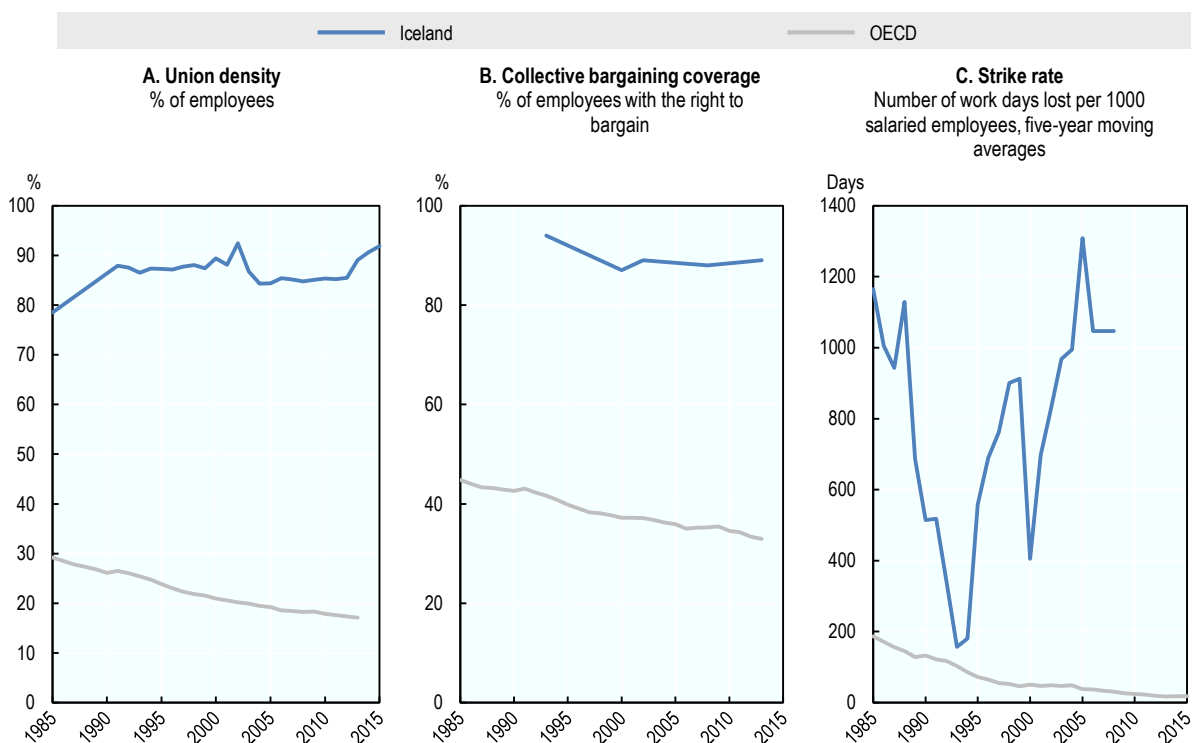


## Iceland

### KEY FEATURES OF THE COLLECTIVE BARGAINING SYSTEM IN 2015

Predominant level	Sectoral
Degree of centralisation/decentralisation	Centralised
Co-ordination	No
Trade union density in the private sector	80-90%
Employer's organisation density	60-70%
Collective bargaining coverage rate	80-90%
Quality of labour relations	High

### TRENDS IN INDUSTRIAL RELATIONS IN ICELAND, 1985-2015



## BUILDING BLOCKS OF COLLECTIVE BARGAINING

The detailed description of the building blocks of collective bargaining mainly relies on information provided by the responses to the policy questionnaires that were sent to Labour Ministries, employer organisations and trade unions in 2016. The information reported in the questionnaires represents the situation in **December 2015**.

### Use of *erga omnes* clauses

Legal application of a sector level agreement in the absence of administrative extensions	General effect (all workers and all firms)
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Legal application of a firm-level agreement	All workers
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### Use and coverage of extensions

Use of extensions of sectoral collective agreements	No, but functional equivalent in place.
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Procedure	Collective agreements apply to all workers and employers in their domain of reference.
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Representativeness criteria	Not relevant
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Public interest criteria	Not relevant
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Exemptions or possibility of appeal	Not relevant
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### Duration of collective agreements

Average duration	24-36 months
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Maximum duration of collective agreements	Yes, agreed by social partners (otherwise on year) at firm and sectoral levels.
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Can contracting parties terminate an agreement before its expiry date?	No, agreements remain valid until the end.
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### Ultra-activity of collective agreements

Is maximum duration of after-life/ultra-activity of agreements fixed by law?	In the absence of termination notice the agreement is automatically renewed for one year.
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### Retroactivity of agreements

Do firms have to pay arrears in case of late renewal?	No legal obligation but parties may agree.
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Does retroactivity apply only to members of signatory parties or does it cover all parties?	All firms and workers.
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**Use of the favourability principle** Not relevant

### Use and scope of derogations and opt-out

Derogations from the law No

Derogations from collective agreements

Scope Derogations can be foreseen in sector-level agreements.

Topics Not relevant

Rationale Not relevant

Criteria Not relevant

Other Not relevant

### Forms of co-ordination

Mode of co-ordination Inter/Intra-associational

Degree of co-ordination Limited

### Enforcement of collective agreements

	Sector-level agreements	Firm-level agreements
Do agreements typically include a peace clause?	Yes	Yes, common.
Do agreements typically include a mediation/arbitration procedure?	No	No
Is it compulsory?	Not relevant	Not relevant

**Worker representation at the workplace** Union or union representatives.

### Board-level employee representation

Public sector Not relevant

Private sector Not relevant

Scope Not relevant

Proportion/number of workers' representatives Not relevant

Nomination of candidates Not relevant

Appointment mechanism Not relevant

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