Providing Welfare through Social Dialogue: The German Case Study

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VOW in Germany

- **General information**
  - German welfare state: still fairly generous
  - System of industrial relations
    - Collective agreement coverage 2011: 59 per cent of employees, 31 per cent of companies
    - Union density 2011: 19 per cent of employed dependent labour force
    - Employers’ associations 2007/2009: 60 per cent
    - Works councils 2011: 10 per cent of companies, 43 per cent of employees (companies ≥ 5 employees)
  - VOW in Germany: general impression
VOW in Germany: Health care

- High level of health care provision
  - Access through Statutory Health Insurance and Private Health Insurance
- Current regulation of sick leave benefits: consequence of past struggles
  - Collective agreements still valid
- Subsidies to statutory benefits
- (Regulations on work place health and safety)
VOW: Reconciliation of family and work

- Germany as a latecomer
  - Comparative data: Germany in general below European average with respect to:
    - Public expenditure
    - Establishments offering child care and other domestic support to their employees
    - Perceived flexibility with respect to work hours
    - Regulations of possibilities to leave for family reasons
  - Many regulations – but many different aspects: link of public and private provision
  - Sober assessment of development and spread of collective agreements and company-level agreements
Continuing vocational education and training

The diffusion of the phenomena of CVT within the enterprises

<table>
<thead>
<tr>
<th>Enterprises that offer training as % of all enterprises (any type of vocational training)</th>
<th>Percentage of all enterprises providing CVT courses</th>
<th>% of employees (all enterprises) participating in CVT courses</th>
<th>% of employees (only enterprises with CVT courses) participating in CVT courses</th>
<th>Costs of CVT courses per participant</th>
<th>Cost of CVT courses as % of total labour cost (all enterprises)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany 69 73</td>
<td>54 61</td>
<td>30 39</td>
<td>39 47</td>
<td>1640 1499</td>
<td>1.3 1.5</td>
</tr>
<tr>
<td>Average 62 69</td>
<td>50 59</td>
<td>33 39</td>
<td>44 49</td>
<td>1390 1349</td>
<td>1.4 1.5</td>
</tr>
</tbody>
</table>

Source: Eurostat (2013)

- Policy field „on the move“
- Multi-level regulations, multiple actors, weak role of the state
VOW – first conclusion

- Three fields of VOW – three different stories
  - Health care – political struggle & state response
  - Family and work – the latecomer
  - CVET – the social partners and the companies
- Another story of VOW: occupational pensions
Who’s covered by VOW?

- General observations
  - Collective agreements – company-level agreements – voluntary provision by employers
- Discrimination?
  - Temporary work agency employees
  - Fixed-term contracts
  - Positive discrimination
- Differentiation according to
  - sector
  - company size
- Usage as a problem
A new role for social partners?

- Some observations from the interviews:
  - VOW part of a bigger game!
    - How important is VOW compared to other issues? (influences membership in unions)
    - Who pays?
  - Which level is the right one for regulations?
    - Social policy approach vs business logic → heterogeneity of provision
  - It’s *policies* that are important
Thank you!

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