Providing welfare through social dialogue: A new role for social partners?

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MAIN CHARACTERISTICS OF THE AUSTRIAN WELFARE STATE

- key role of statutory social insurance schemes with very wide coverage rates
- financing mainly based on contribution to be paid both by employers and employees
- management of social insurance institutions by self-governing bodies composed mainly of representatives of the social partners ("Selbstverwaltung")
- voluntary cooperation between employers’ and employees’ associations and the state ("social partnership")
„SOCIAL PARTNERSHIP“

- Main actors
  - Trade Union Federation (ÖGB)
  - Chamber of Labour (AK)
  - Economic Chamber (WKO)
  - Chamber of Agriculture

- Main spheres of activity
  - Collective bargaining (collective agreements)
  - Participation in national policy making
  - Appointment of governing bodies of social insurance institutions
COLLECTIVE BARGAINING

■ At branch level

  97% coverage rate of collective agreements

  Main issues addressed
  – minimum wages (structured according to qualification etc)
  – extra pay (holiday and christmas bonus)
  – other bonuses
  – (flexible) working time
  – notice periods (blue-collar workers)

■ At company level (Betriebsvereinbarungen)
COLLECTIVE BARGAINING

- At branch level

- At company level (Betriebsvereinbarungen)
  
  Main issues addressed (in context with our project)
  - administration of welfare measures such as social funds, staff canteens
  - Health protecting measures
  - co-determination of the works council in matters of continuing educational training
  - establishing a company pension scheme
VOLUNTARY OCCUPATIONAL WELFARE

- Welfare is widely seen as the state's responsibility
  (pensions / health care / unemployment benefits / etc)

- Social partner's activities mainly focus on (common) proposals for national action – proposals to shift responsibilities (e.g. regarding old-age protection) from the state to the social partners are refused

- In addition to „old“ issues (wages, working time, notice periods), „new“ topics such as health protection and reconciliation are gaining importance
VOLUNTARY OCCUPATIONAL WELFARE

Source: OECD SOCX database
VOLUNTARY OCCUPATIONAL WELFARE: policy areas

Source: OECD SOCX database
VOW IN ANALYSED POLICY AREAS

- Supplementary health care
  - supplementary private health insurance
  - sick pay paid by the employer
  - health at work

- Reconciliation of work and family life
  - working time: Gleitzeit, days off, etc
  - allowances
  - day care centres

- Continuing vocational training
  - days off
  - courses
  - further training institutions of social partners
VOW: ROLE OF TRADE UNIONS

- commitment to preserve and further develop statutory social protection
- key role of national legislation
- no major shift from public/statutory welfare to VOW
- profound scepticism towards trade-offs between firms and trade unions (e.g. wage moderation)
- differences in VOW provisions between sectors/size of company
- VOW programmes at company level serve as role models
  - marketing (CSR, image of company)
FUTURE PROSPECTS

- „It‘s a key task of trade unions to prevent VOW benefits from becoming substitutes to public welfare programmes.“

- VOW benefits as a supplement to public welfare programmes

- VOW becomes more relevant in areas of new social risks (reconciliation, …)