



RECOVER

Relaunching Collective Bargaining
Coverage in Outsourced Services



Bargaining coverage conflicts in outsourced intensive occupations

The case of cleaning activity – Italy and France

Marcello Pedaci – University of Teramo

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Developments of the outsourcing

Outsourcing (of the activity) developed since the 1980s with a relevant increase in the 1990s and early 2000s

Outsourced workers: IT 90%, FR 66% (of workers performing cleaning activities) ← Female, migrant and unskilled workers over-represented

Most widespread form of outsourcing: **to other companies → to a cleaning company**; the large majority of outsourced cleaners are **employees** of cleaning companies



Sector of cleaning companies: **growing turnover** (and number of enterprises)

Employees in **small enterprises** (<= 19 employees) 22.6% of the sectoral workforce in Italy, 11% in France

Growing but still limited incidence of **self-employed** and of **platform work** (es. YouGenio).

Low incidence of **temporary agency work** (used by providers, i.e. by cleaning companies)

Reasons of the outsourcing

Main reason: **reducing costs**

Other reasons: to concentrate on core functions, to access external specialisations, to shed the responsibility of the organisation of this kind of activity

Public administrations ← austerity measures, decreasing financial resources



Strong and increasing **pressures of the «(invisible) third parties»** (clients), pressures on prices → pressures on costs, in particular on labour costs (more intense in Italy)

High competition (above all on costs) for contract with clients (more intense in Italy)

Collective bargaining coverage

In both countries predominance of **multi-employer bargaining**, with industry-wide negotiations (and agreements)

Relevant role of **collective agreements signed by the major** (most representative) sectoral workers and employers' organisations (es. in Italy they cover about 65% of the sectoral workforce)

Italy

1) for all types of enterprises – *CCNL Servizi di pulizia e multiservizi* – employers: Confindustria, Confapi, CNA, Casa, Legacoop, Confcooperative, Confcommercio; unions: FILCAMS-CGIL, FISASCAT-CISL, UILTRASPORTI-UIL

2) craft/small enterprises (max 15 employees) – *CCNL Servizi di pulizia (artigiani)* – employers: Confartigianato, CNA, Casartigiani, CLAAI; unions: FILCAMS-CGIL, FISASCAT-CISL, UILTRASPORTI-UIL

France

1) for all types of enterprises – Convention collective nationale des entreprises de propreté et services associés – employers: FEP; unions: FNPD-CGT, FEETS-FO, SNES CFE–CGC, Fédération des Services CFDT

Conflicts, gaps, etc.

Employment terms and conditions set up by the cleaning sector collective agreements are often **less generous** than those set up (for **cleaners**) by collective agreements covering **other sectors** (es. public administrations, railways, banks, etc.)

Italy

Regulations of terms and conditions in some sectoral collective agreements for workers performing **cleaning activities**

Sectoral collective agreement	Monthly wage (2)	Additional monthly payments	Weekly working time
Cleaning activities (2011-2013)	1,178.84 – 1,442.31	Thirteenth and fourteenth	40
Cleaning activities (craft companies) (2014-2016)	1,150.82 – 1,367.19	Thirteenth	40
Banks (2015-2017)	1,830.38	Thirteenth	37
Regional and local authorities (2006-2009) (1)	1,359.54 – 1,461.64	Thirteenth	36

France

Monthly wage – workers - cleaning activities

Sectoral collective agreement	Monthly wage
Entreprises de propreté et services associés	1,280
Manutention ferroviaire	1,510

In addition, in Italy, the case of «**pirate agreements**»: sectoral collective agreements signed by poorly representative employers and workers' organisations → worse terms and conditions

Mainly applied by **small and craft enterprises**, above all (but not only) providers of small **private organisations**

New rules on **public procurement** – following EU directive – discourage application of pirate agreement. But rules not yet completely implemented.

Moreover, they overlook private procurement.

Regulations of terms and conditions in some «pirate agreements» for workers performing **cleaning activities**

Sectoral collective agreement	Monthly wage (2)	Additional monthly payments	Weekly working time
Agreement signed by <u>Cisal</u> and <u>Ampit</u> , <u>Cidec</u> , <u>Confazienda</u> , <u>Fedimprese</u> , <u>Unica</u>	953.34	Thirteenth	40
Agreement signed by <u>Fesica</u> , <u>Confsal</u> e <u>Unci</u>	1,089.99 – 1,292.30	Thirteenth	40

Moreover, in both countries higher incidence of cases of **non-compliance** of collective agreements and **non-application** of any kind of collective agreements, i.e. of companies and workers uncovered by collective bargaining

And, in Italy, lesser diffusion of company-level collective bargaining (also in medium-large firms)

Factors include...

- High fragmentation of the sector, employers and employers' organisations (in particular in Italy);
- High dispersion and isolation of cleaners;
- Low union workplace coverage;
- Lack of extension mechanisms of collective agreements (in particular in Italy);
- «Enforcement gaps» (gaps in inspections, sanctions; gaps in knowledge about rights, fear to loss the job, etc.)

Social partners' strategies

A variety of social partners strategies/initiatives. Many similarities across countries within the sector

Contrast non-compliance with regulations, non application of CA, application of “bad” CA (Italy):

- Campaigns (denouncing abuses, unfair behaviours, etc.)
- Cooperation with public institutions with job inspection duties (inspectors)
- Proposals of forms of certification (attesting the observance of regulation, the application of “good” CA)
- Lobbying government to complete/strengthen regulations for outsourcing to other company (Italy)

Addressing “third parties” (public procurement is a key target → social clauses, abandon cost as the major selection criterion)

- Proposals for regulation of prices (France)
- Agreements with public administrations (above all with some municipalities and regions) (Italy)

Reducing the “invisibility” of cleaners (dispersed, isolated) and the enforcement gaps, increasing their *voice* possibilities

- Campaigns (organising, public assemblies, demonstrations, media campaigns, etc.)

Some conclusions

Many similarities across countries within the (cleaning) activity.
Negative impact of outsourcing on collective bargaining coverage
– and then on labour protections and working conditions

In many cases outsourcing leads to a fragmentation of collective bargaining institutions

Disparities within the activity; growing situations of protection gaps and low quality jobs

Existing institutions for labour protection are evolving, but their capacity to deal with CB coverage problems (and related negative consequences) appear still limited (more in Italy)

Social partners strategies/initiatives play an **important role**, but are **not sufficient** to solve problems

Study suggests the necessity of **more relevant investments** and **more innovations** with regard to strategies, approaches and practices for labour protection, also beyond the sector and/or company

Relevance of **supportive institutions** at national and European level able to promote, for instance, the distribution of responsibility along the value-chains, enforcement of workers' involvement in outsourcing decisions and implementation, etc.

Thanks for your attention!

