectoral collective agreement that also dealt with wage issues: such an agreement would cover the whole metalworking sector including the manufacture of machinery, metals, apparatus, electronics and shipbuilding.

3. Industrial relations in the sector

Tripartite concertation

There is no sectoral tripartite concertation for the shipbuilding industry sector – in Estonia, tripartite negotiation is only satisfactorily developed at national level – and nor are there any sectoral consultations or other meetings between the government and the social partners in the shipbuilding industry.

Bipartite social dialogue

There is no sectoral bipartite social dialogue for the shipbuilding industry sector. Social dialogue in this sector only takes place at enterprise level, and only in one enterprise: the Loksa Shipyard Ltd. The main obstacles to the development of bipartite sectoral social dialogue are the very small number of enterprises in the shipbuilding industry sector (two thirds of them are micro-enterprises) and the concentration of a third of employees in two firms.

A valid one-year collective agreement is concluded every year at enterprise level between Loksa Shipyard Ltd. management (the Directors, the Personnel Manager, and the Human Resources and Salaries Manager) and the representative of the Loksa Shipyard's trade union (shop steward). The EVAF also takes part in negotiations, but does not sign collective agreements. These collective agreements cover all employees in the enterprise and its subsidiary: in fact, all workers are represented by the trade union's shop steward, including those who are not members of the union. The collective agreements regulate pay and working conditions[79].

The parties conduct negotiations every year in February, when they examine how much the previous collective agreement achieved, and discuss proposals for changes tabled by the management and the trade union. So far, the parties have finally managed to conclude a collective agreement: they have usually managed to do so by themselves, but in 2002 they did not, and had to turn to the Public Conciliator.

There is a strong possibility that social dialogue will also soon develop in another company, the BLRT Grupp. The Involvement of Employees in the Activities of Community-scale Undertakings, Community-scale Groups of Undertakings and European Company Act came into effect in Estonia on 11 February 2005; it transposed the EU Directives on European Works Councils (EWCs) (94/45/EC) and on employee involvement linked to the European Company Statute (ECS) (2001/86/EC)[80]. At present, only 5 of the BLRT Grupp's 36 subsidiaries are active in the Estonian shipbuilding industry (they employ altogether about 700 people), and there is also a Lithuanian subsidiary with about 1,200 employees in

[79] Under the terms of the collective agreements, management agrees, for example, to increase wages for different categories of workers by a given percentage, to improve working conditions, ventilation and the quality of working clothes, to shorten the amount of time when workers have to wear working clothes, and to give extra holiday (e.g. for length of service and atypical working hours). Average wages at the Loksa Shipyard, which have risen by about 10-11% every year, are higher than the average wage for the sector. For its part, the trade union promises to encourage workers (through its trustees) to work more productively (reduce the amount of working time lost and attend training courses), and to comply with internal regulations, and accept responsibilities, laid down in employment contracts).

[80] The ECS applies to the BLRT Grupp as it employs about 3,500 employees and its head office is situated in Estonia.

shipbuilding[81]. The conditions and resources necessary for setting up a EWC in this company are already being put in place by central management; for the time being, there is a system for consulting and informing employees, with an in-house newspaper and regular weekly meetings in factories between the management and employees.

In other respects, it is also likely that sectoral collective bargaining will develop in the future between the EML and the EMAF, but it will probably cover the whole metalworking industry (manufacture of machinery, metals, apparatus, electronics and shipbuilding), and not specifically the shipbuilding industry sub-sector. The EML is still opposed at the moment to the idea of concluding such a collective agreement, because the EMAF represents too few employees and enterprises.

4. Conclusion

The Estonian shipbuilding sector is quite small by number of enterprises and employees - and that is probably one of the reasons why social dialogue is not developed above enterprise level. At the moment, there is only one unionised enterprise: there, regular meetings are held between employees and management, and a collective agreement is renewed every year. There is a possibility that a trade union will also be established in another enterprise: at the moment, only the conditions and resources necessary for setting up an EWC are being put in place. It is also likely that a process of sectoral collective bargaining covering the manufacture of machinery, metals, apparatus, electronics and the shipbuilding industry will be developed.

Abbreviations

EAKL: Confederation of Estonian Trade Unions (Eesti Ametiühingute Keskliit)

EMAF: Federation of Estonian Metalworkers' Trade Unions (Eesti Metallitöötajate Ametiühingute Föderatsioon)

EML: Federation of Estonian Engineering Industry (Eesti Masinatööstuse Liit)

ETTK: Estonian Employers' Confederation (Eesti Tööandjate Keskliit)

EVAF: Federation of Water Transport Workers' Trade Unions (Eesti Veetranspordítöötajate Ametiühingute Föderatsioon)

[81] According to daily newspaper "Äripäev" (11.08.2004), the share of shipbuilding in sales in 2003 was only 1%, and the share of ship repair in the BLRT Grupp was about 31%.

FINLAND

1. Description of the sector

Delimitation and activities of the sector

From a statistical standpoint, activities of the building and repairing of ships and boats sector in Finland cover the delimitations of NACE 35.1 group even if there are some minor differences: for example, the building of war vessels is placed in a different category in classifications made by some associations. This is not of great importance to the sector due to the fact that the building of war vessels employs a maximum of 40-60 people in Finland[82]. NACE sub-categories (35.11 and 35.12) also coincide well with the Finnish tradition.

From the point of view of collective bargaining, the sector is not unified: sub-sectors NACE 35.11 (building and repairing of ships) and NACE 35.12 (building and repairing of pleasure and sporting boats) are independent and mostly come under separate collective agreements. Such a separation of social dialogue is mainly due to the fact that employees in the 35.11 group are mostly members of trade unions in the metal industry, while employees in the 35.12 group are members of trade unions in the chemical and wood industry sectors.

Socio-economic features of the sector

The relative weight of the building and repairing of ships and boats sector in Finland is quite small compared to the economy as a whole: the share of GDP is only 0.1% and the share of total employment is only 0.3%. The importance of both sub-sectors NACE 35.11 and 35.12 is seen in export: in NACE 35.11, shipyards export 99% of their production (the Finnish share of the total export of ships in the world was 2.7%[83] in 2004); in NACE 35.12, companies export more than half of their production (this share has been increasing). Finally, the building and repairing of ships and boats sector is an important field of activities in Finland, especially for Finnish exports.

As with Italy and France, Finland has specialised in passenger ships. The number of orders for ships varies greatly year-on-year but is tending to decline. This variation in the volume of orders has led to great variation in the number of workers employed in the industry (see the table below). The situation of shipyards in Finland has been very similar to other EU countries in terms of competition.

Number of employees in Finnish shipyards between 2000-2004

	2000	2001	2002	2003	2004
Aker Finnyards					
- Aker Finnyards / Helsinki	1,869	1,993	1,872	1,543	1,048
- Aker Finnyards / Turku	2,194	2,248	2,236	2,042	1,980
- Aker Finnyards / Rauma	1,004	1,034	988	988	959
Technip Offshore / Pori	572	644	775	695	661

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[82] The building of war vessels is not considered in this study.

[83] Source: AWES. Annual Report 2003 – 2004. (2.9% in 2000 according to the OECD International Statistics by Commodity).

Turku Repair Yard / Naantali	130	122	127	112	85
UKI Workboat / Uusikaupunki	ND	ND	ND	ND	90
TOTAL	**5,769**	**6,041**	**5,998**	**5,380**	**4,823**
Personnel employed by subcontractors	3,717	3,455	1,808	1,165	749

In total, there are six shipyards operating in the building and repair of ships sector in Finland. The four major shipyards belong to multinational companies: Shipyards situated in Helsinki, Turku and Rauma belong to the Norwegian Aker company, and Technip Offshore in Pori is wholly owned by a French group. Only the Turku Repair Yard in Naantali and the UKI Workboat in Uusikaupunki are Finnish-owned shipyards. The underground economy in the sector is minimal and where it does exist is mainly connected to subcontractors.

In NACE 35.12, 90% of companies are small and only one company employs more than 100 salaried workers. This Finnish sub-sector of building and repairing pleasure and sporting boats is competitive on the international market[84], the strength of the Finnish companies being their high competence.

Summary table: Companies (2004) - without subcontractors

Sub-sectors	**Number of companies**	**% companies without SW**	**% companies with < 10 SW**	**% companies with 10 to 100 SW**	**% companies with > than 100 SW**
Sub-sector 35.11	4*	0	0	50	50
Sub-sector 35.12	180	0	Around 90	Around 10	0.6
Total of the sector 35.1	184	0	87	11	2

SW: Salaried Workers

Sources: Finnboat and The Association of Finnish Marine Industries

* There are four companies but six shipyards. Indeed, the Norwegian Aker company owns the three shipyards in Finland.

Summary table: Workers (2004) - including subcontractors

Sub-sectors	**Number of workers***	**Number of SW**	**Number of SW / number of SW in the country (%)**	**Number of SW in companies < 10 SW / number of SW in the sector (%)**	**Number of SW in companies 10-100 SW / number of SW in the sector (%)**	**Number of SW in companies > 100 SW / number of SW in the sector (%)**
Sub-sector 35.11	5,500	5,500	0.2	0	3.2	96.8
Sub-sector 35.12	2,100	2,100	0.1	80	15	5
Total of the sector 35.1	7,600	7,600	0.3	22.1	5.2	72.7

SW: Salaried Workers

Sources: Finnboat and The Association of Finnish Marine Industries

In both NACE 35.11 and 35.12, most workers are male. In other respects, the standard of skills required is high, for both blue-collar and white-collar workers. Wages are higher than the national average in shipyards but quite moderate in NACE 35.12 companies. However big differences between the companies are observed.

[84] The turnover of the building, maintenance, repair and alteration works for motorboats and sailboats sector is € 245 million and growing (source: Finnboat).

2. Organisations active in the sector

There is no formal recognition system on the part of the social partners in Finland. The recognition system is based mainly on mutual recognition. In the shipbuilding industry sector, there are no conflicts between players regarding recognition issues.

Workers' organisations

Employees in *NACE 35.11* are mostly members of the metal industry trade union: The **Metalworkers' Union** (Metallityöväen liitto, **Metalli**). This organisation is the largest industrial trade union in Finland. It employs 230 persons and is funded by membership dues. This union has 167,400 members (of which 20.6% are female): precise data on the number of members working in shipbuilding are not available, but it is estimated at about 95-98% of salaried workers in NACE 35.11. The Metalworkers' Union negotiates collective agreements for 10 separate sectors: technology industry (e.g. engineering, shipbuilding, iron and steel industry, electronics industry, car manufacturing), car repair workshops, clerical employees of car retail, telecommunications industry, mining, electricity and power plants, precious metals sector, sheet metal industry, repair works for mechanical forest industry and civilian workers in the Ministry of Defence repair shops.

In *NACE 35.12*, employees are usually members of the **Chemical Workers´ Union** (Kemianliitto), or members of the **Wood and Allied Workers' Union** (Puu- ja erityisalojen liitto).

- The **Chemical Workers´ Union** (Kemianliitto) has over 300 member associations, which together represent around 49,000 members (52% are female). Density is high at 90%. This organisation is funded by membership dues. The central office of Kemianliitto is divided into eight departments and has just over 50 employees. It covers all the core areas in the chemical industry sector and members of the Chemical Workers' Union work in the following fields: car tyre branch; basic chemical industry; shoe and leather industry; rubber industry; glass and ceramics industry; glasswork industry; plastic products and chemical products industry; textile maintenance field; textile and clothing industry; maintenance personnel in textile industry; oil, natural gas and petrochemical industry. The Chemical Workers' Union is the signatory to the collective agreements for these fields. It signed 12 collective agreements for the years 2003 – 2004 and in early 2005 it signed 13 new agreements for the years 2005 – 2007. Collective agreements signed by this organisation cover NACE 35.12 workers.
- The **Wood and Allied Workers' Union** (Puu- ja erityisalojen liitto, **PUULIITTO**) was founded in 1899**.** It has some 50,000 members and 812 in the NACE 35.12 sub-sector (76.6% are male). This organisation covers the following sectors: the mechanical woodworking sector, sawmills, wood based panels, carpentry, the allied rural sectors, gardening, drivers of wood processing machines, boat building, forest nurseries, and the peat industry. It is funded by membership dues and employs 30 persons. PUULIITTO negotiates 13 national collective agreements. It also negotiated and signed the only collective agreement applying exclusively to the builders of boats (NACE 35.12). This collective agreement does not cover the repairing of boats.

In addition, some specific categories of workers in *NACE 35.1* are members of trade unions exclusively representing this category of workers in various sectors.

- The **Union of Salaried Employees** (Toimihenkilöunioni, **TU**) is the largest industrial white-collar union in Finland. It was founded in 2001 when Finnish Industrial White-Collar Workers Unions, the Union of Technical Employees (TL), Union of Salaried Employees in Industry in Finland (STL), Federation of Private Building Employees (RAL) and Swedish Association of Technicians and Foremen in Finland (STAF) merged. TU represents large professional groups such as nurses, technical engineers, police officers, secretaries, institute officers and salesmen in any sector, including NACE 35.1. It is funded by membership dues and employs around 140 persons. TU has 290 member associations which together have around 130,000 members (45% are female). TU is a signatory to 36 collective agreements covering white-collar workers in various fields (including the NACE 35.1 sector).

- The **Confederation of Unions for Academic Professionals in Finland** (Korkeasti koulutettujen työmarkkinakeskusjärjestö, **AKAVA**[85]) is one of the three independent central trade union confederations in Finland. It was founded in the year 1950 and represents the interests of persons with high-level education, experts and managerial staff. It is funded by membership dues and employs around 36 salaried workers. AKAVA's 32 affiliates have a total membership of 436,000 including 88,000 student members. Its union membership rate is 80% on average. A **Delegation of Professional and Managerial Employees** (Ylempien Toimihenkilöiden Neuvottelukunta, **YTN**) has been established in AKAVA. This coalition is AKAVA's negotiating body in the private sector (NACE 35.1 included) and consequently it negotiates and signs collective agreements that are valid for the academic and clerical employees in NACE 35.1. YTN was formed by mutual agreement solely to handle negotiations and has no members. AKAVA has signed 35 collective agreements for the years 2005 – 2007.
- The **Trade Union for Electrical Branch employees** (Sähköalojen ammattiliitto) represents electrical workers from various sectors (including NACE 35.1). It was founded in 1955 and has around 32,000 members (there is no data available on the number of members working in NACE 35.1). The organisation has around 45 salaried workers and is funded by membership dues. It signs six collective agreements applying to electrical workers in this sector.

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Metallityöväen liitto, Metalli	Metalworkers' Union	Mainly blue-collar workers	167,400	ND	95-98% of NACE 35.11	yes	SAK[86]	No	EMF	ETUC	IMF	ICFTU
Kemianliitto	Chemical Workers´ Union	Blue- and white-collar workers	49,000	ND	ND	yes	SAK	No	No	ETUC	No	ICFTU
Puu- ja ertityisalojen liitto, PUULIITTO	The Wood and Allied Workers' Union	Mainly blue-collar workers	50,000	812	53%*	yes	SAK	No	NFBWW EFBWW	ETUC	IFBWW	ICFTU
Toimihenkilöunioni, TU	Union of Salaried Employees	White-collar workers	130,000	ND	ND	yes	STTK[87]	No	EMF EMCEF NIF	No	ICEM	No
Korkeasti koulutettujen työmarkkinakeskusjärjestö, AKAVA	Confederation of Unions for Academic Professionals in Finland	White-collar workers	436,000	ND	ND	yes	No	No	ETUC Eurocadres	No	ICFTU	No
Sähköalojen ammatttiliitto	The Trade Union for Electrical Branch employees	Mainly blue-collar professionals	32,000	ND	ND	yes	SAK	No	No	ETUC	No	No

[85] IL (Insinööriliitto) in particular is active in the shipbuilding sector. It is a member of AKAVA, of the Delegation of Professional and Managerial Employees (Ylempien Toimihenkilöiden Neuvottelukunta, YTN), and of EMF.

[86] The Central organisation of Trade Unions. It is one of the three central trade union confederations in Finland and the biggest labour market organization. It has 23 member unions and over one million members. SAK represents workers in many sectors including industry, private services, local government, the state and transport.

[87] The Finnish Confederation of Salaried Employees. It is one of the three trade union confederations in Finland.

* This percentage does not cover repairing of boats as the collective agreement between the Puulliitto and the Venealan työnantajat covers only building of boats. Taking the total number of employees working in the NACE sector 35.12 as a base of the percentage, we get a lower percentage, around 39%.
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

Employers' organisations

Two organizations represent companies in the building and repairing of ships (*NACE 35.11*):

- The **Technology Industries of Finland** (Teknologiateollisuus ry), founded in 1903, represents companies that operate mainly in three areas: electronics and electro-technical industry; mechanical engineering; metals industry. It is funded mainly by membership dues and has around 120 employees. As far as the shipbuilding industry is concerned, the Technology Industries of Finland represents the six shipyards (the four companies) active in NACE 35.11[88]. This organisation signs with the Metalworkers' Union a sectoral collective agreement that applies to shipyards (amongst others sectors).
- The **Association of Finnish Marine Industries** (Meriteollisuus, **AFMI**) was founded at the end of 2001. It is a member of the Technology Industries of Finland and a direct member of CESA. It is not a party to collective bargaining and can be described as an industrial policy interest or branch organisation. Its main aim is to enhance cooperation between the shipyards, marine equipment suppliers, subcontractors and design offices. This internal networking has given good results, especially in R&D activities and in the development of partnerships with sub-contractors.

Another two organisations represent companies in the building and repairing of pleasure and sporting boats (*NACE 35.12*):

- The **Finnish Marine Industries Federation** (Venealan keskusliitto Finnboat ry, **Finnboat**) represents 170 companies with around 2,100 employees in NACE 35.12. It does not negotiate collective agreements. It is an industrial policy interest group. The task of the federation is to bring boating enterprises together under the same roof, to promote enterprise activities and healthy competition, and to advance boating activities and the safety aspects of boating in Finland.
- The **Employers of the Boating Industries** (Venealan työnantajat ry) represents 16 companies active in NACE 35.12. It is a member of the Chemical Industry Federation of Finland (Kemianteollisuus Ry), the organisation representing all the chemical industry companies operating in Finland. The Employers of Boating Industries takes part in the negotiation of collective agreements for the sector of building and repairing of pleasure and sporting boats (NACE 35.12), but does not sign agreements (the Chemical Industry Federation of Finland signs all agreements).

[88] The total number of members is 46 if we count all marine equipment suppliers and subcontractors that are members of the Association of Finnish Marine Industries.

Employers' organisations

Organisation		Sub-sectors covered	Companies	SW	Density Companies	Density SW	CB	National affiliations		European affiliations		International affiliations	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Teknologiateollisuus ry	Technology Industries of Finland	NACE 35.11	6	5,500	100% of NACE 35.11	100% of NACE 35.11	Yes	EK[89]	No	Orgalime CEEMET	No	No	No
Meriteollisuus, AFMI	Association of Finnish Marine Industries	Marine industries (including NACE 35.11)	46	15,000	100% of NACE 35.11	100% of NACE 35.11	No	Technology Industries of Finland	EK	CESA EMEC	No	No	No
Venealan keskusliitto Finnboat ry, Finnboat	Finnish Marine Industries Federation	NACE 35.12	170	Around 2,100	90% of NACE 35.12	99% of NACE 35.12	No	No	No	ICOMIA	No	No	No
Venealan työnantajat ry	Employers of the Boating Industries	NACE 35.12	16	800	9% of NACE 35.12	38% of NACE 35.12	Yes, but it does not sign	Kemianteollisuus ry	EK	No	CEFIC ECEG	No	ICCA

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

3. Industrial relations in the sector

The Finnish collective bargaining system is based on the **National Income Policy System**. Since 1968, the central labour market organisations (SAK, STTK, AKAVA on the employees' side and EK on the employers' side) have negotiated centralised tripartite agreements – usually called "Income Policy Agreements". The Finnish government is associated with the agreement, which provides general rules for the labour market, the framework for pay rises, pensions, training and unemployment benefits, taxes, annual leave, etc. It is valid for one or two years. The Income Policy Agreement can be characterised as a political agreement because it is not legally binding as such. Indeed, member organisations have the option to sign up to it or not. As far as the shipbuilding industry is concerned, all trade unions and employers' organisations active in the sector have signed up to the agreement. Consequently, they have their own sector-level agreements, which are consistent with the Income Policy Agreement[90]. During the period of validity of the Income Policy Agreement (or any other collective agreement), industrial peace reigns, i.e. strikes, lock-outs or other forms of industrial action against the terms of the agreement are not allowed.

At sectoral level, collective bargaining for the shipbuilding industry is not unified: sub-sectors NACE 35.11 and 35.12 are independent and are covered by separate collective agreements.

[89] The Confederation of Finnish Industries.

[90] If either employees' or employers' organisation (or both) in some sectors do not sign up to the Income Policy Agreement, they start a bargaining process of their own at sectoral level. In this case the process is not connected to the Income Policy Agreement and the parties must reach a mutual agreement on labour market rules in their own sector. In practice, only a few members of the central labour market organisations have opted out of the Income Policy Agreement.

- Workers under NACE 35.11 (the shipbuilding sector including all six shipyards with 5,500 workers) are covered by a collective agreement for metalworkers called the Collective Agreement for Technology Industry (Teknologiateollisuuden työehtosopimus). This agreement has been signed by the Metalworkers' Union and the Technology Industries of Finland for two years (2005 – 2007). Its content is broad and includes wages and salaries, working time, overtime work, annual holidays, safety at work, sickness leaves, insurance, in-company training, principles of local agreement, etc.
- Workers under NACE 35.12 are covered by a collective agreement applying exclusively to this field of industry. This agreement was signed in 2005 for two years between the PUULIITTO for workers and the Chemical Industry Federation of Finland (negotiated by the Employers of the Boating Industries) for employers. The agreement covers wages and salaries, working time, overtime work, annual holidays, safety at work, sickness leave, insurance, in-company training and principles of local agreement. A section concerning compensation for the use of own tools is specific to this branch. The agreement covers the 16 members of the Employers of the Boating Industries which employ around 800 persons.
- Workers of the NACE 35.12 sub-sector are also covered by agreements covering the entire chemical sector. Such agreements have been signed by the Chemical Workers´ Union and the Chemical Industry Federation of Finland for two years (2005 – 2007). These agreements generally cover wages, work conditions and other terms of employment. Unfortunately there is no data available on the proportion of workers in the NACE 35.12 sector covered by these agreements.
- Lastly, the Trade Union for Electrical Branch Employees representing electrical workers from various sectors (including NACE 35.1) signs collective agreements applying to electrical workers in this sector. Moreover, collective agreements signed by AKAVA are valid for academic and clerical employees in the NACE 35.1 sector. Those signed by TU cover white-collar workers in various fields (including NACE 35.1).

Collective agreement signed at this level may be generally binding or not: if about half the employees of any particular branch are covered by an agreement, all employees and employers in the branch are bound by the collective agreement (regardless of their membership of the labour market organisations). A special board decides whether an agreement is generally binding or not. Both generally binding and non-generally binding collective agreements exist in Finland, but as far as the shipbuilding industry is concerned, agreements are generally binding. The coverage of the collective agreements in Finland is around 90%.

4. Conclusion

The building and repairing of ships and boats sector is an important field of activities in Finland, especially for Finnish exports. This sector is highly organized but no collective agreement applies specifically to the entire sector. The sector is not unified from the standpoint of collective bargaining: on the one hand, NACE 35.12 workers are covered by an agreement specific to this field of industry and by an agreement covering chemical workers; on the other hand, NACE 35.1 workers are covered by a collective agreement for metalworkers. In addition, a collective agreement for electrical workers applies in this sector, as well as agreements signed by TU and AKAVA for white-collar employees.

Abbreviations

AFMI: Association of Finnish Marine Industries (Meriteollisuus)

AKAVA: Confederation of Unions for Academic Professionals in Finland (Korkeasti koulutettujen työmarkkinakeskusjärjestö)

EK: Confederation of Finnish Industries (Elinkeinoelämän keskusliitto)

Finnboat:	Finnish Marine Industries Federation (Venealan keskusliitto Finnboat ry)
Metalli:	Metalworkers' Union (Metallityöväen liitto)
NFBWW:	Nordic Federation of Building and Woodworkers
NIF:	Nordic Industry Workers´ Federation (Nordiska Industriarbetarefederationen)
PUULIITTO:	Wood and Allied Workers' Union (Puu- ja erityisalojen liitto)
SAK:	Central Organisation of the Trade Unions (Suomen Ammattiliittojen Keskusjärjestö)
STTK:	Finnish Confederation of Salaried Employees (Toimihenkilökeskusjärjestö)
TU:	Union of Salaried Employees (Toimihenkilöunioni)
YTN:	Delegation of Professional and managerial Employees (Ylempien Toimihenkilöiden Neuvottelukunta)

FRANCE

1. Description of the sector

Delimitation and activities of the sector

The Nomenclature of French Activities (NAF, revised in 2003) classifies civil shipbuilding and ship repair activities as follows:

• 35.1B *Civil shipbuilding*: building of merchant ships for the transport of passengers and goods (steamships, transporters, cargo vessels, oil tankers, methane tankers, chemical tankers, tankers, etc.), building of fishing vessels, building of utility vessels (tugboats, dredgers, etc.);

• 35.1C *Repairing of ships*: repairing of ships, transformation of ship structures;

• 35.1 E *Building of pleasure and sporting boats*.

From the standpoint of collective bargaining, all activities coming under codes 35.1B and 35.1C are covered by collective agreements for the metallurgy sector. The branch of building and repair of pleasure and sporting boats (35.1E) comes under a separate collective agreement.

Socio-economic features of the sector

In recent years, the civil shipbuilding sector has declined considerably in France. Major restructuring occurred in the 1980s, slashing the number of workers in the sector by 80%. By way of illustration, Les Chantiers de l'Atlantique (the biggest shipyard in France) went from 12,000 workers in the 1950-1960s to 5,546 in 1971 and to 4,000 in 1998[91]. Today the firm has fewer than 3,000 workers. In terms of turnover, civil shipbuilding represents a total of € 1,500 million; the repairing of merchant, utility and fishing vessels represents turnover of € 150 million[92].

Summary table: Workers (2003)

Sub-sectors	Number of workers	Number of SW*	Number of SW/number of SW in the country** (%)	Number of SW in companies with 1-100 SW/number of SW in the sector (%)	Number of SW in companies ›100 SW/number of SW in the sector (%)*
Civil shipbuilding – 35.1B	ND	6,295	0,29%	11%	89%
Ship repair – 35.1C	ND	2,027	0,09%	34%	66%
Total	**ND**	**8,322**	**0.38%**	**16.6%**	**83.4%**
Building of pleasure and sporting boats - 35.1E	ND	8,202	0.37%	18.5%	81.5%

SW: Salaried Workers

[91] Sources: "Quand la navale embauche, c'est l'euphorie à Saint-Nazaire", Nouvel Ouest, No. 43, 26 November-10 December 1999, quoted by F. Rey, "La navale à Saint-Nazaire: monographie d'une démarche de dialogue social territorial", CARIS/CFDT, March 2005 (study financed by the European Social Fund).

[92] Source: Institut français de la mer, 2005.

* Source: Service des Etudes et des Statistiques Industrielles (SESSI), 2003. These numbers correspond to the salaried workers of companies with more than 20 employees whose main activity came under code 35.1C on 31 December 2003. They do not include the repairing of warships.
** Source: INSEE, employment survey 2003.

Summary table: Companies (2003)

Sub-sectors	Number of Companies*	% companies without SW	% companies with ‹20 SW	% Companies 20-99 SW	% companies with › 99 SW
Civil shipbuilding – 35.1B	28	ND	ND	71.4%	28.6%
Ship repair – 35.1C	28	ND	ND	67.9%	32.1%
Total	**56**	**ND**	**ND**	**69.6%**	**30.4%**
Building of pleasure and sporting boats - 35.1E	61	ND	ND	68, 8%	31,2%

SW: Salaried Workers
* Source: SESSI - Results of Annual Business Survey 2003[93].

From the geographical standpoint, the branch of shipbuilding and ship repair is heavily concentrated along the Atlantic coast: the Loire region accounts for more than half of salaried workers, followed by Brittany (11.3%) and Poitou-Charente (9.6%). The second main centre of activity is in the Provence-Alpes-Côte d'Azur region, with 6% of salaried workers.[94]

In France, shipbuilding firms tend to specialise in certain types of vessels. Some are active in both civil and military shipbuilding. The main French shipbuilding companies are the following:

- **Les Chantiers de l'Atlantique** (Saint-Nazaire, subsidiary of Alstom, around 3,000 salaried workers at present). This firm specialised in the 1980s in the building of high-technology ships with high added value (mainly steamships and methane tankers). Today it is the biggest shipyard in France. The company went through a difficult phase that ended with the very recent announcement of two major orders for 2008. Alstom also has another subsidiary, Alstom LEROUX Naval, based near Lorient.
- **Les Chantiers Piriou,** which has 200 salaried workers in Concarneau. The firm's facilities enable it to build all types of vessels (fishing, utility, passenger transport, scientific research and other public service vessels), up to 110 metres in length.
- **Les Constructions Mécaniques de Normandie** (CMN), based in Cherbourg, with 35O salaried workers. In civil shipbuilding, CMN builds fisheries and hydrographic research vessels, supply ships and other utility vessels. The enterprise has embarked on a diversification policy oriented towards passenger vessels, small cruise liners (100-150 passengers) and luxury yachts. For more than 30 years, CMN has been a pioneer in military shipbuilding on the market for speed vessels.
- **SOCARENAM** (Boulogne/Calais) has 160 salaried workers. It builds all types of vessels, up to around 50 metres in length. In recent years the company has based its production primarily on fishing trawlers 20 to 30 metres long, port and coastal tugboats, and teaching vessels for the French navy.

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[93] The Annual Business Survey (EAE) is one of the main sources of information on French industry. It is carried out yearly by SESSI at all French companies with 20 or more employees. We refer here only to companies whose main activity corresponds to the NACE codes indicated.

[94] Source: L'industrie française, Ministry of the Economy, Finance and Industry, Edition 2004-2005.

Like the entire European shipbuilding industry, the French industry has very tough competition from the Asian countries. In this context, it is relying in particular on innovation and a dense network of sub-contractors[95].

For civil ship repair, the main enterprises are SOBRENA (Brest), SA Arnaud Dunkerque, Saint Nazaire Maritime, Compagnie Marseillaise de Réparation (CMR), a subsidiary of Les Chantiers Piriou, CMN and SOCARENAM. These enterprises are smaller than shipbuilding companies (average of around 100 workers).

Lastly, in the field of pleasure and sporting boats, Bénéteau-Jeanneau Group has around 2,000 salaried workers. It is followed by Dufour-Yachts, Fontaine-Pajot and Zodiac, with around 400-500 workers each, and a number of very small repair companies.

2. Organisations active in the sector

In France, the representative nature of trade union organisations is established by law. Article L133-2 of the labour code establishes the following representativeness criteria: number of members; independence; dues; experience and seniority of the union; patriotic attitude during the Occupation. Only those organisations recognised as being representative at national level in accordance with this article, which are members of the said organisations, or which have proved their representative nature in the field concerned, may conclude collective agreements. On the employers' side, there is no legal definition of representativeness. Representation is consequently much freer.

Workers' organisations

NAF 35.1 B and 35.1C:

The **Metalworkers' Federation (Fédération des travailleurs de la métallurgie de la CGT (FTM-CGT)**) has 1,800 members in shipbuilding and ship repair activities and estimates the breakdown of its members as follows: 85% blue-collar workers, 10% technicians and 5% management. For all its activities, the Federation has seven employees, 20 activists on secondment from their group and around 20 activists who put in a number of hours at the Federation. Of all these workers, three are concerned in particular with shipbuilding and ship repair (one employee and two activists in the field).

The **Workers' Force Metallurgy Confederated Federation** (**Fédération Confédérée Force Ouvrière de la Métallurgie** (**FO-Métaux**)) is the metalworkers' federation of CGT-FO. This organisation does not have a strong presence in shipbuilding (except at Alstom and CMN). It is present in a few SMEs with fewer than 50 workers in the ship repair sector. Neither the total number of members of the organisation, nor the number of members in the shipbuilding and repair branch is available.

The **Mines and Metallurgy General Federation** (**Fédération générale des mines et de la métallurgie de la CFTD** (**FGMM-CFDT**)) was created in 1964 as the General Metalwork Federation (Fédération Générale de la Métallurgie), which merged in 1984 with the CFDT miners' organisation, becoming FGMM-CFDT. It is present through its member unions at Les Chantiers de l'Atlantique in Cherbourg, and in repair enterprises, notably in Dunkerque. The Federation has 27 salaried workers in Paris (including one dealing with shipbuilding and repair) and the same number in regional offices. The number of members is difficult to estimate since figures are taken by local unions, not by branch or sector of activity.

[95] The FIMF reports that, in 2005, supply and shipbuilding sub-contractors represented a total of 22,500 workers and turnover of € 2,300 million.

The **Metallurgy Federation of the French Confederation of Professional and Managerial Staff** (**Fédération de la métallurgie de la Confédération Française de l'Encadrement** (**CFE-CGC**)) has almost no presence in the shipbuilding and repair sector. It did not report its number of members.

The **Metallurgy General Federation** (**Fédération Générale de la Métallurgie de la CFTC** (**FGM-CFTC**) was created in 1921. This organisation is only present at Les Chantiers de l'Atlantique. It has no national network in the shipbuilding and repair branch. One Federation employee deals with the shipbuilding sector. The Federation finances its activities primarily through members' dues and the vocational training praecipium. It declined to report its number of members.

All the above-mentioned organisations are recognised as being representative in the civil shipbuilding and ship repair sector (NAF 35.1 B and C). For information purposes, the following table shows the results of the elections of workers' representatives to the Works Council of the biggest company in the sector: Les Chantiers de l'Atlantique (all boards and with a participation rate of 71.1%) in 2003.

	CGT	**CFDT**	**CGC/CFTC list**	**FO**
% of votes obtained	50.2%	35.9%	8.3%	5.7%

NAF 35.1 E:

In the branch of pleasure and sporting boats, the representative trade union federations are: the **CGT National Federation of the Chemical Industries** (**Fédération nationale des industries chimiques** de la CGT), created in 1907. The Federation brings together company unions that enjoy complete autonomy, since they decide the Federation's orientations at a congress every three years. There are no data available on the number of members for the sector of building and repair of pleasure and sporting boats. In addition, the **CGT-FO Building/Wood Federation (Fédération Bâtiment/Bois** de la CGT-FO), the **CFDT Chemical and Energy Federation** (**Fédération Chimie et Energie** de la CFDT), the **CGC Metallurgy Federation** (**Fédération de la métallurgie** de la CGC) and the **CFTC Building/Wood Federation** (**Fédération Bâtiment/Bois** de la CFTC) are also representative organisations for this branch. No data are available on the number of members in the sector of building and repair of pleasure and sporting boats.

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Fédération des travailleurs de la métallurgie, FTM-CGT	Metalworkers' Federation, FTM-CGT	All categories	ND	1,800	21.6%	Yes	CGT	No	EMF	ETUC	IMF	No
Fédération Confédérée Force Ouvrière de la Métallurgie, FO-Métaux	Workers' Force Metallurgy Confederated Federation	All categories	ND	ND	ND	Yes	CGT-FO	No	EMF	ETUC	IMF	No
Fédération générale des mines et de la métallurgie, FGMM-CFDT	Mines and Metallurgy General Federation, FGMM-CFDT	All categories	ND	ND	ND	Yes	CFDT	No	EMF	ETUC	IMF	No
Fédération de la métallurgie de la CFE-CGC	Metallurgy Federation of French Confederation of Professional and	Professionals and managers, administrative staff,	ND	ND	ND	Yes	CFE-CGC	No	No	ETUC	No	No

	Managerial Staff, CFE-CGC	technicians and supervisors										
Fédération Générale de la Métallurgie, FGM-CFTC	Metallurgy General Federation, FGM-CFTC	All categories	ND	ND	ND	Yes	CFTC	No	EMF	ETUC	IMF	No

SW: salaried workers

Density: number salaried workers affiliated to the organisation / number of salaried workers in the sector

CB: Does the organisation take part in collective bargaining?

Employers' organisations

On the employers' side, the Union of Metallurgy Industries and Trades (Union des Industries et Métiers de la Métallurgie, UIMM) represents shipbuilding and ship repair enterprises (NAF 35.1 B and C) in collective bargaining. For the branch of the building and repair of pleasure and sporting boats (NAF 35.1 E), the Federation of Nautical Industries (Fédération des Industries Nautiques, FIN) plays this role.

The **Shipbuilders' Employers Federation** (**Chambre syndicale des constructeurs de navires, CSCN**) was founded in 1899 and represents at national level French shipyards that build medium- and large-tonnage vessels (from around 20 to 400 metres in length), both civil and military. Its aim is strictly industrial[96] (standards, research, future of the sector), since the social aspects are left to the Union of Metallurgy Industries and Trades (UIMM). At national level, this organisation is a member of UIMM and of the French Maritime Industry Federation (Fédération de l'Industrie Maritime Française, FIMF). At European level, CSCN is a member of CESA. The following civil shipbuilding firms are members of CSCN: Alstom Marine/Les Chantiers de l'Atlantique, Alstom-Leroux Naval, Les Chantiers Piriou, CMN and SOCARENAM.

The **Union of Metallurgy Industries and Trades** (**L'Union des Industries et Métiers de la Métallurgie, UIMM**) was founded in 1900. This organisation deals with the social dialogue dimension at both national and regional level (through its regional associations). It covers a wide range of activities: steel, smelting, shipbuilding, ship repairs, mechanical industries, electronics, information technology, motor vehicle manufacture, rail industries, agricultural machinery, aeronautics and space industries, remote goods, etc. The UIMM's associations have bargaining power on social issues (regional collective agreements) and defend companies' interests. They also develop professional services for their members, based on their own members' priorities.

In the Department of Bouches du Rhône, eight ship repair companies are members of UIMM-Provence[97] (mainly SMEs). UIMM-Loire Atlantique reports that most of the shipbuilding and repair companies based in this Department are members (including Chantiers de l'Atlantique): 10 shipbuilding firms and two repair companies.

In the pleasure and sporting boats branch, the employers' association is the **Federation of Nautical Industries** (**Fédération des Industries Nautiques, FIN**). Its main aims are to defend, represent and promote all French nautical sector trades both nationally and abroad. Created in 1964, FIN today has more than 700 members, to which it provides legal, social, economic and technical advice and support. Members come from all sectors under FIN's competence: building of pleasure boats, supply firms, hiring firms, service providers, maintenance and repair (plastic hulls). The number of members corresponding to the sector of building and repair of pleasure boats is not available.

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[96] The CSCN can intervene with the public authorities on specific issues to defend the profession.

[97] UIMM-Provence reports that there are no more shipbuilding firms in the Department of Bouches du Rhône, only ship repair companies.

Employers' organisations

Organisation		Sub-sectors covered	Companies	SW	Density Companies	Density SW	CB	National affiliations		European affiliations		International affiliations	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Chambre syndicale des constructeurs de navires, CSCN	Shipbuilders' Employers Federation, CSCN	Shipbuilding (civil and military)	6 (for civil shipbuilding)	3,860	21.4% of civil shipubilding	59.38% of civil shipbuilding	No	FIMF UIMM	No	CESA	No	No	No
Union des Industries et Métiers de la Métallurgie, UIMM	Union of Metallurgy Industries and Trades, UIMM	Steel, smelting, shipbuilding, ship repair, mechanical industries, electronics, etc.	ND	ND	ND	ND	Yes	MEDEF	No	CEEMET	No	No	No
Fédération des Industries Nautiques, FIN	Federation of Nautical Industries, FIN	Building and repair of pleasure and sporting boats	ND	ND	ND	ND	Yes	No	No	No	No	No	No

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

CB: Does the organisation take part in collective bargaining?

3. Industrial relations in the sector

As mentioned above, the organisation of collective bargaining for the branch of shipbuilding and repair (35.1B-35.1C) is totally separate from bargaining for the branch of building of pleasure and sporting boats (35.1E). Both are essentially bipartite, however.

The branch of shipbuilding and ship repair (NAF 35.1 B and C)

There is no sectoral social dialogue specific to this branch, which in terms of collective bargaining forms part of the metallurgy sector. Collective bargaining for metallurgy is organised at three levels: national, regional (agreements which in large measure are variations on national texts) and company (where trade unions are present).

At national level (metallurgy "National Agreements"), collective bargaining for the metallurgy sector is organised by professional categories:

- Blue-collar workers, administrative staff, technicians and supervisors are covered by the metallurgy "National Agreements" that constitute the national collective agreement for metallurgy (Agreement No. 3109). These agreements cover monthly payment (coverage in case of sick leave, waiting days based on seniority), classifications and qualifications, vocational training (a new national agreement on vocational training was signed on 20 July 2004 by UIMM and all the metallurgy federations), calculation of seniority, etc.;
- Engineers and managerial staff come under the specific national collective agreement for engineers and managerial staff in the metallurgy sector (Agreement No. 3025).

The collective agreement for engineers and managerial staff is established and negotiated solely at national level. In contrast, the metallurgy National Agreements give rise to 83 regional collective agreements which generally apply at departmental level. These collective agreements have the same scope as the metallurgy National Agreements, but in a limited geographical area[98]. Under an extension procedure, they cover all workers in the branch.

In 2004, a law (the law of 4 May 2004) profoundly altered relations between the different negotiating levels, in particular the industry branch and the company level. The law extends the possibility of concluding company-level agreements that derogate from branch agreements[99] (except on matters of minimum wage, classifications, collective guarantees of supplemental social protection, and the pooling of vocational training funds: in these four areas, company-level agreements cannot provide for measures less favourable to workers in derogation from branch agreements).

At regional level (most often at departmental level), the majority of collective agreements are primarily aimed at integrating new provisions introduced by the renegotiation of national agreements. These agreements are essentially variations on the national texts. The only exception is the annual negotiation of collective agreements setting the level of minimum wages for each department. These are negotiated and signed by the local trade union structures and the regional representative of UIMM. The regional collective agreements are considered important since they constitute the only agreements applicable to small and medium-sized enterprises that have no union representatives.

In the Loire-Atlantique Department (where Les Chantiers de l'Atlantique is based), collective bargaining for metallurgy is under way for the moment with the aim of introducing a contingency fund system for employees of small enterprises. In the Department of Bouches du Rhône, the regional collective agreement for metallurgy is currently being renegotiated to integrate the elements negotiated at national level in the National Agreement of 2003.

At company level: collective agreements are also concluded in the sector's biggest companies. The provisions negotiated at this level are always superior to those of regional collective agreements, as the latter constitute the minimum level (salaries, holidays, retirement, dismissal, notice periods, etc.).

At Les Chantiers de l'Atlantique, 35 agreements are currently in force. These cover wages, contingency funds, participation, workers' representation, death/incapacity reserve funds, the reduction and organisation of working time, etc. A social dialogue body exclusively for the Chantiers de l'Atlantique site was put in place in January 2001[100]. The site's social partners that take part in the body's work include: Les Chantiers de l'Atlantique, Loire-Atlantique UIMM and the local unions of five representative organisations (CGT, CFDT, FO, CFTC andCGC), but not the company-level sections of these unions. The body serves as a discussion forum and in particular enables participants who are not part of the metallurgy branch to express their views[101].

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[98] The most recent agreements for the metallurgy branch at national level are the following: National Agreement of 20 July 2004 on vocational training; National Agreement of 14 April 2003 on the minimum guaranteed salary scale for engineers and managerial staff as from 2003; Additional Clause of 14 April 2003 to the National Agreement of 28 July 1998 on work organisation in the metallurgy sector amended by the Additional Clause of 29 January 2000; National Agreement of 26 February 2003 on health and safety at work; National Agreement of 3 January 2002 on night work.

[99] Article L132-13 revised of the Labour Code states that: "a branch agreement or an industry or multi-industry agreement may not include provisions less favourable to workers than those applicable to them by virtue of an agreement covering a wider regional or industrial scope, *provided the signatories to the agreement have expressly stipulated that no exceptions whatsoever may be made thereto"*.

[100] This is a particularity of industrial relations in France.

[101] Les Chantiers de l'Atlantique site has around 6,000 workers, 3,000 of whom are employed by Alstom sub-contractors. Many of these sub-contracting firms are not part of the shipbuilding or consequently the metalworks sector, but are covered by other collective agreements (electricity, construction, aeronautics, chemicals, plastification, wood construction, etc.).

In medium-sized enterprises, social dialogue seems to be well rooted in the shipbuilding and repair branch, to the extent that the trade union presence in this sector seems to be more important than in other sectors of activity. The Compagnie Marseillaise de Réparation, in spite of its difficult situation (CMR has undergone nine successive restructuring plans and currently has 163 employees), has signed an agreement on the reduction of working time as well as a wage agreement in the last two years. UIMM-Provence nonetheless notes that in the Department of Bouches du Rhône, where only ship repair activities remain, CMR alone concludes company-level agreements. The other companies, most of which are very small, have no trade union representatives and do not conduct negotiations at company level.

The **branch of building and repair of pleasure and sporting boats** (NAF 35.1 E) is covered by a national collective agreement for the pleasure boat navigation sector dating from 1979 (a text was renegotiated in 2000 but was not extended). Talks will open in November 2005 on a draft revision of the collective agreement. An agreement has just been concluded on the introduction of professional qualification certificates in September 2005, signed by all the representative trade unions in the branch with the exception of the CGT. The FIN reports that there is active collective bargaining at branch level.

4. Conclusion

In France, from the standpoint of collective bargaining, there is a marked distinction between shipbuilding and ship repair on the one hand, and the building and repair of pleasure and sporting boats on the other. For employers, the branch of military shipbuilding and ship repair has clear ties with the civil sector. Several employers' representatives even commented that it was not relevant to exclude the building of warships from the study, giving the growing overlapping of this industry with civil shipbuilding.

The organisation of social dialogue is also influenced by the fact that shipbuilding is not an industrial branch proper, but a sub-section of the metallurgy industry. An exception to that rule, however, is the institutionalisation of site-level social dialogue at Saint-Nazaire, which tends to create a parallel between the form of economic organisation of the activity and the form of social dialogue, neither of which is now limited to the legal level of companies (principal and sub-contractors) but is integrating the dimension of co-activity on a single site.

Abbreviations

CFDT :	French Democratic Confederation of Labour (Confédération Française Démocratique du Travail)
CFE-CGC:	French Confederation of Professional and Managerial Staff (Confédération Française de l'encadrement)
CFTC:	French Christian Workers' Confederation (Confédération Française des Travailleurs Chrétiens)
CGT:	General Confederation of Labour (Confédération Générale du Travail)
CGT-FO:	General Confederation of Labour-Workers' Force (Confédération Générale du Travail-Force ouvrière)
CMN:	Constructions Mécaniques de Normandie
CMR :	Compagnie Marseillaise de Réparation
CSCN:	Shipbuilders' Employers Federation (Chambre syndicale des constructeurs de navires)

FGM-CFTC :	Metallurgy General Federation of the French Christian Workers' Confederation (Fédération Générale de la métallurgie de la Confédération Française des Travailleurs Chrétiens)
FGMM-CFDT:	Mines and Metallurgy General Federation of the French Democratic Confederation of Labour (Fédération générale des mines et de la métallurgie de la Confédération Française Démocratique du Travail)
FIMF:	French Maritime Industry Federation (Fédération de l'Industrie Maritime Française)
FIN:	Federation of Nautical Industries (Fédération des Industries Nautiques)
FO-Métaux:	Workers' Force Metallurgy Confederated Federation (Fédération Confédérée Force Ouvrière de la Métallurgie)
FTM-CGT:	Metalworkers' Federation of the General Confederation of Labour (Fédération des travailleurs de la métallurgie de la Confédération Générale du Travail)
MEDEF:	Movement of French Enterprises (Mouvement des entreprises de France)
NAF:	Nomenclature of French Activities (Nomenclature d'activités Françaises)
SESSI:	Industrial Statistics and Studies Service (Service des Etudes et des Statistiques Industrielles)
UIMM:	Union of Metallurgy Industries and Trades (Union des Industries et Métiers de la Métallurgie)

GERMANY

1. Description of the sector

Delimitation and activities of the sector

The German Federal Office of Statistics uses the NACE nomenclature. Statistical data for the building and repairing of ships and boats (NACE group 35.1) are grouped into two categories: building and repairing of ships (group 35.11); building and repairing of pleasure and sporting boats (group 35.12).

Socio-economic features of the sector[102]

The importance of the shipbuilding sector in Germany is limited in terms of both employees (0.09% of total employees in Germany) and sales (0.33% of total sales in the manufacturing sector)[103]. The current situation is the result of the decline in the last decade due to increased foreign competition (mainly China, South Korea and Poland). The number of employees in 1990 was more than twice as high (62,681) as in 2003[104]. However, although the German shipbuilding sector has dramatically declined since 1985, it still exists and in 2004, it earned 4.5 Billion Euro in sales.

Structural data on the shipbuilding industry in 2002

Company size (in employees)	Number of enterprises by company size	% enterprises by company size	Number of employees by company size	% employees by company size	Number of part time workers	Labour costs as percentage of total costs	Temporary Labour costs as percentage of total costs
20 - 99	71	69.6%	3,296	13%	193	23.4	3.4
100 - 249	10	9.8%	1,355	5.4%	60	15.5	2.0
250 - 499	6	5.9%	2,160	8.5%	48	19.2	2.9
500 - 999	7	6.9%	4,753	18.8%	101	14.7	2.6
1,000 and more	8	7.8%	13,772	54.4%	211	17.2	3.3
TOTAL	102	100%	25,336[105]	100%	613	/	/

Source: Federal Office of Statistics

102 These data cover both civilian and military production.

103 Source: Federal Office of Statistics 2005; Flottenkommando (2004): Jahresbericht 2004 - Fakten und Zahlen zur maritimen Abhängigkeit der Bundesrepublik Deutschland. Glücksburg. p.8.

104 Flottenkommando (2004): Jahresbericht 2004 - Fakten und Zahlen zur maritimen Abhängigkeit der Bundesrepublik Deutschland. Glücksburg. p.106.

105 A study from IAW (questionnaire of work councils) forecast 18,768 employees in German shipyards in 2005.

Companies and employees by sub-sectors in 2002

	Number of companies	Number of employees
Sub-sector 35.11	79	22,359
Sub-sector 35.12	23	2,977
Total of sector 35.1	102	25,336

Source: Federal Office of Statistics

According to the Federal Office of Statistics, the majority of companies in the sector had between 20 and 99 employees in 2002. In the same year, 54.4% of employees worked for the eight largest shipyards (more than 1,000 employees). The sub-sector of building and repairing of sporting boats (NACE 35.12) is smaller than the sub-sector of building and repairing of ships (NACE 35.11) and in 2002, only 12% of total employees worked in NACE 35.12. Nevertheless, this sub-sector is more successful in terms of average sales per employees: 237,278 Euro in comparison to 186,718 Euro in the shipbuilding industry as a whole.

The shipbuilding sector in Germany depends more heavily on exports than other industries. Exports make up nearly 60% of sales, while domestic sales are rapidly declining (-20% from 2002 to 2003). Due to the North and Baltic Seas, most sales (92%) are made in the northern federal sates.

The sector is dominated by blue-collar workers. Part-time contracts are not very common in the shipbuilding industry. In contrast, temporary work seems to be more important[106]. The monthly base wage for blue-collar workers in shipbuilding amounted to EUR 1,825 according to the collective agreement in the metalworking industry. As a segment of metalworking, shipbuilding is a sector with a wage level that is in the median range of the spectrum.

2. Organisations active in the sector

Workers' organisations

The **Trade Union in manufacturing and services of the metal, electrical, textile, garment, wood and plastics industries (IG Metall)** is one of the eight member unions of the large German umbrella organisation, the German Confederation of Trade Unions (DGB). IG Metall was founded in 1891 and expanded into sectors other than metalworking through mergers with smaller industrial unions in 1998 and 2000. In 2004, it had 2.4 million members, which makes it the second largest union in Germany.

IG Metall is divided into seven regional organizations that are in charge of collective bargaining. Since most companies in the shipbuilding sector are concentrated in coastal regions, IG Metall Coastal Region bargains for the sector[107]. At the end of 2004, IG Metall Coastal Region had 12,053 members in the shipbuilding industry: 10,330 were blue-collar workers (Arbeiter), and 1,723 white-collar workers (Angestellte). It estimates its density rate at 40-50% in the shipbuilding sector.

IG Metall also makes a distinction between five sectors. The shipbuilding industry is included in the metal and electrical industries sector. Collective bargaining is separate for the five different sectors and for the seven regions: typically, collective agreements cover one sector in one region. In 2004, 128 collective agreements were concluded in the metal and electrical industries. The

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[106] The magnitude of temporary work is revealed by the comparison with labour costs as percentage of total costs. In the shipbuilding industry, costs for temporary workers amount to 3% of total costs.

[107] http://www.igmetall.de/die_igmetall/englisch/structure.html, 22-07-05.

IG Metall Coastal Region also concluded six collective agreements with individual employers. Moreover, it is involved in informal and institutionalized talks with the five northern regional governments and with the Federal government.

There are no formal recognition procedures in Germany. The organisations recognise each other as bargaining parties (not as an association in principle entitled to bargain)[108].

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
IG Metall	Trade Union in manufacturing and services of the metal, electrical, textile, garment, wood and plastics industries	All type of SW	2,426,094	12,053	40-50%	Yes	DGB	No	EMF EFBWW	No	IMF ITGLW IFBWW	ICFTU

SW: salaried workers
Density: number of salaried workers affiliated with the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

Employers' organisations

The **Employers' Association for the Metal and Electrical Industry** (**Gesamtmetall**) is a federation of 16 regional employers' associations covering the following sectors: mechanical engineering, electrical engineering, automobile manufacture, computers, the aerospace industry and the shipbuilding industry. In 13 of these regions, there is at least one company for repairing or building ships. However, due to the limited importance of the sector in non-coastal regions and to the lack of information in statistics, we concentrate here on the coastal regions[109].

The main regional employers' associations for the sector are North-West-Metal, Metal-Unterweser and North-Metal. These three organisations founded the North-Group in the year 2001 with the aim of representing the interests of employers in the northern federal states in collective bargaining with IG-Metall Coastal Region. The North-Group covers over 400 firms with more than 150,000 employees from all metal and electrical industries. Each of the three founding organizations still has its own legal entity.

- **North-West-Metal** represents approximately 40 companies with over 14,550 employees. Among the members are six shipyards for building ocean-going vessels and repair shipyards.
- **Metal Unterweser** represents metal and electrical companies in Bremen and Bremerhaven. Unfortunately, they refused to cooperate with this study.
- **North-Metal**, the largest member, also declined to complete the questionnaire. North-Metal covers over 25 shipyards with approximately 8,000 employees in three coastal German federal states: Hamburg, Schleswig-Holstein and Mecklenburg-Western Pomerania.

[108] "Recognition devices of employees and employers organisation for collective bargaining purposes", Dieter Sadowski, Martin Schneider, 2001-24-04.

[109] In addition to the coastal regions in Germany, there are at least 15 shipyards for inland waterway vessels. Only a few are members of their regional metal and electrical industry employers' organization. In case of North Rhine-Westphalia Metal, only 329 employees work in the shipbuilding sector.

The **German Shipbuilding and Ocean Industries Association** (Verband für Schiffsbau und Meerestechnik, **VSM**) represents the political and commercial interests of the German maritime industry but it does not take part in collective bargaining. Its members are shipyards building ocean-going vessels (35 members with 20,600 employees), inland waterway vessels (25 members with 595 employees) and marine equipment suppliers (50 members with 3,200 employees).

Employers' organisations

Organisation		**Sub-sectors covered**	**Companies**	**SW**	**Density Companies**	**Density SW**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name		number	number	%	%	Yes/No	Direct	Indirect	Direct	Indirect	Direct	Indirect
Gesamtmetall Nord-West-Metall	Employers' Association for the Metal and Electrical Industry North-West-Metal	Metal and Electrical Industries	40 of which 6 shipyards	Approx. 14,550 of which 3,985 in the yards	6%	16%	Yes	Gesamtmetall North-Group Metall-Unterweser[110] UVN[111]	BDA[112]	No	CEEMET* UNICE**	No	BIAC** IOE**
Gesamtmetall Metall Unterweser	Employers' Association for the Metal and Electrical Industry Metal Unterweser	Metal and Electrical Industries	ND	36,600	ND	ND	Yes	Gesamtmetall North-Group UVHB[113]	BDA*	No	CEEMET* UNICE**	No	BIAC** IOE**
GesamtmetallNordmetall	Employers' Association for the Metal and Electrical Industry North-Metal	Metal and Electrical Industries	250 of which approx. 25 yards	76,000 of which approx. 8,000 in shipbuilding	25%	32%	Yes	Gesamtmetall North-Group UVMV[114] UVN AGVN[115]	BDA* BDI[116]	No	CEEMET* UNICE**	No	BIAC** IOE**
Verband für Schiffsbau und Meerestechnik	German Shipbuilding and Ocean Industries	Shipbuilding, Repairing and suppliers	110, of which 60 in NACE 35.11	24,395, of which 21,195 in NACE 35.11	76%	95%	No	BDI	No	CESA EMEC	UNICE	No	BIAC

[110] North-West-Metal is associated with Metal Unterweser.

[111] The Confederation of Employers' and Business Associations of Hamburg and Schleswig-Holstein.

[112] The Confederation of German Employers' Associations. Indirect Affiliation through Gesamtmetall.

[113] The Associations in Bremen.

[114] The Federation of Employers' Associations in Mecklenburg-Western Pomerania.

[115] The General Association of the North German Economy.

[116] The Federation of German Industries. Indirect Affiliation through Gesamtmetall.

VSM	Association												

*Indirect affiliation through Gesamtmetall.
** Indirect affiliation through BDA.
SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

3. Industrial relations in the sector

Tripartite concertation

Tripartite concertation takes place at the sector level and revolves around employment issues and the strengthening of businesses in light of European regulation and international competition. On the side of the state, both the national and the regional governments are involved. IG Metall Coastal Region is involved in informal and institutionalized talks with the five northern regional governments and with the Federal government. However there are no formal tripartite agreements on shipbuilding issues.

Bipartite social dialogue

Bipartite collective bargaining for the shipbuilding industry takes place at two levels: (1) sectoral level regional agreements for the metalworking and electrical industries[117] (including shipbuilding); (2) agreements at the level of the individual enterprise (Haustarifverträge).

The most important level of bargaining is the sector. Within the metalworking and electrical industries sector, 16 separate regional agreements are concluded (one collective agreement in each region): the content of these 16 agreements is very similar across the regions[118]. Four main categories of collective agreements must be distinguished: agreements on wages and salaries, non-wage agreements, agreements on wage and salary systems[119], and agreements on special problems. At this level, the players are: IG Metall as the single trade union representing workers; and the Gesamtmetall, or rather its regional members. As far as the shipbuilding industry is concerned, 13 regional agreements for the metalworking and electrical industries cover at least one company for repairing or building ships. There have been repeated discussions on whether separate agreements should be concluded for shipbuilding alone, but IG Metall rejects this[120]. There is no exact information regarding the coverage rate of these agreements. However, according to the National expert, the regional collective agreements cover the majority of workers. In other respects, the smallest employer organisation, North Metal, reports a bargaining coverage rate of 90% for its jurisdiction[121].

[117] Among these industries are, apart from shipbuilding, car manufacturing, metalworking services, electrical industry, information and telecommunications, mechanical engineering, telecommunications, steel and medical equipment, etc.

[118] This is mostly because agreements in Baden-Wuerttemberg function as pilot agreements that shape results in other regions.

[119] Agreements on wage and salary systems lay down the wage groups, i.e. the hierarchy of jobs and their contents, and the wage structure (rather than the level or the increase). These agreements are long-term whereas wage agreements are usually concluded annually.

[120] Source: IG Metall press release 23-01-05.

[121] Although an extension procedure exists in Germany, it is not applied in the shipbuilding sector.

The most important development in 2003 and 2004 were the following:

- In June 2003, a new agreement regulating the wage and salary structure was concluded (Entgeltrahmenabkommen) for the Coastal Region. It arranges homogenous wages and wage groups for blue- and white-collar workers in the metal and electrical industry. Traditionally, separate wage structures were in place for the two groups of workers. The contract will be implemented in firms no later than 2008[122];
- The 2004 Baden-Württemberg pilot agreement for wages and salaries was adopted in the Coastal Region. The agreement contained wage and salary increases for two consecutive years, and enlarged the possibility to diverge from wages, salaries and working time in enterprises experiencing hardship[123]. According to a questionnaire completed by works councils, such so-called "hardship clauses" (*Härtefallklauseln*) are adopted frequently by firms in the shipbuilding industry[124].

Apart from the sector-level agreement, the IG Metall has concluded six collective agreements with individual employers (Haustarifverträge) in the shipbuilding industry.

4. Conclusion

Due to strong international competition, the shipbuilding workforce has been reduced by half in the last 15 years. The remaining workers in the shipbuilding industry have made major concessions in terms of longer working hours, which in turn imply a lower hourly wage. These concessions were made applying so-called hardship clauses, which in the past were included in the regional collective agreements. Overall, the structure of employment relations and the dynamics of social dialogue in shipbuilding are typical of more traditional industries in German manufacturing. The dominant bargaining level is the region, bargaining coverage is relatively high, and some companies conclude single-employer agreements. Moreover, with IG Metall as the only trade union, the industry is also characteristic of the traditional monopoly or near monopoly of DGB-affiliated trade unions. If the union estimates of 40-50% are reliable, trade union density is higher than the German average.

Abbreviations

AGVN: General Association of the North German Economy (Allgemeine Verband der Wirtschaft Norddeutschlands e.v.)

BDA: Confederation of German Employers' Associations (Bundesvereinigung der Deutschen Arbeitgeberverbände)

BDI: Federation of German Industries (Bundesverband der Deutschen Industrie)

DGB: German Confederation of Trade Unions (Deutscher Gewerkschaftsbund)

IG Metall: Trade Union in manufacturing and services of the metal, electrical, textile, garment, wood and plastics industries

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[122] Bispinck, Reinhard; WSI-Tarifarchiv (2004): WSI-Tarifhandbuch 2004. Köln. p.20.

[123] Bispinck, Reinhard; WSI-Tarifarchiv (2005a): Tarifstandards unter Druck – Tarifpolitischer Jahresbericht 2004. In: WSI-Mitteilungen (2005). p.19.

[124] Ludwig, Thorsten; Jochen Tholen (2004): Beschäftigung, Auftragslage und Perspektiven im deutschen Schiffbau. Ergebnisse der 13. Betriebsrätebefragung im September 2004. Bremen: IAW Forschungsbericht 7.

UVHB: Associations in Bremen (Allgemeiner Arbeitgeberverband von Bremen)

UVMV: Federation of Employers' Associations in Mecklenburg-Western Pomerania (Vereinigung der Unternehmensverbände für Mecklenburg-Vorpommern)

UVN: Confederation of Employer's and Business Associations of Hamburg and Schleswig-Holstein (Vereinigung der Unternehmensverbände in Hamburg und Schleswig-Holstein)

VSM: German Shipbuilding and Ocean Industries Association (Verband für Schiffsbau und Meerestechnik)

GREECE

1. Description of the sector

Delimitation and activities of the sector

The definition of the shipbuilding industry sector in Greece matches the NACE codes, that is to say it includes enterprises listed in Group 35.1 “Building and Repairing of Ships and Boats”. There is no distinction between civil and military shipbuilding, as the two larger shipyards operating in the country (Hellenic Shipyards and Elefsis Shipyards) take orders both for commercial ships and warships for the Hellenic Navy.

Socio-economic features of the sector

In the past, shipbuilding and ship repairing were a very important sector of the Greek economy, in terms of both turnover and employment. The golden age was in the 1970s, when the number of workers in the two major shipyards existing at the time (Skaramangas and Elefsis) exceeded 10,000. In 1986, implementation of the Common Maritime Policy triggered a major restructuring and the sector entered a period of continuous and rapid decline, reflected in the decreasing number of orders, shrinking employment levels and closing down of both large and small yards. The crisis accelerated in the late 1990s, owing to the emergence of new players from low cost countries, the depreciation of the American dollar and the exclusion of the shipbuilding industry from any kind of state incentives and subsidies, in line with EU Regulation 1540/98. Private investment almost halted, especially in the smaller and more traditional yards located in the Perama Zone[125]. Privatisations also resulted in extensive job losses: overall, over the past 25-30 years, the number of workers at Hellenic Shipyards fell from 3,200 to 1,400, in Elefsis Shipyards from 2,100 to 800 employees and in the Perama Zone from 10,000 to 3,500[126].

Today, despite the growing demand for new vessels and repairs in Greece, Greek shipowners prefer to place their orders in countries with significantly lower labour costs[127]. As a result, the value of repair and conversion work in Greece has been steadily going down over the past years: in just two years (2001 to 2003), it fell from EUR 99 million to EUR 57 million.

Owing to the deteriorating situation and the declining number of commercial orders, the two larger shipyards –Hellenic Shipyards and Elefsis– are struggling to survive with public orders from the Hellenic Navy[128] and the construction of trains, whilst the smaller yards –mostly located in the Perama zone- are either forced to cut down their costs by shedding labour, sub-contracting and diversifying their activities, or they move their activities abroad. As is the case with the vast majority of SMEs in Greece, the competition strategy of these smaller repair firms consists mostly of

[125] The Perama Shipbuilding/Ship-repairing Zone is located at the outskirts of Piraeus and concentrates the vast majority of small and middle-sized shipbuilding/ship repair companies. Efforts are currently under way to re-locate these firms to an organised industrial site at Shistos, in an area close to the Athens-Corinthe national motorway.

[126] Source: ODIGITIS, June 2004, issue 907. However, union officials estimate the current number of workers in the Zone at only about 2,000.

[127] It is worth pointing out that, although the number of Greek-interest vessels currently under construction exceeds 300 units, not a single order has been placed in Greece (Source: Skordilis, G., 2005, “The Greek shipyards have missed the …boat”, TO VIMA, 10-4-2005).

[128] Hellenic Shipyards and Elefsis Shipyards are the only shipyards in Greece that engage in both civilian and military activities.

cutting down labour costs (i.e. extensive recourse to precarious employment relations and undeclared work) and the violation of social security regulations, rather than specialising in a field of expertise.

The total number of companies in the shipbuilding and ship repairing sector is 996. The vast majority of these firms are small, family-owned businesses with very few or no employees at all. Only 55 companies have over 10 employees.

Summary table: Companies (2001)

Sub-sectors	Number of companies	% companies without SW	% companies with < 10 SW	% companies with > than 10 SW
Total of the sector 35.1	996	ND	95%	5%

SW: Salaried Workers
Source: National Statistics Service of Greece, Business Register, 2001

As regards workers, there are no data for the three-digit activities, hence the total number of employees working in the shipbuilding/ship repairing sector can only be estimated at about 8,000. This number varies however with fluctuations in demand. Some 80% of these workers are employed in companies with more than 10 salaried workers. The three large shipyards -Hellenic Shipyards, Elefsis Shipyards and Neorion Syros- account for almost half of this number, 3,174 employees[129]. Hence, the sector is highly polarized between the three large shipyards on the one hand, and the plethora of micro-firms located in the Perama Zone on the other.

Workers and especially qualified workers in the shipbuilding/ship repairing sector have higher than average earnings.

Summary table: Workers (2001)

Sub-sectors	Number of workers	Number of SW	Number of SW / number of SW in the country (%)	Number of SW in companies < 10 SW / number of SW in the sector (%)	Number of SW in companies > 10 SW / number of SW in the sector (%)
Total of the sector 35.1	ND	About 8,000	ND	20%	80%

SW: Salaried Workers
Source: National Statistics Service of Greece, Business Register, 2001

2. Organisations active in the sector

A three-level system exists in Greece as regards the social partners[130]: the **tertiary** level is the confederal organisation, consisting of the various sectoral organisations or federations; the **secondary** level is constituted of sectoral organisations or federations. The federations, in turn, consist of the **primary** associations, which are the initial level of organisation.

[129] CESA, Annual Report 2004-2005

[130] This system applies to both employers' and union organisations.

Workers' organisations

The **Panhellenic Metalworkers' Federation** (POEM) was established in 1924. It is a secondary level organization affiliated to the *General Confederation of Greek Labour* (GSEE). POEM is one of the strongest union organisations in Greece with 85 primary organisations and 35,000 registered members (31,000 voting members). Of these, approximately 6,000[131] are employed in shipbuilding/ship repairing. At international level, this organisation is affiliated to the EMF and the IMF. POEM concludes four sectoral collective agreements, of which two cover the shipbuilding and repairing sector.

The **Piraeus Metalworkers' Union** is a primary organization, member of POEM. It was established in 1984 and has 9,500 registered members (2,300 voting members in the 2004 elections). This organisation represents metalworkers for the Piraeus Region. It concludes one local collective agreement every year with the employers' organisation ENAP, covering workers employed in metallurgical companies in the Piraeus Region.

The **Panhellenic Association of Sandblasters, Cleaners, Painters, and similar occupations** is a primary organization, member of POEM. It was established in 1983 and has 2,738 registered members. It concludes every year one local collective agreement with the employers' organization, the Association of Sandblasting, Painting & Cleaning Contractors of Attica.

The **Association of Wood–processing and Vessel Woodwork of the Piraeus region** has approximately 800 members, making up the total number of the sub-sector's workers in the Region. It concludes every year or every other year a local collective agreement with the employers' organisation, the Association of Contractors of Vessel Woodworks of the Piraeus Area. The association participates in the Piraeus Labour Centre[132].

The **Union of Electricians in Ship-repairing of Attica** is a primary organisation affiliated to the *Electricians' Federation of Greece*. It was established in 1977 and has 380 members. The total number of electricians working in the sector varies considerably, hence union density cannot be estimated. The union concludes a local collective agreement every year or every other year, with the employers' organisation, the Association of Electricians for Shipbuilding and Ship-Repair Activities of Piraeus.

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
POEM	Panhellenic Metalworkers' Federation	mostly blue-collar workers	35,000 registered members; 31,000 voting members	6,000	75% (estimate)	Yes	GSEE	No	EMF	No	IMF	No
Syndikato Ergatoypallilon Metallou Peiraia, Attikis & Nisson	Piraeus Metalworkers' Union	Both blue- and white-collar	9,500 registered members; 2,300 voting members	ND	ND	Yes (at local level)	POEM	No	No	EMF (through POEM)	No	IMF (through POEM)
Panellinia ENossi Amovoliston,	Panhellenic Association of	mostly blue-	2,738 registered	ND	ND	Yes (at	POEM	No	No	EMF	No	IMF

131 Some are active in the military shipbuilding industry but it is not possible to give an exact number.

132 It is a secondary-level trade union. Labour Centres have a regional character, whilst Federations are industry-based.

Kathariston, Bafeon	Sandblasters, Cleaners, Painters, and similar occupations	collar workers	members			local level)				(through POEM)		(through POEM)
Somateio Katergassias Xylou & Nafpigoxylourgikon Ergassion Peiraios & Perihoron	Association of Wood–processing and Vessel Woodwork of the Piraeus region	mostly blue-collar	800	800	100% of the sub-sector's employees in the Region	Yes (at local level)	Piraeus Labour Centre	No	No	No	No	No
Sonateio Ilektrologon Episkevon Egatastaseon Ploion Attikis & Nisson	Union of Electricians in Ship-repairing of Attica	mostly blue-collar	380	ND	ND	Yes (at local level)	Electricians' Federation of Greece	No	No	No	No	No

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

Employers' organisations

The **General Confederation of Greek Small Business and Trades** (GSEVEE) is a tertiary-level association[133] representing the interests of artisans, traders and professionals at national level. It was established in 1919 under the name Association of Greek Handicrafts and has gradually evolved into the largest union organisation for SMEs. Its membership consists of 69 federations and 1,359 associations with 101,883 registered members (entrepreneurs). GSEVEE negotiates and concludes the National General Collective Labour Agreement with the confederal union organisation GSEE. It also concludes various sectoral collective agreements.

The **Association of Metal Production and Processing Industries of Piraeus** (ENEPEM) was established in 1917 as the Association of Metal Industries of Piraeus. It has approximately 60 members and concludes a sectoral collective agreement with the POEM covering metal industry workers. The organisation does not employ any salaried workers. At the national level, ENEPEM is a member of the Federation of Greek Industries (SEV), whilst at the European level it is affiliated to the European Federation of Metal Industries.

The **Association of Piraeus Shipbuilders** (ENAP) was established in 1981 and has approximately 300 members. It concludes a local collective agreement every one or two years with the Piraeus Metalworkers' Union. ENAP employs one full-time employee and is a member of the Federation of Handicraft Associations of Piraeus. It has no European or international affiliations.

The **Association of Artisans–Employers-Mechanics of Piraeus** was established in 1988, when it broke away from ENAP. It has 78 registered members (67 voting members) and represents mostly SMEs. It concludes a local collective agreement every year or every other year with the Piraeus Metalworkers' Union. The Association's most recent agreement was concluded in 2003

[133] It is one of the nationally recognised social partners' organisations, along with the Federation of Greek Industries (SEV) and the Federation of Greek Traders' Associations (ESEE) on the employers' side and with the GSEE on the trade union side.

for a two-year period. This year, however, the organisation decided not to sign a collective agreement with the union; workers are therefore covered by the ENAP agreement. The Association employs one full-time employee and is affiliated to the Federation of Handicraft Associations of Piraeus. It has no European or international affiliations.

The **Association of Contractors of Vessel Woodworks of Piraeus Area** has 21 members, which represents the total number of contractors in the sub-sector. It concludes a local collective agreement with the Association of Wood–processing and Vessel Woodwork of the Piraeus region. It has no staff and is just emerging from a period of inertia. The organisation is considering renewing its affiliation to the Federation of Handicraft Associations of Piraeus after a slack period. It has no European or international affiliations.

The **Association of Sandblasting, Painting & Cleaning Contractors of Attica** was established in 1983 and has 37 members out of a total of 80-90 contractors established in the Attica region. It faces serious economic problems, owing to the severe crisis in the sector, and cannot afford office rent or a salaried employee. It concludes a local collective agreement with the Panhellenic Association of Sandblasters, Cleaners, Painters, and similar occupations. It has no national, European or international affiliations.

The **Association of Electricians for Shipbuilding and Ship-Repair Activities of Piraeus** was established in 1990 and has approximately 100 members. It concludes a local collective agreement yearly or every other year with the Union of Electricians in Ship-repairing of Attica. The Association is affiliated to the Federation of Handicraft Associations of Piraeus but has no European or international affiliations.

The **Association of Hellenic Shipbuilding and Ship-repairing Industries** (EENB) was established in 1980 and represents the three large shipyards: Hellenic Shipyards, Elefsis Shipyards and Neorion Syros, that together have 3,174 employees (49% of the sub-sectors' total workforce). It has one full-time employee. EENB does not take part in collective bargaining, as its three members engage in direct negotiations with their employees leading to company agreements. The Association has no national affiliations; at the European level it is a member of CESA.

The **Association of Perama Shipyard Owners** does not have the right to participate in collective bargaining procedures and is not a member of any European or international organisation.

Employers' organisations

Organisation		**Sub-sectors covered**	**Companies**	**SW**	**Density Companies**	**Density SW**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
GSEVEE	General Confederation of Greek Small Business & Trades	artisans, traders and professionals	101,883 in total	ND	12-13% (author's estimate)	ND	Yes	Not applicable	Not applicable	UEAPME	No	No	No
ENEPEM	Association of Metal Production and Processing Industries of Piraeus	Metal Production and Processing Industries	60	ND	ND	ND	Yes	SEV	No	European Federation of Metal Industries	No	No	No
ENAP	Association of Piraeus Shipbuilders	Shipbuilders	300	ND	ND	ND	Yes (at local level)	Federation of Handicraft Associations of Piraeus	No	No	No	No	No
Enossi Viotehnon-Ergodoton-	Association of Artisans – Employers-Mechanics of Piraeus	Artisans	78 registered members	ND	ND	ND	Yes (at local level)	Federation of Handicraft Associations of	No	No	No	No	No

Mihanour-gon Peiraia			(67 voting members)					Piraeus						
Syndesmos Ergolipton Nafpigoxy-lourgikon Ergassion Peiraios & Perihoron	Association of Contractors of Vessel Woodworks of Piraeus Area	Contractors of Vessel Woodworks	21	ND	100% of the sub-sector in the Region	ND	Yes (at local level)	No	No	No	No	No	No	
Enossi Ergolipton Ammovolon, Hromati-smon & Katharismon	Association of Sandblasting, Painting & Cleaning Contractors of Attica	Sandblasting, Painting & Cleaning Contractors	37	ND	ND	ND	Yes (at local level)	No	No	No	No	No	No	
Enossi Ilektrologon Kataske-vaston & Ep-iskevaston Ploion Peiraia	Association of Electricians for Shipbuilding and Ship-Repair Activities of Piraeus	Electricians for Shipbuilding and Ship Repair Activities of Piraeus	Around 100	ND	ND	ND	Yes (at local level)	Federation of Handicraft Associations of Piraeus	No	No	No	No	No	
EENB	Association of Hellenic Shipbuilding and Ship-repairing Industries	Shipbuilding and Ship Repairing Industries	3	3,174	0.3% in NACE 35.1 but it represents the three larger shipyards in Greece	49% of NACE 35.11	No	No	No	CESA	No	No	No	
Syndesmos Idioktiton Nafpigion Peramatos	Association of Perama Shipyard Owners	Shipyard	ND	ND	ND	ND	No	No	No	No	No	No	No	

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

3. Industrial relations in the sector

Six collective agreements covering the shipbuilding industry sector are signed every year. These agreements cover all salaried workers in the sector. Four are local agreements and two are nation-wide sectoral agreements.

Nation-wide sectoral agreements:

- Metalworkers and skilled workers employed in small and medium-sized metallurgical companies and in the production, assembly and repair of metal objects sector are covered by a collective agreement signed between POEM on the workers' side and GSEVEE on the employers' side. Another employers' organization signs this agreement, the Panhellenic Federation of Car & Motor Repairing Industries (POVEAM) which represents the car and motorcycle industry.
- Metalworkers employed in the larger metallurgical companies are covered by an agreement signed between POEM, and ENEPEM and SEV[134] on the employers' side. This agreement is normally concluded every two years. The 2005 agreement, that will probably also cover 2006, has not yet been concluded.

Local sectoral agreements:

- Every one or two years, the Piraeus Metalworkers' Union and ENAP sign a local collective agreement covering workers and skilled workers employed in metallurgical companies that execute shipbuilding/ship repairing activities in the Piraeus region zone. This year's agreement was signed in March.
- The Panhellenic Association of Sandblasters, Cleaners, Painters, and similar occupations signs every year a local collective agreement with the Association of Sandblasting, Painting & Cleaning Contractors of Attica. This agreement covers workers from the Attica Region (this region includes Piraeus and the Perama zone, as well as the sites of the two major shipyards (Hellenic Shipyards and Elefsis), thus covering the vast majority of workers employed in the sector).
- The Association of Wood–processing and Vessel Woodwork of the Piraeus region signs yearly or every other year a local collective agreement with the Association of Contractors of Vessel Woodworks of the Piraeus Area. The agreement covers workers and employees in wood and metal work in the shipbuilding/ship-repairing zone. The 2005/06 agreement was signed in April.
- Lastly, every year or every other year, a local collective agreement is concluded between the Union of Electricians in Ship Repairing of Attica and the Association of Electricians for Shipbuilding and Ship Repairing Activities of Piraeus. The 2005 agreement, valid for one year, was signed in April and was extended, by ministerial decree, to cover all electricians working in ship repairing in the prefecture of Attica.

The agreements concluded in the shipbuilding and ship repairing sector focus mostly on the usual issues: pay rises, bonuses and subsidies, health and safety at work and paid leave. In addition, the following issues are on the collective bargaining agenda: working time (shipbuilding is the only industry in Greece where the 35-hour week is implemented and overtime is paid a 100% premium from the first hour), working away from home, supplementary training on health and safety issues, and payment in kind. It should be noted that local agreements contain much better terms of employment than nation-wide agreements. Traditionally, workers and especially qualified workers in the shipbuilding/ship repairing sector have higher than average earnings, owing not only to the specific nature of their work, but also to the high bargaining power of unions taking part in collective negotiations.

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[134] Federation of Greek Industries (SEV), a tertiary employers' organization.

On the employers' side, the main concerns in collective bargaining are the high labour costs prevailing in the sector, unfair competition from sub-contractors paying lower wages, and low productivity. In addition to these problems that exist across the board, particular sub-sectors face distinct problems such as excessive red-tape and the costs of permits for ship-repairing operations for the vessel woodwork contractors, the gradual wiping-off of their activity for sandblasting contractors, etc. On the workers' side, the main issues of the social dialogue process concern growing job insecurity, precarious employment conditions, discontinuous employment, the adverse effects of privatisations and health and safety at work.

4. Conclusion

The shipbuilding/ship repairing sector in Greece is marked by a number of paradoxes and contradictions that have triggered, the crisis and at the same time exacerbated its impact:

(a) the strong bargaining power of unions involved in the negotiation of collective agreements has led to relatively high earnings for the workers (compared to other sectors) and improved standards of health and safety, which are translated into increased labour costs for employers and companies that are less competitive internationally given the emergence of new players in the Black Sea and the Far East, which have lower labour costs;

(b) despite the fact that the Greek merchant fleet is the largest in the world and the orders on behalf of Greek companies currently exceed 300 vessels worldwide, shipowners are reluctant to place their orders with a Greek shipyard and prefer countries with lower labour costs;

(c) the long-standing tradition and expertise of the Greek shipyards has withered away, and with it the competitive advantage Greece once had in this field.

Regarding the social dialogue process in particular, the dispersion of forces is characteristic of the sector, especially at the level of employers' organisations, with as many as seven different interlocutors representing distinct and often antagonistic interests.

Abbreviations

EENB:	Association of Hellenic Shipbuilding and Ship-repairing Industries (Enossi Ellinikon Nafpigoepiskevastikon Viomihanion)
ENAP:	Association of Piraeus Shipbuilders (Enossi Nafpigoepiskevaston Peiraia)
ENEPEM:	Association of Metal Production and Processing Industries of Piraeus (Enossi Epihirisseon Paragogis & Epexergassias Metallou Peiraia)
ESEE:	Federation of Greek Traders' Associations (Ethniki Synomospondia Ellinikou Emporiou)
GSEE:	General Confederation of Greek Labour (Geniki Synomospondia Ergaton Elladas)
GSEVEE:	General Confederation of Greek Small Business and Trades (Geniki Synomospondia Epaggelmation Viotehnon Emporon Elladas)
POEM:	Panhellenic Metalworkers' Federation (Panellinia Omospondia Ergaton Metallou)
POVEAM:	Panhellenic Federation of Car & Motor Repairing Industries (Panellinia Omospondia Viomihanion Aftokiniton, Mihanimaton, Motosykleton)
SEV:	Federation of Greek Industries (Syndesmos Ellinikon Viomihanion)

HUNGARY

1. Description of the sector

Delimitation and activities of the sector

The Hungarian statistical specification of the shipbuilding industry is in accordance with NACE activity codes. The shipbuilding industry consists of the following branches:

NACE DM 35.1: Building and repairing of ships and boats

- 35.11 – Building and repairing of ships
- 35.12 – Building and repairing of pleasure and sporting boats

Socio-economic features of the sector[135]

The present shipbuilding industry sector is currently of negligible importance in the Hungarian economy. Indeed, it is almost impossible to express its gross output as a proportion of the national GDP. However, the sector draws on a long history in Hungary with the first shipyard built in Óbuda in 1835; the company expanded quickly, and by 1847 had 1,100 workers. During the 19th century, other shipbuilding centres grew up in Angyalföld[136] and Balatonfüred, but in 1962, a government decree caused shipyards to merge into a single company: the Hungarian Ship and Crane Factory (Magyar Hajó és Darugyár). In the new, enlarged company, work was distributed in such a way that the old Óbuda plant dealt with metal processing, the factory in Angyalföld manufactured sea ships, port tugboats and floating cranes, and inland motor ships, special vehicles (e.g. lifeboats, icebreakers and ferries), river boats and sports boats were built at Balatonfüred. A new yard was also constructed in Vác-city on the Danube for manufacturing light metal ships, sea lifeboats and containers: 90% of production was concentrated on export, of which 80% was sold in the Soviet Union. In 1974, the company stopped building sea-going vessels and the manufacture of floating cranes became its most important activity. In the factory's heyday in 1984, a third of all floating cranes in the world's ports were manufactured in Hungary. The company changed its name in Ganz Danubius Ship and Crane Factory in 1985. The political and economic transition of 1989-1990 was followed by an extremely fast-moving scenario of market loss and bankruptcy, and the company was subsequently liquidated. With that, shipbuilding in Hungary virtually ceased to exist. Today, the sector is relatively small, and mainly driven by domestic demand: only 19% of total sales were on foreign markets, while the same proportion for the whole "Manufacture of transport equipment" industry (NACE DM) is 90%. Over the years, the sector's gross output has fallen by more than 30%, and the number of employees by more than 15%, while productivity has decreased by almost 20%[137]. The shipbuilding industry is a vanishing sector in Hungary.

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[135] **Methodological remark from the national expert**: "We encountered extreme difficulty during the data collection phase due to the shipbuilding industry's negligible importance. No important shipbuilding information, such as distribution of employees by size of enterprise, is to be found on the Hungarian Central Statistical Office database".

[136] Angyalföld is a district of Budapest on the banks of the Danube.

[137] Source: KSH (2004), p.172.

Gross output and sales in the shipbuilding industry, 2003 (million HUF[138])

Sub-sectors	**Gross output**	**Sales**		
		Total	**Domestic**	**Export**
Sub-sector 35.11	485	474	456	18
Sub-sector 35.12	418	425	277	148
Total for sector 35.1	**903**	**899**	**733**	**166**
DM, Manufacture of transport equipment	1,913,138	1,907,358	189,128	1,718,230

Source: Hungarian Central Statistical Office (KSH) (2004), p.81.

According to an estimate by the senior engineer at the Plattensee Co[139], only two companies in Hungary build and repair ships for inland waters, and about eight produce sailing boats, mainly made of plastic. With only one state-owned company (the Plattensee Co), the sector is almost fully privatised.

Summary table: Companies (2005)

Sub-sectors	**Number of companies**	**% companies without SW**	**% companies with < 10 SW**	**% companies with 10 to 100 SW**	**% companies with > than 100 SW**
Sub-sector 35.11	2	ND	ND	ND	ND
Sub-sector 35.12	8	ND	ND	ND	ND
Total for sector 35.1	10	ND	ND	ND	ND

SW: Salaried Workers

Source: Based on an estimate by the senior engineer at the Plattensee Co

In 2003, there were 280 people working in the shipbuilding industry sector: all of them were salaried, and the majority (83%) were blue-collar workers. It is worth noting that during 2002-2003, there was a significant number of lay-offs in the sector; indeed, by 2003, the workforce had fallen to 84% of the figure for 2002, the lay-offs having mainly affected blue-collar staff. These data reinforce the diagnosis that holds that the shipbuilding industry is a declining sector of the Hungarian economy.[140]

As the shipbuilding sector is relatively small and geographically concentrated, the black economy is of insignificant importance.

[138] 1 euro is worth approximately 250 HUF.

[139] The Plattensee Co is the main company in the sector.

[140] This view was expressed by people interviewed during the case study.

Summary table: Workers (2003)

Sub-sectors	Number of workers	Number of SW	Number of SW / number of SW in the country (%)	Number of SW in companies < 10 SW / number of SW in the sector (%)	Number of SW in companies 10-100 SW / number of SW in the sector (%)	Number of SW in companies > 100 SW / number of SW in the sector (%)
Sub-sector 35.11	135	135	ND*	ND	ND	ND
Sub-sector 35.12	145	145	ND*	ND	ND	ND
Total for sector 35.1	280	280	ND*	ND	50	ND

SW: Salaried Workers

Source: KSH (2004), p.192.

* Denotes an infinitesimal percentage

Number of employees by staff groups (2003)

Sub-sectors	Blue-collar	White-collar	Total
	Employees		
	Number of persons		
Sub-sector 35.11	110	25	135
Sub-sector 35.12	122	23	145
Total for sector 35.1	**232**	**48**	**280**

Source: KSH (2004), p.192.

Average net earnings in the sector lag significantly behind those in the "Manufacture of transport equipment" sector, and also behind average national earnings, but significant progress was made during 2002-2003: the yearly growth rate of average net earnings was 119% in the shipbuilding industry, compared with only 108% for the whole "Manufacture of transport equipment" sector.

Monthly average net earnings of employees (2003)

Sub-sectors	Blue-collar	White-collar	Total	Blue-collar	White-collar	Total
	Earnings of employees			Earnings of employees		
	HUF[141]			Previous year = 100		
Sub-sector 35.11	57,632	114,776	66,181	104.1	134.3	111.1
Sub-sector 35.12	74,215	133,851	83,943	123.5	126.0	123.4
Total for sector 35.1	**66,290**	**125,222**	**75,526**	**115.3**	**130.4**	**119.0**
DM, Manufacture of transport equipment	86,949	152,229	100,279	109.4	106.3	108.2

Source: KSH (2004), p.252.

[141] 1 euro is worth approximately 250 HUF.

2. Organisations active in the sector

Workers' organisations

The only trade union representing workers in the shipbuilding industry is the **Balaton Shipping Company Trade Union.** This trade union is only active in one enterprise: the Plattensee Co. It was set up in 1990 directly after the political transformation, and has 140 members: they are employed as technical workers (this figure includes shipbuilding industry workers employed by the company) and administrative workers. It has no salaried staff.

The Union signs the collective agreement at enterprise level. At national level, and it is member of the Transportation Workers' Trade Union Association; through this Association, the Balaton Shipping Company Trade Union is a member of MSZOSZ (National Federation of Hungarian Trade Unions), which is in turn affiliated to the ETUC and ICFTU.

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Balatoni Hajózási Rt Szakszervezete	Balaton Shipping Company Trade Union	Blue-collar workers, white-collar workers	140	30	10.7%	Yes, at enterprise level	Transportation Workers' Trade Union Association	MSZOSZ	No	ETUC	No	ICFTU

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

Employers' organisations

There is no employers' organisation active in the sector.

3. Industrial relations in the sector

Tripartite concertation

Tripartite bargaining only takes place at national level in Hungary. There is no tripartite concertation for the sector.

Bipartite social dialogue

As this report has already made clear, the shipbuilding industry sector largely ceased to exist in Hungary after the economic transformation that followed the political transition of 1989-1990. Currently, there are only two small companies building and maintaining ships for inland waters, and it follows that there is no longer any sectoral social dialogue for them.

However, a corporate-level regulation is observed in one company: the state-owned company Plattensee Co[142]. This company has operated on Lake Balaton[143] since 1846. From the outset, it concentrated on operating ships and running ports, and to this end, a technical service unit was established with the primary task of repairing and maintaining ships. With the transition that followed the shift from a state-planned economy to one determined by the market, the company expanded its operational structure and placed more emphasis on the building of ports (an activity that poses particularly difficult challenges) and on various tourism services (Plattensee currently runs a hotel and a camp site). The company has also started building its own ships at the former ship repair plant: today, the shipbuilding plant's activity focuses primarily on the technical maintenance and repair of ships and, to a lesser extent, on the design and construction of smaller river ships for the Hungarian market. The company is by and large profitable[144].

In 2005, the company employed approximately 350 people[145]. The workforce is distributed by field of activity as follows: the passenger (ship) transportation branch employs 35% (124 people), 14.3% (45–50 people) work in technical areas (ship maintenance and the building of ports), another 11.4% (40 people) are employed on administrative duties for management, and 35% (120 people) work in service fields (e.g. tourism and port operation). The working conditions of employees in the various areas are varied, as are employment practices.

With regard to social dialogue, there are two trade unions operating in the company:

- the Balaton Shipping Company Trade Union, which represents technical workers (including shipbuilding industry workers) and administrative workers; it has a total of 140 members;
- the Democratic Trade Union of the Balaton Boatmen, which has 70 members employed as shipping staff.

Both trade unions are represented on the works council, the number of seats being based on their representativeness[146]. The two organisations have formally agreed to cooperate, and an accord regulates ways in which relationships between them are coordinated: it states, for instance, that prior to negotiations with management, both trade unions must aim to reconcile their views and, as far as possible, put forward a common position.

There has been a collective agreement at the company for several decades, the practice having been retained since the political-economic transition. The collective agreement is signed for five years, and is renewed annually. It covers all workers employed by the company, and regulates wages, social benefits, working hours, conditions of employment, occupational health and work

[142] Privatisation of the company has been on the agenda since the early 1990s. As a first step in the transformation of the ownership structure, 51% of the company's shares were passed over to the 22 local government bodies in the Balaton region, while the remaining 49% were held by the state through the ÁPV Rt. (Hungarian Privatisation and State Holding Company). The fate of the latter portfolio is currently a matter of dispute. Along with the transformation of the ownership structure, the state has almost totally withdrawn from management of the company: this means that it can only partly make up for losses incurred by the passenger transport branch (which currently runs as a public service), and cover the fall in revenue due to state ticket discounts.

[143] The largest freshwater lake in Hungary and in Central Europe.

[144] This is primarily due to the fact that it has diversified its sphere of activities, with formerly peripheral branches (e.g. port/dock building and maintenance, and tourism activities) now being operated profitably. They enable losses incurred by the various other branches to be made good.

[145] There have been lay-offs over the last two years because, as part of the restructuring of company's ownership, the state owner set an objective of a 6% reduction in the labour force by 2008. As a result, Balaton has had to reduce the number of employees by 40: this was mainly achieved by offering staff retirement, reorganising the firm, and making current employment practices more flexible.

[146] Under Hungarian law, trade union representation on works councils is determined to the results of works council elections. If there is more than one trade union in a company, a collective agreement may be signed by unions that obtained at least 10% of the votes, although a union that wins 65% qualifies to sign a collective agreement on its own.

safety training, cooperation of partners, and coordination processes, but wages and other benefits constitute the most important collective bargaining issue. This year, the agreement introduced a totally reworked wage system that will last until 2010. The new wage system was developed with the participation of trade unions.

4. Conclusion

After the political and economic transition of 1989-1990, the shipbuilding industry underwent extremely rapid market loss and bankruptcy, and the only Hungarian state-owned shipbuilding company was liquidated. That virtually spelled the end of shipbuilding in Hungary, although there are still some smaller companies manufacturing wooden sports sailboats, while another manufactures riverboats. According to the Central Statistical Office, 35 companies in Hungary operate under NACE code DM.35 ("Manufacture of other transport equipment"), only two companies build and repair ships for inland waters, and about eight produce sailing boats, mainly made of plastic. These data are based on an estimate provided by the senior engineer at the company investigated in the monograph.

There is no sectoral dialogue in shipbuilding, although in one company, there is ongoing collective bargaining between the social partners: cooperation between them is very good, and is based on institutionalised mechanisms for reconciling interests, which in turn provide a framework for harmonising the particular interests of the company's various departments.

Abbreviations:

KSH: Hungarian Central Statistical Office

MSZOSZ: National Federation of Hungarian Trade Unions

IRELAND

1. Description of the sector

Delimitation and activities of the sector

The shipbuilding industry in Ireland corresponds to NACE classification, group 35.1 “Building and repairing of ships and boats”.

Socio-economic features of the sector

Although the shipbuilding industry has been an important field of activities in Ireland for centuries, at present it is a small industry of 465 people (which represents about 0.02% of total employment in the country). In 2002, the sector had 25 units[147] active: 17 under NACE 35.11 and 8 under NACE 35.12[148]. In the same year, its share in the National GDP was O.O3%[149]. None of these companies build large sea vessels. However, there were larger shipbuilding companies in Ireland in the past. The gender division in the sector is marked, as 92.4% of salaried workers are men. More data in relation to the characteristics of employment in the NACE 35.1 sector are not available.

Number of persons engaged[150], 2002

	Male	Female	Total of SW	Proprietors and family workers	Total of persons engaged
Sub-sector 35.11	362	29	391	11	402
Sub-sector 35.12	53	5	58	5	63
Total of the sector 35.1	415	34	449	16	465

SW: Salaried Workers
Source: Extracted from Central Statistics Office (2003) *Census of Industrial Production 2002*,Table 13.

Due to high cost structures and hard competition from Asian shipyards (particularly in South Korea and Japan), the Irish shipbuilding sector is in sharp decline. According to *Technology Ireland,* an Irish business and technology news magazine, Irish shipbuilding is now specializing in new maritime fields, such as IT services for the shipping industry[151]. As regards the marine leisure industry, it is estimated that this branch has huge potential to grow thanks to the increasing numbers of visitors in Ireland[152].

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[147] A unit is geographically based. A single legal entity may own several dispersed units.

[148] The repartition of these enterprises by size (according to the number of salaried workers) is not available as the sector is too small.

[149] 2002 GDP figures used as the figures available for the value of the sector are from the *Census of Industrial Production 2002.*

[150] This data includes self-employed and self-employed with a paid employee as data excluding these categories is not available for NACE 35.11 and 35.12.

[151] See http://www.technologyireland.ie.

[152] *The Phoenix* magazine (3 June 2005) ‘Power and Wind: Sailing and Boating in Ireland’, p. 36.

There are also some small, artisan boat building and repair enterprises in Ireland, of which Cumman Huiceiri na Gaillimhe[153] is an example. This is a voluntary community organisation established to promote the restoration and preservation of Galway hookers[154]. The project aims to pass the art of building and repairing Galway hookers to young people in order to keep the tradition alive. The project works with young unemployed men with an interest in this sector. This involves highly specialised skills and training.

There does not appear to be any underground economy in relation to ship and boat building. There may be an underground economy in relation to sailing clubs but it is hard to quantify[155].

Turnover of enterprises, 2002

	Total turnover (€000)	Of which exports (€000)
Sub-sector 35.11	34,004	6,290
Sub-sector 35.12	4,745	375

Source: Extracted from Central Statistics Office (2003) *Census of Industrial Production 2002*,Table 13.

2. Organisations active in the sector

Workers' organisations

No social partner represents the workers in the Irish shipbuilding industry.

The Seaman's Union of Ireland represents seafaring workers and not shipbuilding workers. In other respects, the Services, Industrial, Professional and Technical Union (SIPTU), which is Ireland's largest union and an EMF member, has a branch called the Marine Port and General Workers Group. However, from contact with the General President of SIPTU it is clear that they do not represent any of the workers included in this study.

Employers' organisations

The **Irish Marine Federation** (IMF) is the national organisation representing both commercial and leisure sectors of the marine industry in Ireland. The primary aims of the IMF are:

- To promote the interests of all sectors of the marine industry in Ireland and to encourage its growth and development;
- To represent the interests of the industry to Government, state agencies and European institutions, thereby influencing public policies;
- To promote the image of the industry through quality awareness, public statements and the organisation of boat shows;
- To provide advice, information and services to members in order to assist in achieving these objectives[156].

[153] The Galway Hookers Association.

[154] A hooker is a distinct curvy boat used by the fishing industry in Galway and around the Connemara coast from the 19th century onwards.

[155] Correspondence with partner, 17 October 2005.

[156] See www.irishmarinefederation.com/about.html.

The IMF is an affiliate of the Irish Business and Employers' Confederation (IBEC), which provides the Secretariat from its Dublin office. IBEC is the leading umbrella body acting as a voice for industry in Ireland on behalf of Irish business and employers. IBEC represents its own members' interests to the Government, state agencies, the trade unions, other national interest groups, and the general public.

Membership of the IMF automatically gives full membership to the Small Firms Association (SFA). The SFA is the national organisation exclusively representing the needs of small enterprises in Ireland. They represent firms trans-sectorally by media coverage and through the regional meetings and seminars that take place throughout the country. The SFA provides economic, commercial, employee relations and social affairs advice and assistance.

IMF has 90 member companies in total, which is around 80% of the total marine industry in Ireland[157]. It is directly affiliated with the International Council of Marine Industry Associations (ICOMIA) and the European Union Recreational Marine Industry Group (EURMIG).

Employers' organisations

Organisation	**Sub-sectors covered**	**Companies**	**SW**	**Density Companies**	**Density SW**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Irish Marine Federation	Shipbuilding and marine sectors	90 in total, 4 in NACE 35.1	ND	80% of the marine industry	ND	No	IBEC	No	EURMIG	No	ICOMIA	No

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

3. Industrial relations in the sector

There is no collective bargaining in the Irish shipbuilding industry.

However, the IMF has set up the **Irish Marine Forum**, which provides a platform for discussion for the various actors in the sector. The Irish Marine Forum has many types of members, from enterprises and organisations to the statutory body in the Irish marine sector. These members are from all corners of the marine sector and include Waterways Ireland, The Inland Waterways Association, The Irish Boat Rental Association (IBRA), the Marine Institute, Amateur Divers, Professional Divers, the Irish Sailing Association, Irish Ferryboat Operators, marine insurance organisations, extreme watersports organisations and Irish Water Safety.

One current issue of discussion of the Forum is in relation to recent legislative changes in marine law which some believe are not policeable. It has been suggested that instead of these modifications to the law, education or attitude changes are more important as a form of prevention. An example of this would be wearing a life jacket. Another issue of concern of the Forum is waste management or the dumping of waste into the sea by ships[158].

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[157] Ralaheen Interview April 2005.

[158] Ralaheen Interview April 2005.

Great enthusiasm has been expressed by the participants, who find the Forum useful for discussions, networking and acquiring knowledge from other organisations in the marine sector in Ireland[159].

4. Conclusion

The Irish shipbuilding industry is very small at present when compared to its size in the past. The industry has shrunk from tens of thousands of workers to just 465 workers. Most of the ships now registered as part of the Irish shipping fleet were manufactured abroad. This trend will most likely continue, as it seems unlikely that there will be a revival of large-scale shipbuilding in Ireland in the future. In total, the turnover in this sector is just €40 million, of which €6,375,000 accounts for exports.

Some of the work that is still taking place in the Irish shipbuilding industry is artisanal activity – based on skilled wooden boat building, repairs and restoration. This too is diminishing and organisations such as Cumman Huiceiri na Gaillimhe have been set up to promote this disappearing expertise and to train a new generation of skilled boat builders.

There is no collective bargaining in this sector. However, there is an Irish Marine Forum. This was set up by the IMF and it provides a platform for discussion for all forum members, which consist of a range of enterprises and organisations from within the Irish marine industry.

Abbreviations

IBEC: Irish Business and Employers' Confederation

IMF: Irish Marine Federation

SIPTU: Services, Industrial, Professional and Technical Union

[159] Ralaheen Interview April 2005.

ITALY

1. Description of the sector

Delimitation and activities of the sector

From the statistical point of view, the Italian shipbuilding industry includes companies classified under NACE category 35.1 – "Building and repairing of ships and boats"[160]. This sector is covered by four national collective industry-wide agreements (Contratti collettivi nazionali di lavoro – CCNLs) for the metalworking sector. Two of these provide a general definition of shipbuilding:

- CCNL for metalworking industrial companies: shipbuilding sector includes "firms carrying out the activities of building, repairing, and demolishing, as well as careening of ships";
- CCNL for metalworking SMEs provides for a more specific definition, though fairly similar to the general one: "firms carrying out activities of building, fitting out, maintaining and repairing of ships and all types of boats; fitting out, hauling and recovering, repairing, and demolishing of ships and their parts; careening of ships".

At the end of the day, the points of view of statistics and collective bargaining seem to coincide.

Socio-economic features of the sector[161]

In Italy, 3,037 companies engage in activities under NACE 35.1[162]. They are mainly private companies and SMEs: only 26 have more than 100 SW, however these large enterprises account for 49.71% of salaried workers in the sector. Geographically, companies are mostly in the centre of Italy (28.02%), followed by the northwest (26.51%).

Summary table: Companies (2001)

Sub-sectors	Number of companies	% companies without SW	% companies with < 10 SW	% companies with 10 to 100 SW	% companies with > than 100 SW
Sub-sector 35.11	1,112	28.24	42.53	28.06	1.17
Sub-sector 35.12	1,925	46.65	43.32	9.35	0.68
Total of the sector 35.1	3,037	39.91	43.03	16.20	0.86

SW: Salaried Workers

Source: Istat, 8th National Statistical Census on Industry and Service, 2001

63.38% of companies in the sector are active in NACE 35.12: these are mainly small firms. Companies in NACE 35.11 are normally larger in size (with Fincantieri[163] by far the largest). The largest companies are particularly involved in the production of big cargo vessels and cruise liners, while small firms are frequently sub-contractors to the largest companies. There are no data on the importance of the underground economy. However, due to the proliferation of contracting firms, its existence is certain.

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160 Indeed, the Ateco 2002 national classification of economic activities adopted by Istat (Istituto Nazionale di Statistica – National Institute of Statistics) derives directly from the current NACE nomenclature.

161 These data include the section "Building of warships".

162 Source: 8th National Statistical Census on Industry and Services (available since March 2004 and providing data updated to 2001).

Summary table: Workers (2001)

Sub-sectors	**Number of workers**	**Number of SW**	**Number of SW/ number of SW in the country (%)**	**Number of SW in companies < 10 SW / number of SW in the sector (%)**	**Number of SW in companies 10-100 SW / number of SW in the sector (%)**	**Number of SW in companies > 100 SW / number of SW in the sector (%)**
Sub-sector 35.11	20,924	18,832	0.13	6.71	37.52	55.77
Sub-sector 35.12	10,807	7,657	0.06	22.28	42.92	34.80
Total of the sector 35.1	31,731	26,489	0.19	11.21	39.08	49.71

SW: Salaried Workers

Source: Istat, 8th National Statistical Census on Industry and Service, 2001

The sector employs 31,731 workers, of whom 83.48% are salaried. The rest are self-employed and non-standard workers[164] (respectively 13.40% and 3.12%) and are mostly in companies with fewer than 10 employees. The majority of workers in the sector are male and blue-collar[165]. As regards wages, the monthly average gross salary was € 1,849.15 in 2003 (4.50% over the average for the metalworking industry).

As for evolution of the sector, competition from Asia (mainly South Korea) has had negative effects on the economic balance and employment in shipbuilding in recent years. Only the large cruise liners sub-sector has maintained its position, thanks to Fincantieri, which holds about 56% of the world market[166], and thanks to State aid paid to Italian companies since 1983, in accordance with EC Regulations. As regards NACE 35.12, a positive trend has been observed with the conquest of the market niche of super-yachts[167].

There are no data as regards the share of the sector in the national GDP. However, the relative weight of the manufacture of other transport equipment (NACE 35)[168] in national added value was estimated at 0.54% in 2004.

2. Organisations active in the sector

The Italian recognition system is highly informal and uncertain as there is a contrast between constitutional principles and actual practice. Indeed, Article 39 of the Constitution states that only "registered" trade unions are allowed to sign collective agreements, but in practice, *mutual recognition* is the only principle followed for the negotiation of CCNLs.

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163 Fincantieri is a state-owned enterprise belonging to the Ministry of Treasury and representing one third of total employment in the sector (plus another third sub-contracted). The privatization of Fincantieri is under debate, but has been deadlocked for several years.

164 Non-standard workers include 80% coordinated freelance workers and 20% temporary workers.

165 Source: Federmeccanica (2004), 27° Indagine annuale sulla situazione nell'industria metalmeccanica. Anno 2003, on line. This survey involves 184 metalworking companies employing 338,929 workers. Actually, the shipbuilding companies involved in the survey are only 15, but employing 9,606 workers, that is approximately one-third of total employment in the sector. Furthermore, one of these companies is supposed to employ more than 8,500 workers, since all the others can employ a maximum of 1,000 workers.

166 Source: Ministero delle Infrastrutture e dei Trasporti (2004), *Relazione sull'industria cantieristica navale ai sensi dell'art. 5, comma 4, della legge n. 413/98*, Roma.

167 Source: Pedersini R. (2000), *Industrial Relations in Shipbuilding in Italy*, Dublin, European Industrial Relations Observatory (EIRO) – EIROnline, European Foundation for the Improvement of Living and Working Conditions.

168 It includes: Building and repairing of ships and boats (code 35.1); Manufacture of railway and tramway locomotives and rolling stock (35.2); Manufacture of aircraft and spacecraft (35.3); Manufacture of motorcycles and bicycles (35.4); and Manufacture of other transport equipment n.e.c. (35.5). No more precise data are available.

Workers' organisations

In the shipbuilding industry, the dominant players are those affiliated to the three most representative confederations: CGIL (General Confederation of Italian Workers), CISL (Italian Confederation of Workers' Unions), and UIL (Union of Italian Workers). The **Federation of White- and Blue-collar Metalworkers** (FIOM) is a sectoral union of CGIL. It has around 364,000 members. The **Italian Federation of Metalworkers** (FIM) is a sectoral federation of CISL and counts 190,118 members. Lastly, the **Union of Italian Metalworkers** (UILM) is a sectoral union of UIL, representing 91,110 workers. FIOM, FIM and UILM have an "oligopoly" of workers' interests representation[169], as they are the only signatories to the four CCNLs covering the metalworking industry[170].

The **Federation of Italian Metalworkers** (UGL Metalmeccanici), a sectoral federation of the General Labour Union (UGL), also plays an active (albeit marginal) role in collective bargaining in the sector as it is fully recognized by the dominant players. However, its influence on negotiations is actually slight and its representativeness in the shipbuilding sector is probably limited.

Two other trade unions play a marginal role in the sector: (1)The **Italian Autonomous Federation of Metalworkers** (FAILM), which is a sectoral federation of CISAL[171] and is only active at company level; (2) the **National Federation of Industrial Company Managers** (Federmanager), a national association bringing together around 80,000 managers, including 40 in the shipbuilding industry. Federmanager signs an intersectoral agreement for industrial managers.

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Federazione Impiegati Operai Metalmeccanici, FIOM	Federation of White- and Blue-collar Metalworkers	white- and blue-collars	about 364,000	ND	ND	yes	CGIL	No	EMF	ETUC	IMF	ICFTU
Federazione Italiana Metalmeccanici, FIM	Italian Federation of Metalworkers	white- and blue-collars	190,118	ND	ND	yes	CISL	No	EMF	ETUC	IMF	ICFTU
Unione Italiana Lavoratori Metalmeccanici, UILM	Union of Italian Metalworkers	white- and blue-collars	91,110	ND	ND	yes	UIL	No	EMF	ETUC	IMF	No
UGL Metalmeccanici	Federation of Italian Metalworkers	white- and blue-collars	ND	ND*	ND*	yes	UGL	No	No	No	No	No
Federazione Autonoma Italiana Lavoratori Metalmeccanici, FAILM	Italian Autonomous Federation of Metalworkers	white- and blue-collars	ND	ND*	ND*	no	CISAL	No	CESI	No	No	No

[169] In 1973, FIOM, FIM and UILM had formed the FLM (Federazione Lavoratori Metalmeccanici, Unitary Federation of Metalworkers), which represents the first and only attempt to create an "organizational unity" within the Italian trade unionism. The relationships within the FLM soon worsened, and therefore the three sectoral federations recovered their organizational autonomy. The experience of the FLM ended definitively in 1984.

[170] FIOM has refused to sign the renewal of the main CCNL and has rejected every proposal since 2001.

[171] CISAL (the Confederation of Independent Unions) is not recognized by CGIL, CISL and UIL at the national level and its representativeness is often questioned by the experts.

Organisation		Type of SW	Members	Members working in the sector	Density	CB	National affiliations		European affiliations		International affiliations	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Federmanager	National Federation of Industrial Company Managers	managers	around 80,000	around 40	around 0.1%	yes	CIDA[172]	No	No	CEC	No	No

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
Source: direct contacts with each organisation (data updated to 2004).
* The representativeness of UGL Metalmeccanici and FAILM in the sector is probably limited (not more than 1%), as a Federmeccanica survey[6] has confirmed.
NB. Density is calculated on the basis of 2001 data on employment, and therefore might be under/overestimated, depending on recent sectoral trends.

Employers' organisations

Employers' representation in the sector is provided mainly by the **Italian Federation of Metalworking Industries** (Federmeccanica), which is affiliated to Confindustria[173] and signs the most important CCNL in the sector. It represents about 12,000 companies, employing more than 900,000 workers.

In addition, two other organizations affiliated to Confindustria provide political or economic representation for their members, but do not play a role in collective bargaining[174]: (1) the **Italian Association of Shipbuilders** (Assonave[175]) representing almost the entire Italian shipbuilding industry, mainly the largest firms, amongst which Fincantieri; (2) The **National Union of Shipyards and Shipbuilding and Allied Industries** (UCINA) representing smaller firms active in NACE 35.12.

The **Italian Association of Small and Medium-sized Metalworking Industries** (Unionmeccanica) represents only SMEs. It is a signatory, with the three most representative trade unions, to a CCNL for metalworking SMEs (including in shipbuilding). Unionmeccanica is the most important association of Confapi, the Italian Confederation of Small and Medium-sized Industry, with 20,404 member companies employing a total of 497,771 workers.

Three organizations also represent metalworking co-operatives. Their representativeness in shipbuilding is not significant, since co-operatives in this sector are limited in number. However, they are signatories to a CCNL which supposedly applies to shipbuilders: (1) the **National Association of Manufacturing and Labour Co-operatives** (ANCPL), a sectoral association of Legacoop (National League of Co-operatives); (2) the **National Federation of Manufacturing and Labour Co-operatives** (Federlavoro e Servizi), a sectoral federation of Confcooperative (Confederation of Italian Co-operatives), which represents more than 4,400 co-operatives; (3) the **Italian Association of Manufacturing and Labour Services Co-operatives** (AICPL), a sectoral association of AGCI (General Association of Italian Co-operatives).

[172] The Confederation of Managers (Confederazione Italiana dei Dirigenti di Azienda e delle Alte professionalità).

[173] The General Confederation of Italian Industry (Confederazione Generale dell'Industria Italiana).

[174] This represents an exception in the Italian representation system, where normally there is no distinction between employers' and business associations.

[175] It includes ANCANAP (Associazione Nazionale Cantieri Navali Privati, National Association of Private Shipyards) and RINAVI (Associazione Nazionale degli Industriali Riparatori Navali, National Association of Ship Repair Enterprises).

Lastly, four crafts associations are signatories to a CCNL for all metalworking firms. However, it is widely assumed that the number of shipbuilding companies affiliated to these organizations is low: (1) the **National Federation of Metalworking Artisans** (FNAM), a sectoral federation of Confartigianato (General Italian Confederation of Artisans); (2) the **National Mechanical Engineering Association** (Assomeccanica), a sectoral federation of CNA (National Confederation of the Craft Sector and Small and Medium Enterprise), representing some 26,000 craft companies, mostly sub-contractors, in mechanical engineering, chemicals, rubber, and plastic; (3) the **Independent Confederation of Artisans' Organisations** (CASA - also known as Casartigiani), an autonomous confederation which represents craft companies of several sectors and is organized into 11 sectoral federations at the national level; (4) the **Confederation of Italian Free Crafts Associations** (CLAAI), another autonomous confederation of crafts associations that is particularly active in the south of Italy.

Employers' organisations

Organisation		**Sub-sectors covered**	**Companies**	**SW**	**Density Companies**	**Density SW**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Federazione Sindacale dell'Industria Metalmeccanica Italiana, Federmeccanica	Italian Federation of Metalworking Industries	Metal	ND*	ND*	ND*	ND*	yes	Confindustria	No	No	UNICE	No	No
Associazione Nazionale dell'Industria Navalmeccanica, Assonave	Italian Association of Shipbuilders	NACE 35.11	15**	7,765**	100% of large companies (35.11)**	41.2% of NACE 35.11**	no	Confindustria	No	CESA EMEC	UNICE	No	No
Unione Nazionale dei Cantieri e delle Industrie Nautiche e Affini, UCINA	National Union of Shipyards and Shipbuilding and Allied Industries	NACE 35.12	around 400	ND***	around 21% of NACE 35.12	ND***	no	Confindustria Federturismo[176] Federmare[177] Assonautica[178]	No	No	UNICE	NMMA IFBSO	No
Unione Nazionale della Piccola e Media Industria Metalmeccanica, Unionmeccanica	Italian Association of Small and Medium-sized Metalworking Industries	SMEs in Metal	ND	ND	ND	ND	yes	Confapi	No	No	UEAPME	No	No

[176] The National Federation of Tourism (Federazione Nazionale Industria dei Viaggi e del Turismo).

[177] The Federation of the Italian Maritime System (Federazione del Sistema Marittimo Italiano).

[178] The National Association of Yachting (Associazione Nazionale Nautica da Diporto).

Organisation		Sub-sectors covered	Companies	SW	Density Companies	Density SW	CB	National affiliations		European affiliations		International affiliations	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Associazione Nazionale delle Cooperative di Produzione e Lavoro, ANCPL	National Association of Manufacturing and Labour Co-operatives	Manufacturing and Labour Co-operatives	ND	ND	ND	ND	yes	Legacoop	No	CECOP	No	No	ICA
Federazione Nazionale delle Cooperative di Produzione e Lavoro, Federlavoro e Servizi	National Federation of Manufacturing and Labour Co-operatives	Manufacturing and Labour Co-operatives	ND	ND	ND	ND	yes	Confcooperative	No	No	No	No	ICA
Associazione Italiana delle Cooperative di Produzione e Servizi Lavoro, AICPL	Italian Association of Manufacturing and Labour Services Co-operatives	Manufacturing and Labour Co-operatives	ND	ND	ND	ND	yes	AGCI	No	No	CECOP COGECA	No	ICA
Federazione Nazionale Artigiani Metalmeccanici, FNAM	National Federation of Metalworking Artisans	Metalworking Artisans	ND****	ND****	ND****	ND****	yes	Confartigianato	No	No	UEAPME	No	No
Associazione Nazionale Meccanica di Produzione, Assomeccanica	National Mechanical Engineering Association	Mechanical Engineering	ND	ND	ND	ND	yes	CNA	No	No	UEAPME	No	RIOST
Confederazione Autonoma Sindacati Artigiani, CASA	Independent Confederation of Artisans' Organisations	Free Crafts Associations	ND	ND	ND	ND	yes	No	No	No	No	No	No
Confederazione delle Libere Associazioni Artigiane Italiane, CLAAI	Confederation of Italian Free Crafts Associations	Free Crafts Associations	ND	ND	ND	ND	yes	No	No	No	No	No	No

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
Source: direct contacts with each organisation (data updated to 2004)
* Data by sector are not available, although Federmeccanica is considered the most important employers' association in the metalworking industry
** Data include Assonave direct members and ANCANAP (Associazione Nazionale Cantieri Navali Privati, National Association of Private Shipyards) members
*** UCINA is a business association, hence it does not provide statistics on the number of workers employed in member companies
**** Data by sector are not available, since companies join territorial associations directly. However, according to the Confartigianato representatives, shipbuilding is an important sector for the crafts associations
NB. Densities are calculated on the basis of 2001 data on companies and employment, and therefore might be under/overestimated, depending on the recent sectoral trends.

3. Industrial relations in the sector

Tripartite concertation

No specific procedures for tripartite social concertation are seen in the shipbuilding industry sector. However, for the renewal of the main CCNL for the metalworking sector (in which shipbuilding is included), the government's mediation is often required in the case of serious conflict between the social partners. This kind of concertation is normally organized by the Minister of Labour and involves exclusively the signatory organisations.

Bipartite social dialogue

The participatory system

The main CCNL for metalworking industrial companies provides a system of joint monitoring bodies and joint committees at the national, territorial and company level[179]. Joint monitoring bodies aim at carrying out specific analyses, studies and research on sectoral issues. At company level, they have the task of monitoring the application of company agreements on performance-related pay. Joint committees focus on vocational training and equal opportunities. Otherwise, the CCNL for SMEs provides for joint monitoring bodies established at the national, regional and provincial level. They deal with equal opportunities and job classification.

Collective bargaining at sectoral level

The Italian collective bargaining system is structured on two levels: a national/sectoral level (CCNL[180]), and a decentralized level (regional, provincial or company). The former establishes minimum standards for pay, working time, working conditions, and equal opportunities for women and men. The latter provides for the implementation of the CCNL and mainly concerns variable pay and incentives. The first part of CCNLs is "normative", setting general rules in the areas of personnel classification, employment contracts and flexibility, working time and rest periods, and union rights, on the one hand, and the procedures and contents of second-level bargaining, on the other. The second part is economic (wages). The normative section is valid four years, while the economic section applies for only two years.

The shipbuilding industry is covered by four CCNLs for the metalworking sector, applying to four different types of companies: industrial companies; SMEs; co-operatives; and craft companies. However, it is not possible to calculate the coverage rate of each agreement with reference to shipbuilding companies and workers. Shipbuilders are covered for the most part by the CCNL for industrial companies.

The *CCNL for metalworking industrial companies (7 May 2003)* was signed in 1999 by Federmeccanica and Assistal[181], together with the three main sectoral trade unions (FIOM, FIM, UILM), and separately with UGL Metalmeccanici. It was renewed in 2003. Conflicts between the trade unions occurred in 2001 over renewal of the economic part of the CCNL and as a result,

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179 Joint monitoring bodies should be set up in companies with at least 3,000 employees, 1,000 of whom employed in a single production unit; joint committees are found in firms with more than 2,000 employees, 350 of whom employed in a single production unit.

180 The European Employment and Industrial Relations Glossaries (EMIRE) define the CCNLs as collective agreements which are "concluded at the national level between employees' and employers' sectoral federations", and whose "sphere of application is the homogeneous product sector, which usually corresponds to an industrial category".

181 The National Association of Industrial Plants Manufacturers, affiliated to Confindustria. It does not cover shipbuilding.

FIOM, which is the most representative organization within the sector, did not sign the renewal agreements of 2001 and 2003. This caused a serious shock for Italian industrial relations, given the importance of the metalworking CCNL, which covers about 1.3 million workers and is usually the pace-setter for other sectors.

The *CCNL for metalworking SMEs (29 May 2003)* is a less important agreement, signed in 1999, by Unionmeccanica, FIOM, FIM and UILM, and renewed in 2003.

The *CCNL for metalworking co-operatives (8 July 2003)* was signed in 1999 by ANCPL, Federlavoro e Servizi, AICPL, together with FIOM, FIM, UILM, and was renewed in 2003. It is widely assumed that this agreement applies to only a small number of shipbuilding co-operatives, mainly in northeast Italy.

The *CCNL for metalworking craft companies (27 November 1997)* was signed in 1997 by FNAM and FNAII[182], Assomeccanica, AIRA and ANIM[183], CASA and CLAAI, together with FIOM, FIM and UILM. It formally expired in 2000, without being renewed. The number of shipbuilding companies covered by this agreement is not known.

Article 39 of the Italian Constitution states that a collective agreement is automatically extended to all employees (*erga omnes*) whenever it is signed by representative bodies in which "registered" trade unions are represented in proportion to their numerical strength. Because Article 39 is not implemented, however, *erga omnes* extension is theoretical, even if the courts often provide *erga omnes*, especially for pay issues.

Lastly, an intersectoral collective agreement referring specifically to executives also applies to shipbuilding companies: the *Collective agreement for industrial managers (24 November 2004)*. It was signed in 2000 by Federmanager and Confindustria and renewed in 2004. It was seen by the signatory parties as a very innovative agreement. The number of shipbuilders covered is uncertain. However, only 40 executives working in the shipbuilding sector are affiliated to Federmanager.

Collective bargaining at "higher than enterprise" level

In the shipbuilding sector there are two important exceptions to the Italian "two-tier" bargaining system:

- *Collective bargaining at "group" level, in Fincantieri*[184]. According to Pedersini[185], events at Fincantieri dominate industrial relations in the shipbuilding sector at the national level, owing to the huge size of this group of companies.
- *Collective bargaining at "port district" level* in specific areas characterized by the presence of a large number of SMEs, such as Genoa[186].

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[182] The National Crafts Federation of Plant Installers, affiliated to Confartigianato. It does not cover shipbuilding.

[183] The Association of Italian Auto Repair Workers and the National Association of Plant Installation and Maintenance Workers, which are affiliated to CAN. They do not cover shipbuilding.

[184] Fincantieri should be regarded as a case of nation-wide bargaining in fact, since it is a group of companies spread all over the country. A very important agreement on company reorganization, signed in 1999 by Fincantieri and FIOM, FIM and UILM, stipulated that 75% of resources used in production had to be internal and the remaining 25% sub-contracted to external firms, while the supply of components, equipments and services had to be outsourced.

[185] Pedersini R. (2000), *Industrial Relations in Shipbuilding in Italy*, Dublin, European Industrial Relations Observatory (EIRO) – EIROnline, European Foundation for the Improvement of Living and Working Conditions.

[186] An interesting territorial agreement applying to all companies operating in the Genoa port district was signed in 1996 and renewed in 2000. The companies involved were both contractors and firms operating in NACE 35.12, and with a high union membership rate (reaching 80%).

Collective bargaining at decentralised level

There are no official data on decentralised bargaining (at the regional, local or company level). According to the above-mentioned Federmeccanica study, eight of the 15 shipbuilding companies surveyed, employing a total number of 9,467 salaried workers, have a company agreement. Four of these agreements were renewed in 2000, one in 2001, and three in 2003. More generally, 73.33% of the 15 companies surveyed are unionized, while 18 (66.67%) of 27 production units have union representatives.

4. Conclusion

The economic structure of the shipbuilding industry is characterized by the presence of a large state-owned company, Fincantieri, accounting for around one third of total employment in the sector. It is also highly polarised between Fincantieri and a few other medium-sized and large private companies, on the one side, and a multitude of SMEs, mainly contractors or companies building pleasure and sporting boats, on the other. According to Pedersini, the increase in the phenomenon of sub-contracting can be considered a possible "common denominator" for the sector.

With regard to interest representation, a distinctive feature of the shipbuilding sector is the presence of specific organizations, such as Assonave and UCINA, which provide only political or economic representation for their member companies, but do not play a role in collective bargaining.

Abbreviations

AGCI:	General Association of Italian Co-operatives (Associazione Generale Cooperative Italiane)
AICPL:	Italian Association of Manufacturing and Labour Services Co-operatives (Associazione Italiana delle Cooperative di Produzione e Servizi Lavoro)
AIRA:	Association of Italian Auto Repair Workers (Associazione Italiana Riparatori Auto)
ANCANAP:	National Association of Private Shipyards (Associazione Nazionale Cantieri Navali Privati)
ANCPL:	National Association of Manufacturing and Labour Co-operatives (Associazione Nazionale delle Cooperative di Produzione e Lavoro)
ANIM:	National Association of Plant Installation and Maintenance Workers (Associazione Nazionale Impiantisti Manutentori)
Assistal:	National Association of Industrial Plants Manufacturers (Associazione Nazionale Costruttori di Impianti)
Assomeccanica:	National Mechanical Engineering Association (Associazione Nazionale Meccanica di Produzione)
Assonautica:	National Association of Yachting (Associazione Nazionale Nautica da Diporto)
Assonave:	Italian Association of Shipbuilders (Associazione Nazionale dell'Industria Navalmeccanica)
CASA:	Independent Confederation of Artisans' Organisations (Confederazione Autonoma Sindacati Artigiani)
CGIL:	General Confederation of Italian Workers (Confederazione Generale Italiana del Lavoro)

CIDA:	Confederation of Managers (Confederazione Italiana dei Dirigenti di Azienda e delle Alte professionalità)
CISAL:	Confederation of Independent Unions (Confederazione Italiana Sindacati Autonomy Lavoratori)
CISL:	Italian Confederation of Workers' Unions (Confederazione Italiana Sindacati Lavoratori)
CLAAI:	Confederation of Italian Free Crafts Associations (Confederazione delle Libere Associazioni Artigiane Italiane)
CNA:	National Confederation of the Craft Sector and Small and Medium Enterprise (Confederazione Nazionale dell'Artigianato e della PMI)
Confapi:	Italian Confederation of Small and Medium-sized Industry (Confederazione Italiana della Piccola e Media Industria)
Confartigianato:	General Italian Confederation of Artisans (Confederazione Generale Italiana dell'Artigianato)
Confcooperative:	Confederation of Italian Co-operatives (Confederazione Cooperative Italiane)
Confindustria:	General Confederation of Italian Industry (Confederazione Generale dell'Industria Italiana)
FAILM:	Italian Autonomous Federation of Metalworkers (Federazione Autonoma Italiana Lavoratori Metalmeccanici)
Federmanager:	National Federation of Industrial Company Managers (Federazione Nazionale Dirigenti di Aziende Industriali)
Federmare:	Federation of the Italian Maritime System (Federazione del Sistema Marittimo Italiano)
Federmeccanica:	Italian Federation of Metalworking Industries (Federazione Sindacale dell'Industria Metalmeccanica Italiana)
Federturismo:	National Federation of Tourism (Federazione Nazionale Industria dei Viaggi e del Turismo)
FIM:	Italian Federation of Metalworkers (Federazione Italiana Metalmeccanici)
FIOM:	Federation of White- and Blue-collar Metalworkers (Federazione Impiegati Operai Metalmeccanici)
FNAII:	National Crafts Federation of Plant Installers (Federazione Nazionale Artigiani Installatori d'Impianti)
FNAM:	National Federation of Metalworking Artisans (Federazione Nazionale Artigiani Metalmeccanici)
Istat:	National Institute of Statistics (Istituto Nazionale di Statistica)
Legacoop:	National League of Co-operatives (Lega Nazionale delle Cooperative e Mutue – National League of Co-operatives)
NMMA:	National Marine Manufacturer Association
UCINA:	National Union of Shipyards and Shipbuilding and Allied Industries (Unione Nazionale dei Cantieri e delle Industrie Nautiche e Affini)
UGL:	General Labour Union (Unione Generale del Lavoro)
UGL Metalmeccanici:	Federation of Italian Metalworkers

UIL:	Union of Italian Workers (Unione Italiana del Lavoro)
UILM:	Union of Italian Metalworkers (Unione Italiana Lavoratori Metalmeccanici)
Unionmeccanica:	Italian Association of Small and Medium-sized Metalworking Industries (Unione Nazionale della Piccola e Media Industria Metalmeccanica)

LATVIA

1. Description of the sector

Delimitation and activities of the sector

The Central Statistical Bureau of Latvia uses the internationally recognised NACE classification. Activities included in the shipbuilding industry are those defined by the NACE Rev.1.1 classification, subsection DM 35.1 “Building and repairing of ships and boats”.

Socio-economic features of the sector[187]

The only available representative data for this sector in Latvia take the form of the annual sales of ship and boat repair services. Growth in 2000 and 2002 was followed by a decline in 2003 of 7.7% compared with 2002[188]. Turnover in the sub-sector was about EUR 43 million (LVL 30 million) in 2003[189]. It is important to note that the building and repairing of ships and boats sector in Latvia is currently dominated by repair services, although shipbuilding takes place.

In 2003, the output of “Manufacturing of other transport equipment” (DM 35) production constituted around 2.4% of the country’s overall production output[190], and the number of workers employed in NACE DM 35 accounted for 3.8% of all workers employed in manufacturing. The expert estimates that the share of building and repairing ships and boats in this figure could be rather high. There are no available data for the size of the underground economy in the sector.

Summary table: Companies (2005)

Sub-sectors	Number of companies	% companies without SW	% companies with < 10 SW	% companies with 10 to 100 SW	% companies with > than 100 SW
Total of the sector 35.1	45	ND	ND	ND	4.4%

SW: Salaried Workers
Source: 118 inquiry and information centre: http://www.118.lv/[191]

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[187] The Central Statistical Bureau of Latvia only publishes data by broad industry group and not by individual sub-sector. Consequently, it mainly provides statistical measures for the total NACE DM 35 “Manufacturing of other transport equipment” which includes not only shipbuilding, but also the manufacture of railway and tramway locomotives and equipment, and of motorcycles, bicycles, aircraft and other means of transport. The Central Statistical Bureau of Latvia was unwilling to provide any specific data for NACE nomenclature subdivisions 35.11. and 35.12.

[188] The latest available data are for 2003.

[189] Central Statistical Bureau of Latvia data, http://www.csb.lv The exchange rate is EUR 1 = LVL 0.70.

[190] Central Statistical Bureau of Latvia data, http://www.csb.lv

[191] 118 is leading information centre in Latvia. It provides a broad range of telephone- and internet-based catalogues on matters such as residential issues, businesses, finance traffic and entertainment. It is privately owned by “Lattelekom”, which enjoys a monopoly position in providing fixed telecommunications services in Latvia.

Summary table: Workers (2005)

Sub-sectors	Number of workers	Number of SW	Number of SW / number of SW in the country (%)	Number of SW in companies < 10 SW / number of SW in the sector (%)	Number of SW in companies 10-100 SW / number of SW in the sector (%)	Number of SW in companies > 100 SW / number of SW in the sector (%)
Total of the sector 35.1	3,000	3,000*	0.3**	ND	ND	62%

SW: Salaried Workers

* The number of SW in the shipbuilding sector was calculated by the author, who took account of an estimate by Vasilijs Jakimovs, President of the Latvian Ship Repair Trade Union and "118" data on enterprises active in the shipbuilding industry in Latvia. The figures should be seen as approximate[192].

** Central Statistical Bureau of Latvia data on total number of SW in the country in 2004 have been used here.

An examination of the "118" inquiry service and information centre's enterprise catalogue revealed 45 enterprises currently active in the sector. All of them are private. There are no figures regarding the relative size and importance of each company but, according to Vasilijs Jakimovs, the President of the Latvian Ship Repair Trade Union, only two shipbuilding companies, Riga Shipyard and Tosmare Shipyard, employ more than 100 salaried workers.

The three most prominent enterprises in the sector are:

- **Riga Shipyard**[193] (Rīgas Kuģu Būvētava), the largest yard in the eastern Baltic. In 2004, its annual turnover was approximately LVL 30 million (approximately EUR 43 million); it has 1,100 employees. The Riga Shipyard provides a wide range of shipbuilding and ship-repair services and facilities, and more than 80 ships have been constructed in last 15 years including completely equipped vessels and hulls for Norwegian, Swedish and Danish customers. The yard repairs more than 130 seagoing vessels a year from many owners throughout the world, and also has considerable experience in converting different types of vessel; this work includes vessel lengthening[194];
- **Tosmare Shipyard** ("Tosmāre Kuģu Būvētava"), a branch of the Riga Shipyard located in the port of Liepaja: it has an annual turnover of LVL 6.5 million LVL (EUR 9.3 million) and a workforce of around 300-400 workers;
- **ASK Ltd**, which was founded in 1991. Its main activity is ship repair and shipbuilding as well as the manufacture of various steel, stainless steel and aluminium constructions[195].

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[192] The Central Statistical Bureau does not gather such data. The two trade unions were only able to provide data on companies where their members are working (i.e. in only 4 of the approximately 45 companies involved in shipbuilding in Latvia). Unfortunately, it is not possible to distinguish between companies with fewer than 10 employed workers and those with 10-100 employed workers as no trade union could provide the figures.

[193] The yard was established in 1913, and is situated in Riga, the capital of the Latvian Republic.

[194] http://www.riga-shipyard.com

[195] ASK provides the following shipbuilding and ship-repair services: ship hulls as an assembly, superstructures, hatch covers, ship doors, ladders and other hull attachments of steel and aluminium alloys; hulls for small ships of aluminium alloys; schedule and minor repairs at the yard, including dry-dock repair, emergency repair, repairs during ship operation and modernisation; ship constructions for ships (e.g. superstructures, boats, ladders and hull attachments) manufacture and repair; hatch covers – modernisation and repair; emergency and schedule repair and adjustments of diesel engines, automatic systems and machinery; ships' technical supply. Source: http://www.ask.lv

Overall data on sales of shipbuilding and ship repair services show that the sector is currently expanding, but Vasilijs Jakimovs thinks that the shipbuilding sector in Latvia is in decline because of the large number of companies that have closed recently, or are in the process of doing so; the President of the Water Transport Trade Union Federation (Latvijas Udens Transporta Arodbiedrību Federācija, ŪTAF), Aleksejs Holodnuks, believes that if there is any expansion at all in the shipbuilding sector in Latvia, it is very moderate.

On the other hand, Mr Jakimovs points out that the government pays little attention to the problems of the shipbuilding sector and its development, despite the fact that the Latvian economy has all the pre-conditions for the sector to develop. The government does not finance any research in the sector, and another major problem is the lack of shipbuilding professionals[196]; this, according to Vasilijs Jakimovs, is one of the main reasons why shipbuilding has experienced a decline.

2. Organisations active in the sector

Workers' organisations

There are two workers' organisations active in the shipbuilding, ship-repair and maintenance sector in Latvia: the Water Transport Trade Union Federation (Latvijas Udens Transporta Arodbiedrību Federācija, ŪTAF) and the Latvian Ship Repair Trade Union (Latvijas Kuģu Remonta Arodbiedrība). They are small organisations, and have each only signed two enterprise-level collective agreements. The social partners have no formal or reciprocal recognition systems.

The **Water Transport Trade Union Federation** (Latvijas Udens Transporta Arodbiedrību Federācija, **ŪTAF**) was founded in October 1990. It recruits port workers, dockers, seamen, ship builders and ship repairers. The ŪTAF is established in 11 enterprises altogether (5 in Riga, 4 in Ventspils and 2 in Liepāja), but only two of them are associated with the shipbuilding and ship repairing sector. According to Aleksejs Holodņuks, the ŪTAF President, the union represents a total of around 2,500 workers: 93 of them work in the shipbuilding and ship repairing sectors[197].

The ŪTAF provides its members with legal consultations and protects their interests in legal proceedings. The Federation is financed solely by its membershipfees, which come to 1% of each member's monthly salary, and it employs 14 persons to do all the necessary administrative and management work.

The organisation has signed two collective agreements at enterprise level in the shipbuilding industry: one in the limited liability company Bolderaya Ship Repair Factory (SIA Bolderajas Kuģu remonta Rūpnīca), and the other is a stock corporation: Tosmare Shipyard. According to Mr. Holodnuks, only about 40% of workers employed in both enterprises are ŪTAF members.

At national level, the ŪTAF is affiliated to the Free Trade Union Federation of Latvia (Latvijas Brīvo Arodbiedrību Savienība, LBAS), and at international level, it has joined the ITF and the ETF with a view to promoting the social and economic interests of its workers.

The **Latvian Ship Repair Trade Union** (Latvijas Kuģu Remonta Arodbiedrība) was formed in the Riga Shipyard enterprise to protect the interests of workers employed by that firm. Currently, the union is established in two enterprises: the Riga Shipyard, where it has 330 workers in membership, and Remars Riga, where it has 24 members[198]. Membership of this trade union is purely voluntary.

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196 According to Mr Jakimovs, competent specialists in shipbuilding and engineering used to come from the Odessa Institute of Sea Transport Engineering. Many graduates of this institution now work in shipbuilding and shipping enterprises in many parts of the Republic of Latvia, but since the collapse of the USSR, this flow of specialists has dried up, and the Latvian government has not provided local educational opportunities for shipbuilding specialists.

197 There are no available data on the types of worker who have joined. The trade union was unable to provide such data because it does not classify its members under these headings.

The union employs only one person, its President, Vasilijs Jakimovs; the Riga Shipyard accountants do the necessary accounting work. Mr Jakimovs says that his day-to-day responsibilities include being present at the workplace, and observing work processes (e.g. seeing whether working conditions are safe for employees, and whether their workplace rights are being complied with). He also consults members on legal matters, and the union sometimes uses the services of professional lawyers. The Latvian Ship Repair Trade Union is wholly funded by membership fees, which constitute 1% of each member's monthly salary.

The union has signed two collective agreements: one at the Riga Shipyard and the other at Remars Riga. Both were signed in October 2004 and are still in operation. They deal with, and codify, all aspects of labour relations.

At national level, the Latvian Ship Repair Trade Union was once part of the ŪTAF, but a dispute arose between them[199], and in 1997, it decided to disaffiliate. At the time, the union was trying to join the LBAS, but the latter refused because the Latvian Ship Repair Trade Union was too small. According to Vasilijs Jakimovs, the LBAS is a government organisation more concerned about protecting the interests of workers employed in the state sector. It follows that the Latvian Ship Repair Trade Union does not think that cooperation with the LBAS would be worthwhile, especially as it would also require a degree of financial investment (i.e. membership fees). Mr Jakimovs thinks it makes much more sense to consult the Work Inspectorate or a private lawyer concerning any legal matters that are unclear.

The organisation is not a member of any international or European organisation.

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density***	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Latvijas Udens Transporta Arodbiedrību Federācija, ŪTAF	Water Transport Trade Union Federation	Port workers, dockers, seafarers, ship builders and ship repairers	2,500	93	3%	Yes (at enterprise level)	LBAS	No	ETF	No	ITF	No
Latvijas Kuģu Remonta Arodbiedrība	Latvian Ship Repair Trade Union	ND	354	354	12%	Yes (at enterprise level)	No	No	No	No	No	No

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
* Density was calculated on the basis of an estimated 3000 workers in the shipbuilding industry.

[198] Source: interview with Vasilijs Jakimovs. Mr Jakimovs could not provide data about the types of worker in membership because the Latvian Ship Repair Trade Union organises workers with a very wide range of characteristics, and they are not usually placed in any particular groups.

[199] The ŪTAF did not want to give the Latvian Ship Repair Trade Union the status of an independent legal entity.

Employers' organisations

The **Association of Mechanical Engineering and Metalworking Industries of Latvia** (Mašīnbūves un Metālapstrādes Rūpniecības Uzņēmēju asociācija) is a voluntary, public not-for-profit organisation. It was founded at 1994 as an information and consultation forum for the owners of enterprises, specialists and other interested physical and legal persons in the Mechanical Engineering and Metalworking Industries sector[200]. The Association is financed from membership fees, the amount of which are tied to each enterprise member's turnover. It also receives funding from participating in various industry research exercises and other international projects. It employs four workers.

The Association covers various sub-sectors of the industry: they include the building and repairing of ships and boats; electrical, diesel-engine train and tram manufacturing and repair; the manufacture of basic metal, non-ferrous metal alloy bars, and cast iron and non-ferrous metal details; plastic ware; the manufacture of motor vehicles, trailers and semi-trailers; agricultural and woodworking machinery; and equipment for the food industry.

The Association has a total of 97 affiliated enterprises, but there are no figures for how many of these enterprises specialise in NACE 35.1. However, according to the Association's President, the shipbuilding and ship repair sector does not make up one of the organisation's largest sections: He could only name two large shipbuilding enterprises that are affiliated to the Association: the Riga Shipyard and the Tosmare shipyard. He added that there are around ten small ship repair enterprises, which are also members of the Association.

One collective agreement has been signed by the Association with the Metal Workers Trade Union, but it does not cover the shipbuilding and ship repair sector.

At national level, the Association is a member of the Latvian Employers' Confederation (Latvijas Darba Devēju Konfederācija, LEC). The Association has been a member of ORGALIME (European Engineering Industries Association) since 2003. It also cooperates closely with corresponding associations in Europe.

Employers' organisations

Organisation		**Sub-sectors covered**	**Companies**	**SW**	**Density Companies**	**Density SW**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Mašīnbūves un Metālapstrādes Rūpniecības Uzņēmēju asociācija	Association of Mechanical Engineering and Metalworking Industries of Latvia	Mechanical Engineering and Metalworking	97 (total)	ND	+-12-13%*	ND	Yes	LEC	No	ORGALIME	No	No	No

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
* Association President Vilnis Rantins says that few shipbuilding firms are active in the organisation. He estimates that only about 12-13% of the firms in NACE 35.1 are currently affiliated.

[200] Association of Mechanical Engineering and Metalworking Industries of Latvia: http://www.masoc.lv.

3. Industrial relations in the sector

Tripartite concertation

There is no tripartite concertation that deals specifically with the shipbuilding industry sector in Latvia, although representatives of shipbuilding industry organisations (the Latvian Ship Repair Trade Union, the ŪTAF and the Association of Mechanical Engineering and Metalworking Industries of Latvia) participate as experts and consultants when matters relevant to the sector are being considered on the National Tripartite Cooperation Council. In such cases, these representatives usually participate as members of a working group, and give their opinions on changes in legislation. None of these organisation signs collective agreement at this level.

However, the Latvian Ship Repair Trade Union does not participate much in tripartite social dialogue. According to its President, the union was only founded to protect workers' rights in particular workplaces, and not to influence overall legislation. Moreover, the President of the ŪTAF takes the view that participation in tripartite dialogue is largely formal: he says that politicians rarely even attend discussion sessions, and instead send along secretaries who have little understanding of the issues.

Bipartite social dialogue

Bipartite social dialogue in the sector only takes place at enterprise level. At this level, the actors are trade unions that are active in the sector and the management of the enterprise concerned. There are no disputes between them regarding recognition issues.

Four enterprise collective agreements are currently in force in this sector:

- the Latvian Ship Repair Trade Union has signed two agreements in two enterprises (the Riga Shipyard and Remars Riga). These were signed in April 2004, and their duration is unlimited. If one of the parties wants to amend the content, a special procedure contained in the agreement is invoked. According to Vasilijs Jakimovs, collective agreements contain five sections dealing with the following matters: organisational issues and working time; work remuneration; occupational health and safety; social benefits; and any issues that management of the enterprise and workers specifically wish to address;
- the ŪTAF, too, has signed two agreements: one at the Bolderaya Ship Repair Factory, and the other at the Tosmare Shipyard. They have a duration of two years, and cover matters such as pay, occupational health and safety, working time, leave and social benefits [201].

Collective agreements cover all workers employed in these enterprises, and not only trade union members. By comparison with the total number of enterprises, the coverage rate is around 9%.

The main obstacles to the development of bipartite social dialogue at sectoral level in shipbuilding are the employers' organisation's low company density, inter-union disputes, and the fact that the Association of Mechanical Engineering and Metalworking Industries of Latvia does not engage in much communication and dialogue with shipbuilding industry trade unions[202].

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[201] This content is determined and governed mainly by Latvian labour law, which lays down what issues must be included in collective agreements. These collective agreements protect workers' rights that are set out in this legislation.

[202] This situation is confirmed by Vilnis Rantins, President of the Association of Mechanical Engineering and Metalworking Industries of Latvia.

The President of the employers' organisation believes that the absence of skilled labour force in the shipbuilding sector has had a negative impact on the role of trade unions in the sector. Employers are worried about losing their employees, and are therefore more prepared to respect the rights of their workers, to increase wages, to create an enabling working environment for them, and to establish constructive dialogue with employees on all issues of concern within the enterprise. However, according the Latvian Ship Repair Trade Union President, there are also many micro-enterprises, involved for the most part in ship repair, that are very vulnerable and unstable, and these firms usually employ less skilled labour. He stresses that employment in such small firms is as unstable as the companies themselves. Many employees work part-time under a contract agreement or even unofficially. He believes that this situation inhibits social dialogue and workers' participation in trade unions.

In conclusion, shipbuilding engineering activities suffer from a shortage of white-collar workers with a high level of education and skills, and the rights of such workers are usually well protected in enterprises because employers are worried that they might move to competitor firms. At the same time, there is another group consisting of low-skilled blue-collar workers who are usually employed in small ship repair enterprises, and usually work under a contract agreement, or even unofficially. The rights of such workers are often not protected, and it is difficult to recruit them into trade unions, partly because they usually do not have official employee status, and partly because there is a high turnover of such workers in these firms.

4. Conclusion

The shipbuilding and ship repair sector in Latvia is in decline. According to trade unions, there is a shortage of shipbuilding professionals and the government has no interest in the sector. The President of the Latvian Ship Repair Trade Union has tried to discuss this problem with the Latvian government, and to demonstrate that investment in training of that type would benefit Latvia greatly in the future, but these proposals have failed to elicit government encouragement and support.

As for social dialogue in the sector, representatives of shipbuilding industry organisations participate as experts and consultants when matters relevant to the sector are considered on the National Tripartite Cooperation Council, but both trade unions complain that the government pays little attention to the problems of the shipbuilding sector and its development. At bipartite level, the social dialogue is articulated at enterprise level. Four collective agreements are currently in force in the sector, but they only cover 9% of the country's shipbuilding and ship repairing enterprises.

Abbreviations

LBAS: Free Trade Union Federation of Latvia (Latvijas Brīvo Arodbiedrību Savienība)

LEC: Latvian Employers' Confederation (Latvijas Darba Devēju Konfederācija)

ŪTAF: The Water Transport Trade Union Federation (Latvijas Udens Transporta Arodbiedrību Federācija)

LITHUANIA

1. Description of the sector

Delimitation and activities of the sector

Statistics Lithuania observes the definitions laid down by NACE, and the statistics therefore contain no deviations from NACE DM 35.1 ("Building and repairing of ships and boats"). However, published statistics are not broken down as far as this level, the lowest level given in company statistics being for NACE DM 35, including "Manufacture of other transport equipment".

Socio-economic features of the sector

Overall production of transport equipment (NACE 34 and 35) accounted for 0.6% of Lithuanian GDP in 2002[203]: approximately 11% of this was the manufacture of motor vehicles and trailers (NACE 34)[204]. Since there is no significant manufacture of railway or air transport equipment in Lithuania, and bicycle manufacture represents about 10% of NACE 35 employment, approximately 0.5% of Lithuanian GDP may be attributed to the shipbuilding sector.

Under NACE DM 35, there are 105 enterprises, of which 21 are individual enterprises[205]. There are no self-employed workers in the sector.

Summary table: Companies (2002)

Sub-sectors	Number of companies	% companies without SW	% companies with < 10 SW	% companies with 10 to 100 SW	% companies with > than 100 SW
NACE DM 35	105	4	51	38	7

SW: Salaried Workers
Source: Statistics Lithuania (2004b). Main Indicators of Small, Medium and Large Enterprises 2002 (Vilnius).

As regards employment, the whole of NACE code 35 reported 6,575 salaried workers in 2002. However, the Association of Lithuanian Shipbuilders and Ship Repairers (LLSRA) estimates that it had 5,100 members in employment in 2005[206]. Since no trains and aeroplanes are produced in Lithuania, most of the rest of NACE 35 workers are probably to be found in the bicycle

203 Statistics Lithuania (2004a). National Accounts of Lithuania 2001 (Vilnius).

204 Author's calculation based on data in Statistics Lithuania (2004b). Main Indicators of Small, Medium and Large Enterprises 2002 (Vilnius).

205 In Lithuania, an individual enterprise can be defined as a legal entity formed to organise the property of one private person to carry out business. This means that individual enterprises are owned by a single individual, and so may have employees.

206 Interview with Algirdas Renkauskas, Director, Association of Lithuanian Shipbuilders and Ship Repairers (LLSRA).

manufacturing sector, where one company alone boasts up to 800 workers. The national expert estimates that employment in the shipbuilding sector totals 5,500: this represents 0.4% of total employment, and 2.1% of employment in manufacturing[207].

Summary table: Workers (2002)

Sub-sectors	Number of workers	Number of SW	Number of SW/number of SW in the country (%)	Number of SW in companies ‹10 SW/number of SW in the sector (%)	Number of SW in companies 10-100 SW/number of SW in the sector (%)	Number of SW in companies ›100 SW/number of SW in the sector (%)
NACE DM 35.1	5,500*	ND	0.4	ND	ND	ND
NACE DM 35	6,595**	6,575	0.5	4	19	77

SW: Salaried Workers

Source: Statistics Lithuania (2004b). Main Indicators of Small, Medium and Large Enterprises *2002* (Vilnius).

*Estimate by national expert.

**An estimated 20 unsalaried workers in 2002 (based on the growth of unsalaried workers since 1997-2001).

Much work in the shipbuilding industry is done by hand, but there is very little pure manual labour. Almost all work in the sector requires at least technical skills in handling equipment. Employees in the industry have a wide range of educational backgrounds. Salaries for the common employee is about EUR 800-900 a month, more than double the national average salary. Unfortunately, there are no data available on the division of employees by gender.

Nor are there any available estimates of the size of the shadow economy in this sector: the LLSRA believes that there is no significant shadow economy in shipbuilding because of the specialised nature of the work.

Most employees work in the three largest enterprises, that is to say those with a workforce of over 1,000. The largest shipbuilder by number of employees, is an Estonian subsidiary, and the second largest is Danish, but the third largest is Lithuanian, and many medium-sized companies are also Lithuanian. These firms are geographically very concentrated, with nearly all of them located in the port city of Klaipeda; those outside the city of Klaipeda are in neighbouring towns in Klaipeda County. Due to the small number of firms, data confidentiality has prevented us for obtaining value-added data on NACE 35 firms with between 100 and 1,000 employees, although three quarters of total employment was in these firms in 2002. Firms with more than 500 employees also accounted for 85% of sales in 2002[208].

On aggregate, firms with fewer than 500 employees report net losses, while those with more than 500 employees report net profits. Medium-sized firms with 20-49 employees constitute altogether an extreme case, as all 16 firms report total revenue that is lower than their non-labour costs; they therefore report negative value added. However, labour costs, which represent only about a quarter of total costs, are not generally a major factor in shipbuilding.

There has been intense competition with Poland since the re-establishment of Lithuanian independence in 1990. There has also been strong competition from Latvia, Finland, and now China. The key variables that firms use to compete are price and speed of completion. Lithuania differs from most of the European Union in that its shipbuilding industry has been growing in recent

[207] Author's calculations based on employment data in Statistics Lithuania (2004c). 2004 Statistical Yearbook of Lithuania (Vilnius).

[208] Statistics Lithuania (2003). 2002 Industry (Vilnius).

years: using data for NACE 35, annual revenue grew by 65% between 1997 and 2002[209], the number of enterprises by 42%, and value added by 15%[210]. During the same period, the number of employees fell by 7%, suggesting an impressive increase in labour productivity. These figures also suggest a decrease in the average size of enterprises in terms of both value added and employment, although not in terms of turnover. Meanwhile, shipbuilding in the EU prior to 2004 came to be seen as an industry without prospects: for example, EU rules against state aid are rigorously enforced in the shipbuilding sector, thereby creating a major impediment to cooperation between the shipbuilding industry and the government. Another noticeable characteristic of EU entry has been that qualified specialists have left the country.

2. Organisations active in the sector

Workers' organisations

There is no sector-level union federation for the shipbuilding sector. The largest workers' organisations are independent enterprise-based unions.

Employers' organisations

The **Association of Lithuanian Shipbuilders and Ship Repairers** (Lietuvos laivu statytoju ir remontininku asociacija, **LLSRA**) was established in May 2003. There had previously been no agreement among firms, due in part to the dominance of large firms in the industry, but the prospect of EU entry and the desire of the three large firms to defend their interests eventually led to the establishment of the Association. The first issue addressed by the LLSRA was an announcement from the Ministry of Economy that the shipbuilding industry was not eligible for support. The Association argued that this was discriminatory. Two salaried workers work for the organisation.

The LLSRA covers 28 enterprises active in the shipbuilding and ship repair sector (35.1). The organisation represents a total of 5,100 salaried workers. Members of the organisation (i.e. enterprises) cover a wide range up to a maximum of 1,500 employees. There are several multinationals with owners in Estonia, Denmark and Sweden. The larger firms build ships, while the smaller ones are only involved in part of the production process. Almost all firms are located in the port city of Klaipeda.

The LLSRA does not take part in tripartite concertation or in bipartite consultations at sectoral, higher than enterprise or enterprise level. It does not have the power to negotiate and sign collective agreements.

At national level, the LLSRA is a member of the Lithuanian Confederation of Industrialists (LPK). At European level, the Association is currently preparing to join the CESA. It is not affiliated to an international organisation.

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[209] The last five-year period for which data are available is 1997-2002.

[210] Author's calculations based on 1997 data in Statistics Lithuania (2003). 2001 Structural Business Statistics Survey Indicators (Vilnius) and 2002 data in Statistics Lithuania (2004b).

Employers' organisations

Organisation		Sub-sectors covered	Companies	SW	Density Companies	Density SW	CB	National affiliations		European affiliations		International affiliations	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Lietuvos laivu statytoju ir remontininku asociacija, LLSRA	Association of Lithuanian Shipbuilders and Ship Repairers	NACE DM 35.1	28	5,100	30*	90*	No	LPK	No	No	No	No	No

SW: salaried workers
Density companies: number of companies affiliated/total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies/total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
* No precise data are available for the number of companies and the number of workers in the shipbuilding industry sector (NACE DM 35.1). These figures are the national expert's estimates.

3. Industrial relations in the sector

Tripartite concertation

There is no tripartite social concertation at sectoral (branch) level due to the absence of a trade union federation at this level. The LLSRA has occasional contact with the government, particularly the Ministry of Economy. The Ministry of Transport used to be responsible for the shipbuilding industry, but contacts with the government are less frequent now that the industry has been declared ineligible for support.

Bipartite social dialogue

Collective bargaining takes place at enterprise level, but there is no information about how widespread this process is. This lack of information is primarily due to the absence of a union federation for the shipbuilding industry. This institutional gap also leads to a lack of involvement in collective bargaining issues by the employers' association, and the LLSRA therefore focuses on external business relations and has no information on the extent of collective bargaining within its member firms. However, with no prolonged disputes or other high-profile actions, industrial relations in the sector appear to be untroubled.

It is worthy noting that under Lithuanian law, all collective agreements in firms apply equally to all employees, although trade unions are under no obligation to defend non-members against infringements.

4. Conclusion

The most extraordinary feature of this industry is the lack of any industry-level trade union federation. This means that enterprise-level unions act without support in their negotiations with the employer. It has also made it much more difficult to collect all the information required for this study. Another unusual feature of the sector is the dominance of large firms in employment and in output, and the apparent unprofitability of all smaller and medium-sized firms. To conclude, shipbuilding appears to be a sector where Lithuania is markedly out of kilter with the rest of the EU, experiencing significant growth in an industry that is declining in Europe generally.

Abbreviations

LLSRA: Association of Lithuanian Shipbuilders and Ship Repairers (Lietuvos laivu statytoju ir remontininku asociacija)

LPK: Lithuanian Confederation of Industrialists (Lietuvos pramonininku konfederacija)

LUXEMBOURG

Unfortunately, it serves no purpose to carry out an in-depth study of the shipbuilding sector in Luxembourg. The comprehensive register of enterprises for 2004[211] published by the Central Statistics and Economic Studies Service (Service central de la statistique et des études économiques, STATEC) does not refer to a single enterprise under NACE code 35.1. This register lists enterprises and their addresses for each NACE code, and passes directly from code 34.3 to code 36.11.

The Luxembourg Confederation of Independent Trade Unions (Onofhängege Gewerkschafts-Bond Lëtzebuerg, OGB-L) and the Luxembourg Confederation of Christian Trade Unions (Lëtzebuerger Chrëschtleche Gewerkschafts-Bond, LCGB) trade unions contacted confirm the complete absence of any enterprises in this field.

[211] "Luxembourg enterprises" (Les entreprises luxembourgeoises), répertoire systématique, STATEC, Luxembourg, December 2004.

MALTA

1. Description of the sector

Delimitation and activities of the sector

In Malta, the activities covered by the shipbuilding industry sector correspond to the NACE classification, code DM 35.1 (Building and repairing of ships and boats).

Socio-economic features of the sector

The Maltese shipbuilding industry sector is mainly made up of one major company, namely the **Malta Shipyards Limited**, which is engaged in the maintenance, repair and alteration of ships. It is considered to be one of the largest dry-docking repair and conversion facilities in the Mediterranean basin. In September 2004, it employed 1,776 salaried workers.

This company is a merger of two companies, namely the Malta Dry-docks[212] and the Malta Shipbuilding Company, two parastate[213] companies that were heavily subsidized by the government, and which were dissolved and merged into a new company in November 2003. This newly set up company, which is fully owned by the Government, absorbed around 1,700 persons out of the total workforce of 2,600 from the two entities[214]. The major aim of the restructuring undertaken in both enterprises is to eliminate the need for further reliance on public funds. The plan seeks to eliminate these subsidies by the end of 2008 (This phasing out is in line with the transition period agreed during Malta's accession negotiations). To achieve this aim, a strategic plan[215] was formulated by a tripartite taskforce including management, unions and government.[216]

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[212] Malta has provided shipyard services in the commercial sector since 1960 when the British naval dockyard was converted into a commercial enterprise. In 1968, through the enactment of the Drydocks Act, the Dockyard was nationalized, but a British firm was given a contract to run the yard. In 1975 a self-management system was introduced in the yard by means of an amendment to the Drydocks Act 1968, which stipulated that the members of the Board of the enterprise were to be directly elected by the workers. The profit registered in subsequent years following this amendment was very encouraging and it looked as if the self-management system was being consolidated. However, the Drydock plunged into a loss in the early 1980s. The losses registered became chronic, and the enterprise had to rely on heavy state subsidy to survive. The self-management system was dismantled by amendments to the Act made in 1997 and by negotiated agreements between the General Workers' Union (GWU) and government in 2001 and 2003.

[213] Actually a parastatal company is a statutory independent enterprise within the public sector.

[214] The other 900 workers were offered early retirement or voluntary redundancy schemes. Those who refused the schemes were either absorbed by a new company, Industrial Projects and Services Ltd, or seconded to the civil service and to public-private partnerships.

[215] The objectives of this strategic plan are: (1) to proceed with measures designed to rationalize administrative, marketing and other support services that should be common to the shipyards; (2) to facilitate the exchange of labour between the two shipyards, as dictated by operational requirements and as required to meet work programmes; (3) to implement training programmes in order to enhance labour flexibility within the two yards; (4) to strengthen the management capability at the two shipyards further; (5) to shift the emphasis from traditional shipbuilding to specialized metal fabrication work; (6) to move forward with the transition, which is already under way, from all kinds of ship-repairing to more complex ship conversion jobs as the principal business focus of the two yards; (7) to establish in addition the required capacity for the construction, refurbishment and servicing of super-yachts, to emerge as an additional area of specialization.

[216] Source: National Industry Policy p. 55

There are two other privately-owned ship repair yards in Malta. The first is the **Cassar Ship Repair Ltd**[217]**,** which employs about 20 people. Its operations include: Underwater Brush Cart Cleaning, Oil Spill Recovery, Dredging, Hydroblasting, Boat Travel Lifting, and Underwater Cutting and Welding. The second is the **Bezzina Ship Repair Yard Ltd**[218]**,** which specializes in minor repairs to coal carriers, barges and fishing craft, and employs about 50 workers. This sector also comprises other various micro-enterprises mostly engaged in the building of fishing boats, and the building, maintenance and repair of pleasure boats and sporting boats. This segment employs about 80 people, 20 of whom are self-employed. In terms of share in the national GDP, the relative weight of the shipbuilding industry sector is about 8%[219].

Summary table: Companies (2004)

Sub-sectors	**Number of companies**	**% companies without SW**	**% companies with 1 to 10 SW**	**% companies with 10 to 100 SW**	**% companies with > than 100 SW**
Sub-sector 35.11	3	0	0	66.6	33.4
Sub-sector 35.12	12	0	100	0	0
Total of the sector 35.1	15	0	80	13.3	6.7

SW : Salaried Workers

Sources : Data of Malta Shipyards Ltd. From Economic Survey, January–September 2004, page 115; Data of Bezzina Ship Repair Yard from General Workers' Union (GWU) – Section Secretary Charles Agius; Data on 35.12 from the Malta Boat Builders' Association.

Summary table: Workers (2004)

Sub-sectors	**Number of workers**	**Number of SW**	**Number of SW / number of SW in the country (%) ****	**Number of SW in companies < 10 SW / number of SW in the sector (%)**	**Number of SW in companies 10-100 SW / number of SW in the sector (%)**	**Number of SW in companies > 100 SW / number of SW in the sector (%)**
Sub-sector 35.11	1,846	1,846	1.34	0	3.8	96.2
Sub-sector 35.12	80*	60	0.04	100	0	0
Total of the sector 35.1	1,926	1,906	1.39	3.1	3.7	93.2

SW: Salaried Workers

* There are some self-employed workers: it is estimated that there are about 20 .

** SW in the country is based on the Gainfully Occupied Population (137,402) as in November 2004 issued by National Office of Statistics (NSO), No 65/2005.

Sources : Data of Malta Shipyards Ltd. From Economic Survey, January- –September 2004, page 115; Data of Bezzina Ship Repair Yard from General Workers' Union (GWU) – Section Secretary Charles Agius; Data on 35.12 from the Malta Boat Builders' Association.

[217] Cassar Shipyard was established in 1962 to carry out marine work. It has a floating dock with a maximum capacity of 5,000 tons.

[218] Bezzina Ship Repair yard was established as John Bezzina and Sons in 1842. The company was acquired by the Bezzina Group in 1987. It has two floating docks with a capacity of up to 8,500 tons. In its operations, it is involved in local and overseas projects often entailing the repair, refurbishment and overhaul of yachts and fishing boats.

[219] Source: National Statistics Office (NSO).

Of the 1,776 salaried workers in the Malta Shipyards Ltd, 300 are white-collar (about 20%) and 1,400 are blue-collar (about 80%). An average of 30 non-industrial employees are women; they are mainly employed as secretaries and front office workers. The workforce consists of skilled tradesmen, supervisors, foremen and managers. Generally speaking, the workforce has an Intermediate level of education. They mainly acquire their skills through hands-on training rather than from formal learning. However some of the workforce, mostly foremen and middle/top management, tend to have an advanced level of education. The capital outlay needed to operate in this sector makes it impossible for anyone to operate in the underground economy. In other respects, there are no data on wages in the sector.

The business strategy in the sector is to compete on cost and tendering for work of a specialized nature such as building of floating structures used in sea oilfields. A natural wastage policy is being adopted; this has resulted in a decline in the size of the workforce in this sector. A shortfall in particular areas of work is being felt. This is made good by contracting foreign workers[220].

As regards developments in the sector, the Malta Shipyard Ltd was one of the main motors of the Maltese economy for a very long time, employing a sizeable number of Maltese workers. Indeed up to the restructuring exercise carried out in November 2003, it was the enterprise with the largest number of employees in the Maltese islands. Its transformation from a naval to a commercial enterprise has been fraught with problems. The only period in which it managed to register a profit was very brief (1975-1981). Since 1982, it has been running at a loss and has had to rely on heavy state subsidies. Malta Shipyards Ltd turnover for January-September 2004 stood at Lm 7.1 million, while net losses for the same period were recorded at Lm 7.0 million[221]. The aim of the restructuring and downsizing exercise is to make the enterprise economically viable by 2008. Whether that aim will be achieved it is still too early to say. Prospects for expansion in this sector look very slim.

2. Organisations active in the sector

Workers' organisations

The **General Workers' Union (GWU)** is Malta's largest union. It is a founder member of the ICFTU. It is also member of the ETUC and the CTUC. It has a membership of 48,000 workers, which represents some 56% of Malta's trade union membership. The fundamental principles of the GWU are inspired by democratic ideals. These principles were enshrined in the Union's first statute in 1943, and have remained basically unchanged to the present day. These principles aim at promoting workers' prosperity and welfare primarily by improving their working conditions, socially and economically, in their field of employment, and politically, by enhancing the standard of living of the people through solidarity and social justice.

The GWU consists of 10 sections, 8 of which are involved in collective bargaining; one of these is the Metal and Construction Section, which represents all workers at the Malta Shipyards Ltd and 38 salaried workers at Bezzina Ship Repair Ltd. These sections organise the union's vast and widespread membership within their ranks on a sectoral level according to the members' trades, skills or professions, the type of work they are employed in, and the nature and ownership of their workplaces. Although the Youth Section and the Pensioners' Association are very important within the GWU itself, they are not trade secretariats and therefore do not perform any collective bargaining.

The Metal and Construction Section of the GWU is affiliated to the IMF and the EMF.

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[220] Usually at a lower cost than that of Maltese workers.

[221] 1 Euro = 2.3248 Lm. Source: Economic Survey p.115

Trade Unions

Organisation		Type of SW	Members	Members working in the sector	Density	CB	National affiliations		European affiliations		International affiliations	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
General Workers' Union, GWU	General Workers' Union	All categories of workers	48,000	1,808	94.8	Yes	Dib L-Art Helwa (Environmentalist)	No	- EMF - ETUC	No	- IMF - ICFTU - CTUC	No

SW: salaried workers

Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector

CB: Does the organisation take part in collective bargaining?

Employers' organisations

The **Malta Boat Builders' Federation** was founded in April 2004. The aim of this association is to pool human and financial resources in order to put up a common front in discussions with governmental and/or private organizations in the sector. Its 11 companies in membership employ approximately 40 people. It is not affiliated to any other national or international association. The Federation does not take part in collective bargaining, and therefore does not sign any collective agreements.

The **Collective Bargaining Unit (CBU)** has been officially operating within the Ministry of Finance for the past 18 years. Following a decision by the Cabinet of Ministers in 2002, a circular was sent to all public entities to remind them about the monitoring work of CBU in the negotiation process of a new collective agreement.

This unit is staffed by three officials: a chairperson; a member representing the Ministry for Social Policy, which, up to 2003, formed part of its portfolio; and a representative of Malta Investment Management Company Limited (MIMCOL). The CBU forms an integral part of the Ministry of Finance, and makes use of Ministry personnel for its day-to-day work. It therefore does not employ any salaried staff. Its role during the negotiation process is to monitor all the financial aspects in collective agreements. Although any disapproval that the Unit may express about a clause agreed by the parties may stall negotiations, it is not a signatory party to the agreement.

Employers' organisations

Organisation		Sub-sectors covered	Companies	SW	Density Companies	Density SW	CB	National affiliations		European affiliations		International affiliations	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Malta Boat Builders'Federation	Malta Boat Builders'Federation	DM 35.12	11	40	91.6% (in NACE 35.12) ; 73.3% (in NACE 35.1)	66.7% (in NACE 35.12) ; 2.1% (in NACE 35.1)	No	No	No	No	No	No	No

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

CB: Does the organisation take part in collective bargaining?

3. Industrial relations in the sector

Collective bargaining in the shipbuilding industry sector only takes place at the enterprise level; there is no sectoral collective bargaining. In general, the scope of the collective agreements is to formulate rules that will govern the relationship between the social actors, and aim to promote mutual co-operation and understanding for the employer, the employee and clients. The issues addressed in collective agreements are working conditions, working time and salaries, education and training, manpower and organisation, health and safety and redundancies, the implementation of the Labour Reform, and work practices. Disciplinary procedures, grievance procedures and trade union recognition also feature in collective agreements.

As far as the **Malta Shipyard Ltd**, a state-owned enterprise is concerned, the players involved in the collective bargaining process are government officials (generally members of the Board of the company, and appointed by government) and the Metal and Construction Section of the GWU. The GWU has sole recognition rights. As a Government entity, the CBU in the Ministry of Finance is also involved in negotiations. Its advice has to be heeded on financial matters. Consequently, the dividing-line between the tripartite and bipartite concentration that takes place during collective bargaining is not clearly defined. The duration of the collective agreement in this enterprise is six years. The current collective agreement came into force in November 2003: it covers 100% of the workers. The Ministry for Investment, Industry and Information and the GWU are the signatory parties to the collective agreement.

In the **private shipbuilding sub-sector**, Cassar Shipyard workers are not unionised. A collective agreement has been signed at the Bezzina Ship Repair Yard Ltd by the director of company and the Secretary of Metal and Construction Section of the GWU. All workers in the enterprise are covered by the agreement, despite the fact that 12 of them are not unionised. The duration of the collective agreement is three years. There are ongoing discussions about the new collective agreement to cover the period 2005-2008.

In conclusion, shipbuilding workers in the sector covered by a collective agreement number 1,826 (95.8% of the total number of salaried workers). Only two enterprises (13.3% of the total number of enterprises in the sector) are covered by a collective agreement: the state-owned Malta Shipyard Ltd and the private Bezzina Ship Repair Yard.

4. Conclusion

This sector consists of 1 large state-owned ship repair yard, 2 small private repair yards and 12 micro-companies operating in boat building, repair and other ancillary activities. It is dominated by the state-owned Malta Shipyard Ltd. This firm has a long history. For a very long time, it was one of the main motors of the Maltese economy, and employed a sizeable number of Maltese workers. However, since 1982 it has been running at a loss and has had to rely on heavy state subsidies. A restructuring plan was drawn up to make the enterprise economically viable by 2008.

The Metal and Construction Section of the General Workers' Union (GWU) covers 94.8% of salaried workers in shipbuilding. On the employers' side, the Malta Boat Builders' Federation represents companies engaged in the building and repair of pleasure and sporting boats sub-sector (35.12), but it does not take part in collective bargaining.

As regards the social dialogue within the sector, collective bargaining only takes place at the enterprise level; there is no sectoral collective bargaining. Only two enterprises are covered by a collective agreement: the state-owned Malta Shipyard Ltd and the private-sector Bezzina Ship Repair Yard, but 95.8% of the total number of salaried workers are covered by these collective agreements.

Abbreviations

CBU: Collective Bargaining Unit within the Ministry for Finance

CTUC: Commonwealth Trade Union Council

GWU: General Workers' Union

POLAND

1. Description of the sector

Delimitation and activities of the sector

The Polish Classification of Activities (Polska Klasyfikacja Dzialalnosci, PKD) came into line with the European classification of activities on 1 January 1998[222]. It accordingly matches the NACE nomenclature exactly. As far as the shipbuilding sector is concerned, the field of activities covers the whole of group 35.1. based on activities in classes 35.11. and 35.12.

Even though the sector's delimitation theoretically matches the classification, it is still far from clear in the minds of most actors in social dialogue. Two factors in particular are responsible for the confusion surrounding the shipbuilding industry sector:

- the social and economic importance that the shipbuilding industry has enjoyed since the mid-20th century has concealed the existence of a smaller shipbuilding sector (e.g. smaller boats and yachts), and the development of these smaller production units has been underestimated as a result;
- the vertical integration of the shipbuilding industry sector that took place during the period of the controlled economy has resulted in certain closely related activities, which are now handled by subsidiary companies, still forming part of this sector, even though they are statistically excluded.

These two factors can at least partly explain why statistically-based estimates of the sector vary so enormously from one interviewee to the next.

Socio-economic features of the sector

Statistical data that might help to determine the volume of activity in this sector are rather hard to find. They are also inaccurate. On the whole, employers' organisations believe that production has been irregular and strongly marked by ups and downs, and generally reckon that annual production in the Polish shipbuilding industry sector stands at USD 1 billion, and ship repairing at about USD 200 million. According to the Central Statistical Office, the added value that the sector brings in is as follows[223]:

Year	Class 35.11 in thousands of zlotys	Class 35.12 in thousands of zlotys	Group 35.1 in thousands of zlotys	National Polish Production in millions of zlotys	Proportion of group 35.1 in the national production in %
2001	3,149,143	123,566	3,272,709	667,194	ND[224]
2002	1,578,707	81,535	1,660,242	682,860	ND[3]

[222] Decision of the Council of Ministers of 7 October 1998 published in the Official Journal on 22 October 1998.

[223] Central Statistical Office: data calculated by Jerzy Rudnicki

[224] According to the Central Statistical Office, data relating to added value in Class 35.1 and to total national production are calculated differently, and they cannot therefore be compared. If a comparison is made, however, the share of group 35.1 in total national production is 0.4%: this is an underestimate.

Statistical data for the number of **companies** in the sector vary considerably.

Summary table: Companies (2004)

Sub-sectors	**Number of companies225**	**% companies without SW**	**% companies with < 10 SW**	**% companies with 10 to 49 SW**	**% Companies 50-249 SW**	**% companies with > than 249 SW**
Sub-sector 35.11	3,934	ND*	95.1	3.6	0.9	0.4
Sub-sector 35.12	845	ND*	100.0	0.0	0.0	0.0
Total of the sector 35.1	4,779	ND*	95.0	3.7	0.9	0.4

SW: Salaried Workers

Source: Central Statistical Office. The only available figures for 2004 are of the quarterly statement of economic entities applying for access to the activity.

* The table is unable to be any more accurate about the number of companies employing no salaried workers; they are included in the category of companies with fewer than ten salaried workers. In other respects, different statistical data make it clear that, in the last few years (2002-2004), some 92% of those economic entities have some physical status, whereas only 8% have moral status: the former rarely employ salaried workers and are usually therefore very small.

Some data re-calculated by the Central Statistical Office at the Polish expert's request make it possible to judge more accurately the number of companies that are active in this sector[226]. These figures correspond more closely to estimates frequently provided by the social partners (i.e. trade unions and management)[227].

Year	Class 35.11	Class 35.12	**Group 35.1**
2001	1,584	221	**1,805**
2002	1,475	235	**1,710**

It is also worth pointing out that the number of public companies (i.e. those with more than 50 % of the capital) has remained stable, with around fifteen companies during the last few years (i.e. under 1% of active companies, although they are always the largest companies).

[225] On this list, the Central Statistical Office registers all economic entities that have been registered to carry out an activity. It follows that this figure is an overestimate as it includes some bodies that have never really started their activities, others that have quickly disappeared, and very small ones (i.e. without any workers). This figure is therefore always higher than that given by the trade unions and management for the number of companies active in the sector.

[226] Central Statistical Office: data calculated by Jerzy Rudnicki

[227] This figure (2002) will therefore be used when estimating social partner density.

Summary table: Workers (2002)

Sub-sectors	Number of workers	Number of SW	Number of SW / number of SW in the country (%)	Number of SW in companies < 10 SW / number of SW in the sector (%)	Number of SW in companies 10-100 SW / number of SW in the sector (%)	Number of SW in companies > 100 SW / number of SW in the sector (%)
Sub-sector 35.11	ND	32,740	0.37	ND	ND	ND
Sub-sector 35.12	ND	2,422	0.03	ND	ND	ND
Total of the sector 35.1	ND	35,162	0.40	ND	ND	ND

SW: Salaried Workers

Source: Central Statistical Office. The most recent data calculated by the Statistical Office, and re-calculated by Jerzy Rudnicki , relate to 2002.

As for **employment**, the number of salaried workers in the sector is falling steadily, declining by nearly 14% between 2001 and 2002. The average salary of workers in the shipbuilding industry has also fluctuated according to the sector's economic health: it was higher than average Polish salaries at the beginning of the new century (115.4% of average salary in 2000 and 107.6% in 2001), but collapsed in 2002, when it hit 91.3% of average salary, although it has risen slightly since then, and reached 97.9% of average national salary in 2003)[228]. Some workers have second jobs – trade unions estimate that the incidence is about 20-30% - but most of this occurs in small companies that mainly take on unemployed workers without notifying them. It is unlikely that the phenomenon exists in large companies. The sector has also been characterised by the rapid proliferation of sub-contracting, with people moving into self-employment, setting up very small companies (sometimes without any salaried workers), and engaging in work that is often performed after the ships themselves have been completed (e.g. the manufacturing of boat furniture and navigation equipment). There are no data on gender distribution, skills levels or workers' categories.

On the whole, enterprises enjoy very uneven economic health. Most companies' general profitability increased after the sector was restructured, but this has consistently led to substantial cuts in the number of jobs. In 2002, as the above table shows, the sector underwent a major crisis in profitability in the wake of depreciation of the US dollar[229] and the dramatic rise in the price of steel that followed strong economic growth in Asia, and particularly in China[230]. In this context, it is worth noting that the country's main shipbuilding yards, which were privatised during the 1990s[231], have been wholly or partly taken over by the state. Indeed, given the very poor profitability of the sector at that time, the banks only agreed to recapitalise the two main yards with a state guarantee: they were Szczecin (re-nationalised at 100%) and Gdynia-Gdansk (where the state has acquired a 44% portfolio)[232]. The sector has also seen the emergence of smaller private

[228] Central Statistical Office: Employment, Wages and Salaries in the National Economy in 2000, 2001, 2002 and 2003.

[229] The US dollar was then worth four zlotys, whereas it is now worth only three zlotys. For the Polish shipbuilding industry to return to profitability, it is generally felt that the dollar will have to be worth more than 3.3 zlotys, which is far from being the case today.

[230] Three years ago, a ton of Polish steel was worth about USD 300; it is now worth three times as much.

[231] It was then essentially question of a buying out by the management, the banks and the Polish workers; rarely by some foreign capital.

[232] A company is deemed to have been privatised if the state owns less than 50% of the capital, even if the Treasury is the main shareholder.

companies that specialise in building of smaller vessels [233], although they take little or no part in the work of employers' organisations and social dialogue (i.e. dialogue between the employers and the trade unions). Foreign capital is sometimes to be found in these companies, but it is impossible to obtain more precise estimates backed up with figures.[234]

According to the employers' organisation, despite job losses in 2002, profitability in the shipbuilding industry continues to be a key factor notwithstanding a number of reverses: (1) the Polish government's acceptance in April 2005 of an opportunity given by the European Union to award state-controlled agreements that offer a maximum of 6% of the amount of contracts to build certain categories of ship in order to fight dumping from Asia, and particularly from South Korea (a measure adopted too late, according to the sector); (2) difficulty in winning back the confidence of the banks in an attempt to recapitalise the sector, with the banks intervening only under a guarantee from the state; (3) economic disaster for sub-contracting companies during the shipyard crisis; (4) the growing appeal of migration to workers in the sector: most of them are highly skilled and, particularly since Poland joined the European Union, have been attracted by work in other EU countries and Norway, and this could lead in the long run to a shortage of skilled labour.

2. Organisations active in the sector

Workers' organisations

Two Polish trade union movement has structured organisations that bring together all members in the shipbuilding sector; they are the Independent and Self-Governing Trade Union Solidarność (Niezależny Samorządny Związek Zawodowy Solidarność, NSZZ Solidarność[235]) and the All-Poland Alliance of Trade Unions (Ogólnopolskie Porozumienie Związków Zawodowych, OPZZ). Both are officially recognised by the employers as representative partners, and they are therefore able to take part in social dialogue in the sector. However, the structure of a third confederation, the Forum of the Trade Unions (Forum Związków Zawodowych, FZZ), is not organised at sectional level: most workers at yards organised by this third confederation are to be found in the Solidarność-80 group, which is affiliated to the FZZ, but this body is not deemed to be representative of workers in this sector at national level, and it therefore does not take part in structured social dialogue in this sector. This union only carries out any significant work at the level of some companies, and particularly in the Szczecin yards. Given its strong presence in certain enterprises in the province, Solidarność-80 is represented on the tripartite committee of the Szczecin ("voïvod").[236]

The **Maritime Industry Workers' National Section of the Independent Self-Governing Trade Union "Solidarnosc**" (Sekcja Krajowa Przemyslu Okretowego NSZZ "Solidarnosc")[237] was founded in May 1990, when Solidarność carried out an internal reorganisation with a view to developing a more systematic structure reflecting its branches of activities. Workers in the sector that belonged to Solidarnosc spontaneously got together within that organisation, and the section was afterwards integrated into the Office of Metalworkers, which now has workers in eight national sections: steel, metal, distance electronics, aeronautics, automotive engineering, armaments, electro-mechanical engineering and shipbuilding. This section has four salaried employees and an accountant, who are all paid by the company. They are also temporarily assigned to union work, which is funded solely by members' subscriptions (1% of salary deducted at source).

[233] These companies generally consider themselves to be the "only real private companies".

[234] Interview of Jacek Duch, Manager of Damen Shipyards, a small shipbuilding company with about fifty workers; Mr Duch is a member in a personal capacity of the Business Centre Club.

[235] NSZZ Solidarność was registered on 10 November 1980, and was later recognised throughout the country and at inter-sectional level. All branches in the union refer to this recognition today.

[236] Interview with Ryszard Borkowski, President of Solidarność-80.

[237] Interview with Dariusz Adamski, President of the Solidarność National Section for the shipbuilding industry.

There are 7,611 members in this section, and all of them work in the shipbuilding industry; of these, about 10% are white-collar workers, 5% are managers, and 85% are production workers[238]. Solidarnosc is aware that it has relatively few members in small shipbuilding companies.

The section is able to sign bipartite sectional collective agreements, and has been making proposals at this level since 1993: none of them has yet achieved any success. At enterprise level, all unions that are members of the national section have signed company agreements. The section is also authorised to take part in national tripartite dialogue, although this does not take place in a structured way in the sector. At international level, the Maritime Industry Workers' National Section is an indirect member of the EMF and IMF; the Metal Secretariat of NSZZ "Solidarnosc" is a direct member.

The **Free Trade Union of Maritime Industry Workers** (Wolny Zwiazek Zawodowy Pracownikow Gospodarki Morskiej, **WZZPGM**)[239] was founded in 1983 within the OPZZ confederation[240]. It has two full-time equivalent employees. The different representative authorities of the union are elected every four years, and the next election will take place in 2006. The union is funded solely by members' subscriptions, with 1% of salary being deducted at source by the employer on the basis of the number of affiliated members[241]. The union has 9,000 members, of whom 1,500 are retired, and 5,500 work in the shipbuilding industry; the remainder work in port facilities, for example as dockers. They work in different categories of employment (i.e. manual workers, employees and managers), but it is not possible to identify percentages. The union has few members in small companies.

This WZZPGM has a representative function and can therefore sign bipartite and tripartite collective agreements at national level, but no agreements have been signed in this sector so far. All the companies where this union is active have enterprise-level collective agreement to which this union's company committee is a signatory. The union regularly keeps in touch with sister national organisations in various European countries.

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Sekcja Krajowa Przemyslu Okretowego NSZZ "Solidarnosc"	Maritime Industry Workers' National Section of the Independent Self-Governing Trade Union "Solidarnosc"	NACE 35.1: 10% employees, 5% executives and 85% production workers	7,611	7,611	21.6%	Yes	No	NSZZ Solidarnosc (through the Office of the Metal workers)	No	EMF (through the Office of the Metal workers)	No	IMF (through the Office of the Metal workers)
Wolny Zwiazek Zawodowy Pracownikow	Free Trade Union of Maritime Industry's' Workers	NACE 35.1 et 61.1: Different categories of										

[238] For some years now, Solidarnosc has had a Secretariat that caters for workers who are retired and unemployed, and who are therefore no longer in the branch's national section.

[239] Interview with Kazimierz Schreiber, President of the Federation, and with of Kazimierz Mya, President of the union's company committee in the Remontowa im Pilsudskiego yards in Gdansk.

[240] It was then re-named the Federation of the Shipbuilding Industry Workers but, realising that the word Federation was confusing, the union changed its name yet again in 1991.

[241] Most of this membership fee is given to the union's company structure: only 12.5% is paid to the national structure of the national union confederation, which in turn passes 1% to the national sectional structure.

Gospodarki Morskiej, WZZPGM		workers (manual workers, employees and managers)	9,000	5,500	15.6%	Yes	OPZZ	No	No	No	No	No

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

It is important to bear in mind that Solidarnosc usually has the largest number of members in shipbuilding, a sector that played a symbolic role in its foundation: in the Gdynia yard, for example, the Solidarnosc section has 20% of the workers in membership, the WZZPGM 10%, and local enterprise-level unions that are not affiliated to any confederation 10%. These proportions are fairly representative of trade union distribution in large shipbuilding yards.

Employers' organisations

At the time of political change in Poland in the 1980s, social dialogue in shipyards mainly took place between trade union organisations (particularly Solidarnosc) and the employers. Employers who were independent of the state appeared later. Today, they are rather scattered, and show little interest in taking part in the work of employer's bodies[242]. Some employers believe that there is a need to further develop the employers' group structure and organisation[243]. Only one organisation currently operates at national level in the sector.

This is the **Association of Polish Maritime Industries**[244] (Zwiazek Procodawcow Forum Okretowe, **ZPFO**)[245]. It was founded in 1993 under the terms of the law of 23 May 1991. It has two employees in its secretarial offices, and is mainly financed by members' subscriptions[246]. The ZPFO is an umbrella body for all the large enterprises including 4 shipyards, 5 ship repair yards and 25 closely related companies producing spare parts. Some much smaller shipbuilding companies, for example those engaged in the construction of yachts, have been started up in the last few years, but they rarely join the employers' federation. The association believes that its members account for about 90% of production and jobs in the sector.

The Association sits on the tripartite commission of two regions ("voïvod"), Szczecin and Gdansk, in the north-western Poland[247]. At bilateral level, the ZFPO is empowered to sign sectional collective agreements at national level, although no agreements of this kind have yet been concluded. At enterprise level, the Association says that each of its company members has had a

[242] Some of them have joined organisations like the Business Centre Club on an individual basis to provide them with lobbying and advisory back-up, rather than to act as an employers' representative.

[243] Piotr Soyka, Chairman of the Remontowa Ship Repair Yard in Gdansk, and a member of the Polish Confederation of Private Employers and of the Business Centre Club-Union of Employers.

[244] It is interesting to note that the Remontowa Ship Repair Yard in Gdansk, the largest ship repair yard to be wholly privatised, is an individual member of the Polish Confederation of Private Employers (Polska Konfederacja Pracodawców Prywatnych, PKPP) and also a member of the ZPFO. This displays the lack of coherence within the employers' structure, with some employers joining both a confederation and a sectional structure of the same confederation.

[245] Interview with Slawomir Skrzypinski, Manager of the Association of the Polish Maritime Industries – Forum Okretowe.

[246] These fees are calculated according to the number of jobs in the company.

[247] The reason for this direct involvement lies in the importance of the shipbuilding industry in those regions, which forces the Association to play a larger role in the debate on socioeconomic policy. This question is a tripartite dialogue issue at regional level.

collective agreement for many years: for the most part, these are simply renewed, and are therefore not registered at national level. Only one new collective agreement was concluded by ZFPO members in 2004.

At national level, the Association is a member of the Polish Confederation of Private Employers (PKPP), and at European level, it has been a member of the Committee of European Shipyards' Associations (CESA) since 2004 when Poland joined the European Union; the ZFPO has been an associate member of this international body since 2000, having previously, from 1995 to 2000, been a member of the AWES[248].

Employers' organisations

Organisation		Sub-sectors covered	Companies	SW	Density Companies	Density SW	CB	National affiliations		European affiliations		International affiliations	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Zwiazek Pracodawcow Forum Okretowe, ZPFO	Association of Polish Maritime Industries	NACE 35.1	35	32,000	2%[249]	91%	Yes	PKPP	No	CESA	No	No	No

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

3. Industrial relations in the sector

Tripartite concertation

Tripartite concertation in Poland occurs at national level (the Tripartite Commission for Socio-economic Affairs) and at "voivod" (provincial) level. The Tripartite Commission for Socio-economic Affairs deals with questions of social relations in a general and inter-sectional way. The law of 6 July 2001 sets out some representativeness criteria for organisations that are invited to sit on the Commission[250]. No protests have been reported about the representativeness of the bodies that are Commission members. The institutions concerned are:

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[248] The Association of European Shipbuilders and Shiprepairers (AWES), and the Committee of EU Shipbuilders Associations (CESA), decided at their General Assemblies on 28 May 2004 to operate as a joint organisation under the name of the Community of European Shipyards' Associations (CESA).

[249] This has been calculated at the level of companies, may be an underestimate: the only available data supplied by the Central Statistical Office group together all registered economic units, but not necessarily active ones, many of them having no employees at all.

[250] Workers' organisations must have about 300,000 workers in membership (500,000 since 1 January 2003), and must be active in national economic units whose main activities are defined in more than half of the sections of the Polish Classification of Activities (Polska Klasyfikacja Dzialalnosci (PKD). Employers' organisations must have employer members with more than 300,000 workers, it must have a structure of national activity, and it must be active in national economic units whose main activities are defined in more than half of the sections of the PKD.

- employers' organisations: the Confederation of Polish Employers (Konfederacja Pracodawcow Polskich), the Polish Craft Association (Zwiazek Rzemiosla Polskiego), the Business Centre Club-Union of Employers (Business Centre Club-Zwiazek Pracodawcow) and the PKPP;
- workers' organisations: NSZZ Solidarnosc, the OPZZ and the FZZ.

There is still no permanent tripartite work group for the shipbuilding industry in this tripartite commission[251]. However, given that some issues more specifically concern the shipbuilding industry, trade unions and employers' organisations in the sector are therefore invited to take part in negotiations in order to give their views. The government has also appeared to be more sympathetic recently to the setting up of such a work group because of the importance that the European Union attaches to tripartite dialogue.

The shipbuilding industry is more active at the level of regional (voïvodies) tripartite dialogue. In the two regions in the north east of Poland, Szczecin and Gdansk, where the shipbuilding sector is particularly well established, provincial tripartite commissions meet regularly and raise issues relating to the shipbuilding sector. Given the importance of shipbuilding in this part of the country, representatives of the province and the municipalities are joined by powerful delegations from employers' and union organisations. In addition to matters related to shipbuilding, these bodies also take part in more intersectional debates on the development of the province in general. No formal collective agreements are signed at this level. All the organisations referred to above consider that the dialogue at this level is useful and operational. Representativeness at this level is not challenged.

Bipartite social dialogue

The Polish Labour Code[252] provides for collective agreements to be concluded at a "higher-than-enterprise" (i.e. mainly sectors and branches) level, at company level and at regional level, but in practice, agreements have only really been signed at company level (in all sectors) and at "higher-than-enterprise" level (in some sectors, but not in shipbuilding). By contrast, no collective agreements have been signed at "voivod" (regional) level in any sector. There is no obligation on organisations to take part in collective bargaining, but all of those entitled to participate must be invited to do so. Where national organisations (confederations and federations) have representative status, the trade unions and associations of companies comprising them also have representative status.

At **sectional level and "higher-than-enterprise" level**, there is regular social dialogue between the employers' organisation, the ZPFO, and the two workers' organisations that are recognised as representative in the sector: the Maritime Industry Workers' National Section of NSZZ "Solidarnosc" and the WZZPGM. Representativeness at this level is not challenged, and no collective agreements have been concluded. As far as the employers are concerned, the reason for this is that the economic situations of companies in the sector vary considerably, employment legislation is very precise and restrictive for the employers and very favourable to the workers, and the trade unions try to apply the welfare benefits offered by the best companies to the whole sector, and therefore to companies that cannot afford them. By contrast, the trade unions insist that they have been presenting draft agreements for many years (Solidarnosc refers to a draft dating back to 1993), but the employers have systematically rejected them. It is worth noting that the employers and the trade unions now seem to have found common ground on two issues

[251] The Solidarnosc union points out that it has been calling for a work group of this sort to be set up for a long time, as it thinks that the presence of the government would make negotiations more formal and more restrictive. However, the union reports that the government has preferred not to establish such a body because of the experience it has had in other existing groups. Some employers' representatives argue that the reason for the absence of a tripartite work group is the creation, at the time when the sector was being re-nationalised, of the Agency for the Development of the Industry (Agencja Rozwoju Przemyslu) with a view to reorganising the sector within the context of recapitalization by the state. This parastate agency's sole mission in the restructuring process was to oversee the state's responsibilities and to facilitate dialogue between employers and trade unions.

[252] Law of 26 June 1974 published in the Official Journal of 5 July 1974.

under discussion: the length of the restructuring process, and the granting of early retirement in the case of some difficult jobs, but this is simply a matter of consensus being generally implemented in the different companies in the sector: this consensus has not yet been expressed substantively in the form of a collective agreement at a “higher-than-enterprise” level, and it therefore remains relatively unrestrictive.

Assessment of the quality of this dialogue varies: for the employers’ organisation, the dialogue is really constructive, and they highlight the responsible attitude of the trade unions when the sector was experiencing major problems (e.g. time during 2002 when salaries were not paid) and when some restructuring measures were needed. For the unions, Solidarnosc especially, the climate of the dialogue may have been was friendly, but they regret the lack of formality in the discussion: contacts sometimes take place between the employers and individual trade unions, meetings rarely culminate in substantive decisions, some general documents with interesting contents[253] are not implemented. Nevertheless, when there is consensus between the employers and the trade unions, this dialogue has made it possible for decisions to be taken at government level[254].

As a result, collective agreements only exist **at company level** in this sector. According to the trade unions and management (i.e. the social partners), all larger companies have signed collective agreements that are usually extended every year, with a more wide-ranging review taking place every three years. It is estimated that around 90% of workers in the sector are covered by enterprise-level collective agreements[255].

Only one collective agreement was completely reformulated and registered as new in 2004; this agreement was concluded for the shipyard at Gdynia (NACE 35.11) and covers about 6,212 people. It was finalised after the company’s restructuring exercise was completed and certain activities were handed over to subsidiaries: a company collective agreement applies to the shipbuilding site, and the same working conditions are found in the agreements signed with the subsidiary companies.

However, there are no collective agreements or trade union presence at the level of smaller companies. A kind of “paternalistic or family” social dialogue sometimes takes place in a non-institutionalised way[256]: a representative is chosen from among the workers to come and discuss the allocation of social funds (e.g. assistance for holidays) and pay rates with the employer. This kind of dialogue is naturally challenged by the trade unions: they draw attention to the threats that employers in small companies can make when their workers try to join a “real” union.

4. Conclusion

The shipbuilding industry sector is currently trying to achieve a degree of economic profitability following the serious crisis of 2002. Social dialogue takes place between the employers and the trade unions, and is made easier by the small number of actors recognised as representative. This dialogue has made it possible to achieve some kind of social peace during a difficult period. For the workers, however, it remains inadequate and too unstructured, and has led to no collective agreement at “higher-than-enterprise” level. Moreover, tripartite dialogue has never established any specific structure to deal with this sector. On the other hand, the sector’s geographical concentration in two provinces in the north west has resulted in shipbuilding being a major

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[253] An example of this was the government July 2002 programme for the shipbuilding industry.

[254] The most recent example is the implementation of a European Directive that enables the state to intervene in shipyards suffering as a result of competition caused by Korean dumping. The sector had been calling for such a response for a long time, and in the end it only came about thanks to a combination of circumstances. The situation in mining is better, and restructuring of mining sector did not require State intervention anymore, which enables the State to find financial resources for this intervention in shipyards.

[255] Estimate based on data provided by ZPFO. The Association claims that it has 32,000 salaried workers, and that each of its company members has an enterprise-level collective agreement.

[256] Interview with Jacek Duch, Manager of Damen Shipyards, a small shipbuilding company with about 50 workers. Mr Duch is a member of the Business Centre Club in a personal capacity.

focus in regional tripartite negotiations, which have worked hard to compensate for the absence of sectional negotiations at national tripartite commission level. This phenomenon is specific to this sector.

Abbreviations

FZZ:	Forum of Trade Unions (Forum Zwiazkow Zawodowych)
NSZZ “Solidarnosc”:	Independent Self-Governing Trade Union “Solidarnosc” (Niezalezny Samorzadny Zwiazek Zawodowy “Solidarnosc”)
OPZZ:	All-Poland Alliance of Trade Unions (Ogolnopolskiego Porozumienia Zwiazkow Zawodowych)
PKD:	Polish Classification of Activities (Polska Klasyfikacja Dzialalnosci)
PKPP:	Polish Confederation of Private Employers (Polska Konfederacja Pracodawcow Prywatnych)
WZZPGM:	Free Trade Union of Maritime Industry’s’ Workers (Wolny Zwiazek Zawodowy Pracownikow Gospodarki Morskiej)
ZPFO:	Association of Polish Maritime Industries (Zwiazek Procodawcow Forum Okretowe)

PORTUGAL

1. Description of the sector

Delimitation and activities of the sector

In Portugal, the shipbuilding and repair sector (classified 35.1 in the Portuguese Classification of Economic Activities, CAE) is subdivided as follows:

Class 35.11: Building and repair of vessels other than recreation and sporting vessels;

Class 35.12: Building and repair of recreation and sporting vessels.

This classification is in accordance with the NACE nomenclature.

Socio-economic features of the sector

According to the DGEEP[257], 165 enterprises employing 4,729 salaried workers were active in the shipbuilding and repair sector in 2002. However, the National Statistics Institute (INE) provides different figures: 267 companies employing 5,587 workers[258]. This corresponds to about 0.34% of the total number of enterprises in the manufacturing industry and 0.2% of total employment in the country. On the other hand, the employers' organisation Maritime Industries Association (AIM) estimates that there were approximately 5,000 workers in the sector at the end of 2004 including the large shipyards, small workshops and subcontractors.

Companies and persons employed according to size (35.1 – Ship Building and Repair sector (CAE-REV. 2))

Enterprise size	Number of enterprises by firm size	% enterprises by firm size	Number of persons employed by firm size	% persons employed by firm size
No workers	0	0%	0	0%
Up to 9 workers	101	61.2%	423	8.9%
10-19 workers	27	16.4%	372	7.9%
20-49 workers	26	15.8%	717	15.2%
50-99 workers	5	3%	388	8.2%
100-199 workers	3	1.8%	330	7%
200-499 workers	1	0.6%	471	9.9%
500 + workers	2	1.2%	2,028	42.9%
Total	**165**	**100%**	**4,729**	**100%**

Source: DGEEP; data 2002.

257 General Directorate of Studies, Statistics and Planning (DGEEP) of the Ministry of Labour and Social Solidarity (MTSS)

258 The difference in the figures is due to the different time periods and to the definition of the concepts and methodology used by each of the organisations.

Most enterprises in the shipbuilding and repair sector are SMEs, and particularly micro-enterprises (61.2%[259]). Most of these SMEs are linked to the fisheries sector and work with steel, aluminium, wood and fibre. There are also two large enterprises: Lisnave and Estaleiros Navais de Viana do Castelo, which together employ 42.9%[3] of the sectors' workers. In much the same way that enterprises generally are distributed in Portugal, most of the sector's enterprises are located in and around the capital (52.1%[3]) and this region comprises the large majority of the sector's workers (51.4%[3]). Legally speaking, 81.8%[3] of the sectors' enterprises are private limited companies.

Most workers in the sector are men (93.2%[3]). As regards professional qualifications, 49.6% are skilled, 12.9% are foremen, supervisors and team leaders, 6.2% are highly skilled, and only 8.6% are unskilled[260]. In recent years there has been a significant rise in the number of subcontracted workers, in particular in the ship maintenance and repair sub-sector. According to the Inter-syndicate Federation of Metallurgy, Metal Mechanics, Mining, Chemicals, Pharmaceutics, Petrol and Gas (FEQUIMETAL), about 50% of workers in this sector have a precarious contractual situation. In other respects, the underground economy is important in this sector due to sub-contracting within shipyards.

Average monthly salary (€) by gender

35.1 – SHIP BUILDING AND REPAIR SECTOR (CAE-REV. 2)		
	Men	Women
Average monthly salary (€)	943.12	846.52

Source: DGEEP (2002 data)

The average monthly salary in the sector is higher than the national average salary (men: EUR 747.42; women: EUR 601.00).

Turnover, gross added value, productivity

INE (data 2002) - 35.1: SHIP BUILDING AND REPAIR SECTOR (CAE-REV. 2)	
Turnover	275,977,896
Gross Added Value (market prices)	96,011,730
Productivity	17,185

Source: INE

Notes: Unit: Euro

The added value of the shipbuilding and repair sector accounts for 0.08% of national added value (at constant price)[261]. Due to greater competition from South Korea and China as well as variations in the exchange rate of the US dollar, Portuguese shipyards have undergone a decline in recent years and have lost considerable market share. The situation varies in different sub-sectors, however: some shipyards have a good work rate both for building ships for the Portuguese fishing fleet and for the international market; others face significant difficulties due in part to delays in the evaluation of plans by the competent authorities and to their own financial problems. The ship repair activity has also been going through a difficult period in Portugal mainly because of the fall in demand for repairs worldwide.

[259] In accordance with the DGEEP data.

[260] Source: DGEEP data

[261] Source: INE (2002)

2. Organisations active in the sector

Workers' organisations[262]

The **Inter-union Federation of Metallurgy, Mines, Chemicals, Pharmaceutical, Petrol and Gas Industry** (Federação Intersindical da Metalurgia, Metalomecânica, Minas, Química, Farmacêutica, Petróleo e Gás, **FEQUIMETAL**) was founded in 1999. This organisation affiliates trade unions from the metallurgical, metal mechanics, shipping industry, automobile industry and chemical industry areas throughout Portugal. It represents these trade unions within sectoral collective bargaining and signs sectoral Collective Labour Contracts covering the Ship Building and Repair sector. At national level, FEQUIMETAL is a member of the General Confederation of Portuguese Workers (CGTP-IN), and a member organisation of the EMF at European level.

Four FEQUIMETAL member unions are active in the shipbuilding and repair industry. These organisations do not take part in the sectoral collective bargaining: they are represented in the collective bargaining by FEQUIMETAL.

- The **Trade Union of Metallurgical and Metal Mechanics Industry Workers in the Aveiro, Viseu and Guarda Districts** (Sindicato dos Trabalhadores das Indústrias Metalúrgicas e Metalomecânicas dos Distritos de Aveiro, Viseu e Guarda, **STIMMDAVG**) covers the metallurgy, automobile industries, ironwork and two-wheeled vehicles sectors within three districts: Aveiro, Viseu and Guarda. 18,875 workers are affiliated to this organisation and there are no data available on the number of members working in the shipbuilding and repair sector.
- **Trade Union of Metallurgical and Metal Mechanics Industry Workers in the Coimbra and Leiria Districts** (Sindicato dos Trabalhadores das Indústrias Metalúrgicas e Metalomecânicas dos Distritos de Coimbra e Leiria, **STIMMDCL**) represents the shipping, metallurgical and metal mechanics, automobile industries and service stations sectors within two districts: Coimbra and Leiria. It has 3,255 members, of whom 140 in the shipbuilding and repair sector. Four salaried workers work for this organisation.
- **Trade Union of Metallurgical and Metal Mechanics Industry Workers of the South** (Sindicato dos Trabalhadores das Indústrias Metalúrgicas e Metalomecânicas do Sul, **STIMMS**) represents the shipping, metallurgical and metal mechanics, automobile industries and service stations sectors in the southern part of the country. It has 9,500 members, of whom 1,600 in the shipbuilding and repair sector. It employs 10 salaried workers.
- **Trade Union of Metallurgical and Metal Mechanics Industry Workers in the Viana do Castelo District** (Sindicato dos Trabalhadores das Indústrias Metalúrgicas e Metalomecânicas do Distrito de Viana do Castelo, **STIMMDVC**) represents the shipping, metallurgy and metal mechanics, and automobile sectors within one district: Viana do Castelo. It employs three salaried workers and has 1,549 members, of whom 800 in the shipbuilding and repair sector.

The **National Industry and Energy Trade Union** (Sindicato Nacional da Indústria e da Energia, **SINDEL**) was founded in 1979. It is a member of the General Workers' Trade Union (UGT). SINDEL represents 120 ship building and repair workers and employs 12 salaried workers. This organisation takes part in collective bargaining for the metalworking sector (umbrella collective bargaining for the shipbuilding and repair sector). Within this framework, it has signed a sectoral collective labour contract with two other trade unions – the Federation of Service Worker Trade Unions (FETESE) and the Trade Union of Office, Service and Commerce Workers (SITESC), and an employers' organisation – the National Metal Federation (FENAME). At European level, SINDEL is a member of EMCEF and of EPSU and at international level, a member of ICEM and PSI.

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[262] Data provided by the actual organizations unless otherwise indicated.

The **Trade Union of Metallurgical and Similar Industries** (Sindicato das Indústrias Metalúrgicas e Afins, **SIMA**) represents 65,000 salaried workers in the metallurgy industry, of whom 1,000 in the shipbuilding and repair sector. SIMA has signed a collective labour contract with FENAME, the Engineers Trade Union of Northern Region/Engineers Trade Union of the South Region (SERS/SEN), National Confederation of Senior Personnel (FENSIQ), Trade Union of Senior Technicians in Industry (MENSIQ), and Trade Union of Senior Design Technicians (SQTD). It is a member organisation of EMF and IMF.

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Federação Intersindical da Metalurgia, Metalomecânica, Minas, Química, Farmacêutica, Petróleo e Gás, FEQUIMETAL	Inter-union Federation of Metallurgy, Mines, Chemicals, Pharmaceutical, Petrol and Gas Industry	All type of workers	82,000	2,540	45.5% (INE); 53.7% (DGEEP)	Yes	CGTP-IN	No	EMF	No	No	No
- Sindicato dos Trabalhadores das Indústrias Metalúrgicas e Metalomecânicas dos Distritos de Aveiro, Viseu e Guarda STIMMDAVG	Trade Union of Metallurgical and Metal Mechanics Industry Workers in the Aveiro, Viseu and Guarda Districts	All type of workers	18,875	ND	ND	No	CGTP-IN; FEQUIMETAL	No	No	EMF, via FEQUIMETAL	No	No
- Sindicato dos Trabalhadores das Indústrias Metalúrgicas e Metalomecânicas dos Distritos de Coimbra e Leiria, STIMMDCL	Trade Union of Metallurgical and Metal Mechanics Industry Workers in the Coimbra and Leiria Districts	All type of workers	3,255	140	2.5% (INE); 3% (DGEEP)	No	CGTP-IN; FEQUIMETAL	No	No	EMF, via FEQUIMETAL	No	No
- Sindicato dos Trabalhadores das Indústrias Metalúrgicas e Metalomecânicas do Sul, STIMMS	Trade Union of Metallurgical and Metal Mechanics Industry Workers of the South	All type of workers	9,500	1,600	28.6% (INE); 33.8% (DGEEP)	No	CGTP-IN; FEQUIMETAL	No	No	EMF, via FEQUIMETAL	No	No
- Sindicato dos Trabalhadores das	Trade Union of Metallurgical and Metal	All type of workers	1,549	800	14.3% (INE); 16.9%	No	CGTP-IN; FEQUIMETAL	No	No	EMF, via FEQUIMETAL	No	No

Indústrias Metalúrgicas e Metalomecânicas do Distrito de Viana do Castelo, STIMMDVC	Mechanics Industry Workers in the Viana do Castelo District				(DGEEP)							
Sindicato Nacional da Indústria e da Energia, SINDEL	National Industry and Energy Trade Union	All type of workers	ND	120	2.1% (INE); 2.5% (DGEEP)	Yes	UGT	No	EMCEF; EPSU	No	ICEM; PSI	No
Sindicato das Indústrias Metalúrgicas e Afins, SIMA	Trade Union of Metallurgical and Similar Industries	All type of workers	65,000	1,000	17.9% (INE); 21,1% (DGEEP)	Yes	No	No	EMF	No	IMF	No

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

Employers' organisations[263]

The **Maritime Industries Association** (Associação das Indústrias Marítimas, **AIM**) was founded in 1974. It represents 45 enterprises of very different sizes in the shipbuilding and ship repair sector and related fields, notably consulting services, equipment suppliers and maritime-harbour operators. AIM does not take part in sectoral collective bargaining. It is represented in collective bargaining by the National Metal Federation (FENAME), of which it is a member. The organisation employs five salaried workers. In addition to its affiliation to FENAME, AIM is a member of the Portuguese Confederation of Industry (CIP) and the Agency for the Promotion of Short Distance Maritime Transport (Agência de Promoção de Transporte Marítimo de Curta Distância). At European level, it is a member of CESA.

The **Association of Metallurgical, Metal Mechanics and Similar Industries of Portugal** (Associação dos Industriais Metalúrgicos, Metalomecânicos e Afins de Portugal, **AIMMAP**) was founded in 1957 to represent enterprises from the metallurgical, metal mechanics and similar sectors. AIMMAP has 1,100 member companies (mainly SMEs and located throughout the country), however only five of them are active in the shipbuilding and repair sector. This organisation has signed a sectoral collective labour contract covering the metalworking sector (including the shipbuilding and repair sector) with various trade unions. It is a member organisation of CIP and it employs 17 salaried workers.

The **National Association of Metalworking Industries** (Associação Nacional das Empresas Metalúrgicas e Electromecânicas, **ANEMM**) was founded in 1960 and represents enterprises from the metallurgical and metal mechanics sector. ANEMM has around 900 member companies, however only five of them are active in the shipbuilding and repair sector (mainly SMEs). ANEMM does not participate in sectoral collective bargaining. It is represented by FENAME, of which it is a member. This organisation is also a member of CIP at national level and a member of the Council of European Employers of the Metal, Engineering and Technology-Based Industries (CEEMET), the European Federation of Engineering Industrial Associations (ORGALIME), the European Federation of Materials Handling and Storage Equipment (FEM) and the European Committee of Associations of Manufacturers of Agricultural Machinery (CEMA) at European level. ANEMM employs 15 salaried workers.

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[263] Data provided by the actual organizations unless otherwise indicated.

Employers' organisations

Organisation		**Sub-sectors covered**	**Companies**	**SW**	**Density Companies**	**Density SW**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Associação das Indústrias Marítimas, AIM	Maritime Industries Association	metal ship building and/or repair enterprises; metal ship repair; building or repairing of vessels with wood, aluminium or synthetic hulls; enterprises in the Port and Maritime Transport Operation; Consultancy enterprises in technique, training and IDT organisms; enterprises supplying skilled workforce and recycling of polluting products.	45	ND	16.9% (INE); 27.3% (DGEEP)	90%	No	CIP; FENAME; Agency for the Promotion of Short Distance Maritime Transport	No	CESA	No	No	No
Associação dos Industriais Metalúrgicos, Metalomecânicos e Afins de Portugal, AIMMAP	Association of Metallurgical, Metal Mechanics and Similar Industries of Portugal	Metallurgical, Metal Mechanics and Similar industries	1,100, of which 5 in NACE 35.1	313 in NACE 35.1	1.9% (INE); 3% (DGEEP)	5.6% (INE); 6.6% (DGEEP)	Yes	CIP	No	No	No	No	No
Associação Nacional das Empresas Metalúrgicas e Electromecânicas ANEMM	National Association of Metalworking Industries	Basic iron and steel industries, Iron and non-iron foundries, Manufacture of metal products, Manufacture of machines and equipment, Manufacture of medical-surgical instruments and equipment, Manufacture of transport material (Ship building and repair), Manufacture of metallic furniture, Other manufacturing industries.	Around 900, of which around 5 in the Ship building and Repair sector	ND	1.9% (INE); 3% (DGEEP)	ND	No	CIP; FENAME	No	CEEMET; ORGALIME; FEM; CEMA	No	No	No

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

CB: Does the organisation take part in collective bargaining?

3. Industrial relations in the sector

Social dialogue in the shipbuilding and repair sector is mainly bipartite. There are occasional meetings with the Ministry responsible when requested by workers' representatives to deal with specific questions but no tripartite social pact is concluded.

Social dialogue at the sectoral level

Bipartite collective bargaining for the Ship Building and Repair sector only takes place at the sectoral level. This sector is included within the umbrella agreement for the entire metalworking sector. Four collective labour contracts (CLC) have been signed in this framework:

- the CLC for the Metallurgical and Metal Mechanic Industry signed between FENAME, and FEQUIMETAL and others;
- the CLC for the Metallurgical and Metal Mechanic Industry signed between FENAME, and FETESE, SINDEL, and SITESC;
- the CLC for the Metallurgical and Metal Mechanics Industry signed between AIMMAP, and FEQUIMETAL and others;
- the CLC for the Metallurgical and Metal Mechanics Industry signed between FENAME, and SIMA, SERS/SEN, FENSIQ, MENSIQ and SQTD.

These CLCs deals with salary levels, other payment issues, timetables, safety, hygiene and health at the workplace, professional categories as well as workers' rights and guarantees. They have not been revised for at least the last two years.

All unionised workers and member enterprises in the signatory employer associations are covered by the CLC. Other workers and enterprises (non-unionised workers and non-member enterprises) are also covered through extension procedures. These are foreseen by law and are implemented by the Ministry following consultation by the interested parties. The sector's CLCs therefore have a 100% coverage rate.

There are no conflicts between the partners regarding recognition issues in this sector.

Social dialogue at the enterprise level

A social dialogue also takes place at the enterprise level in the large shipyards. However, there are no signed collective labour agreements at this level at present. There are only complementary agreements that include salary matters, working conditions and aspects of work organisation, covering all workers.

4. Conclusion

The shipbuilding and repair sector was an important field of activity in Portugal some years ago. However, in recent years, it underwent a sharp decline mainly due to the increase of competition from South Korea and China. As regards collective bargaining, workers of the sector are covered by the umbrella agreement for the entire metalworking industry.

Abbreviations

AIM: Maritime Industries Association (Associação das Indústrias Marítimas)

AIMMAP: Association of Metallurgical and Metal Mechanics and Similar Industries (Associação dos Indústrias Metalúrgicos, Metalomecânicos e Afins de Portugal)

ANEMM: National Association of Metalworking Industries (Associação Nacional das Empresas Metalúrgicas e Electromecânicas)

CGTP-IN: General Confederation of Portuguese Workers (Confederação Geral dos Trabalhadores Portugueses)

CIP: Portuguese Confederation of Industry (Confederação da Indústria Portuguesa)

DGEEP: General Directorate of Studies, Statistics and Planning (Direcção-Geral de Estudos, Estatística e Planeament)

FENAME: National Metal Federation (Federação Nacional do Metal)

FENSIQ: National Confederation of Senior Personnel (Confederação Nacional de Quadros)

FEQUIMETAL: Inter-syndicate Federation of Metallurgy, Metal Mechanics, Mining, Chemicals, Pharmaceutics, Petrol and Gas (Federação Intersindical da Metalurgia, Metalomecânica, Minas, Química, Farmacêutica, Petróleo, Gás)

FETESE: Federation of Service Worker Trade Unions (Federação dos Sindicatos de Trabalhadores de Serviços)

INE: National Statistics Institute (Instituto Nacional de Estatística)

MENSIQ: Trade Union of Senior Technicians in Industry (Sindicato de Quadros Técnicos da Indústria)

MTSS: Ministry of Labour and Social Solidarity (Ministério do Trabalho e da Solidariedade Social)

PSI: Public Services International

SERS/SEN: Engineers Trade Union of Northern Region/Engineers Trade Union of the Southern Region (Sindicato de Engenheiros do Norte/Sindicato de Engenheiros do Sul)

SIMA: Metallurgical and Similar Industries Trade Union (Sindicato das Indústrias Metalúrgicas e Afins)

SINDEL: National trade Union of Industry and Energy (Sindicato Nacional da Indústria e da Energia)

SITESC: Trade Union of Office, Service and Commerce Workers (Sindicato dos Trabalhadores de Escritórios, Serviços e Comércio)

SQTD: Trade Union of Senior Design Technicians (Sindicato de Quadros Técnicos de Desenho)

STIMMDAVG: Trade Union of Metallurgical and Metal Mechanics Industry Workers in the Aveiro, Viseu and Guarda Districts (Sindicato dos Trabalhadores das Indústrias Metalúrgicas e Metalomecânicas dos Distritos de Aveiro, Viseu e Guarda)

STIMMDCL: Trade Union of Metallurgical and Metal Mechanics Industry Workers in the Coimbra and Leiria Districts (Sindicato dos Trabalhadores das Indústrias Metalúrgicas e Metalomecânicas dos Distritos de Coimbra e Leiria)

UGT: General Workers' Trade Union (União Geral dos Trabalhadores)

SLOVAK REPUBLIC

1. Description of the sector

Delimitation and activities of the sector

In line with the NACE classification, the shipbuilding industry sector in the Slovak Republic covers the economic activities of "Building and Repair of Ships and boats" (NACE 35.1).

Socio-economic features of the sector

Although the Slovak Republic is an inland country, it has always had one prospering shipbuilding company: **Slovenske lodenice Komarno**. This company used to be an important shipbuilder supplying many countries, but the war in former Yugoslavia in the 1990s meant that the company was unable to meet the terms of its contracts and was unable to deliver its ships down the Danube[264]. The company soon lost nearly all of its customers, and struggled to survive; ownership changed hands a few times, and the current owner is its fifth. The shipbuilding industry sector no longer plays an important role in the national economy[265].

Slovenske lodenice Komarno employs 1,298 people. No other data relating to employment in the sector (e.g. categories of workers, qualification levels, wages, atypical work, gender distribution and competition strategy) are available[266].

Summary table: Companies (2005)

Sub-sectors	Number of companies	% companies without SW	% companies with < 10 SW	% companies with 10 to 100 SW	% companies with > than 100 SW
NACE 35.11	1	0	0	0	100

SW : Salaried Workers

2. Organisations active in the sector

Workers' organisations

The Slovenske lodenice Komarno enterprise trade union is a member of KOVO, the Slovak Metalworkers' Union at national level[267]. The union has 703 members, of whom 103 are retired members. Of the 600 employed members, 75 are women and 525 are men. The trade union's activities are financed out of membership fees. It concludes an enterprise collective agreement with the employer once a year.

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264 Slovenske lodenice Komarno can only build ships that it can subsequently deliver down the Danube to the Black Sea. The depth of the river and related conditions limit production.

265 No data on the size of the sector as a percentage of the whole economy are available.

266 According to the national expert, the owner of Slovenske lodenice Komarno refuses to supply any information about his company, and has forbidden his employees to do the same. Accordingly, the national expert has only been able to obtain information through mediated through the Metalworkers' Union – KOVO (Odborovy zvaz KOVO).

KOVO is the strongest member of the Confederation of Trade Unions of the Slovak Republic (KOZ SR). At international context, the Slovenske lodenice Komarno enterprise trade union is a member of EMF and IMF through KOVO, and a member of ETUC through the KOZ SR.[268]

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Slovenske lodenice Komarno	Slovenske lodenice Komarno trade union	ND	703 in total; 600 without the pensioners.	600 without the pensioners.	46.2	Yes, at enterprise level	KOVO	KOZ SR (through KOVO)	No	EMF (through KOVO); ETUC (through KOZ SR)	No	IMF (through KOVO)

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

Employers' organisations

In 2004, Slovenske lodenice Komarno's new owner terminated the company's membership of the Federation of Mechanical Engineering Industries of Slovakia (Zvaz priemyslu Slovenskej republiky). Since then, Slovenske lodenice Komarno has not been a member of any organisation at national or international level.

3. Industrial relations in the sector

Tripartite concertation

There is no sectoral tripartite concertation covering the shipbuilding industry sector in the Slovak Republic.

However, general tripartite concertation has been established at national level: the employees are represented by the KOZ SR and the employers by the Federation of Employers' Associations of the Slovak Republic (AZZaZ SR[269]) and the National Union of Employers of the Slovak Republic (RUZ SR[270]). These are the main social dialogue actors at national level, and in practice are the only government partners consulted on economic and social matters under the so-called "general" tripartite partnership. Under the Act on Economic and Social Partnership No. 106/1999 Coll. of Laws, they used to conclude General Agreements (Generalna dohoda). No such agreements been concluded since 2004.

[267] However, it acts as a passive member.

[268] Information provided by Emil Machyna of the Metalworkers' Union KOVO).

[269] Founded in 1990.

[270] Founded on 30 March 2004.

In May 2004 the Government proposed repealing the Act on Economic and Social Partnership No. 106/1999 Coll. of Laws, and drew up new legislation (an amendment to the Act on Organisation of Central Public Administration No. 575/2001 Coll. of Laws) in which the position of the trade unions and the employers' representatives changed from that of social partners to that of consultants to the government. Since November 2004, the "general" tripartite has operated on the principle of the voluntary participation of the social partners (i.e. the government, employers and employees' representatives). The new body of tripartite concertation is called the Economic and Social Partnership Council of the Slovak Republic (RHSP SR).

Bipartite social dialogue

There is no sectoral social dialogue covering the shipbuilding industry sector as no employers' organisation represents companies within this sector.

At enterprise level, the Slovenske lodenice Komarno enterprise trade union concludes an enterprise collective agreement with the employer once a year. The collective agreement covers normal employee relations issues such as collective terms and conditions of employment; working time; health and safety; the employer's social policy; remuneration; and the minimum wage. All workers in the company are covered by the agreement, in other words, 100% of the workforce in the sector are covered[271].

4. Conclusion

The shipbuilding industry sector does not play any important role in the economy of the Slovak Republic. There is only one company operating in this sector: Slovenske lodenice Komarno. The war in former Yugoslavia in the 1990s meant that the company was unable to meet the terms of its contracts. The company soon lost nearly all of its customers, but it managed to survive. As the owner refuses to provide any information about his company, most data relating to employment and social dialogue in the sector are unavailable.

There is no sectoral tripartite concertation covering the shipbuilding industry sector in the Slovak Republic. The only collective agreement covering these workers is concluded once a year at enterprise level between the Slovenske lodenice Komarno enterprise trade union and the employer.

Abbreviations

AZZaZ SR:	Federation of Employers' Associations of the Slovak Republic (Asociacia zamestnavatelskych zvazov a zdruzeni Slovenskej republiky)
KOVO:	Metalworkers' Union (Odborovy zvaz KOVO)
KOZ SR:	Confederation of Trade Unions of the Slovak Republic (Konfederacia odborovych zvazov Slovenskej republiky)
RHSP SR:	Council of Economic and Social Partnership of the Slovak Republic (Rada hospodarskeho a socialneho partnerstva Slovenskej republiky)
RUZ SR:	National Union of Employers of the Slovak Republic (Republiková únia zamestnávateľov Slovenskej republiky).

[271] As has been noted above, the owner of Slovenske lodenice Komarno refuses to provide any aspects of the company including social dialogue. This is the main reason much of the information regarding social dialogue is unavailable.

SLOVENIA[272]

1. Description of the sector

Delimitation and activities of the sector

The statistical classification used in Slovenia is congruent with the NACE classification. The shipbuilding industry sector covers activities included in NACE Rev 1.1 DM 35.1. “Building and repairing of ships and boats”.

Socio-economic features of the sector

The Slovenian shipbuilding industry is very small, in respect of both the number of enterprises and the number of employees. In 2003, sub-sector NACE 35.11 (Building and repairing of ships) included 16 enterprises with 136 employees, while sub-sector 35.12 (Building and repairing of pleasure and sporting boats) has 24 enterprises with 415 employees[273]. There are no multinational companies in the sector, and all enterprises are private.

All companies in NACE 35.11 have fewer than 10 salaried workers. In 2003, the biggest yard in the sub-sector was the **Izola Shipyard,** a consortium of small companies with a total of 46 employees, but it is important to note that according to one worker in this company, the Izola yard has only 7 employees at the present time, and that there are discussions about possible bankruptcy and closure. In NACE 35.12, one enterprise is characterised as large (**Elan Marine**, with approximately 260 employees), one as medium-sized (with between 50 and 249 salaried workers) and remaining 22 enterprises as small (fewer than 50 salaried workers). Except for Elan Marine, which specialises in the building of motorboats and of sailboats with and without an auxiliary motor, sub-sector 35.12 only consists of boat maintenance and repair.

The employers’ organisation representative warns that sub-sectors 35.11 and 35.12 are essentially family businesses (enterprises) with very small numbers of employees. This is particularly true of enterprises engaged in the repair of boats and ships. As regards the geographical spread of enterprises, there are two centres: the Primorska region (“Izola Shipyard”) and the Gorenjska region (“Elan Marine”); enterprises in the ship repair business are also to be found in the Slovenian capital of Ljubljana.

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[272] **Methodological remark from the national expert**: “In the course of this research, I contacted representatives of three trade union confederations (there are four confederations altogether, but one mainly focuses on the paper and graphical industry), but they were not able to cooperate as they neither cover this part of industry nor organise members in it. After several attempts, I finally managed to talk to one worker in the biggest shipyard in Slovenia, the Izola Shipyard, which is currently, however, undergoing a major economic crisis. However, I was not able to collect many relevant data regarding social dialogue in the sector under examination, or about enterprises in this sector. As for employers’ organisations, I interviewed a representative of the Metal Processing Industry Association, which operates within the Chamber of Commerce and Industry of Slovenia. Membership in the Chamber of Commerce and Industry is obligatory for all enterprises in Slovenia. Every year, it draws up an annual report on the Slovenian engineering industry on the basis of a range of statistical data, and particularly figures produced by the Agency of the Republic of Slovenia for Public Legal Records and Related Services. For this reason, I believe that data received from the representative of this body are reliable. At the same time, it is important to bear in mind that the data relate to the year 2003; figures for 2004 are not yet available. The second employers’ organisation, the Slovenian Employers' Association, which operates as a voluntary association, has no members in sub-sectors 35.11 and 35.12.”

[273] Source: Annual Report about Metal Industry in Slovenia

Summary table: Companies (2003)

Sub-sectors	**Number of companies**	**% companies without SW**	**% companies with 1 to 10 SW**	**% companies with 10 to 49 SW**	**% companies with 50 to 100 SW**	**% companies with > than 100 SW**
Sub-sector 35.11	16	0	100	0	0	0
Sub-sector 35.12	24	0	ND	ND	4.1	4.1
Total of the sector 35.1	40	0	ND	ND	2.5%	2.5%

SW: Salaried Workers

Sources: Annual Report about Metal Industry in Slovenia

Summary table: Workers (2003)

Sub-sectors	**Number of workers**	**Number of SW**	**Number of SW / number of SW in the country (%)**	**Number of SW in companies < 10 SW / number of SW in the sector (%)**	**Number of SW in companies 10-100 SW / number of SW in the sector (%)**	**Number of SW in companies > 100 SW / number of SW in the sector (%)**
Sub-sector 35.11	136	136	0.3% in the metal processing industry	100	0	0
Sub-sector 35.12	415	415	0.9% in the metal processing industry	ND	ND	62.6%
Total of the sector 35.1	551	551	1.2% in the metal processing industry	ND	ND	47.2%

SW: Salaried Workers

Source: Annual Report about Metal Industry in Slovenia

There are no data available on the irregular economy in this sector, but the employers' organisation representative believes that because the sector is very small, the irregular economy must be insignificant. There are no data relating to categories of salaried workers (both white-collar and blue-collar) in the sector. Workers' level of education is a little higher in sub-sector 35.12 than in sub-sector 35.11[274]. Generally speaking, the level of education in the sector is average. As for gender distribution, there are more men than women.

The average gross wage in NACE DM 35.11 in 2003 was approximately 200,000 SIT (EUR 833.3), compared with approximately 230,000 SIT (EUR 958.3) in DM 35.12[275].

Data from the Metal Processing Industry Association annual report show that sub-sector NACE DM 35.1 reported net losses in 2003, but the situation varies considerably from one sub-sector to the next, and the employers' organisation representative does not foresee difficulties in making further developments in sub-sector 35.12 because of the growth in nautical tourism. He believes that Elan Marine is a successful enterprise if judged by worldwide criteria. However, the situation in sub-sector NACE 35.11 is different. Three years ago, the Izola Shipyard had serious plans to commence a programme of luxury yacht building, but nothing came of it for various reasons. The shipyard is currently undergoing a major economic crisis, and the future of Slovenia's only shipyard is unknown.

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[274] According to estimates from the representative of the employers' organisation.

[275] 1 EUR = approximately 240 SIT. The national average wage in the country is 230,000 SIT (EUR 958.3).

2. Organisations active in the sector

Workers' organisations

There are no trade unions in Slovenia that deal with workers in the shipbuilding industry. Reasons for this, they say, include the small number of workers in the sector and the huge prevalence of small companies, where it is hard to establish a trade union organisation.

Employers' organisations

The **Metal Processing Industry Association** (Združenje kovinske industrije - **ZKI**) was established in the early 1990s, and covers NACE DJ 28, DK 29[276], DM 34 and DM 35. It has four employees, and is a direct member of the Chamber of Commerce and Industry of Slovenia (Gospodarska zbornica Slovenije – GZS). The Association makes use of the services provided by the GZS as a lead organisation.

1,858 enterprises are mandatory members of the ZKI on the basis of their principal activity (sub-sectors NACE 28, 29, 34 and 35)[277]. Of these, 66 are large enterprises, 101 are medium-sized enterprises and 1,691 are small enterprises. However, total membership comes to around 900. This means that the Association allows enterprises to define their membership in accordance with their interests: in other words, if a company wants to become a de *facto* member of another branch association within the GZS - because of interests connected with this other branch association - it can do so. However, all mandatory member enterprises (1,858) are covered by the collective agreement for the metal processing industry. As far as the shipbuilding industry sector is concerned, all salaried workers (551) and all companies (40) are formally members of the ZKI, and are covered by the collective agreement for the metal processing industry sector.

The ZKI cooperates indirectly in national tripartite concertation through the GZS[278], and at sectoral level, it participates directly in collective bargaining: in 1996, the ZKI signed a collective agreement covering sectors NACE 27 to NACE 35. It is currently involved in negotiations on a new collective agreement.

According to the employers' organisation representative, the Association is a member of ORGALIME.

Employers' organisations

Organisation		**Sub-sectors covered**	**Companies**	**SW**	**Density Companies**	**Density SW**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Združenje kovinske industrije, ZKI	Metal Processing Industry Association	NACE 28, 29 (except 29.71), 34 and 35	900 in total; 40 in shipbuilding	46,000 in total; 551 in shipbuilding	100%*	100%*	Yes	GZS	No	ORGALIME	No	No	No

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[276] Sub-sector DK 29.71 should really be excluded since it comes under the "Electronics and Electrical Engineering Association".

[277] Membership of the Chamber of Commerce and Industry is mandatory for all enterprises in Slovenia.

[278] The GZS cooperates directly in tripartite concertation as a lead organisation.

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
* Membership is mandatory.

3. Industrial relations in the sector

Tripartite concertation

There is no tripartite sectoral concertation covering the shipbuilding industry sector exclusively.

Bipartite social dialogue

There is no sectoral bipartite social dialogue covering the shipbuilding industry sector exclusively, and nor is there an employers' organisation or trade union to represent this sub-sector exclusively. However, a broad system of sectoral collective bargaining now covers NACE 27, 28, 29, 30, 31, 32, 33, 34 and 35, and a collective agreement was signed in 1996.

As regards employers' organisations, the players are:

- the Metal Processing Industry Association (Združenje kovinske industrije – ZKI), a member of the GZS;
- the Electronics and Electrical Engineering Association (Združenje za elektroindustijo – ZEI), a member of the GZS;
- the Metals Association (Združeje kovinskih materialov –ZKM), a member of the GZS;
- the 'Metal Section'[279] (Sekcija za kovine – SK), which works within the Slovenian Employers' Association.

As regards trade unions, players are:

- the Metal and Electro Industries Trade Union of Slovenia (Sindikat kovinske in elektro industrije – SKEI), which is affiliated to the Association of Free Trade Unions of Slovenia (Zveze svobodnih sindikatov Slovenije – ZSSS), and to the EMF and IMF. However, it does not cover shipbuilding industry workers. The employers' organisation representative believes that it is the strongest and most influential trade union;
- the Metal, Electro and Metallurgy Industries Trade Union (Sindikat kovinske, elektro in metalurške industrije – SKEMI), which is affiliated to the Confederation of New Trade Unions of Slovenia – Independence (Konfederacija novih sindikatov Slovenije – Neodvisnost – KNSS-Neodvisnost);
- the Union's Confederation 90 of Slovenia (Konfederacija ' 90 – K'90);
- the Independent Trade Union of Slovenia (Neodvisni sindikat Slovenije).

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[279] Author's translation.

All of the above organisations are parties to the agreement although there is no obligation to participate in collective bargaining. The agreement was signed in 1996 and has been amended almost every year since then. The partners agreed that it would be valid for two years, and if none of the parties cancelled it within a given period of time, its validity would be automatically extended for another two years. These same social partners are currently engaged in negotiations for a new sectoral collective agreement[280].

Negotiation at sectoral level deals with questions relating to wages (the increase of wages) and conditions of work while questions from a normative part are very rarely an item on the collective bargaining agenda. In Slovenia, collective agreements are managed hierarchically. A general collective agreement ensures matters such as workers' minimum wages and benefits, while the sectoral collective agreement has to ensure that the benefits that workers receive are enhanced. Similarly, enterprise-level collective agreements have to give workers better benefits than the sectoral agreement.

The 1996 collective agreement, which covers approximately 50% of all manufacturing activities, is the largest collective agreement in Slovenia. According to the employers' organisation representative, this agreement gives a hint of the directions that all further collective bargaining will take in the sense that the pattern of negotiation employed in this field is also used when negotiating collective agreements in other sectors of activities. As far as the shipbuilding industry is concerned, the collective agreement is automatically valid for all enterprises and for all workers in the sector and there is therefore no need to establish an additional extension mechanism.

The afore-mentioned associations recognise one another as partners in negotiations for a collective agreement. However, according to the employers' organisation representative, trade unions have recently questioned the ZKI's right to take part in bipartite sectoral social dialogue given that enterprises active in the metal industry are obliged to be members of the Association. The trade unions argue this compulsory membership is not consistent with the "European rules of the game" whereby negotiating partners at sectoral level should be associations and trade unions with voluntary membership. The question should be resolved by the "Law on Collective Agreements", which has not yet been adopted, but this does not mean that trade unions have refused to negotiate with employers' associations.

Disputes between the social partners include frequent trade union criticism that employers are not willing to negotiate. The employers' organisation denies such 'indictments', and stresses they frequently reject trade union demands because they do not agree with them; they do not refuse to negotiate.

Collective agreements can also be concluded at the enterprise level but, according to the employers' organisation representative, they are usually concluded in larger enterprises where specific matters need to be resolved. As there are no large enterprises in sub-sectors 35.11 and 35.12, the employers' organisation representative takes the view that collective agreements are not concluded in shipbuilding industry sector at enterprise level.

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280 The employers cancelled the 1996 collective agreement last year. Negotiations on a new agreement subsequently got under way, but the cancelled agreement remained valid until the end of 2004, when the social partners should have finalised a new one. As no new agreement was concluded at the end of 2004, the partners agreed that the cancelled agreement's validity should be extended for six months, with made a commitment that the new agreement would be concluded during that period. It should be noted that a new trade union, the Production of Motor Vehicles and Trailers Trade Union (Sindikat proizvodnje motornih vozil in prikolic – SMVP) is participating in negotiations alongside the organisations referred to above.

4. Conclusion

The Slovenian shipbuilding industry is very small in respect of both the number of enterprises and the number of employees. As most companies have fewer than 50 salaried workers, it is hard to establish trade union organisations in them. No trade union in Slovenia covers workers in the shipbuilding industry. On the employers' side, shipbuilding industry companies are mandatory members of the ZKI, the Metal Processing Industry Association within the Chamber of Commerce and Industry of Slovenia.

The collective bargaining process covers a broad range of activity (NACE 27, 28, 29, 30, 31, 32, 33, 34 and 35), which includes the shipbuilding industry. A sectoral collective agreement was signed at this level in 1996, and the social partners are currently taking part in negotiations for a new sectoral collective agreement.

Abbreviations:

GZS:	Chamber of Commerce and Industry of Slovenia (Gospodarska zbornica Slovenije)
ZKI :	Metal Processing Industry Association (Združenje kovinske industrije)

SPAIN

1. Description of the sector

Delimitation and activities of the sector

References to the shipbuilding industry in Spain usually include the occupations and type of industrial output found in NACE 35.11 (building and repairing of ships) and 35.12 (building and repairing of pleasure and sporting boats) for both civil and military use. In fact, production for civil and military purposes has been mixed since the industrial restructuring of the seventies, so much so that in 2002 when the public sector company IZAR was created, both civil and military production were included in its remit. IZAR, which in 2004 accounted for approximately one third of shipbuilding and repair employment in Spain, has since March 2005 suffered a break up with the hiving off of its military production to the newly created public company, NAVANTIA[281], with 5,500 employees, and the privatisation of its civil production shipyards. For this reason, we can say that collective bargaining and tripartite discussions have as a rule covered both civil and military shipbuilding, while allowing for their respective differences.

The distinction between shipyards proper and the maritime equipment or supply industry has been made at different points in time during the various restructurings undergone by the industry. Now however, due to extensive outsourcing, it becomes extremely difficult to draw a precise boundary around the industry. Also, some supply companies whose activity is not limited exclusively to shipbuilding are sometimes included in the industrial sector, and other times not. That is why there are marked discrepancies in the employment figures, as can be seen below.

Socio-economic features of the sector

Shipbuilding has been the target of continued and important restructuring during the last 20 years. These processes have primarily affected the large shipyards and publicly owned yards[282]. The importance of these restructurings can be seen from the fact that employment in the public shipyards declined from 39,229 in 1984 to 11,077 in 2003. In other respects, the number of companies in the industry increased from 1,900 in 1999 to 2,214 in 2004; however, while in 1999 there were 43 companies with more than a hundred employees, five years later only 29 remained[283]. The number of companies without any salaried workers went up from 770 to 941 between these dates, while those with five or fewer employees rose from 608 to 666. This remarkable reduction in company size is a clear indication of the wide use of outsourcing leading to the creation of small and very small companies.

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[281] NAVANTIA is the only company in Spain dealing with military shipbuilding; but there are some supply companies (the number is not known) related with both military and civil shipbuilding.

[282] Due to its strategic nature as the industry associated with the transport of goods and people as well as with military production, the public sector has held a pre-eminent position within the shipbuilding industry.

[283] National Statistical Institute (INE) 2005: *Directorio Central de Empresas (DIRCE)*. Madrid: INE.

Summary table: Companies (2004)

Sub-sectors	Number of companies	% companies without SW	% companies with < 10 SW	% companies with 10 to 100 SW	% companies with > than 100 SW
Total of the sector	2,214	42.5	38.0	18.2	1.3

SW: Salaried Workers

Source: Instituto Nacional de Estadística (2005): *Directorio central de empresas (DIRCE) año 2004.* INE: Madrid. These figures include all companies, civil and military production (specific data for civil production are not available).

As regards the geographical distribution, shipbuilding companies are located along practically the entire Spanish coastline. While the small companies concentrate more on the national market, the medium and large ones are more oriented to the export sector. The presence of foreign capital in the industry is very limited. The extent of the unofficial economy is unknown, but judging from the features of the industry it is considered unlikely to be of importance.

Both UNINAVE[284] and AEDIMAR[285] consider that the industry has taken important steps to improve the technological level both in processes and products (product specialisation strategy), and now Spanish shipbuilding concentrates on vessels with high added value. In spite of the changes it has gone through, the Spanish industry still needs to adjust supply to demand, so as to offer competitive and specialised products that can find their niche in the market[286].

Summary table: Workers (2004)

Sub-sectors	Number of workers	Number of SW	Number of SW / number of SW in the country (%)	Number of SW in companies < 10 SW / number of SW in the sector (%)	Number of SW in companies 10-100 SW / number of SW in the sector (%)	Number of SW in companies > 100 SW / number of SW in the sector (%)
Total of the sector	28,256*	25,000**	0.2**	10**	50**	40**

SW: Salaried Workers

Source: *INE (2004): Encuesta Industrial de las Empresas ('Industrial Survey of Companies 2003') 2003

**Our estimate, based on INE data (2004): *Encuesta Industrial de las Empresas 2003*, and INE (2005): *Directorio Central de Empresas (DIRCE*). These figures include all companies, civil and military production (specific data for civil production are not available).

Employment figures for the industry are seriously affected by the particular qualities of the supply industry (not being exclusively tied to shipbuilding) and also by the fluctuations in maritime transport and the processes of restructuring and reorganisation of production. So, while the 'Gerencia del Sector Naval[287]' gives a figure of 7,349 employees for 2003, albeit in exclusive reference to the same civil dockyards which have remained open since 1975, AEDIMAR provides the figure of 71,650 employees for the same year 2003: 11,650 in shipyards and 60,000 in the supply industry. AEDIMAR recognises that not all supply industry workers are employed on shipbuilding or repairing work. For this reason we opt for the figures from the INE (2004) in its

[284] The Spanish Union of Shipbuilders.

[285] The Spanish Association of Maritime Equipment Industries.

[286] Spanish Official Association of Maritime and Oceanic Engineers (Asociación Oficial de Ingenieros Navales y Oceánicos de España) 2004: *Un futuro sostenible para la construcción naval española*.

[287] As part of the restructuring of the shipyards in 1984, the Ministry of Industry set up the 'Gerencia de la Construcción Naval' with the aim of promoting the restructuring and subsequent competitiveness of the industry. It is a technical body that draws up reports and administers funding from the European Union Structural Funds for training measures requested by companies. It does not intervene in bargaining between trade unions and employers' organisations.

'Industrial Survey of Companies 2003. According to INE the level of employment in NACE 35.1 has declined from 29,443 in 1993 to 28,256 in the year 2003. Between 75-85% of this workforce is found in the supply industry.

The workforce in the sector is basically male (more than 95%) and skilled (workers with training qualifications and a significant number of technical specialists and engineers, given the nature of the industry). With regard to types of employment contracts, these are usually open-ended contracts in the shipbuilding companies, whereas temporary contracts are more common in the supply industry companies.

2. Organisations active in the sector

Workers' organisations

Spanish legislation recognises the right of representation and of taking part in collective bargaining for trade unions according to their results in the social elections (elections for the workplace delegates and workers' committee). Within the scope of NACE 35.1, the most representative trade unions for the whole of Spain are: FM-CCOO with 44.4% of the workplace delegates in the industry, MCA-UGT with 29.2%, and CIG-METAL with 16.9%[288].

The **Metal and Steelworks Federation of Workers' Commissions** (Federación Siderometalúrgica de Comisiones Obreras, **FM-CCOO**) came into its present state in 1996 through a process of mergers within the CCOO that year. In 2004, FM-CCOO had 185,000 members of whom 5,500 in the shipbuilding industry. The great majority of members are skilled, male workers. This organisation is funded basically from membership dues, as well as some government funding. FM-CCOO takes part in the negotiation of all provincial and regional level collective agreements which cover companies in the industry, as well as in the main company level agreements. The union has also been involved in the most important bargaining processes together with companies or employers' associations and with government. FM-CCOO employs a total of 250 people.

The **National Federation of Metal and Construction Workers and Allied Trades of the General Workers Union** (Federación Estatal Metal, Construcción y Afines de la Unión General de Trabajadores, **MCA-UGT**) was set up in 1998 from a merger of two union federations: the metalworkers and the building workers. In 2004, it had around 169,500 members of whom 3,400 in shipbuilding. UGT members are mainly skilled, male workers, with open-ended work contracts for those in shipbuilding companies and temporary ones for those in the supply industry companies. MCA-UGT is funded basically from membership dues. It takes part in negotiating provincial level collective agreements which apply to companies in the sector (in Vizcaya, Asturias, La Coruña, Pontevedra, Huelva, Sevilla, Cádiz, Murcia, Valencia, Cataluña and Baleares). It is also involved in the negotiation of 15 company level agreements in the industry. MCA-UGT is present in the main negotiations involving employers or employer associations and government. MCA-UGT has a workforce of 200 people.

The **Metalworkers' Federation of the Galician Trade Union Confederation** (Federación do Metal do Confederación Intersindical Galega, **CIG-METAL**) is a member federation of CIG (a trade union confederation founded in 1994 whose field of action is the autonomous community of Galicia). CIG-METAL has 8,539 members of whom 879 belong to the civil shipbuilding industry, both public and private. The great majority work in supply industry companies, in ship repairing or in small workshops. According to the trade union, its membership represents 12% of the industry workforce in Galicia, although this figure hardly reaches 3.5% for Spain as a whole. CIG-METAL has a staff of six full-time and six part-time workers. 92% of funding is from membership dues, with the rest coming from income generated by legal services.

[288] ELA-METALA obtained 1.8% and others 7.7%. Source: Ministry of Work and Social Affairs, Ministerio de Trabajo y Asuntos Sociales.

The **Federation of Metalworking Industries and Allied Trades of Basque Workers' Solidarity** (Federación de Industrias Metalúrgicas y Sectores Afines de Solidaridad de Trabajadores Vascos – Metalgintza Industriak eta Kideko Sektoreak Euzko Langileen Alkartasuna, **ELA-METALA**) was founded at the beginning of the 20th century, although it only secured its legal status in 1977. As a Basque trade union, it is only present in the shipbuilding industry in the Basque Country. This organisation did not reply to our questionnaire.

The **Autonomous Collective of Workers** (Colectivo Autónomo de Trabajadores**, CAT**) represents 1,600 members, of which 1,000 belong to the shipbuilding sector, basically workers with indefinite work contracts in the former public sector company IZAR, currently split into NAVANTIA (military shipbuilding) and New IZAR (civil shipbuilding). The union has taken part in the negotiation of the collective agreement of the above-mentioned companies, as well as in the restructuring process in the company. Its degree of representation on the union side in these negotiations was 14.5% (30 delegates out of a total of a little over 200).

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Federación Siderometalúrgica de Comisiones Obreras, FM-CCOO	Metal and Steelworks' Federation of Workers' Commissions	All types	185,000	5,500	22	Yes	CCOO	No	EMF	ETUC*	IMF	ICFTU*
Federación Estatal Metal, Construcción y Afines de la Unión General de Trabajadores, MCA-UGT	National Federation of Metal and Construction Workers and Allied Trades of the General Workers Union	All types	169,500	3,400	14	Yes	UGT	No	EMF	ETUC**	IMF	ICFTU**
Federación do Metal do Confederación Intersindical Galega, CIG-METAL	Metalworkers' Federation of the Galician Trade Union Confederation	All types, in Galicia	8,539	879	3.5 in Spain; 12 in Galicia	Yes	CIG	No	No	No	UIS-TUI	No
Federación de Industrias Metalúrgicas y Sectores Afines de Solidaridad de Trabajadores Vascos, ELA-METALA	Federation of Metalworking Industries and Allied Trades of Basque Workers' Solidarity	All types, in Basque Country	ND	ND	ND	Yes	ELA-STV	No	EMF	ETUC	IMF	ICFTU
Colectivo Autónomo de Trabajadores, CAT	Autonomous Collective of Workers	All types, in public companies	1,600	1,000	4	Yes	No	No	No	No	No	No

SW: salaried workers
Density: number salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
* Through CC.OO; ** through UGT

Employers' organisations

The **Unión Española de Constructores Navales** (Spanish Union of Shipbuilders, **UNINAVE**) was founded in 1988 by 13 shipbuilding and repair companies. Currently it has 22 member companies which have a total of 28 shipyards. The private companies are small or medium-sized, and they are all part of PYMAR (see below): three operate exclusively in the repair and conversion of vessels. The public sector shipyards on the other hand are grouped in IZAR (until the beginning of 2005 when the military shipyards became the new company NAVANTIA, while the civil yards are being privatised). The companies making up UNINAVE employ a total of 13,500 workers, approximately 2,500 in private companies and around 11,000 in the public sector (54% of employment in the industry, this figure includes subcontractors and the supply industry engaged in the building and repair of onboard equipment). In any case, UNINAVE points out that its member companies account for 95% of market share in the shipbuilding sector (excluded supplier companies). The aim of UNINAVE is to promote the interests of shipbuilding and repair companies and to represent the shipyards with the Spanish administration and government. However, it does not intervene in the collective bargaining process with the unions.

The **Spanish Association of Maritime Equipment Industries** (Asociación Española de Industrias Auxiliares Marítimas, **AEDIMAR**) is an organisation founded in 1996 which brings together 250 supplier companies in shipbuilding. These are private companies, mostly small or medium-sized and some large firms, concentrated in Andalucía, Basque Country, Galicia and Asturias. Not all companies affiliated to AEDIMAR work exclusively or even mainly for the shipbuilding sector: AEDIMAR's estimate is that 80% of its companies are very specialised in the shipbuilding sector. In 2003, AEDIMAR member companies had 25,000 employees. According to AEDIMAR, its companies account for 42% of all employees in the sector, which would give a figure of 10,500 people in its member companies working in shipbuilding. AEDIMAR does not intervene in the negotiation of collective agreements: its activity is exclusively oriented towards defending the interests of the supply industry via negotiations with the public authorities.

The **Small and Medium-sized Shipyards in Process of Restructuring, S.A.** (Pequeños y Medianos Astilleros en Reconversión, S.A., **PYMAR**) is a company formed in 1985 to manage the process of restructuring small and medium-sized shipyards. For this reason, it takes part in restructuring negotiations together with the companies and the trade unions. It does not take part in the bargaining process leading to collective agreements. PYMAR is made up of 23 shipyards, all of which are SMEs funded by private capital, and which are spread along the entire Spanish coastline.

The **Spanish Confederation of Metalworking Employers' Organisations** (Confederación Española de Organizaciones Empresariales del Metal, **CONFEMETAL**), formed in 1979, is the employers' organisation of the Spanish metalworking sector. It is made up of representative bodies at the provincial level and of the national associations which are representative in the various sub-sectors of the industry. Although CONFEMETAL does not itself take part in collective bargaining, the provincial level collective agreements in the metal industry affecting companies in shipbuilding are nevertheless negotiated by territorially based employers' associations which are overwhelmingly affiliated to CONFEMETAL. This confederation does not have shipbuilding companies as direct members, but rather indirectly through its member organisations. For this reason, it is not able to report on the number of companies or the amount of employment represented; CONFEMETAL gave us an estimated figure of 80%, but it seems too high due to the large number of small enterprises in the sector.

Employers' organisations

Organisation		**Sub-sectors covered**	**Companies**	**SW**	**Density Companies**	**Density SW**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Unión Española de Constructores Navales, UNINAVE	Spanish Union of Shipbuilders	NACE 35.11	22	13,500	1% of NACE 35.1	54% of NACE 35.1	No	No	No	CESA	No	No	No

Asociación Española de Industrias Auxiliares Marítimas, AEDIMAR	Spanish Association of Maritime Equipment Industries	Supplier companies	250	10,500	11	42	No	No	No	EMEC	No	No	No
Pequeños y Medianos Astilleros en Reconversión, S.A., PYMAR	Small and Medium-sized Shipyards in Process of Restructuring, S.A.	Small and medium sized shipyards	23	2,523	1	10	No	No	No	No	No	No	No
Confederación Española de Organizaciones Empresariales del Metal, CONFEMETAL	Spanish Confederation of Metalworking Employers' Organisations	NACE 35.1	ND	ND	ND	ND	Yes*	CEOE	No	CEEMET	UNICE	No	No

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
*Indirectly, through their association members

3. Industrial relations in the sector

Tripartite concertation

There is no permanent concertation forum involving government, employers and trade unions. Tripartite social dialogue only takes place at particular times, dealing with questions like company restructuring, support measures for the industry, the modernisation of installations or support for R&D, questions related to health and safety at work and continuous training. In these cases the organisations which taking part are FM-CCOO, MCA-UGT and CIG-METAL for the unions, and individual shipyards for employers. UNINAVE has taken part in negotiations on job classification and health and safety.

On the other hand, the convening by the Ministry of Industry of negotiations specifically for the shipbuilding supply industry is pending at the moment. The participants will be the trade unions (FM-CCOO, MCA-UGT and CIG-METAL) and AEDIMAR on the employers' side. The aim of this bargaining is to empower the supply industry with the required technological capacity, diversification and level of competitiveness to enable it to maintain a satisfactory level of output and employment.

Bipartite social dialogue

Different types of negotiation in different spheres take place between unions and company representatives:

- Collective agreements which regulate employment conditions (wages, hours and structure of working time, job classification, training, contract and employment clauses, health and safety, paid leave) for employees in the industry as a whole (with the exception of higher management, engineers and sales personnel whose conditions of employment are usually determined outside the context of these agreements).

- Worker and management representatives also take part in the restructuring processes, and in negotiations on the adaptation and development of issues such as job classification, continuous training, health and safety, or the rejuvenation of the workforce.

Both of these bipartite bargaining processes take place in some cases at company level, and in other cases at provincial or at autonomous community level. There is an obligatory extension of collective agreements (the *erga omnes* rule[289]) throughout the territorial sphere in question.

At both company and provincial or regional level, the organisations which take part in negotiations are those recognised by Spanish labour legislation. In the case of company level negotiations, the participants are always representatives from the company management and the workers' committee or the trade unions themselves in proportion to their representation on the workers' committee. In the case of provincial or regional level negotiations, the participants are the employer organisation or organisations representing the companies within that territorial area on the one side, and on the other, the trade unions representing workers in these companies. The legislation specifies that the proportionality of the negotiating rights for the employer organisations is based on the number of workers in the companies affiliated to the organisation, while that of the unions is based on their respective presence on the workers' committees of the companies within the territorial sphere in question.

Collective bargaining at company level

For the industry as a whole, there are 15 company level collective agreements which cover the main shipyard companies. Overall, we can say that these agreements cover the employment conditions for approximately 50% of the industry workforce. In every case the negotiating partners are company management and the representatives of the workforce, these being either the workers' committee or the trade unions with representation in the company. Basically these unions are FM-CCOO, MCA-UGT, CIG-METAL (in Galicia), to which CAT can be added for the public sector companies. These trade unions take part in proportion to their level of representation on the respective workers' committees.

At company level, and especially within the public sector company IZAR, important negotiations have taken place on restructuring. These have involved the company management and unions with representation in each company.

Collective bargaining at the level of the province or autonomous community

Companies which do not have their own negotiated agreement (some shipyard companies, but above all those in the supply sector) apply the engineering and metalworking collective agreements negotiated at provincial or regional level. There are a total of 20 such agreements covering approximately 50% of the industry workforce. In general the wages and working conditions in these agreements are inferior to those in the company agreements. In the territorial collective agreements the negotiating partners include the representative employers' organisations in the metalworking industry of the province or autonomous community in question. These are generally organisations covering just the metalworking industry with a remit that extends to the province or the region, and the majority of which are members of CONFEMETAL. On the trade unions side the organisations which take part in these negotiations are those with the necessary representation in companies within the territory concerned. Basically these are FM-CCOO, MCA-UGT, as well as CIG-METAL for Galicia y ELA-METALA in the Basque Country.

Aside from this there is a discussion forum for restructuring in small and medium-sized shipyards. This forum consists of PYMAR, representatives from some of the companies and the trade unions FM-CCOO, MCA-UGT and CIG-METAL.

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[289] According to Spanish legislation, collective agreements signed by trade unions or employers' organisations that represent at least half of their respective constituency automaticcally apply to the entire area potentially covered by these negotiations.

4. Conclusion

One of the most notable features of the industry is the continuous restructuring experienced over the last two decades. These restructurings involve significant reductions in the workforce and have led to sometimes severe conflicts, but also to ongoing negotiation processes between companies and trade unions, as well as with the public authorities, especially in their role as public sector employer. At the same time, the restructuring has led to profound changes in the industry, with a notable shrinking of the public sector as a proportion of the whole, the downsizing of companies and an increase in the number of supplier companies as a result of outsourcing and the decentralisation of the productive process. All these aspects are likely to be reflected in future negotiations.

Abbreviations

AEDIMAR:	Spanish Association of Maritime Equipment Industries (Asociación Española de Industrias Auxiliares Marítimas)
CAT:	Autonomous Collective of Workers (Colectivo Autónomo de Trabajadores)
CEOE:	Spanish Confederation of Employers' Organisations (Confederación Española de Organizaciones Empresariales)
CIG-METAL:	Metalworkers' Federation of the Galician Trade Union Confederation (Federación do Metal do Confederación Intersindical Galega)
CONFEMETAL:	Spanish Confederation of Metalworking Employers' Associations (Confederación Española de Organizaciones Empresariales del Metal)
ELA-METALA:	Federation of Metalworking Industries and Allied Trades of Basque Workers' Solidarity (Federación de Industrias Metalúrgicas y Sectores Afines de Solidaridad de Trabajadores Vascos – Metalgintza Industriak eta Kideko Sektoreak Euzko Langileen Alkartasuna)
FM-CCOO:	Metal and Steelworks' Federation of Workers' Commissions (Federación Siderometalúrgica de Comisiones Obreras)
INE:	National Statistical Institute (Instituto Nacional de Estadística)
MCA-UGT:	National Federation of Metal and Construction Workers and Allied Trades of the General Workers Union (Federación Estatal Metal, Construcción y Afines de la Unión General de Trabajadores)
PYMAR:	Small and Medium-sized Shipyards in Process of Restructuring, S.A. (Pequeños y Medianos Astilleros en Reconversión, S.A.)
UIS-TUI:	International Union of Energy, Metal, Chemical, Oil and Related Industries Trade Unions (Unión Internacional de Sindicatos de Trabajadores de la Energía, el Metal, la Química, el Petróleo e Industrias Afines)
UNINAVE:	Spanish Union of Shipbuilders (Unión Española de Constructores Navales)

SWEDEN

1. Description of the sector

Delimitation and activities of the sector

From a statistical point of view, the activities of Sweden's shipbuilding sector come under NACE DM 35.1:

NACE DM 35.1 Building and repairing of ships and boats

- 35.11: Building and repairing of ships
- 35.12: Building and repairing of pleasure and sporting boats

The building of warships is not included in this study.

From the standpoint of collective bargaining, shipbuilding is not a sector on its own but is covered by agreements concluded in three different branches: engineering industries, steel and Iron Industries and wood products industries.

Socio-economic features of the sector

The Swedish shipbuilding industry, one of the industrialised world's biggest and most outstanding sectors during the 1950s and 1960s, receded in terms of employment and profitability in the early 1970s[290]. This decline stemmed principally from the emergence of new competitors on the global market, primarily Japan and South Korea. The crisis became more acute from the end of the 1970s, and between 1975 and the early 1990s the volume of employment in civilian shipbuilding declined by 93.9%[291]. Likewise, from 1987, the building of large-tonnage merchant vessels practically ceased altogether[292].

In the course of the last decade (1993-2004), the sector has nevertheless experienced sustained growth: employment has risen 119% and the number of companies is up more than 38% (through still well below the number of firms during the 1970s). In 2004, the sector accounted for 0.4% of GNP and over the last five years its added value has expanded an average of 4% a year (1999-2004). The sector's activities today include the building of freight ships and oil platforms, and the building and repairing of pleasure and sporting boats.

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[290] At the end of the 60s, Sweden's shipbuilding sector alone accounted for more than 20% of industrial employment. In terms of tonnage, the sector ranked number one in Europe and second worldwide (after Japan) in 1970.

[291] 28,000 Salaried workers in 1975; 1,700 at the beginning of the 1990s.

[292] Storrie D. (1993): “The Anatomy of a large Swedish Plant Closure”. Ekonomiska Studier Nr 38, Department of Economics, Goteborg University, Goteborg, Sweden.

Summary table: Companies (2004)

Sub-sectors	Number of companies	% companies without SW	% companies with < 10 SW	% companies with 10 to 100 SW	% companies with > than 100 SW
Sub-sector 35.11	247	54.8%	32.7%	11.2%	1.2%
Sub-sector 35.12	987	70.2%	25.8%	3.6%	0.3%
Total of the sector 35.1*	1,234	67.1%	27.2%	5.2%	0.5%

SW: Salaried Workers

Source: Företagsdatabasen, Statistic Sweden (SCB, 2004)

* NACE 35.11 and 35.12 except warships, average 2004.

Summary table: Workers (2004)

Sub-sectors	Number of workers	Number of SW	Number of SW / number of SW in the country (%)	Number of SW in companies < 10 SW / number of SW in the sector (%)	Number of SW in companies 10-100 SW / number of SW in the sector (%)	Number of SW in companies > 100 SW / number of SW in the sector (%)
Sub-sector 35.11	1,383	1,247	0.03%	10.4%	30.7%	58.9%
Sub-sector 35.12	3,045	2,352	0.06%	32.2%	44.0%	23.8%
Total of the sector 35.1*	4,428	3,599	0.09%	21.3%	37.4%	41.3%

SW: Salaried Workers

Source: Företagsdatabasen, Statistic Sweden (SCB, 2004)

* NACE 35.11 and 35.12 except building of warships, average 2004.

According to the country's statistics institute (Statistics Sweden, SCB), the shipbuilding sector comprised 1,234 companies in 2004, of which only 405 with salaried workers. The companies employed a total of 3,599 workers, or around 0.094% of wage and salary earners in Sweden.

Shipbuilding firms are located for the most part on Sweden's west coast and are entirely privatised. Nearly half the volume of wage and salary earners in the sector (48.8%) is in companies with fewer than 50 workers. Large companies (more than 100 workers) account for nearly 41% of employment in the sector (of which 24% for companies with more than 500 employees). The building and repairing of pleasure and sporting boats occupies 65% of employees in the sector and the remaining 35% mostly repair freight and passenger ships. There is no data available on the size of the unofficial economy.

According to trade union sources, white-collar workers account for around 35% of salaried workers and 81% of workers in the sector are men. In terms of contracts, around 4.5% of workers in the sector had fixed-term contracts in 2004, well below the national average (18% in 2004). Part-time work (under 35 hours a week) is also low (7% compared to 19% for the economy as a whole). Finally, in 2004 the average hourly wage for blue-collar workers in the sector was around EUR 13.63 (SEK 124[293] compared to SEK 126 for the manufacturing industry as a whole). For white-collar workers, the average monthly salary was EUR 3,329.97 (SEK 30,300 compared to around SEK 29,900 for the manufacturing industry as a whole) in 2003.

[293] 1SEK=0.1099 EUR

2. Organisations active in the sector

Workers' organisations

The Metal Workers' Union (Svenska Metallindustriarbetareförbundet) primarily represents blue-collar workers and had some 292,700 members (of whom 284,405 active members) in 2004, making it the second largest federation in the Swedish Trade Union Confederation (LO). Its members include 568 whose activity is directly related to shipbuilding. The Metal Workers' Union finances its activities mainly through membership dues. It currently has 160 employees. In 2004, the organisation signed two industry-wide agreements, one for metal works and the second for iron and steel.

The Forest and Wood Workers' Union (Skogs och Träfacket) represents mainly blue-collar workers and had membership of around 53,730 (45,741 active members) in 2004. Its members include 513 whose activity is directly related to shipbuilding, primarily joiners and carpenters working in 35 companies. Members' dues finance the union's activities. *Skogs och Träfacket* has 60 employees and is a member of LO. In 2004, it signed an industry-wide agreement for wood and furniture.

The Swedish Association of Graduate Engineers (Civilingenjörsförbundet, CF) recruits its members among qualified engineers (white-collar workers). In 2004, the association had around 75,900 active members and was the second largest federation in SACO, the Swedish Confederation of Professional Associations. For the same year, 158 of its active members were engaged in an activity related to shipbuilding. CF funds its activities primarily through membership dues and has 100 employees. For the shipbuilding sector, the association concludes three industry-wide agreements jointly with SIF and Ledarna, one for metal works, another for wood and furniture, and the third for iron and steel.

The Union of White-Collar Workers in Industry (Svenska Industritjänstemannaförbundet, SIF) recruits mostly employees and intermediate-level professionals (employees, technicians and middle management for the most part). Its high membership (301,086 active members in 2004) makes SIF the biggest federation in TCO, the Swedish Confederation of Professional Employees. In 2004, 626 of its members were engaged in an activity directly related to shipbuilding. SIF, which has around 200 employees, finances its activities through membership dues. It concludes three industry-wide agreements for shipbuilding, jointly with CF and Ledarna.

The Association of Management and Professional Staff (LEDARNA) draws its members essentially from supervisory staff (middle managers, foremen and executive managers) and from the private sector (the public sector representing only around 9% of members) and the self-employed. Following a conflict with TCO, LEDARNA was expelled from that organisation in 1997. In 2004, it had 65,000 active members, of whom around 155 worked in the shipbuilding sector. LEDARNA finances its activities mostly through membership dues and it has 106 employees. It concludes three industry-wide agreements for shipbuilding, jointly with SIF and CF.

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Metall	The Metal Workers' Union	Blue-collar workers	284,405	568	15.8%	Yes	LO	No	EMF EMCEF NM[294] NIF	ETUC via LO	IMF ICEM	ICFTU via LO
Skogs-och Träfacket	The Forest and Wood Workers' Union	Blue-collar workers (carpenters, joiners, forest workers, etc.)	45,741	513	14.3%	Yes	LO	No	EFBWW NBTF	ETUC via LO	IFBWW	ICFTU via LO
Civilingenjörförbundet, CF	The Swedish Association of Graduate Engineers	White-collar (graduate engineers)	75,900	158	4.4%	Yes	SACO	No	EMF EMCEF NM NIF	ETUC via SACO; Eurocadres via SACO	IMF ICEM	ICFTU via SACO
Svenska Industritjänstemannaförbundet, SIF	The Union of White-Collar workers in Industry	White collars and middle management	301,086	626	17.4%	Yes	TCO	No	EMF EMCEF NM NIF EFBWW NBTF	ETUC via TCO; Eurocadres via TCO	IMF ICEM IFBWW	ICFTU via TCO
LEDARNA	Association of Management and Professional Staff	White collars, middle management, executives and managerial staff	65,000	155	4.3%	Yes	No	No	CEC	No	No	No

SW: salaried workers
Density: number of salaried workers affiliated with the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
Source: Metall, Skogs och Träfacket, Sif, CF and Ledarna (2005) and SCB (2005).

Employers' organisations

The three employers' organisations active in the sector are members of the Confederation of Swedish Enterprise (Svenskt Näringsliv, SN).

The Association of Swedish Engineering Industries (Teknikföretagen) has 3,241 member companies with around 303,000 salaried workers. Member companies' activities range from the automotive industry to equipment, machinery, optics, electronic components, etc. (engineering Industries). The association has 120 employees and funds its activities mainly from membership

[294] The two Nordic organisations, NM and NIF, plan to merge in January 2006.

dues. Seventeen of its member companies (representing 403 employees) are active in shipbuilding. The organisation concludes a collective agreement with *Metall* for blue-collar workers in the metal works sector. It also concludes a collective agreement for white-collar workers in the same sector, jointly with SIF, CF and Ledarna.

The Association of Swedish Metal Industries (Metallgruppen) has some 600 member companies employing around 50,000 salaried workers. In the shipbuilding sector, only one company with 147 employees[295] is a member of *Metallgruppen*. The association's funding primarily comes from members' dues. It has 60 employees. The association concludes a collective agreement with *Metall* for blue-collar workers in the iron and steel industry and a separate agreement for white-collar workers in the same sector, jointly with SIF, CF and Ledarna.

The Association of Wood and Furniture Industries (Trä och Möbelindustriförbundet, TMF) has 740 member companies with some 26,000 workers. Ten member companies with around 500 employees are active in the shipbuilding sector. Member companies operate in timber, furniture, wooden supports and façades, etc. The association, which has 30 employees, funds its activities mainly from membership dues. It concludes a collective agreement with *Skogs och Träfacket* for blue-collar workers in the wood and furniture industry. Together with SIF, CF and Ledarna, it concludes a collective agreement for white-collar workers in the same sector.

Employers' organisations

Organisation		**Sub-sectors covered**	**Companies**	**SW**	**Density Companies***	**Density SW**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Teknikföretagen	The Association of Swedish Engineering Industries	Engineering Industries, Machinery and equipment, Telecom and Electronic GoIndustries, motor car industries, Fabricated metal Products, Shipyards and pleasure boats etc	17	403	4.2 %	11.2 %	Yes	SN	No	CEEMET; ORGALIME	UNICE via SN	No	No
Metallgruppen	The Association of Swedish Metal Industries	Steel and metal industries, mining and extraction, mineral product industries	1	147	0.3%	4.1%	Yes	SN	No	No	UNICE via SN; EUROFER [296]	No	No
Trä och Möbelindustriför bundet, TMF	The Association of Wood and Furniture industries	Wood products, furniture, construction of pleasure boats in wood	10	500	2.5%	13.9 %	Yes	SN	No	CEI-BOIS	UNICE via SN	No	No

SW: salaried workers

[295] Companies that are members of this organisation are mainly engaged in military shipbuilding (5 member companies). The small shipyard situated in the port of Goteborg (Götaverken Cityvarvet AB) has 150 employees (active mostly in repairing freight and passenger ships).

[296] Via the Swedish Steel Producers' Association.

Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
Source: Teknikföretagen, Metallgruppen and Trä och Möbelindustriförbundet (2005) and Statistic Sweden (2005)
* These figures were calculated on the basis of the number of companies in the sector with employees, i.e. 405.

3. Industrial relations in the sector

In Sweden, collective bargaining related to shipbuilding activities takes place at the industry level. Strictly speaking, however, shipbuilding does not constitute an united collective bargaining area, but belongs to three separate collective areas: engineering, iron and steel, and wood products. While there are no tripartite negotiations/agreements on working conditions and wages, there is a sustained social dialogue and frequent consultations between the social partners and the public authorities[297].

Six sectoral collective agreements cover shipbuilding, three for blue-collar workers and three for white-collar workers.

- *In the metal works sector*, two agreements are signed: the first between *Teknikföretagen* on the employers' side and *Metall* for the unions (blue-collar workers), and the second between *Teknikföretagen* for the employers and CF, SIF and Ledarna jointly for the unions (white-collar workers).
- *In the iron and steel sector*, two agreements are also signed: the first between the employers' organisation *Metallgruppen* and *Metall* for the unions (blue-collar workers), and the second between *Metallgruppen* on the one hand, and CF, SIF and Ledarna jointly for the unions (white-collar workers).
- Finally, in the *wood products industry*, the employers' organisation TMF signs two agreements, one with the trade union federation *Skogs- och Träfacket* (blue-collar workers), and another with CF, SIF and Ledarna jointly (white-collar workers).

The latest collective agreements covering shipbuilding (concluded in spring 2004) are valid for three years. They contain general provisions on working conditions and pay (minimum salary[298], dismissal notice period, working hours[299], paid leave, overtime pay, training and legal absenteeism).

Sectoral collective agreements give rise to negotiations at company level, where the wage package decided at sectoral level is divided up as follows: for blue-collar workers, a minimum increase is guaranteed to all workers but part of the total package is negotiated on an individual basis; for white-collar workers, the entire package is negotiated individually. In addition, a legal extension procedure enables companies that are not members of an employers' organisation to conclude a collective agreement identical to the sectoral agreement.

According to the social partners interviewed, it is difficult to identify the coverage ratio of collective agreements in the shipbuilding sector. They nevertheless estimate that, for the metal works, iron and steel, and wood products sectors as a whole, the coverage ratio is around 90%. The bargaining climate, without being consensual, is not marked by conflict and the social partners try

[297] The social partners participate in particular in various parliamentary and government committees.

[298] The latest collective bargaining culminated with an agreement for a wage increase of 6.8% for blue-collar workers and 5.8% for white-collar workers over a three-year period. By way of illustration, the collective agreement between *Metall* and *Teknikföretagen* (2004) establishes a minimum wage of SEK 14,500 for unskilled labour and SEK 15,700 for skilled labour.

[299] *Metall* and the employers' association *Teknikföretagen* concluded an agreement that cuts working time 10 minutes a week, coming on top of the reduction of 84 minutes a week negotiated in the previous collective agreement.

to reach constructive compromises[300]. Nor are there any conflicts between management and labour over questions of representativeness. According to the social partners, there have been no industrial conflicts (strikes, lockouts) in shipbuilding for the past decade.

4. Conclusion

The pride of Swedish industry during the fifties and sixties, shipbuilding declined rapidly starting in the mid-1970s with the emergence of new competitors on the international scene, in particular Japan and South Korea. Today, the sector has only 3,600 workers, compared to 28,000 in 1975. From the point of view of collective bargaining, shipbuilding is not a separate sector but is covered by agreements concluded in three branches of industry: engineering, iron and steel, and wood products. Six collective agreements valid for three years (2004-2007) consequently regulate working conditions and pay in the sector, three for blue-collar workers and three for white-collar workers.

Abbreviations

CF:	Swedish Association of Graduate Engineers (Civilingenjörsförbundet)
LO:	Swedish Trade Union Confederation (Landsorganisation Sverige)
NBTF:	Nordic Federation of Building and Woodworkers (Nordiska Byggnads- och Träarbetarefederationen)
NIF:	Nordic Industry Workers' Federation (Nordiska industri arbetarefederationen)
NM:	Nordic Metal
SACO:	Swedish Confederation of Professional Associations
SCB:	Swedish Statistics Institute (Statistics Sweden)
SIF:	Union of White-Collar Workers in Industry (Svenska Industritjänstemannaförbundet)
SN:	Confederation of Swedish Enterprise (Svenskt Näringsliv)
TCO:	Swedish Confederation of professional Employees (Tjänstemanna Central Organisation)
TMF:	Association of Wood and Furniture industries (Trä och Möbelindustriförbundet)

[300] Certain problems do exist between SIF and its counterpart employers' organisations, however, on the interpretation of rules for dismissal, and in particular on the principle of 'last in first out' when staff numbers are cut.

THE NETHERLANDS

1. Description of the sector

Delimitation and activities of the sector

In the classification system used by the Dutch Central Statistics Office (CBS) (*Standaard Bedrijfsindeling*, SBI), the shipbuilding industry is classified as follows:

- SBI 3511: building and repairing of ships, dredging materials, drilling platforms, and related activities;
- SBI 3512: building and repairing of pleasure and sporting boats.

In the framework of collective bargaining, the sector is not unified and is covered by various sectoral collective agreements. Most activities of NACE 35.11 are under umbrella agreements for the metalworking and electrical engineering sector (*groot-metaal*). Other activities of NACE 35.11 as well as a large part of NACE 35.12 (building and repairing pleasure and sporting boats with a metal hull) are under the umbrella agreement for the metalworking and technology-based branches (*klein metaal*). Lastly, activities of building and repairing pleasure and sporting boats with a wooden or synthetic hull (part of NACE 35.12) are covered by a specific branch agreement.

Socio-economic features of the sector[301]

The Dutch shipbuilding industry is specialized in the production of ship of high technological quality. With the restructuring of the sector in the 1970s and 1980s and the specialisation of shipyards in high added-value production, the sector laid the foundations for a sound international competitive position. Today, it has a powerful position in various niche markets[302] (and is market leader in some). In 2004, total turnover of the Dutch shipbuilding industry was EUR 2.3 billion of which 60% from export, and total added value of the sector was EUR 500 million. These figures have been rather constant over the years. A positive feature of the Dutch shipbuilding industry is the complete maritime structure at its disposal. Moreover, the different parts of this structure are located near one another[303].

The importance of the shipbuilding industry in the Netherlands is nonetheless declining. A number of shipyards have been forced to cease their businesses in recent years due to tough competition from other European countries, as well as from Korea and China. In 2004, 1,595 companies were active in the Dutch shipbuilding industry: 52.4% of them did not employ any salaried workers. Approximately 10 companies have military shipbuilding activities besides civilian production[304]. Geographically, the sector is concentrated in three regions: (1) the Rotterdam main port area, mainly shipbuilding and repairs; (2) in the North, the area around the Delfzijl port; in this area many shipyards have had to close and a lot of jobs have disappeared; (3) Zeeland Scheldepoort: specialized in the building of marine ships. Two multinationals are active in the sector: Damen Shipyards and IHC Holland Merwede.

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[301] These data cover both civilian and military production.

[302] Dredgers; Coasters; Large Yachts; Tugs; Inland vessels.

[303] Source: VNSI, 2004.

[304] Source: VNSI interview.

Summary table: Companies (01-01-2004)

Sub-sectors	Number of companies	% companies without SW	% companies with < 10 SW	% companies with 10 to 100 SW	% companies with > than 100 SW
Building and repairing of ships (35.11)	570	45.6%	30.7%	20.2%	3.5%
Building and repairing of pleasure and sporting boats (35.12)	1,025	56.1%	36.6%	6.8%	0.5%
Total of the sector (35.1)	1,595	52.4%	34.5%	11.6%	1.6%

SW: Salaried Workers
Source: CBS

As a consequence of the transfer of production activities to Eastern Asia and Eastern Europe and the closure of a dozen shipyards for financial reasons (between 1997 and 2004), employment in the sector has fallen slightly and is expected to decline further as a consequence of pressure on added value and profitability[305]. Today, the shipbuilding industry offers employment to circa 25,000 persons[306] that is 0.33% of total employment in the Netherlands.

A further consequence of the transfer of production activities is the relative increase of higher educated, white-collar personnel. As regards wages, less qualified workers in the shipbuilding industry (and the metalworking and electrical engineering/metalworking and technology-based sectors) earn below average wages, while higher skilled workers earn above average wages[307].

The shipbuilding industry has an aging workforce. In 2002, 47% of the workforce was 45 years of age or older, 20% of the workforce was even 55 years of age or older. Most workers are men. There are no figures available on the incidence of illegal labour and the union representatives mention that the increasing use of sub-contracting practices makes it difficult to get a clear view on the matter. However, illegal labour is not a major concern for the unions.

2. Organisations active in the sector

Workers' organisations

The **Dutch Trade Union Federation** (Federatie Nederlands Vakverbond, **FNV Bondgenoten**) is the most powerful trade union in the Dutch industry, with 450,000 members.

- The FNV **Metal section** represents the interests of metalworkers, including workers in shipbuilding sub-sectors, except those working for companies building and repairing pleasure and sporting boats with a wooden or synthetic hull. One and a half full-time equivalent staff members are employed by the union to deal with the shipbuilding industry. The FNV Metal section is a signatory to various sectoral collective agreements: it signs a Collective Agreement for the metalworking and electrical engineering sector and a Collective Agreement for the metalworking and technology-based branches. This organisation counts about 2,500 members in the different shipbuilding segments that are part of the metalworking and electrical engineering sector but it has no membership figures for the different shipbuilding segments that are part of the metalworking and technology-based sector. However, trade

[305] Policy Research, 2003, cited in: Aa, R. van der, C. Jansen & M. Stuivenberg (2003), *Monitor Maritieme Arbeidsmarkt 2003* (Monitor Maritime Labourmarket 2003), Delft: Delft University Press.

[306] The exact employment level is unknown.

[307] FVN interview.

union sources suggest that the FNV union density is up to 20-25%[308]. This would mean that in the shipbuilding segments of the metalworking and technology-based sector, FNV has an estimated 2,500-3,000 members. Lastly, the FNV was also a signatory to the Collective Agreement for higher personnel in the metalworking and electrical engineering sector (18 December 2002 – 30 June 2004).

- The FNV **construction industry section** represents the interests of workers in companies building and repairing pleasure and sporting boats with a wooden or synthetic hull (part of NACE 35.12). This organisation signs sectoral collective agreement for this sub-sector.

The Christian Trade Union Federation (Christelijk Nationaal Vakverbond, **CNV**)

- The CNV **Industrial, food production and transport sectors, Metal and Electrical Section,** represents the interests of shipbuilding industry workers, except those employed by companies that build and repair pleasure and sporting boats with a wooden or synthetic hull. Around one full-time equivalent staff member works for the shipbuilding industry. In the framework of the collective bargaining, CNV signs sectoral collective agreement for the metalworking and electrical engineering sector and sectoral collective agreement for the metalworking and technology-based branches. CNV was also a signatory to the Collective Agreement for higher personnel in the metalworking and electrical engineering sector.
- The CNV **wood and construction industry section** represents the interests of workers in companies building and repairing pleasure and sporting boats with a wooden or synthetic hull. There are no figures on density of CNV membership in this sub-sector. This organisation is a signatory to the Collective Agreement for the building of wooden and synthetic pleasure and sporting boats.

The **Union** (De Unie) mainly represents workers in NACE 35.11 and hardly any in NACE 35.12. It has about 500 active members in the sector[309]. Most are white-collar workers (management personnel). De Unie is a signatory to sectoral collective agreement for the metalworking and electrical engineering sector and to the collective agreement for the metalworking and technology-based Branches. De Unie was also a signatory to the Collective Agreement for higher personnel in the metalworking and electrical engineering sector.

The **Association for Higher Personnel in the Metalworking and Electrical Engineering sector** (Vereniging Hoger Personeel in de Metalektro, **VHP Metalektro**) represents the interests of higher personnel in the shipbuilding industry (both NACE 35.11 and 35.12). It was a signatory to the Collective Agreement for higher personnel in the metalworking and electrical engineering sector.

Trade Unions

Organisation		**Type of SW**	**Members**	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
FNV Bondgenoten, Sector Metaal	FNV Allies Section, Metal Sector	Both blue- and white-collar workers	ND	5,000-5,500 (estimation)	20-25	yes	FNV	No	EMF	No	IMF	No

308 The density rate is difficult to estimate given the fact that the exact employment level is not known.

309 There are no figures available on inactive members, such as the unemployed or retired workers.

FNV Bondgenoten, Sector Bouw	FNV Allies Section, Construction Industry sector	Both blue- and white-collar workers	ND	ND	ND	yes	FNV	No	EFBWW	No	IFBWW	No
CNV Bedrijvenbond Vakgroep Metaal en Electro	CNV industrial, food production and transport sectors, section Metal and Electrical	Blue-collar workers with a Christian background (50%) Middle-management and higher educated personnel (50%)	ND	1,350	5.5	yes	CNV	No	EMF	No	IMF	No
CNV Hout- en Bouwbond	CNV wood and construction industry	Both blue- and white-collar workers	ND	ND	ND	yes	CNV	No	EFBWW	No	IFBWW	No
De Unie	The Union	Mainly white-collar / management personnel	ND	500	2	yes	MHP[310]	No	EMF	No	IMF	No
Vereniging voor Hoger Personeel in de Metalectro, VHP Metalectro	Association for Higher personnel in the metalworking and electrical engineering sector	Higher personnel	ND	ND	ND	yes	MHP	No	EMF	No	IMF	No

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

Employers' organisations

The **Netherlands' Shipbuilding Industry Association** (Vereniging Nederlandse Scheepsbouw Industrie, **VNSI**) represents 165 companies active in NACE 35.1: 85 are shipyards (including five for pleasure and sporting boats), the other 80 are associate members (supply companies, service providers, etc.). VNSI employs 10 workers. In the different sub-sectors, the density (companies) of the organisation is estimated as follows: 95% in building of sea ships (with a turnover of EUR 1.2 billion); 65% in repairing of ships (with a turnover of EUR 250 million); 55% in building of small ships (turnover of EUR 400 million).

VNSI does not itself participate in collective bargaining for the sector (it participates indirectly through its membership of the higher level national federation). It attends regular round-table consultations with the Ministry of Economic Affairs and the trade unions addressing issues such as a level playing field, the funding of the Dutch shipbuilding industry and innovation. These consultations take place in the context of the European project "Leadership 2015".

The **Federation for the Metal and Electrical Industry – Contact Group of Employers in the Metal Industry** (Federatie voor de Metaal en Electrotechnische Industrie – Contactgroep van Werkgevers in de Metaalnijverheid, **FME-CWM**[311]) represents 2,750 companies employing 260,000 salaried workers in the metal and electrical industry sector. This organisation has a staff of

[310] Trade union confederation for Middle and Higher Personnel (Vakcentrale voor Middengroepen en Hoger Personeel, MHP)

220 salaried workers. VNSI is one of its 160 branch organisations representing the shipbuilding industry within the federation. The density of FME-CWM in the metalworking and electrical engineering sector is 80%; in the shipbuilding industry it is around 95%. FME-CWM is a signatory to the Collective Agreement for the metalworking and electrical engineering sector. It was also a signatory to the Collective Agreement for higher personnel in the metalworking and electrical engineering sector. It participates in regular round-table consultations with the Ministry of Economic Affairs and the unions.

FME-CWM has entered into an Occupational Safety and Health (OSH) Covenant between several ministries and VNO-NCW and MKB-Nederland on working with hazardous materials. On 18 February 2004 the so-called Hazardous Materials Covenant (Convenant Stoffen) was signed by five ministries and eight branch organisations, including FME-CWM, and the Employers' Organisations Federation VNO-NCW.

The **Royal Metalunion** (Koninklijke Metaalunie) represents the interests of 11,000 member companies (SMEs) in the metal sector. Yacht-building/shipbuilding is one of the 50 branches covered by the organisation: it has 200 members in the yacht-building industry, 50 in the shipbuilding industry (inland vessels) and 75 shipbuilding supply companies. The organisation estimates that these member companies represent some 3,800 salaried workers. The density (companies) of the Metaalunie is about 70-75%; in the pleasure and sporting boats industry, it is 90-95%. The equivalent of a half-time employee in the organisation deals with the yacht- and shipbuilding industry. Through its membership of the Federation of Employers' Organisations Metalworking and Technology-based Branches (FWM[312]), Metaalunie is a signatory to the Collective Agreement for the Metalworking and Technology-Based Branches.

The **Dutch Boating Industry Association** (HISWA Vereniging) is the umbrella organisation for all water-sport companies. As far as the shipbuilding industry is concerned, HISWA represents the interests of companies that build or repair pleasure or sporting boats with a wooden or synthetic hull. HISWA was founded in 1932, but has been a branch organisation only since 1984. It has 1,100 member companies from 17 branches (many employers are members of both Metaalunie and HISWA). HISWA claims to represent 60% of the employers in the pleasure and sporting boats industry (NACE 35.12). This figure is challenged by Metaalunie. HISWA is a signatory to the Collective Agreement for the wooden and synthetic pleasure and sporting boats as well as for water sports supporting activities.

Employers' organisations

Organisation		**Sub-sectors covered**	**Companies**	**SW**	**Density Companies**	**Density SW**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
Original name	English name		number	Number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Vereniging Nederlandse Scheepsbouw Industrie VNSI	Netherlands' Shipbuilding Industry Association	NACE 35.1	165	ND	95% in building of sea ships (with a turnover of EUR 1.2 billion); 65% in repairing of ships (with a turnover of EUR 250 million); 55% in building of small ships (turnover of	ND	No	FME-CWM Koninklijke Metaalunie	No	CESA	No	No	No

[311] FME resulted from a merger of five employers' organisations in the sector in 1961. CWM was founded in 1951 by 12 machine factories and assembly workshops in Rotterdam and grew over the years to a broad association of SMEs in the metal, man-made fibre and technology sectors. FME and CWM merged in 1996.

[312] FWM (Federatie Werkgeversorganisaties Metaal en Techniek) is a cooperative of branch organisations.

					EUR 400 million).								
Federatie voor de Metaal- en Electrotechnische Industrie – Contactgroep van Werkgevers in de Metaalnijverheid, FME-CWM	Federation for the Metal and Electrical Industry – Contact Group of Employers in the Metal Industry	metalworking and electrical engineering sector	2,750, of which 165 in NACE 35.1	260,000	+-95% in NACE 35.1 (estimate)	ND	Yes	VNO-NCW[313]	No	CEEMET	No	No	No
Koninklijke Metaalunie	Royal Metalunion	Metal sector	11,000, of which 200 in the yacht building industry, 50 in the shipbuilding industry and 75 in shipbuilding supply companies	3,800 in NACE 35.1 (estimate)	70-75%;,90-95% in NACE 35.12	ND	No	FWM; MKB-Nederland	No	No	No	No	No
HISWA Vereniging	Dutch Boating Industry Association	Water-sport companies: In NACE 35.1, companies that build or repair pleasure or sporting boats with a wooden or synthetic hull	1,100	ND	60% of NACE 35.12	ND	Yes	No	No	EURMIG	No	ICOMIA	No

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

313 Confederation of Netherlands Industry and Employers (Vereniging van Nederlandse Ondernemingen-Nederlands Christelijk Werkgeversverbond)

3. Industrial relations in the sector

Tripartite consultation

Since the end of 2003, regular consultations have been held between members of parliament, the social partners and other representatives of the maritime sector within the so-called Round Table Group for the Shipbuilding Industry. The main aim of these consultations is to improve the competitive position of the Dutch shipbuilding industry through three priorities: (1) the issue of financing the shipbuilding industry; (2) the promotion of innovation; (3) the maintenance of a level playing field within the European Union. These consultations take place in the context of the European project "Leadership 2015".[314]

Representing the social partners are the two employers' associations VNSI and FME-CWM, and the two trade unions FNV Bondgenoten and CNV Bedrijvenbond.

Bipartite social dialogue

From the point of view of collective bargaining, the sector is not unified, since it is covered by four different collective agreements:

Collective agreements

NACE 35.1 sub-sector covered	Agreement	Parties		Duration	Coverage
		Trade union	*Employers' organisation*		
- NACE 35.11 except a certain category of inland vessels; - part of NACE 35.12: a few large shipyards building and repairing pleasure and sporting boats	Collective Agreement for the metalworking and electrical engineering sector	1. FNV Bondgenoten (Metal), 2. CNV Bedrijvenbond (Metal), 3. De Unie	1. FME-CWM	1 July 2004 – 1 November 2007	generally extended by the government , 100% coverage
	Collective agreement for higher personnel in the metalworking and electrical engineering sector	1. FNV Bondgenoten (Metal), 2. CNV Bedrijvenbond (Metal), 3. De Unie, 4. VHP Metalectro	1. FME-CWM	1 July 2004 – 1 November 2007	generally extended by the government , 100% coverage
- small part of NACE 35.11: certain category of inland vessels; - part of NACE 35.12: Building and repairing of pleasure and sporting boats that have a metal hull	Collective Agreement for the metalworking and technology-based branch	1. FNV Bondgenoten (Metal), 2. CNV Bedrijvenbond (Metal), 3. De Unie	1. FWM (Royal Metalunion is one of its member unions)	1 May 2005 – 31 January 2008	generally extended by the government , 100% coverage

[314] According to both employers' organisations and trade unions, the Dutch government does not make full use of the possibilities created by the European Commission to support the shipbuilding industry. This concerns the use of the Temporary Defence Mechanism (TDM) and the Framework on State Aid to Shipbuilding (2003/C 317/06), more specifically the use of the innovation paragraph (3.3.1). Employers' organisations and unions together protested against the government's attitude in this context in 2004, which resulted in greater use of the TDM (the Minister of Economic Affairs has promised money to the shipbuilding industry) and the introduction of a guarantee fund for the shipbuilding industry, which has been submitted to the EC for approval. The introduction of a regulation for the promotion of innovation is still under discussion between the government and the social partners.

- part of NACE 35.12: Building and repairing of pleasure and sporting boats that have a wooden or synthetic hull	Collective Agreement for the building of wooden and synthetic pleasure and sporting boats as well as for water sports supporting activities	1. FNV (Construction), 2. CNV (Wood and construction industry)	1. HISWA Vereniging	26 November 2004 – 1 January 2006	generally extended by the government , 100% coverage

All participating organisations recognize one another as partners at the bargaining table and there are no conflicts between players regarding recognition issues.

The content of these agreements focuses on pay, working time, pensions, employability, etc. Both the Collective Agreement for the metalworking and electrical engineering sector and the Collective Agreement for the metalworking and technology-based branch offer the possibility of introducing tailor-made provisions at concern- company-, branch- or regional level. These stipulations are called B-provisions in the collective agreement. In practice, however, this instrument is rarely used.

Alongside the regular collective bargaining at sectoral level, bipartite consultations also take place on specific subjects – at sectoral, branch and/or company level:

- On labour market and vocational training:
  - at branch level: between unions, VNSI and training institutes for NACE 35.11; and between unions, HISWA and Metaalunie for employers and training institutes for NACE 35.12;
  - at sectoral level: the metalworking and electrical engineering sector has a Labour Market and Training Fund, the rules of which have been laid down in a separate collective agreement. Signatory parties: FME-CWM, FNV Bondgenoten, CNV Bedrijvenbond, De Unie and VHP Metalectro.
- On restructuring
  - At company level: given the many company shutdowns in recent years, there have been a number of consultations leading to the conclusion of redundancy programmes at company level. Signatory parties are companies (advised by FME-CWM or Metaalunie), FNV Bondgenoten, CNV Bedrijvenbond, De Unie.

4. Conclusion

The shipbuilding industry is a highly organised sector in the Netherlands. The density of both employers' organisations and unions is high. Employers' organisations in the sector estimate their density at about 95% (compared to anaverage density of 80% for employers' organisations). Unions cannot provide exact figures because they do not register their members under the NACE codes. They do note, however, that the shipbuilding industry has the highest density of all sectors in the Netherlands. Estimates range from 27.5 to 32.5%, which is indeed above the average union density in the Netherlands (27%).

As for regular collective bargaining, the shipbuilding industry comes under the metalworking and electrical engineering sector and the metalworking and technology-based Industry, except for part of the pleasure and sporting boats industry that has a separate branch-level collective agreement. All collective agreements are generally extended, so they have 100% coverage.

Abbreviations

CBS: Central Statistics Office (Centraal Bureau voor de Statistiek)

CNV:	Christian Trade Union Federation (Christelijk Nationaal Vakverbond)
FME-CWM:	Federation for the Metalworking and Electrical Engineering Industry – Contact Group of Employers in the Metalworking Industry (Federatie voor de Metaal- en Electrotechnische Industrie – Contactgroep van Werkgevers in de Metaalnijverheid)
FNV:	Dutch Trade Union Federation (Federatie Nederlands Vakverbond)
FWM:	Federation of Employers' Organisations for Metalworking and Technology-based Branches (Federatie Werkgeversorganisaties Metaal en Techniek)
HISWA:	Dutch Boating Industry Association
MHP:	Trade union Confederation for Middle and Higher Personnel (Vakcentrale voor Middengroepen en Hoger Personeel)
MKB-Nederland:	Dutch Federation of Small and Medium-Sized Enterprises (Midden- en Kleinbedrijf Nederland)
TDM:	Temporary Defence Mechanism
VHP:	Association for Higher Personnel (Vereniging voor Hoger Personeel)
VNO-NCW:	Confederation of Netherlands Industry and Employers (Vereniging van Nederlandse Ondernemingen-Nederlands Christelijk Werkgeversverbond)
VNSI:	Netherlands' Shipbuilding Industry Association (Vereniging Nederlandse Scheepsbouw Industrie)

UNITED KINGDOM

1. Description of the sector

Delimitation and activities of the sector

Activities of the shipbuilding industry in the UK are those covered by the group DM 35.1. "Building and repairing of ships and boats" of the NACE Rev 1.1 classification.

Socio-economic features of the sector[315]

In 2003, shipbuilding represented just over 0.1% of total turnover, and about 0.15% of total employment in the United Kingdom[316]. Between 1995 and 2003, total output for the sector (SIC 35.1) declined by 4% (in constant prices). However, this general picture masks a shift in production with a sharp output decline in shipbuilding and repairing sub-sector (SIC 35.11), and a growth in pleasure and sporting boats sub-sector (SIC 35.12). By 2003, the latter represented 29% of the sector's total turnover, compared with only 16% in 1997. This shift in production is reflected in employment.

Employment and output in shipbuilding (current prices): NACE 35.1 Building and repairing of ships and boats

Year	Total turnover	Approximate gross value added at basic prices	Number of enterprises	Total employment average during the year	Total employment costs
	£ million	*£ million*	*Number*	*Thousand*	*£ million*
1995	2,303	1,190	1,599	/	756
1996	2,663	1,215	1,559	/	794
1997	3,025	1,156	1,535	/	908
1998	3,593	1,359	1,520	43	960
1999	3,341	1,841	1,843	41	839
2000	2,481	994	1,645	34	753
2001	2,685	1,170	1,543	38	720
2002	2,517	962	1,531	35	799
2003	2,492	1,027	1,463	32	874

Source: Annual Business Inquiry, Office for National Statistics.

[315] These data included the building of warships

[316] Source: Annual Business Inquiry, Office for National Statistics.

Most companies in the sector are SMEs, which occupy niche market positions. It also has world-leading UK manufacturers with a significant international presence. The employment impact of shipbuilding extends beyond those directly employed there as a further 50k are employed in the subcontracting, supplier and support industries[317].

2. Organisations active in the sector

Workers' organisations

The **Confederation of Shipbuilding and Engineering Unions** (CSEU) is a bargaining cartel for the engineering and shipbuilding industries. It encompasses all the unions in shipbuilding and ship repair in the UK, notably, Amicus, the GMB, and the TGWU. Its negotiating committee is currently chaired by the GMB, and from July 2005, the chair will pass to Amicus. This cartel negotiates pay and conditions of employment at enterprise level.

The **Amicus** was formed by the merger of the AEEU and MSF, and in 2004, of the GPMU (Amicus also merged with Unify the banking union in early 2005). It has 1,200,000 members across a wide range of economic sectors. In shipbuilding and ship repair, it represents skilled manual, technical and other white-collar workers and has about 6,000 members. It is funded by membership subscriptions. This organisation takes part in tripartite bodies for the sector (Shipbuilding and Marine Industries Forum and SEMTA). At national level, it is a member of the Trades Union Congress (TUC) and CSEU. At European level, it is a member of ETUC and EMF, and it is a member of the international organisation ICFTU.

The **GMB** has about 600,000 members across a wide range of sectors. It is the largest union in the shipbuilding and ship repair sector, and represents about 22,000 members in all occupations. Its origins go back to the nineteenth century, but it has grown in recent years as a result of mergers between a large number of different unions. This organisation is funded by member subscriptions. It is a member of the bargaining cartel CSEU for collective bargaining over pay and conditions of employment at enterprise level. It also takes part in tripartite cooperation within the Shipbuilding and Marine Industries Forum and the SEMTA.

The **TGWU** has 835,000 members across all sectors. There is no data as regards the number of members in the shipbuilding sector but it is considered small. This organisation is a member of the bargaining cartel CSEU for collective bargaining over pay and conditions of employment at enterprise level. It also takes part in the Shipbuilding and Marine Industries Forum and SEMTA. This organisation is funded by member subscriptions.

Trade Unions

Organisation	**Type of SW**	**Members***	**Members working in the sector**	**Density**	**CB**	**National affiliations**		**European affiliations**		**International affiliations**	
	Type	Number	Number	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Amicus	Blue- and white-collar skilled and technical	1,200,000	6,000	ND	Yes	TUC; CSEU	No	ETUC; EMF	No	ICFTU	No
GMB	All types	600,000	22,000	ND	Yes	TUC; CSEU	No	ETUC; EMF	No	IMF	No

[317] Amicus website 2005

TGWU	All types	835,000	ND	ND	Yes	TUC; CSEU	No	ETUC; EMF	No	ICFTU	No

SW: salaried workers
Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?
* Source: union websites

Employers' organisations

The **Shipbuilders and Shiprepairers Association** (SSA) represents companies whose principal activities relate to shipbuilding (some merchant vessels, but predominantly warships), ship repair and the conversion of ships. SSA has also a smaller group of consultants and suppliers as members. Its members' list includes over 50 companies and major shipyards in the UK.

The SSA's main aims are to further the interests of its members, encourage and facilitate business improvement and to promote the industry generally. This organisation does represent members on employment-related issues, but this is infrequent, and generally on a company-by-company basis rather than industry-wide. It also participates in the Sector Skills Council for Science, Engineering and Manufacturing Technologies and the Shipbuilding and Marine Industries Forum.

The SSA provides a range of services to its member firms, including a Masterclass programme aimed at 'continuous business improvement', advice on innovation and technical advancement in the industry, marketing services, involvement in research and development, parliamentary briefings for members, environment, health and safety, human resources and training.

Employers' organisations

Organisation	Sub-sectors covered	Companies	SW	Density Companies	Density SW	CB	National affiliations		European affiliations		International affiliations	
		number	number	%	%	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Shipbuilders and Shiprepairers Association SSA	Shipbuilding and ship repair	More than 50	ND	ND	ND	Yes[318]	No	No	CESA	No	No	No

SW: salaried workers
Density companies: number of companies affiliated / total number of companies in the sector
Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector
CB: Does the organisation take part in collective bargaining?

318 Yes but this is infrequent, and generally on a company-by-company basis rather than industry-wide.

3. Industrial relations in the sector

Social dialogue in the sector

The main elements of tripartite and bipartite social dialogue in the Shipbuilding industry include:

- the Shipbuilding and Marine Industries Forum;
- informal discussions between the industry and the unions;
- the industry skills council.

The *Shipbuilding and Marine Industries Forum* an industry-led body that was established in 1998 to bring together the industry, unions, training facilitators and Government Departments. It is run by the Department of Trade and Industry's Marine Unit which provides the secretariat for the Forum. The Forum provides a mechanism for closer co-operation between the various stakeholders in the industry. It is pursuing several initiatives aimed at boosting the competitiveness of the industry and at improving the skills base of the commercial and naval shipbuilding industry, in order to ensure that it has all the necessary skills to meet the considerable demands that will be placed on it over the coming decade. In this framework, the Forum works closely with the sector skills council, SEMTA.

The *Sector Skills Council for Science, Engineering and Manufacturing Technologies (SEMTA)* is one of a network of 22 sector skills councils (SSC). SSCs are independent, UK-wide organisations developed by groups of influential employers in industry or business sectors of economic or strategic significance. They are employer-led[319] and actively involve trade unions, professional bodies and other stakeholders in the sector. Each SSC agrees sector priorities and targets with its employers and partners to address four key goals: (1) Reducing skills gaps and shortages; (2) Improving productivity, business and public service performance; (3) Increasing opportunities to boost the skills and productivity of everyone in the sector's workforce, including action on equal opportunities; (4) Improving learning supply, including apprenticeships. SSCs are licensed by the Secretary of State for Education and Skills, in consultation with Ministers in Scotland, Wales and Northern Ireland, to tackle the skills and productivity needs of their sector throughout the UK.

The sector skills council SEMTA covers Science, Engineering and Manufacturing Technologies sectors, which includes shipbuilding and ship repair within its remit. It includes representatives of employers and trade unions and is responsible for administering the Sector Skills Agreements[320].

In addition, *informal discussion and collaboration* takes place between the employers' organisation SSA, the Society of Maritime Industries (SMI), the British Marine Federation (BMF) and the unions Confederation CSEU.

Collective Bargaining over pay and conditions of employment

As it is the norm in the United Kingdom, collective bargaining on pay and conditions takes place at company level. There are no industry-level agreements.

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[319] SSCs give responsibility to employers to provide leadership for strategic action to meet their sector's skills and business needs. In return they receive substantial public investment and greater dialogue with government departments across the UK. This will enable sector employers to have a far greater impact on policies affecting skills and productivity, and increased influence with education and training partners.

[320] http://www.semta.org.uk.

Nevertheless, there has been one interesting recent example of a joint agreement involving the main unions that span several companies operating in the same locality. This reflects the tendency for shipbuilding and repair to operate on river estuaries, and to draw labour from a shared local labour market. In such cases, there may be advantages in common approaches to skills, safety and quality. One instance of this can be found in the 2002 agreement on the Tyneside[321]. Three companies, Swan Hunter, Amec Oil and Gas, and McNulty Offshore, agreed, with Amicus and the GMB, a single set of pay and conditions for manual workers in the three shipyards. That deal was part of a comprehensive initiative by the companies and the trade unions to win new work, and provide greater continuity of employment, improve the area's skill base, and create a more stable industrial relations environment. The companies agreed to synchronise lay-offs at one company with recruitment at another. Other issues covered concern health and safety and training addressed through joint employer-union activities. The agreement provides also for harmonisation of safety procedures and a commitment to implement the same comprehensive health and safety programme for all workers, including contractors at all three sites. However, the number of workers covered was small: Swan Hunter had about 450 employees, and Amec 110 operators and 250 agency workers and staff.

4. Conclusion

The industry has undergone considerable restructuring in recent years, and as a result, issues of corporate restructuring, downsizing, relocation of production, and contract work have been of concern to the main unions of the sector. Industrial sustainability, quality and training have also been key concerns. Pensions have also become an issue.

Abbreviations

BMF: British Marine Federation

CSEU: Confederation of Shipbuilding and Engineering Unions

SEMTA: Sector Skills Council for Science, Engineering and Manufacturing Technologies

SMI: Society of Maritime Industries

SSA: Shipbuilders and Shiprepairers Association

SSC*:* Sector Skills Council

TUC: Trades Union Congress

[321] Source: IDS Report 868, Nov. 2002 p. 13.

ANNEX

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- Legacoop – http://www.legacoop.it/
- Previndai – http://www.previndai.it/
- UCINA – http://www.ucina.net/

- UGL – http://www.ugl.it/
- UGL Metalmeccanici – http://www.ugl.it/
- UIL – http://www.uil.it/
- UILM – http://www.uil.it/uilm
- Unionmeccanica – http://www.unionmeccanica.it

Malta

- bezzinagroup.com
- cassarshiprepair.com
- GWU-Malta Shipyards Collective Agreement 2003-2008
- Ministry for Economic Services (2003) 'National Industry Policy. Prosperity in Change: the Way Forward'
- Ministry for Finance (2004) 'Economic Survey, January-September 2004'
- National Statistics Office (NSO)
- www.gwu.org.mt

Portugal

- *Associação das Indústrias Marítimas* – Association of Maritime Industries (2003 and 2004), Report and Accounts, Lisbon.
- Mateus, A. et al. (2000), Diagnóstico Prospectivo da Indústria Metalúrgica e Metalomecânica Portuguesa, Lisboa, *Associação Nacional das Empresas Metalúrgicas e Electromecânicas* – National Association of Metallurgical and Electro-mechanic Industries.
- Ministry of Labour and Social Security – *Direcção-Geral de Estudos, Estatística e Planeamento* – General Direction of Studies, Statistics and Planning (2002), Personnel Tables, Lisbon.
- *Instituto Nacional de Estatística* – National Statistics Institute (2001, 2002), Economic and Financial Statistics, Lisbon.
- *Instituto Nacional de Estatística* - National Statistics Institute (2001, 2002), Enterprise Statistics, Lisbon.
- *Instituto Nacional de Estatística* - National Statistics Institute (2001 and 2002), Enterprise and establishment Statistics, Lisbon.

Slovak Republic

- Collective Agreement for 2004 between the management of Slovenske lodenice Komarno and the enterprise trade union of Slovenske lodenice Komarno
- Act on Collective Agreement No. 2/1991 Coll. of Laws
- Labour Code No. 311/2001 Coll. of Laws
- www.slovenskelodenice

Slovenia

- Metal industry in 2003, the 'Chamber of Commerce and Industry of Slovenia', 2003.
- Interview with a representative of the 'Metal Processing Industry Association' at the 'Chamber of Commerce and Industry of Slovenia'.
- Talk with a worker in enterprise 'Shipyard Izola'.

Spain

- Instituto Nacional de Estadística (2005): *Directorio central de empresas (DIRCE) año 2004*. INE: Madrid.
- Instituto Nacional de Estadística (2004): Encuesta Industrial de las Empresas. INE: Madrid.
- Ministerio de Trabajo y Asuntos Sociales
- Gerencia de la construcción naval (www.gernaval.org/General/presentacion.htm)
- And websites of workers' and employers' organisations.

The Netherlands

- AA, R. van der, C Jansen & M. Stuivenberg (2003), *Minitor Martieme Arbeidsmarkt 2003* (Monitor Maritime Labourmarket 2003), Delft: Delft University Press.
- Ministerie van Economische Zaken (2004), *Industriebrief "Hart voor de Industrie", 2004,* Den Haag: Ministerie van Economische Zaken.
- Webers, H. & C. Peeters (2003), *De Nederlandse Maritieme Cluster: Monitor en Dynamiek* (The Dutch Maritime Cluster: Monitor and Dynamics), Delft: Delft Universtiy Press.

B. Consultation

Austria

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
FMS	Yvonne Hasiwar	secretary
GMT	Manfred Anderle	leading secretary

Belgium

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Agoria	Renneboog	Adjunct adviseur
Agoria	Potemans	Adviseur
CMB-FGTB	Jorissen	Chairman
CSC-metal	Janssen	Chairman
CGSLB	Seghin	

Cyprus

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Cyprus Industrial Workers Federation (OVIEK), SEK	Mr Panayiotis Frangou	Secretary
Cyprus Trade Union of Metalworkers, Mechanics, and Electricians (SEMMEK), PEO	Mr Andreas Thoma	District Organisation Officer
Cyprus Chamber of Commerce and Industry (CCCI)	Mr Petros Michaelides	Officer in charge of the Pancyprian Association of Owners of Professional Tourist Vessels
Statistical Service of Cyprus	Mr Angelos Agathangellou	Senior Statistical Assistant

Czech Republic

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Odborový svaz KOVO (Czech Metalworkers´ Federation KOVO)	Zdeněk Kolář	Head of the Department of Collective Agreements and Wages

Denmark

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Danish Martime	Thorkil H. Christensen	Managing Director
Danish Maritime	Michael Prehn	Legal Consultant
Confederation of Danish Industries, DI	Glen Søgaard	Chief Consultant
CO-industri	Henrik Kjærgaard	Deputy Head, Coordinator of the Shipyard Committe

Estonia

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Federation of Estonian Engineering Industry	Mr. Aleksei Hõbemägi	Manager of development
the Federation of Estonian Metalworkers' Trade Unions	Mr. Endel Soon	Chairman
BLRT Grupp	Mr. Heinart Puhkim	Personnel manager
Loksa Shipyard Ltd.	Mr. Rein Heina	Personnel manager
Loksa Shipyard's trade union	Mr. Vladimir Mištšenko	Chairman
Federation of Estonian Water Transport Workers' Trade Unions	Ms. Tatjana Burtseva	Administrative Assistant

Finland

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Teknologiateollisuus ry /Meriteollisuus	Henrik Nordell	Branch manager
Venealan keskusliitto Finnboat ry	Jouko Huju	Managing director
Metallityöväen liitto	Antti Jokinen	Economist
Kemianliitto	Several persons	
Toimihenkilöunioni	Ilkka Joenpalo	Chair of the union

France

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Fédération FO de la métallurgie	M. Perier	Federal Secretary
Fédération CGT de la métallurgie	M. Bastide	Membre du bureau federal de la métallurgie
Fédération générale des mines et de la métallurgie-CFDT	M. Gillier	
UIMM Provence	Mme Pennet	Juriste
UIMM Loire-Atlantique	M. Guinot	General Secretary
Fédération de la métallurgie-CFTC	M. Crusson	Conseiller fédéral
FIN	Ms. Boudot	Responsable juridique
Fédération de la métallurgie-CFE-CGC	M. Patillon	Président du syndicat CGC des Chantiers de l'Atlantique
Chantiers de l'Atlantique	M. Mabit	Membre de la DRH des Chantiers de l'Atlantique
Chambre syndicale des constructeurs de navires	M. Théobald	

Germany

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Nord-West-Metal	Mr. Momme Janssen	Exec.MA
North-Metal	Mrs. Schellin	Apprentice
Metal Unterweser	Mr. Baum	deputy General Manager
Metall North Rhine-Westphalia	Mrs. Krause	
Metal Lower Saxony		
Metal Palatinate	Mr. Rink	
IG Metal Coastal Region	Mr. Heino Bade	Responsible Shipbuilding expert
VSM	Mr. Alexander Geisler	Referent

Greece

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Panhellenic Metalworkers' Federation (POEM)	Mr. Em. Kontopanos	President
Piraeus Metalworkers' Union	Mr. Sot. Paloukoyiannis	President
Panhellenic Association of Sandblasters, Cleaners, Painters, and similar occupations	Mr. Deliyannis	President
Association of Wood–processing and Vessel Woodwork of the Piraeus region	Mr. Vas. Kalogeropoulos	Vice-President
Union of Electricians in Ship-repairing of Attica	Mr. Prodr.Kyriakopoulos	President
Association of Metal Production and Processing Industries of Piraeus (ENEPEM)	Mr. Con. Siderides	President

Association of Piraeus Shipbuilders (ENAP)	Mr. Dim. Metaxas	President
Association of Artisans–Employers-Mechanics of Piraeus	Mr. Ath. Kalambokas	President
Association of Contractors of Vessel Woodworks of Piraeus Area	Mr. Andreadis	General Secretary
Association of Sandblasting, Painting & Cleaning Contractors of Attica	Ms M. Mihopoulou	President
Association of Electricians for Shipbuilding and Ship-Repair Activities of Piraeus	Mr. Dim. Roumeliotis	President
Association of Hellenic Shipbuilding and Ship-repairing Industries (EENB)	Mr. Ioan. Manolemis	President

Hungary

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Plattensee Co.	H. G., male	CEO
Plattensee Co.	M. I., male	Mechanical engineer, head of quality management unit
Balaton Shipping Co. Trade Union	K.K., male	President

Ireland

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Irish Marine Federation	Steven Conlon	Awaiting full title

Italy

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
FIOM-CGIL	Re David, Francesca	*National Secretary*
	Bianchi, Sandro	*National coordinator for the Shipbuilding Industry*
	Rinaldini, Gianni	*General Secretary*
FIM-CISL	Nelli, Carlo	*FIM of Genoa*
	Caprioli, Piergiorgio	*General Secretary*
UILM-UIL	Ghini, Mario	*Responsible for the Shipbuilding Industry*
	Regazzi, Antonio	*General Secretary*
Federmanager	Cucinotta, Paolo	*Directive, Employment and Welfare Division*
Federmeccanica	Falcone, Elena	*Officer*
	Santarelli, Roberto	*General Director*
Assonave	Sicurezza, Renato	*Director*
UCINA	Pollicardo, Lorenzo	*General Secretary*
Unionmeccanica/ Confapi*	Frari, Maurizio	*President of Unionmeccanica*
Legacoop	Buzzi, Franco	*President of ANCPL*
Confcooperative	Mingrone, Marco	*Officer of Federlavoro e Servizi*
FNAM/ Confartigianato	Cerminara, Raffaele	*National Secretary of Confartigianato Metalmeccanica*
Assomeccanica	Franco Giuliani	*President*

**After many phone calls, we did not succeed in getting any information.There is no clear definition of the repartition of responsibilities between confederation (Confapi) and sectoral association (Unionmeccanica) with regard to representativeness data*

Latvia

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Latvijas Udens Transporta Arodbiedrību Federācija, ŪTAF (Water Transport Trade Union Federation)	Aleksejs Holodnuks	President
Latvijas Kuģu Remonta Arodbiedrība (Latvian Ship Repair Trade Union)	Vasilijs Jakimovs	President
Mašīnbūves un Metālapstrādes Rūpniecības Uzņēmēju asociācija (Association of Mechanical Engineering and Metalworking Industries of Latvia)	Vilnis Rantins	President

Lithuania

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Association of Lithuanian Shipbuilders and Ship Repairers	Algirdas Renkauskas	Director

Malta

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
GWU	Massimo Alakkad	Assistant Section Secretary
GWU	Charles Agius	Section Secretary
Buccaneer Boats Ltd	Charles Cassar	Director
Malta Boat Builders Association	Dominic Zarb	President
Kaptan Boats	John Tabone	Director
Marine crafts	Mario Aquilina	Director
Petercraft	Peter Aquilina	Director
Malta Boats and Trailers	Ronald Cremona	Director

Poland

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Association of Polish Maritime Industries - Forum Okretowe	Slawomir SKRZYPINSKI	Manager of the Office
Gdansk Shiprepair Yard "Remontowa"	Piotr SOYKA	Chairman
Free Trade Union of Maritime Industry's' Workers	Kazimierz SCHREIBER	President of the Federation
Free Trade Union of Maritime Industry Workers	Kazimierz MYA	President of this union in the Gdansk Shiprepair Yard "Remontowa"
The Maritime Industry Workers' National Section of the Independent Self-Governing Trade Union "Solidarnosc"	Dariusz ADAMSKI	President of the National Section
Damen Ship Yards	Jacek DUCH	Manager
Solidarnosc 80	Ryszard BORKOWSKI	President of this union in the Szczecin Shiprepair Yard GRYFIA

Portugal

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
FEQUIMETAL	João Silva	General Secretary
ANEMM	João Reis Madalena Gonçalves	General Director Juridical Department
AIMMAP	Mafalda Gramaxo	Legal Department
AIM	Ventura de Sousa	General Secretary
SINDEL	Vitor Duarte	President
SIMA	António Simões	General Secretary

Slovak Republic

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Metalworkers' Union KOVO (Odborovy zvaz KOVO)	Emil Machyna	president
Slovenske lodenice Komarno trade union	nobody	

Slovenia

Methodological remark from the national expert: "In the course of this research, I contacted representatives of three trade union confederations (there are four confederations altogether, but one mainly focuses on the paper and graphical industry), but they were not able to cooperate as they neither cover this part of industry nor organise members in it. After several attempts, I finally managed to talk to one worker in the biggest shipyard in Slovenia, the Izola Shipyard, which is currently, however, undergoing a major economic crisis. However, I was not able to collect many relevant data regarding social dialogue in the sector under examination, or about enterprises in this sector. As for employers' organisations, I interviewed a representative of the Metal Processing Industry Association, which operates within the Chamber of Commerce and Industry of Slovenia. Membership in the Chamber of Commerce and Industry is obligatory for all enterprises in Slovenia. Every year, it draws up an annual report on the Slovenian engineering industry on the basis of a range of statistical data, and particularly figures produced by the Agency of the Republic of Slovenia for Public Legal Records and Related Services. For this reason, I believe that data received from the representative of this body are reliable. At the same time, it is important to bear in mind that the data relate to the year 2003; figures for 2004 are not yet available. The second employers' organisation, the Slovenian Employers' Association, which operates as a voluntary association, has no members in sub-sectors 35.11 and 35.12."

Spain

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
CCOO	Pedro Lorca	Responsable del sector naval de la Fed. Minero-Metalúrgica
CAT (Colectivos Autónomos de Trabajadores de la Industria naval)	Iñaki Fuentes	Miembro sección sindical Izar
UGT	Manuel Fernández López	Secretario general Federación Metal
ELA	Daniel Gómez	Secretario general Federación Metal
CIG	Miguel Anxo Malvido	Secretario general del Metal
UNINAVE (Asociación de Constructores y Reparadores	Ramón López Eady	Director

Navales Españoles)		
AEDIMAR (Asociación Españolade Industrias Auxiliares Marítimas)	Roberto Pérez	Ingeniero naval
PYMAR (Pequeños y Medianos Astilleros Sociedad de Reconversión)	Núria Calvo	Secretaria del Director general
ANAVE (Asociación de Navieros Españoles)	Araceli de Hita	Gabinete de estudios
CONFEMETAL	Andrés Sánchez	Secretario general
NAVANTIA S.L (Izar Construcciones Navales S.A.)	Jesús María Pérez Esteban	
Astillero Barreras	José Manuel Maceiras Varela	Director de recursos humanos

We have also contacted to the following relevant firms of the sector, without answer: Astilleros de Santander, Unión Naval Valencia, S.A., Zodiac Española S. A., Tincasur Sur, S.L., Metal Ships (Rodman Polyships), Gaditana de Chorro y Limpieza, S.L. and Astilleros Armón.

Sweden

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Teknikföretagen	Bengt Linqvist Bengt.linkvist@teknikforetagen.se	Chief Economist
Metallgrupen Stål och Metall	Urban Leval urban.leval@metallgruppen.se and Rober Schön robert.schon@metallgruppen.se	Vice president resp Bargaining Chief
Trä och Möbelindustriförbundet TMF	David.jonsson@arbio.se ingrid.casserborg@arbio.se	Bargaining Chief
Skogs och träfacket	bo-ingemar.johansson.fk@skogstrafacket.org	Ombudsman
Metall	Veli Pekka Sääkkila 0706 32 63 57 och 08-786 81 85. Veli-pekka.saikkala.fk@metall.se contacteé le 25 mai atttend la reponse.	Bargaining Chief
Sif	Linda.madsen@sif.se 0702 89 79 84	Ombudsman

CF	Tove.Mathiasson@cf.se	Satistic unit CF
Ledarna	Rolf Johansson Rolf.Johansson@ledarna.se	Ombudsman

The Netherlands

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
Federatie voor Metaal- en Electrotechnische Industrie – Contactgroep van Werkgevers in de Metaalnijverheid (FME-CWM)	Mr. Henri Kroezen	Staff member
Koninklijke Metaalunie (Royal Metalunion)	Mr. Gerwin Klok	Staff member
Vereniging Nederlandse Scheepsbouw Industrie (VNSI)	Mr. Pieter 't Hart	Staff member
Federatie Nederlandse Vakbeweging, FNV Bondgenoten Sector Metaal	Mr. Ruud van de Berg	Executive officer
Christelijk Nationaal Vakverbond, CNV Bedrijvenbond, Vakgroep Metaal en Electro	Mr. Henk van Beers	Executive officer
De Unie (The Union)	Mr. Gerard van der Lit	Executive officer

United Kingdom

Name of the organisation consulted	Name of the person consulted	Function of this person in this organisation
SSA	Tom Dougherty	Director
CSEU	John Wall	Chair elect of the CSEU
Amicus	John Wall (Gsec) Steve Marsh (RO)	General Secretary elect (JW), & Research Officer (SM)
GMB	Keith Hazlewood	National Secretary
T&G	/	/

European Organisations consulted

Name of the organisation consulted	Date of the sending of the report
EMF	November 7, 2005
CESA	November 7, 2005