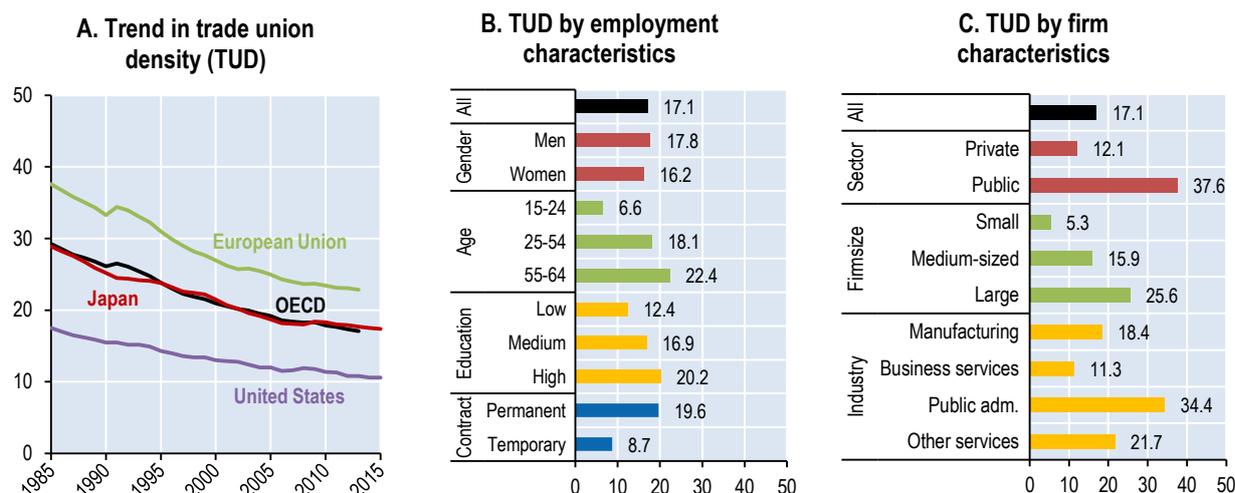


In all OECD and accession countries, workers and employers can associate to express their interests and concerns and negotiate the terms and conditions of employment. This process of collective representation, negotiation and decision making is a key labour market institution and a fundamental principle and right at work as well as a key pillar of social dialogue at national level. However, since the 1980s, this process of collective representation and negotiation has faced a series of major challenges resulting from, technological and organisational changes, policy reforms, globalisation, the decline of the manufacturing sector, new forms of work and population ageing. Building on a rich set of survey and administrative data and using detailed information collected through new OECD policy questionnaires that were addressed to Labour Ministries and social partners, the [2017 edition of the OECD Employment Outlook](#) provides a rich overview of collective bargaining institutions and practices, as they function today in OECD countries and a selected group of emerging economies.

Trade union membership declined by half since 1985

On average across OECD countries, 30% of workers were members of a union in 1985. The corresponding figure today is only 17%. Union members tend to be predominantly male, middle-aged (between 25 and 54 years old), working with medium or high skills in medium or large firms, and on a permanent contract.

These averages mask huge variations across countries – only 4.5% of workers are unionised in Estonia and about 6% in Turkey, while about 65% are union members in Sweden, Denmark, and Finland, and 92% in Iceland.



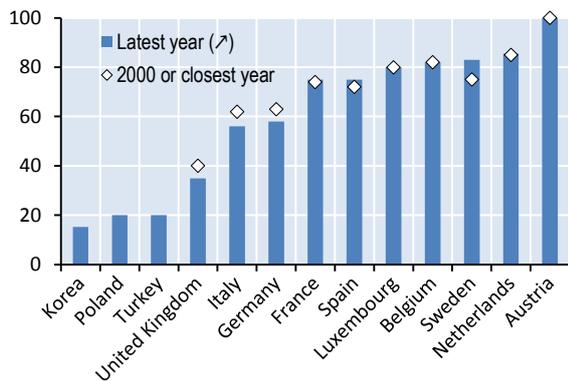
Source: OECD/ICTWSS Database (<https://stats.oecd.org/Index.aspx?DataSetCode=TUD>) and OECD Employment Outlook 2017, http://dx.doi.org/10.1787/empl_outlook-2017-8-en.

Employer and business organisations keeping stable

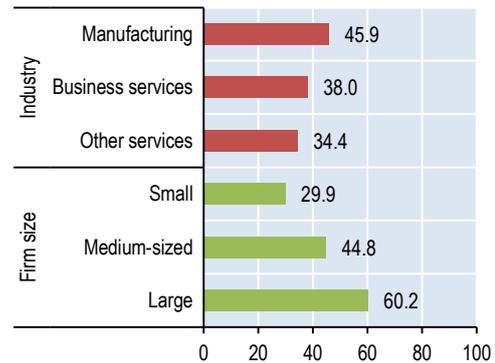
Employers are the other key actors of collective bargaining, but much less is known about their membership in employer and business organisations. Membership to employer organisations (at least in those countries for which time series are available) shows a remarkable stability which sharply contrasts with the fall observed in trade union density. Employer organisations tend to represent, in terms of employees, more firms in manufacturing and construction than in services. In most OECD countries, they are also more representative of medium and large firms.

Like trade union density, employer organisation density varies considerably across OECD and accession countries – it is very low in Central and Eastern European countries, Korea, and Turkey, but about 80% in the Netherlands, Sweden, Belgium, and Luxembourg (and 100% in Austria, due to compulsory affiliation for all firms). In most OECD countries outside Europe, employer associations represent the interests of business (i.e., lobby and voice) but do not bargain collective agreements, with most, if not all bargaining taking place at the firm level.

A. Employer organisation density (ED)



B. ED by industry and firm size in the private sector



Source: ICTWSS Database (<http://www.uva-aias.net/en/ictwss>) and OECD Employment Outlook 2017, http://dx.doi.org/10.1787/empl_outlook-2017-8-en.

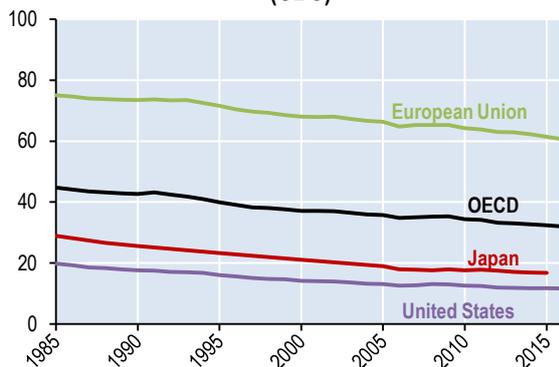
Membership rates and membership composition are not the only elements to gauge the influence of unions and employer organisations. These rates are closely interlinked with the labour relations system itself and often reflect long historical patterns. However, they are good proxies to measure the ability of unions and employers to represent a broad base of workers and firms or merely a narrow segment of them.

Share of workers covered by collective agreements also declining

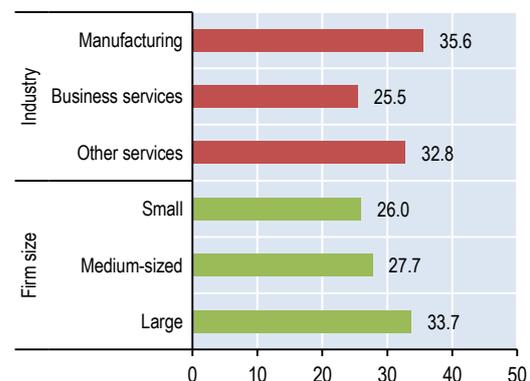
The share of employees covered by collective agreements shrank by a fourth, from 45% in 1985 to 32% in 2016. As with trade union density, the decline in collective bargaining coverage was strongest in Central and Eastern European countries as well as in Australia, New Zealand, and the UK. Coverage has been relatively stable in most of continental European countries except for Germany and, more recently, Greece. Collective bargaining coverage is slightly higher in manufacturing, construction, and energy and

electricity supply than in business services or other sectors. Firm size also matters – 26% of workers are covered by a collective agreement in small firms while 34% are covered in large firms. In small firms, the probability of being covered by a collective agreement is much lower in the absence of a multi-employer agreement at sectoral or national level as small firms are much less likely to negotiate and sign a firm-level agreement.

A. Trend in collective bargaining coverage (CBC)



B. CBC by firm characteristics in the private sector



Source: OECD/ICTWSS Database (<https://stats.oecd.org/Index.aspx?DataSetCode=CBC>) and OECD Employment Outlook 2017, http://dx.doi.org/10.1787/empl_outlook-2017-8-en.

OECD Collective bargaining webpage

For more information on collective bargaining systems and their different building blocks, visit www.oecd.org/employment/collective-bargaining.htm

Statistics on trade union and collective bargaining coverage can be accessed using the OECD data warehouse OECD.stat.

Contact: CollectiveBargaining@oecd.org