

United Kingdom

Main indicators and characteristics of collective bargaining

This note presents the main indicators and characteristics of collective bargaining in the United Kingdom for 2019 or the the latest year available. The purpose of this note is to provide a snapshot of the functioning of collective bargaining in the United Kingdom that can be used for comparisons with other countries in the database. Therefore, this note does not provide a precise description of the legal provisions or standard practices in the United Kingdom but only a general summary.

The first version of the OECD and AIAS, Institutional Characteristics of Trade Unions, Wage Setting, State Intervention and Social Pacts (ICTWSS) database has been released in February 2021 and has been produced with the financial assistance of the European Union Programme for Employment and Social Innovation “EaSI” (2014-2020), VS/2019/0185. The views expressed herein can in no way be taken to reflect the official opinion of the European Union.

The OECD/AIAS ICTWSS database together with its codebook, a note on methodology and sources and a glossary is publicly available at www.oecd.org/employment/ictwss-database.htm. For any information or correction, please contact CollectiveBargaining@oecd.org.

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The actors and scope of collective bargaining

<i>Trade union density (% of employees)</i>	23.5% (in 2019)
<i>Adjusted bargaining (or union) coverage rate (% of employees with the right to bargain)</i>	26.9% (in 2019)
<i>Employer organisation density (% of employees)</i>	53.8% (in 2017)

Wage setting

<i>The predominant level at which wage bargaining takes place (in terms of coverage of employees)</i>	Bargaining predominantly takes place at the local or company level
<i>The combination of levels at which collective bargaining over wages takes place</i>	Sectoral (separate branches of the economy) and company, with company agreements that specify, or deviate from, sectoral agreements, guidelines or targets
<i>Reach or incidence of additional enterprise bargaining</i>	No additional enterprise-bargaining
<i>Favourability</i>	Hierarchy between levels is undefined and a matter for the negotiating parties (not fixed in law)
<i>Opening clauses in sectoral collective agreements</i>	Agreements contain no opening clauses
<i>Crisis-related, temporary opening clauses in collective agreement</i>	Agreements contain no opening clauses
<i>Mandatory extension of collective agreements to non-organised employers</i>	There are neither legal provisions for mandatory extension, nor is there a functional equivalent
<i>Is there a statutory minimum wage in your country?</i>	Yes, there is one or more statutory minimum wage rate(s) that cover(s) all or most employees

Wage co-ordination

Coordination of wage-setting

Some coordination of wage setting, based on pattern setting by major companies, sectors, government wage policies in the public sector, judicial awards, or minimum wage policies

Type of coordination of wage setting

Pattern bargaining

Works councils and employee representation in the enterprise

Status of works council

Works councils (etc.) are voluntary, i.e. even where they are mandated by law, there are no legal sanctions for non-observance

Involvement of works councils (or similar structures) in wage negotiations

Social pacts and agreements

A social pact or central agreement is signed in specified year No

Existence of a tripartite council for the purpose of negotiation, consultation or information exchange over social and economic policies No permanent council