

Overview: employment, job quality and labour relations in Europe's public sector since the crisis¹

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1. Introduction

For many years, in most European countries, the public sector has been under pressure to reduce expenditure and increase efficiency. Whereas until the 1970s, a growing public sector was seen as a sign of development, since the 1980s the dominant view has changed. Government debt increased and public expenditure came under scrutiny, leading to a situation of 'permanent austerity' (Pierson 1998). At the same time, the New Public Management ideology of a small government, privatisation and outsourcing of public services, the introduction of market mechanisms and efficiency drives in the public sector and decentralisation conquered Europe, albeit to a different extent and in different ways across European countries (Walsh 1995; Ridley 1996). In more recent years, and especially with the emergence of the financial crisis, austerity pressures on public expenditure have dramatically increased (Streeck 2014; Van Gyes and Schulten 2015), in particular in the Southern European countries dependent on external financial support (Pavolini *et al.* 2015). Long-term pressures on the public sector, and especially the recent austerity drives following from the crisis, have led to reforms and cuts in public budgets with serious negative effects on the European Social Model (Herrmann 2017), on the quality of public services and on social outcomes, including health (Karanikolos *et al.* 2013) and inequality (Heidenreich 2016). Indeed, increasingly it is feared that austerity and reforms are affecting the accessibility and quality of crucial public services like healthcare, education and public administration, activities that are crucial to both economic and social development and to the social quality and cohesion of European societies. These effects differ however between countries according to the depth of the crisis, the influence of external actors and differences in political choices. Also, with the crisis being over in most countries and a return to economic growth observable, we could expect a renewed interest of governments in strengthening the public sector.

Reforms and austerity obviously have had their effects on the number and quality of jobs in the public sector, as well as on public sector labour relations. The number and quality of jobs are directly linked to public budgets, while labour relations are different than in the private sector, with the state being both regulator, responsible for

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budgetary conditions, and employer. Studies conducted in the early 2010s have pointed to a number of developments including job losses where austerity has been strongest, wage freezes or wage declines, increased unilateralism and sidelining of trade unions, and a weakening of social dialogue (Glassner and Keune 2012; Bach and Bordogna 2013; Culpepper and Regan 2014). In this introductory chapter, we will provide an updated analysis of these issues and introduce a number of new ones. We provide an overview of a comparative study of nine EU countries presented in this book that analyses changes in employment and labour relations in the public sector, focusing on the developments since the start of the crisis in 2008. Individual country studies were carried out in Czechia, Denmark, France, Germany, Italy, the Netherlands, Slovakia, Spain and the United Kingdom. These studies focus on three major areas of the public sector which together cover a substantial part of the sector as a whole: hospitals, primary education and the municipalities. The studies focus on the one hand on the changes in public sector labour relations, including the characteristics of established and new actors, and their strategies and relationships, as well as the role and coverage of collective bargaining, social dialogue and other relevant processes. We also considered the reasons for these changes, including changing economic and financial conditions, power resources, the political orientations of governments and the demands and actions of public sector workers. On the other hand, the studies focus on the relationship between public sector reform, labour relations and the number and quality of public sector jobs and the availability and quality of public services. Here we consider the effects of public sector reforms on the number and quality of jobs; the effect of these changes to jobs on the availability and quality of public services; and the extent and ways in which unions, employers, social movements and other relevant actors have influenced the reforms and their outcomes.

This introduction provides a comparative overview of the main findings of the national studies, focussing on common trends and differences between countries. The structure is as follows. The next section will briefly summarise the main character of public sector reforms. In section 3 we discuss the effects of reforms and economic developments on the number and quality of jobs in the public sector. In section 4, public sector labour relations and the changes therein since the crisis are analysed. Section 5 concludes.

2. Public sector reform

Profound changes have occurred in the public sector in the nine countries here under study. Two closely interrelated dimensions stand out: the extent to which the public sector has been subject to austerity measures and the type of reforms that have taken place. Although all nine countries have suffered from austerity policies that have placed public budgets under severe strain, their experiences have been very diverse as can be understood by comparing the cases of Germany and Spain, the two extreme examples in the sample.

Germany has, along with Czechia, been the country that has suffered least from the crisis (see Schulten and Seikel, chapter 4). On the one hand, this is because the crisis there has been the shortest and least profound of the nine countries, largely limited to

a one-year dip in 2009 and a return to economic growth after that. Public budgets have hardly been affected in Germany, in sharp contrast with most of the other countries. It is important though to realise that Germany had already experienced extensive austerity policies in the 1990s and 2000s, more than in the rest of Europe, among other reasons because of the constraints that unification imposed on public budgets. Public sector employment declined by over 30% between 1992 and 2008. Additionally, in those years were introduced many of the reforms we have seen since the start of the crisis in the other European countries. Indeed, in this sense we can consider Germany a ‘frontrunner’ in public sector reform (ibid.). In recent years, it has managed to increase public sector employment, contrary to most other European countries. The same can be said for Czechia, where the crisis has been limited as well and public sector employment increased since 2007 (Martišková, chapter 1).

In Spain, on the other hand, even though the country had a low public debt and a fiscal surplus before 2008, the crisis hit very hard, and between 2007 and 2013 real GDP per capita declined by 9% and only started to recover in 2014. Public debt and the fiscal deficit increased rapidly and unemployment rose to 20% in this period. After an initial attempt at Keynesian policies in 2008-2009, the government, also under pressure from the IMF, the ECB and the EU (the Troika), responded with a series of severe austerity measures in 2010-2014. As will be further discussed below, this had strong negative effects on employment and wages in the public sector in Spain.

The crisis hit Spain in a context of ongoing reform of the public sector in line with New Public Management ideas, characterised by two main developments (Molina and Godino, chapter 8). On the one hand, this concerns the process of regional decentralisation where Autonomous Communities (regions) have acquired increasing responsibilities in areas like health and education. As a result, the role of the central government is increasingly the co-ordination of public services and the setting of respective standards, instead of the delivery of these services. On the other hand, there has been a significant increase in the private provision of public services through privatisation and contracting out of public sector activities.

The other countries can be placed somewhere between these cases in terms of the depth of the crisis, the extent of austerity policies and the type and extent of public sector reform. In terms of the depth of the crisis, apart from Spain it has been most severe in Italy, while it has been more limited in Slovakia and intermediate in the Netherlands, Denmark, France and the UK. In general terms, the extent of austerity policies is linked to the depth of the crisis. However, in some cases there are significant differences in austerity policies between the three sectors. For example, in the UK, the budgets of primary education and hospitals have been ringfenced, limiting negative budgetary effects largely to inflation plus the increase in demand. However, the grants municipalities receive from central government have been cut by around 38% since 2010 and local authorities have been able to compensate for these cuts only to a limited extent, leading to an average decline in finances of 26% since 2009 (Hopkins and Simms in this volume). In the Netherlands, municipalities became responsible in recent years for a series of new tasks following the decentralisation of a number of welfare-related policies, including reintegration of jobseekers, sheltered work places, home care and

youth care. This decentralisation process however also included a very substantial cut in the respective budgets, putting strong pressure on municipal finances (Stiller and Boonstra, chapter 6). In Denmark, the budget in the hospital sector was increased in the period under study, however, due to growing demand it actually declined per user (Mailand and Larsen, chapter 2). Hence, the impact of the crisis has not always been homogeneous and some sectors have experienced a deep crisis while others have fared better.

As to the character of reforms, New Public Management (NPM) ideas seem to continue to provide most of the inspiration in all countries. Decentralisation, privatisation, contracting out and the introduction of market mechanisms can be observed across the country and sector cases. However, it would be too simplistic to categorise all reforms and policies as NPM-driven, as many other examples can be observed as well. Here also the political orientation of the government plays a role. For example, in France, under the conservative Sarkozy administration, reforms were of a clear NPM character; however, under the subsequent socialist Hollande administration this was much less the case (Ramos Martín, chapter 3). Also, in recent years, public services are increasingly running up against the limits of austerity and NPM-inspired policies. These limits have become visible through the dissatisfaction of the general public with the quality and accessibility of public services and a growing consensus that the public sector suffers from a lack of investment. They also manifest in terms of the insufficient number and quality of public sector jobs that make it more and more difficult to provide sufficient and good quality public services, as well as in the related rising level of public sector worker protest. These issues will be discussed below.

3. The number and quality of public sector jobs

The public sector reforms of the past few decades, as well as the more recent ones related to the crisis, have had important consequences for the number and quality of jobs in the public sector across the nine cases and three sectors under study. The burden of budgetary pressures has frequently been put on the shoulders of public sector workers. Indeed, austerity policies have directly or indirectly been translated into reduced numbers of jobs and/or declining job quality, in particular in the form of stagnating or declining (real) wages but also through high and increasing workloads. Adjustments have been the strongest in the countries with the deepest crisis, whereas important differences between sectors can be observed. Also, in the last few years, with the crisis and related budgetary pressures being largely over, we can observe a certain degree of recovery in employment and/or job quality, in particular in healthcare and primary education.

3.1 Job losses related to the crisis

In terms of job losses, in Spain, public sector employment fell from 2 408 020 in 2009 to 2 253 268 in 2014, a decline of 6.4%, to then rebound to 2 372 880 in 2016, reducing the overall decline to 1.5% (Molina and Godino, chapter 8). In both health and education,

by 2016, employment was slightly higher than in 2009. At the same time, employment in the Spanish municipalities plummeted from 629 505 in 2009 to 555 720 in 2014 and 543 110 in 2016, presenting a continuous decline and resulting in a total reduction of municipal employment of no less than 13.7%.

In Italy, the other country with very severe budgetary problems, total public sector employment declined by some 220 000 jobs or 6.2% of public sector employment between 2007 and 2015 (Pedaci, Betti and Di Federico, chapter 5). Again, it was in the municipalities where the decline has been most severe, amounting to 15.3% in this period, compared to 4.6% in primary education and 4.5% in healthcare. Similarly, in the UK, it has been especially in local government where budgets have not been ringfenced, that employment has suffered. The main response of local authorities to the budget constraints imposed by the central government has been a reduction in the workforce by some 10% since 2008 (Hopkins and Simms, chapter 9).

In France, public sector employment was reduced substantially under the Sarkozy administration. Reducing the number of public service jobs became a key target to address budgetary pressures and decrease public expenditure. As Ramos Martín (chapter 3) shows:

‘A second reform adopted during Sarkozy’s government was a drastic reduction of the number of civil servants through reorganisations and a decrease of the replacement rate of retiring civil servants (by the non-replacement of one in two retiring civil servants). This reduction of public sector jobs was as follows: 75 000 jobs cut in 2008, 45 000 in 2009 (representing 5% of jobs in the public sector over those two years). This led to a fall in personnel costs as a share of the national budget from 43% in 2008 to 36.5% in 2010.’

However, with the Hollande administration coming into power in 2012, reducing the number of civil servants ceased to be a core objective and in the education sector some 60 000 new jobs were created. They did however not make up for the around 100 000 jobs in education eliminated under Sarkozy (ibid.).

Similarly, in the Netherlands, municipal employment declined most dramatically since the crisis, by 15% between 2008 and 2015, whereas in primary education employment fell by 8.2% (Stiller and Boonstra, chapter 6). In contrast, employment in general hospitals increased over this period by 6.4% and in academic hospitals by 9.1%.

In all these cases, job reductions were mainly achieved through the non-renewal of temporary contracts and the non-replacement of retiring employees or those otherwise leaving their jobs, instead of straightforward redundancies. Also, a decline in public sector employment does not always mean a decline in total employment related to public budgets. Through outsourcing and other methods of involving private sector companies in the delivery of public services the change in total employment may be mitigated. This phenomenon can be observed especially where municipalities are concerned.

In the remaining countries, employment developments have been much less dramatic or even positive. In Slovakia, job losses have been much less severe and adjustments centred more on wages than jobs as will be discussed below. In the case of Germany, public sector employment actually increased from 2007 by some 3%, due to the country's good economic situation but also because a consensus has been emerging that the public sector suffers from underinvestment, which affects the availability and quality of public services (Schulten and Seikel, chapter 4). Indeed, this increase comes after an enormous decline of public sector employment in Germany between 1992 and 2007, amounting to 32% or 2.1 million jobs. Also in Czechia, which was hardly hit by the crisis, public sector employment rose between 2007 and 2015, by 5.3% (Martišková, chapter 1).

However, not all developments in employment are primarily linked to economic circumstances or austerity policies; sometimes they are spurred by demographic developments. For example, between 2010 and 2015, the number of teachers employed in Danish schools decreased by 4.7%, largely in line with the decline in students of 4.4% in the same period (Mailand and Larsen, chapter 2). Meanwhile, employment in Danish eldercare decreased by 2% between 2010 and 2015, while the number of elderly (over 80 years of age) increased by 6%. Also, while between 2007 and 2017 expenditure on Danish eldercare increased, when we account for the growing number of users, inflation and wage development, expenditure per elderly person was actually reduced by 25% (ibid.).

3.2 The quality of employment

Apart from the number of jobs, several issues related to the quality of jobs have also been at the centre of debates and reforms in the public sector across Europe. From our study two elements of job quality emerge as key concerns. One is wages, which in many cases have been used as a means to limit public expenditure, resulting in years of slowly growing, stagnating or even declining wage levels. The other is an increased workload as it is experienced by the majority of public sector workers across all our case studies.

3.2.1 Wages

Wages, like employment, have been used in most of the studied countries as a way to deal with budgetary difficulties. Freezing or reducing the funds available for wage payments has been a widely-used government strategy aimed at limiting public expenditure. Indeed, also in terms of their earnings, public sector workers have carried an important part of the crisis adjustment burden. In the countries with the deepest crisis, wages have been most important in this respect. In Italy, between 2009 and 2014, public sector wages declined slightly in nominal terms, by 0.5%; however, in real terms they lost substantial purchasing power (Pedaci *et al.*, chapter 5). Also, there have been significant differences between sectors, with primary education being one of the main losers, suffering a nominal decline of 4.8% in this 5-year period (ibid.).

In Spain, wage decline was even more severe. In the period 2008-2014, public sector employees experienced an accumulated decline in the average nominal wage of between 15-20%, often achieved to an important extent through the elimination of the thirteenth and fourteenth month of pay (Molina and Godino, chapter 8). In real terms, the decline of wages was even more severe. Indeed, although employment suffered in this period, wages have been an even more influential austerity instrument. Only in 2015, when the economy had returned to growth did the government agree to negotiate (limited) real wage increases again, including the reversal of some of the cuts imposed in the previous years (e.g. the fourteen month) (ibid.). In 2017 however, wages remained clearly below their pre-crisis level and continued to be a tense issue in government-trade union relations.

In the UK, the government tried to limit public expenditure by limiting wage growth through, among other instruments, the capping of wage rises to 1% nominally since 2010, with inflation running at around 2% (Hopkins and Simms, chapter 9). In 2017, this cap was still in place for most of the public sector, leading to a significant accumulated real wage decline over the 2010-2017 period. In a similar fashion, in Slovakia, wages were chosen by the government as the main adjustment instrument, whereas employment cuts remained limited (Kahancová and Sedláková, chapter 7). Wages were largely frozen for the period 2010-2012 in education and pre-education, while in the hospital sector wages increased minimally in the corporatised hospitals and more substantially in the non-corporatised hospitals. Since 2013, however, very significant wage increases have been achieved in the Slovak public sector, largely as the combined result of the crisis subsiding, widespread discontent of public sector workers with low wage levels, and extensive industrial action (see below) (ibid.).

Similarly, in Czechia low public sector wages have been considered a serious problem for many years. This was used as an argument during the crisis not to reduce wages across the board (Martišková, chapter 1). In fact, primary education was excluded from wage freezes or wage cuts (except for a small dip in 2010 caused by declining bonuses), and wage increases have reached quite significant levels since 2014. The hospital sector also remained largely exempt from wage cuts or freezes, although to a lesser extent than education. Post-crisis wage increases in hospitals have also been more limited than in education. In both sectors, extensive protests helped to prevent more drastic measures. Serious wage adjustments were however made in central and local government, amounting up to 10% of nominal wages in 2010 (ibid.).

In the Netherlands since 2010, the various governments have implemented austerity policies that severely affected wage developments in the public sector either by not increasing or by reducing the funds available for wages (Stiller and Boonstra, chapter 6). Limiting wage growth in the public sector was explicitly put forward as one of the solutions for the crisis-induced budgetary pressures and the governments active in the crisis period had explicit policies of wage restraints or wage freezes. As a result, in the Dutch hospital sector, wage increases were limited to between 1 and 2% annually in the period 2009-2016, barely making up for inflation. The situation has been somewhat worse in the municipalities where it also included two years with small nominal wage declines (2011 and 2013), overall resulting in real wage decline. Also, in

education wage increases have been below inflation since 2010, again resulting in real wage decline (ibid.).

In Denmark, there were no reductions of nominal wages and no formal wage freezes in the period 2008-2014, but wage increases did not always make up for inflation, leading in some cases to real wage decline (Mailand and Larsen, chapter 2). Whereas the government abstained from active interventions, the so-called 'Regulation Mechanism' (which ties wage development in the public sector to the wage development in the private sector) has functioned as a hidden austerity measure insofar as it led to an automatic downward adjustment of wages in the public sector (ibid.). In 2015, wage bargaining resulted again in real wage increases although it also included a tightening of the Regulation Mechanism to prevent public sector wages from increasing more than private sector wages (ibid.).

In France, the Sarkozy government not only reduced employment substantially, it also targeted wages as a means to reduce budgetary pressures. Among other measures, it stopped indexing public sector wages to the development of retail prices. As a result, in the period 2008-2011, real wages in the sector on average declined by 1.6% (Ramos Martín, chapter 3). And also in subsequent years wage freezes occurred regularly. One of the most affected sectors has been the hospital sector, where employees experienced '...an 8% loss of their purchasing power since 2010 due to the stagnation of wages. This downward trend has been only partially counteracted by a general wage raise of 1.2% agreed in 2016 (ibid.).'

The situation in Germany differs from the other countries. German public sector wages have been growing steadily, without any noticeable highs or lows, since 2007 (Schulten and Seikel, chapter 4). In the period 2007-2017, public sector wage growth amounted to 23.5%, or some 2% per year. This, combined with the fact that public sector employment increased in the same period by 3% clearly shows that Germany was not subject to the crisis-related austerity trap and the potential negative effects thereof on employment and wages.

3.2.2 Workload

A striking similarity across the country and sector cases is that large sections of public sector workers report a high and often increasing workload or an intensification of work. Also, public sector trade unions invariably point to high workloads as one of their main concerns. High and increasing workloads are reported to negatively affect both the physical and mental well-being of workers as well as their ability to do their work properly and deliver the public services the citizens expect from them. To illustrate the seriousness of this issue, Hopkins and Simms (chapter 9) report on a survey in the UK that showed that no less than 90% of teachers had considered giving up their profession in the previous two years, largely due to the excessive workload, including 60-hour working weeks during term time. This high workload is also reported to lead to high staff turnover.

The causes of the high and increasing workload are multiple and may differ across countries and sectors and over time. In very general terms they are related to (i) the intensification work, i.e. increasing workloads per worker; and (ii) the extensification of work through reduced dead time or rest time and extended working time or increased overtime. Both these processes can be observed extensively in the countries and sectors under study here.

In a long-term and abstract perspective, increasing workloads to a significant extent originate in NPM-inspired approaches that aim to progressively increase the efficiency and productivity of the public sector and see public sector workers as the main (and almost unlimited) source of such increases. Hence, increasing effective working time as well as the number of tasks performed by public sector workers has become a core management strategy, often imposed by governments through adding new tasks, reducing resources and/or raising performance targets. In addition, increasing workloads can in many instances also be related directly to the crisis and the resulting austerity policies. As shown in section 3.1, in many countries and sectors public employment was reduced during the crisis. However, the work to be done often remained the same or increased, resulting in the growing use of overtime and more pressure to work harder and perform more tasks for the workers that remained. In this way, there is a clear link between the quantity and the quality of work. NPM- and crisis-related causes for high and increasing workloads cannot be fully separated from each other since they originate in the same attempt to make more intense use of labour. Of course, in theory workers can avoid increasing workloads by simply not performing all the tasks which land on their plate. In practice this is often very difficult as workers have substantial professional and occupational pride and motivation and often report that above all they want to avoid their patients getting less or lower quality care, or their students seeing their learning opportunities decline.

Here is not the place to discuss the workload issue in much detail, extensive detail is provided in the country chapters. However, a few examples will be given to illustrate the general points. As Ramos Martín (chapter 3) shows, in the French public sector, there has been an increase in stress and burnouts during the crisis period. She states that:

‘One main conclusion to draw is that work intensity has clearly increased in the hospital sector during this period. Employees in the sector report that work pressures and work intensity increased dramatically over the last decade and linked that development to administrative reforms and organisational changes. ... Nurses in particular report a clear intensification of work and having to treat almost twice as many patients in comparison to a decade ago. This increase in work pace and switching tasks indicates a growing trend to intensification of work.’

Whereas the increasing workload is a general phenomenon, it seems most pronounced in the hospital sector. In this sector, care has become more complex in recent years due to the ageing of the population and the fact that in most countries patients spend less sick time in the hospital (and more sick time at home), but need more intensive treatment in the days they do spend in the hospital. However, the number of workers

is rarely sufficiently adjusted to these increased needs, leading to rapidly increasing productivity requirements for workers, as illustrated by this quote on the Danish hospital sector (Mailand and Larsen, chapter 2):

‘In a large-scale independent survey of all Danish employees including questions on work environment issues, members of the trade union for nurses (DSR) score their work environment on all dimensions as clearly more problematic than the average Danish employee, including psychological burdens, time pressures and work load. Also, with regard to ‘increasing demand for documentation in recent years’, the difference is substantial: 90% of DSR members agree with this statement compared to 63% of all employees (Caraker *et al.* 2015). According to DSR, the most important explanation is that although the number of employees at public hospitals (and the number of nurses) has increased rather than decreased over the last 15 years, the workload has increased substantially. The reasons for this increase include shorter patient hospitalisation periods than previously, meaning they are in worse shape and their stay is more care intensive. Moreover, each health employee has to perform more tasks now than previously. Against this background, DSR finds the cuts have now reached the bone.’

This quote is illustrative for most of the hospital cases. They combine more complex and intensive treatment of patients, more demands in terms of time registration, performance indicators and administration, and no corresponding staff increases. Again, to some extent this is a general long-term strategy of governments to reduce the rapidly growing costs of care across Europe, further intensified because of the crisis. As part of increased workloads, in particular the increased requirements concerning time registration, performance indicators and administration are reported to have negative effects on the satisfaction of hospital workers.

Another example comes from the Dutch primary education sector (Stiller and Boonstra, chapter 6). A new system for the education of children with special needs in regular schools was introduced in 2014. It imposes on all schools the ‘duty to care’ for all children, including those with special needs. All schools have to reserve teaching hours for this complex task regardless of the number of children with special needs. However, both the workers and the employers in the sector stress that this process is insufficiently facilitated by the government, that not enough funds are made available to hire additional staff and that the measure therefore has resulted in a strong intensification of work in the schools.

High and increasing workloads also affect the municipalities in most countries, in particular where job losses during the crisis have been extensive. This is illustrated by the Italian chapter in this volume, which shows that one of the most important changes in the working conditions of municipality employees has been the increase of work intensity and workloads. They outline a number of causes for this process. One is widespread understaffing linked to budget cuts and the related difficulties of hiring workers and reorganising and innovating work organisation and service delivery. Second, the crisis has led to a growing demand for municipal services from the population, resulting in an increase in the amount of work to be done, but with a

declining number of employees. Third, there are insufficient and rapidly diminishing resources for training, even though there is a strong need for upskilling to respond to the demands of the population and to use the possibilities offered by new technologies. And fourth, these three developments have a strong negative effect on the satisfaction and motivation of municipal workers (ibid.).

It remains to be seen to what extent the fact that the crisis is over will lead to improvements in wages and workloads in the public sector in the coming years. In terms of improving public finances there might be space for such improvements. At the same time, this may also require a more ideological turn in the way governments and international organisations approach the public sector, away from NPM-type views and towards more attention to the key role the public sector plays in social and economic development and the respective investments the sector as well as its workers require. What is very clear though, is that austerity and reforms have strongly affected public sector workers and have resulted in turbulence and changes in terms of labour relations. That is the subject of the next section.

4. Changing labour relations

Obviously, public sector labour relations have not remained untouched by the public sector reforms of the past decades, the more recent ones related to the crisis, as well as by their impact on the number and quality of public sector jobs. In particular since the start of the crisis, public sector labour relations have been in turmoil as governments turned to austerity while public sector workers started to feel the effects thereof on public sector employment and job quality. With the countries having quite different labour relations regimes, during the crisis years they also followed distinct trajectories. At the same time, we can discern several broad trends that are then shaped according to national and sectoral circumstances. They involve (i) a turn to more unilateralism on the side of governments in the initial crisis years; (ii) the emergence of new labour relations actors; and (iii) the rising level of protest by public sector workers.

4.1 Years of unilateralism

The crisis and the pressures it caused on public budgets spurred many governments to reduce or suspend previous practices of social dialogue and collective bargaining and, in some cases, to redesign the regulatory framework for public sector labour relations. On the one hand, in many cases the financial pressures were considered to be inescapable, making more unilateral decisions over budgets, employment, wages and working conditions in the public sector unavoidable, at least in the short term. On the other hand, the crisis was in some cases also taken as an opportunity to redraw the rules of the labour relations game. This unilateralism does not necessarily equate to a dominance of employers over workers and their unions. Indeed, the (central) government in many cases does not directly act as the employer. The employer is often the municipality, the hospital or the school board. As we have seen in the above sections, the government does however generally determine the available budgets, may

set wages and working conditions, and may to some extent determine the way work is organised. Collective bargaining and social dialogue in the public sector have always to a significant extent been conditioned by this role of the state. However, with the crisis, the available space for bargaining and dialogue was strongly reduced in a number of countries.

In Italy, the Brunetta Reform of 2009 reduced the role of collective bargaining in the public sector, ‘...embedding it within stricter legal rules and constraints and re-juridifying employment relations to some extent, and re-establishing significant differences between the public and private sectors’ (Pedaci *et al.*, chapter 5). The issues that were open to bargaining were strongly reduced, especially at the decentralised level, stricter performance assessments were introduced conditioning wage increases and career advancement, stricter controls and penalisation in case of sick leave were instituted, time off for union activities was reduced, etc. (*ibid.*). In 2010, national level bargaining was simply stopped by a government decree and would not resume until 2017 (*ibid.*). In the meantime, the government unilaterally decided on terms and conditions of employment. Also, national-level social dialogue was severely weakened or entirely suspended, again at the initiative of the government. In this period, the successive Italian governments actively undermined the position of public sector unions, arguing that they were obstacles to innovation, adverse to change and defended the interest of privileged groups of workers. Dialogue with these unions was then argued to be unnecessary and ineffective (*ibid.*). Again, it was only in late 2016 that the then new government was open to re-establishing dialogue. At the decentralised level there were better conditions for the continuation of social dialogue in the crisis period but within a much more problematic context.

In Spain, after a temporary continuation of traditional social dialogue and collective bargaining in the first years of the crisis, ‘...the crisis and austerity policies have triggered an interruption of social dialogue and collective bargaining in the public sector as austerity measures have been decided and implemented unilaterally’ (Molina and Godino, chapter 8). Prioritising austerity objectives over social dialogue, the government largely ignored the trade unions and pushed through its own plans. Social dialogue was not entirely blocked but its role was severely limited. It was not until 2015 that, with the strengthening of the economy, the situation returned almost to pre-crisis normality with a new momentum for social dialogue and collective bargaining, including an agreement to again raise real wages (2015) and an agreement to improve the quality of public sector employment and to return to replacing all employees that retire (2017) (*ibid.*). This does not mean however that everything is back to routine; the unions argue that it will take a lot of time and effort to make up for the losses suffered during the crisis, both in terms of wages and working conditions, and in terms of co-operation and dialogue between the government and the workers and their representatives.

In the UK, austerity led the government to challenge the authority of the pay review bodies (Hopkins and Simms, chapter 9). These bodies are comprised of independent experts who, based on information they get from unions, employers and economists, recommend national pay settlements for certain sectors (e.g. teachers, the National

Health Service, etc.). The pay review bodies represent a form of collective regulation of employment and constitute an alternative to collective bargaining (ibid.). Their recommendations used to be accepted by the respective ministries without much ado. However, since the start of the crisis these recommendations are more and more often rejected or only adopted in part (ibid.). According to Hopkins and Simms (ibid.):

‘...This is a dramatic shift of approach to public sector pay management, and industrial relations in general. Pay review bodies are widely regarded to be a mechanism through which to provide an independent assessment of what is a necessary and affordable pay rise within a specific sector or occupational group. In this regard, it is seen as a mechanism to “depoliticise” the pay-setting process by placing the responsibility for making recommendations into the hands of an independent panel that takes evidence from stakeholders. By rejecting the recommendations of pay review bodies, Ministers risk “re-politicising” public sector pay as well as undermining the role of the bodies.’

In the Netherlands, during the crisis period, unilateralism also increased as evidenced by the earlier-mentioned wage restraint or wage freezes imposed by the various governments that were active during this period (Stiller and Boonstra, chapter 6). Collective bargaining did continue but became more difficult, especially in the municipalities. Likewise, labour relations in the public sector continued to be relatively consensual, however, in recent years they have become more conflictual as will be discussed below. In Denmark, no wage freezes have been imposed and collective bargaining has continued to give unions and employers strong influence on the developments in all three subsectors (Mailand and Larsen, chapter 2). However, austerity policies did condition bargaining in an important way by limiting the available budgets, and unions and employers did not have much influence on these policies (ibid.).

In France, again an increased unilateralism can be observed since the start of the crisis (Ramos Martín, chapter 3). This includes wages freezes, employment cuts and other measures. And while social dialogue in France seemingly continued, in practice it was sometimes less multilateral and consensual than it seemed. For example, in the education sector, according to union representatives, ‘...the teachers were confronted with a ‘pseudo social dialogue’ intended to give the appearance that the measures were jointly adopted, when in fact they were unilaterally imposed (ibid.)’. In Germany, the issue of increased unilateralism because of the crisis is simply less relevant because of the much better economic conditions compared to the other countries.

In Slovakia, the situation has been somewhat different. On the one hand, collective bargaining structures have remained stable in the past decades, with the municipal sector being engaged mainly in decentralised single-employer bargaining, while in education and healthcare both sectoral and decentralised bargaining takes place (Kahancová and Sedláková, chapter 7). On the other hand, however, the role of collective bargaining is being undermined, both by the social partners themselves and by the government. Kahancová and Sedláková show that there is a trend to increasingly regulate working conditions, and especially wages, via legislative solutions and that

the Slovak social partners have successfully lobbied for this, as such regulation now applies to healthcare and education. Also, increasingly, the government and the public sector unions sign memoranda: agreements in which, for example, the unions agree not to engage in industrial action aimed at additional wage increases for a specific period, in exchange for an agreed wage rise. These memoranda endanger collective bargaining in the public sector and undermine the capacity of unions to strike and to react to developments in the economy (ibid.). The result is a very central role for the government in wage setting, not entirely unilaterally but with a clear dominance.

In Czechia, collective bargaining in the public sector, if it takes place, happens almost entirely at the establishment level. Like in Slovakia, wage setting is done mainly by the government at the central level and is therefore not a core element of collective bargaining (Martišková, chapter 1). The social partners therefore address the government directly on the wage issue, be it through social dialogue or through various types of protests. Low wages are the core issue in public sector labour relations. However, this has been a longer-term problem that only the municipal sector suffered additionally from the (relatively mild) crisis. As Martišková shows in chapter 1, it depends largely on the political orientation of the government how much influence social partners, and in particular the unions, have on wage setting and related policies. Centre-right governments have taken a clear unilateral approach, resulting in limited social dialogue and weak inclusion of unions in the policy making process. This was compensated for by the more intensive use of various types of protest. Under social-democratic governments social dialogue and union influence have been much stronger, reflected in the strong reduction of protest (ibid.).

4.2 Trade unions and the emergence of new actors and alliances

Years of austerity and reforms, crisis-related or not, have resulted in strong dissatisfaction on two fronts: workers and consumers. In most countries and sectors, public sector workers are dissatisfied with (certain aspects of) their employment conditions. In some cases low wages are seen as the main problem, in others workload and in others uncertainty stemming from flexible contracts. And in some all apply. Public sector workers also often voice feelings of unfairness, as they feel they are treated as disposable when budget pressures mount. And they express serious concerns about the effects austerity and reforms have on their ability to deliver good quality public services. They increasingly look for (old and new) representatives to voice their concerns and to try and remedy the problems they face.

Dissatisfaction has also emerged among the general public, the consumers of public services. Increasingly, they worry about the quality and availability of public services. Concerns may range from the size of school classes, to the quality of home care, waiting lists in hospitals, patient care, the affordability of childcare, etc. Also, the public is more and more aware of the conditions in which public sector workers work and their importance for the quality and availability of the public services they require. The dissatisfaction on these two fronts has resulted in a series of developments in labour relations, including the emergence of new actors and alliances that defend the

interests of public sector workers, of consumers, or of both, but in some cases also a strengthening of the traditional unions.

In the area of workers' representation, in many cases the traditional trade unions and trade union confederations dominating workers' representation in the public sector before the crisis have not been able to obtain the results their members or supporters expected during or after the crisis. Often they have been blamed for being too accommodating of austerity politics. At the same time, the differences between groups within sectors have been getting more pronounced, for example between doctors and nurses, while in some cases bargaining has been decentralised over time, for example differentiating between subsectors like primary and secondary education, or increasing the role of establishment-level bargaining. As a result of these developments, the emergence of new actors of representation can be observed in most countries (this is least the case in UK, Germany and Czechia), representing occupational groups or subsectors. They cause a fragmentation of the union landscape. Another type of new actor instead represents an alternative to trade unions as such and takes the form of social movements. They further fragment the representation landscape, although new alliances emerge between unions and social movements. In some cases, we also observe fragmentation on the side of the employers. Fragmentation does however not happen everywhere and in several cases workers' dissatisfaction instead results in increased membership of traditional unions.

Let's look at a number of illustrative examples. In Slovakia, in the context of a series of teachers' strikes, a new trade union has emerged – the New Education Trade Union (NŠO), while there is also another influential new actor that is not a trade union, i.e. the Initiative of Slovak Teachers (ISU) (Kahancová and Sedláková, chapter 7). They are not official partners to employers for collective bargaining but they are very vocal and do organise industrial action. The two collaborate frequently but do not co-operate with the large traditional union, the Union of Workers in Education and Science of Slovakia (OZPŠaV), among other reasons because they see them as a puppet of the government led by the social-democratic party SMER-SD (ibid.).

In the Slovak hospital sector, the traditional union is the Slovak Trade Union Federation of Healthcare and Social Work (SOZZaSS). As early as 1996, the doctors in the sector established their own union, the Medical Doctors' Trade Union Federation (LOZ) to defend the specific interests of doctors and improve their working conditions and remuneration (ibid.). More recently, in 2012, the Trade Union Federation of Nurses and Midwives (OZSaPA) was established as this occupational group was also dissatisfied with the way SOZZaSS defended their interests. LOZ and OZSaPA often co-operate with each other but tend not to work with SOZZaSS. Also, they pursue more militant strategies while the latter uses the established bargaining channels and national social dialogue (ibid.).

In Italy, in education, two trends are combined. Trade union membership and density increased in the period 2007-2015, among other reasons because of workers' increased perception of uncertainty and need for protection (Pedaci *et al.*, chapter 5). At the same time, fragmentation of the union front took place because of the growing presence of

professional/occupational organisations not affiliated to the large confederations and that radically represent the interests of specific groups (ibid.). The trade unions have also established alliances with parents' associations to jointly oppose government reforms of the sector. In the hospital sector, representation was already extremely fragmented before the crisis and has remained so, with at least 700 different organisations active in public hospitals and healthcare structures. These include the organisations affiliated to the major Italian confederations, organising the majority of members, as well as a plethora of small occupational unions, representing professions such as medical managers, nurses, and technical professions (ibid.). Union density has been quite stable over time, around 52-53% during 2007-2015, however, the smaller unions have increased their share while the large confederation-affiliated unions have lost membership. The municipal sector seems to counter the general tendency, considering that union density in 2007-2015 actually declined from 48.3% to 42.9% and fragmentation of the union landscape did not increase. However, the decline in density in particular can be explained by the very large employment losses in the sector, the related changing composition of the workforce and the difficulties of organising young workers on flexible contracts (ibid.).

In France, an emergence of new actors can also be observed. One has been the establishment by law, in 2010, of an occupational association for nurses. However, the nurses were not necessarily happy with this imposition and criticisms have been voiced concerning the fact that nurses are obliged to pay fees to this association as well as calling into question the representativeness of this newly created organisation (Ramos Martín, chapter 3). Another type of new actor concerns associations of parents in education and in childcare, and associations of patients and care services users in healthcare (ibid.). These new actors are on the one hand increasingly included in social dialogue processes and participate in ministerial consultative bodies like the Conseil Supérieur de l'Éducation and various technical committees in the education sector, and in the National Health Conference, a body established in 2006, which is consulted by the government on public health objectives and improvements to the healthcare system, and which is composed of social partner representatives as well as associations of patients and users (ibid.). On the other hand, these new actors also team up with the trade unions in (temporary) protest alliances against government austerity and reform programmes.

In Denmark, the public sector labour relations system has been quite stable for the past 15 years. It comprises strong actors and a near 100% bargaining coverage, and no significant new actors have emerged. In the hospital sector, no major changes have taken place in the union landscape but it is quite complex, fragmented and yet centralising more in recent years. As Mailand and Larsen (chapter 2) explain:

'The Health Care Cartel (Sundhedskartellet) includes 11 trade unions, none of which are trade unions for doctors. The trade union for nurses (DSR) is by far the largest. Until recently the Health Care Cartel negotiated general working conditions and some more occupation specific conditions, whereas other occupation specific conditions are negotiated by individual trade unions. However, in mid-2014 the Health Care Cartel became part of a new broader cartel, The Danish Association of

Local Government Employees' Organisations (Forhandlingsfællesskabet), along with the former bargaining cartel for employees in municipalities and regions.'

In the Danish education sector, the situation is stable and much simpler with three major unions representing, respectively, teachers, early childhood and youth educators, and school principals. In the municipally organised elderly care there is only one major union, while collective bargaining is conducted by the same broad cartel the healthcare unions are part of (Forhandlingsfællesskabet). Membership in all three sectors is very high and has decreased only slightly over time.

In the Netherlands, the traditional unions, mostly belonging to the large union confederations Federatie Nederlandse Vakbeweging (FNV) and Christelijk Nationaal Vakverbond (CNV), maintained their leading position during most of the crisis and post-crisis period. However, in February 2017, in primary education, a protest movement emerged under the name Primary Education in Action (Stiller and Boonstra, chapter 6). The movement was started by two teachers on Facebook and within no time they got over 40 000 teachers to sign up to the movement. Also, in 2017 they managed to organise a one hour and a one-day strike with around 90% participation, showing their mobilisation power. Primary Education in Action presents itself as an alternative to the traditional unions whom they argue do not represent teachers' interests sufficiently in collective bargaining and with the government. However, it is not hostile to the traditional unions and advocates co-operation with them as well as with the employers in the sector, to present a common front towards the government. They identify low wages and high work pressure as the main problems in the sector and demand a substantial expansion of the government's education budget. Recently, the movement has been transforming itself into a new trade union and wants to have a say at the collective bargaining table as well.

The example of Primary Education in Action has inspired workers in secondary education and universities, as well as the healthcare sector, to start similar initiatives. Hence, the dominance of the traditional unions is being challenged here as well. It remains to be seen to what extent these initiatives will lead to success similar to that in the primary education sector.

In Spain, as Molina and Godino (chapter 8) argue:

'One of the most interesting developments in relation to public sector actors is the emergence, in the context of the crisis, of the so-called *mareas* (waves). These movements, bringing together a diversity of civil society actors (including trade unions), were born with the objective of defending public services. These movements served to create synergies between social movements and trade union activists to the extent that they jointly organised public assemblies, demonstrations or symbolic occupations of public buildings, among other actions.'

They discuss the *Marea Verde* (Green Tide) corresponding to the education sector, and the *Marea Blanca* (White Tide) in the healthcare sector. The *Marea Verde* emerged in 2011-2012, out of a series of mobilisations against the non-renewal of teachers with

temporary contracts, but also made larger demands against austerity and reforms in the sector. It became the focal point of protest against austerity politics and in favour of better wages and working conditions for teachers as well as good quality education (ibid.). The *Marea Verde* consisted of student organisations, parents' associations, groups of teachers and other civil society organisations, hence uniting students, workers, unions and consumers into a broad coalition. They co-operated with the trade unions and mutually supported each other. It remained active over the entire crisis period and subsequently created a platform (Plataforma Estatal por la Escuela Pública) to continue to influence the development of the education sector in Spain, having trade unions as well as civil society organisations under its umbrella.

The *Marea Blanca* in the healthcare sector also emerged from a series of protests, initially in the Madrid region and then all over the country (ibid.). However, in the *Marea Blanca*, trade unions organising nurses and doctors occupied a much more central place than in the *Marea Verde*, as shown by the two general strikes they organised in 2012 and 2013 in Madrid. But they also built a broader social coalition with other civil society organisations to create a stronger front, gain visibility and garner more social support. Again similar to the *Marea Verde*, the *Marea Blanca* created a series of regional platforms to give continuity to their efforts, including most importantly the Platform in Defence of Public Health in Madrid (MEDSAP), composed of neighbourhood associations, user groups, social movements, trade unions, civil society platforms, health professionals and popular assemblies of the 'indignados' movement (ibid.).

But changes also took place in the union landscape (ibid.). Even though the three confederations that traditionally have played a dominant role in the public sector maintained their leading position, at the same time, a growing fragmentation of the trade union camp can be observed, in particular in education and healthcare. This fragmentation has occurred mainly at the regional level and is caused by the growing significance of occupational and professional unions, defending first of all the interests of particular groups. This has resulted in more tensions within the trade union camp and sometimes a lack of co-operation between unions, which has weakened their position in collective bargaining (ibid.).

4.3 Increased protest

Closely related to what was discussed in the previous paragraphs, which in terms of labour relations possibly has been the most noticeable development, has been the increased protest from public sector workers and their (old or new) representatives. The growing dissatisfaction of public sector workers has resulted in increased tensions and conflict between public sector workers and their employers, but especially with the respective governments. Indeed, sometimes workers have acted in coalition with employers, jointly addressing the state for more funds or different regulations. In a number of cases, as discussed above, protest has also been in conjunction with organisations of citizens or customers, i.e. patient organizations, parent groups and others. Protest has taken a variety of forms ranging from information campaigns to

demonstrations to strikes. They have been directed against the deterioration of wages, working conditions and workloads, as well as the underlying mechanisms like austerity politics, privatisation processes or the lack of voice. Also, much more than in previous periods, a strong connection is consistently made between workers' conditions and the quality of public services. Indeed, it has often been this argument rather than the conditions of public sector workers as such that have resonated with the broader public and in politics. Underlining the importance of good workers' conditions for good public services, it emphasises the responsibility of governments to facilitate public workers in providing good services. Increased protest in most countries also constitutes a response to the increased unilateralism of governments in setting budgets, wages and working conditions for the public sector and the increasing difficulty for public sector workers to achieve results at the collective bargaining table. By increasing protest and firmly including the quality of public services argument, public sector workers have moved their struggle (partially) from the bargaining table into the arena of public debate, hoping to achieve their objectives in this way. As we will see below, they have not been without success.

A good example is the Slovak case. Kahancová and Sedláková (chapter 7) show that across the three sectors under study workers' mobilisation increased and so did the use of protest action, strikes and demonstrations, in particular by the new labour relations actors discussed above. They displaced peaceful collective bargaining over wage claims following the dissatisfaction of public sector workers with the many years of wage moderation or limited wage increases, also in the post-crisis years. Possibly the clearest example is the Slovak education sector (*ibid.*):

'The first significant teachers' strike was organised by OZPŠaV in 2003 as a response to changes in the system of financing, and resulted in a 7% increase of wages in the public sector. Following the successful campaign by medical doctors in 2012, teachers embarked on one of the biggest strikes which resulted in a 5% wage increase. Similarly, in January 2016 ISU, with the support of the Slovak Chamber of Teachers, organised one of the largest teachers' strikes, which enjoyed broad public support. The strike not only called for higher wages, but aimed at opening up a broader debate about the quality of education in Slovakia. The 2016 strike was not supported by OZPŠaV whose representatives collectively agreed on a wage increase with social partners at the end of 2015 and thus felt that taking strike action in early 2016 would undermine the established institution of collective bargaining.'

In the Slovak hospital sector, the doctors' union LOZ, from the late 2000s onwards became more militant, criticising the reforms in the sector, speaking out against corruption and engaging in public protest (*ibid.*). In 2011, LOZ organised a doctors' resignation campaign '...in which about 2 400 of the 6 000 hospital doctors committed themselves to resigning from their jobs if union demands were not met by the centre-right government' (*ibid.*). This campaign put the basic provision of healthcare in danger, finally resulting in the government agreeing to legislate a wage increase for this occupational group and to refrain from further corporatisation of hospitals. The Slovak nurses attempted a similar resignation campaign but with less success in 2015-2016.

In Czechia, in 2011, after the government announced tough austerity measures, the trade unions organised a mass demonstration under the motto 'Democracy Looks Different', which attracted some 100 000 people and sent a serious message to politicians (Martišková, chapter 1). Czech doctors organised a resignation campaign in 2010-2011 similar to the Slovak doctors and managed to achieve an important wage increase, although only for themselves and not for example for the nurses, underlining the fragmentation of the sector. Most protest took place in the education sector, in the years of the centre-right governments (2007-2012) (ibid.). In these years, characterised by budget cuts and the absence of social dialogue, the teachers' union organised a series of strikes, strike alerts, demonstrations and other protest events, often symbolic happenings but sending a clear message that the already low wages should not be cut further. In this sense they were successful, as budget cuts focused on reducing non-wage expenditures and investment in the sector. With the entry of a provisional government in 2013 and then a social-democratic government in 2014, protest was reduced while social dialogue was re-established. Protest mainly revolved around the campaign 'End of Cheap Teachers', which demanded yearly wage increases of 10, 10 and 15% from 2015 to 2017, and a strike alert in 2017 addressed the same demand. They were reasonably successful considering that in this period wages were increased by 6% for teachers and 4% for non-teachers in 2015, 8% for teachers and 6% for non-teachers in 2016 and 15% in 2017, all in all a very substantial cumulative increase (ibid.).

Likewise, in Italy the level of conflict and protest increased across the public sector from 2010 (Pedaci *et al.*, chapter 5). With the governments in this period downplaying social dialogue and collective bargaining as obstacles and unnecessary activities, the unions resorted to other instruments to defend the interests of public sector workers and to protest against reforms that they considered detrimental to the functioning of public services. In education, the unions organised a series of national-level mobilisations but with limited participation and weak inter-union co-operation, and therefore with limited effects. One exception was the strike in May 2015, which enjoyed the participation of 65% of the sector's workforce. The unions also launched a number of campaigns, making use of a variety of instruments. For example, the FLC-CGIL campaign 'Fai la scuola giusta' (Make School Fair), launched in September 2014 used a website, a blog, an online game, an online survey of union proposals, a YouTube video explaining the reform and union positions, together with flash mobs, demonstrations and information points at a local level. Still, the unions had only very limited influence over the government's reform policies. Pedaci *et al.* (chapter 5) argue that possibly the most effective types of protests have been organised by unions at the local level, targeting specific schools, often in co-operation with parents' associations and sometimes accompanied by community assemblies (ibid.). In this way, unions effectively campaigned against schools implementing the reduction of school hours that the national government promoted.

Similarly, in the Italian hospital sector, trade unions have engaged in a variety of initiatives to protest against and try to redirect national reforms, but with limited success. They achieved more at the regional level, where regional governments play an important role in the organisation and financing of the healthcare system (ibid.). Also in the municipalities, the trade unions achieved limited results in influencing the

reforms designed by the national government, but were more effective in influencing the implementation of reforms at the local level (ibid.).

In Spain, with the unilateral introduction of the first austerity package by the government in 2010, collective bargaining and social dialogue in the public sector broke down. In the subsequent years, Spanish trade unions have vacillated between reliance on traditional strategies and the use of new forms of contestation and protest repertoires (Molina and Godino, chapter 8). They have continued to use the channel of dialogue but also engaged in all kinds of protests like public awareness campaigns, demonstrations, and others. An important part of the increased protests has been a series of public sector strikes from 2010 onwards.

These strikes were framed in two ways (ibid.). One was that they were meant to defend the jobs, wages and working conditions of public sector workers. The other was that they were organised in defence of the welfare state and to safeguard the quality and coverage of public services, and hence against budget cuts and further privatisation. In this way, they raised the concerns of the public about the erosion of public services as well as the number and quality of public service jobs.

The aforementioned *mareas* also used this type of framing to express their concerns about the education and healthcare sectors. Through such framing and through the participation of many civil society organisations and movements, they managed to broaden the base for protest against austerity policies and privatisation. They engaged a wide variety of methods, including participation in or supporting of the above-mentioned strikes but also all kinds of demonstrations, flash mobs, rallies, events, human chains, etc. (ibid.).

These protests were not able to stop austerity policies in the 2010-2015 period in Spain. However, Molina and Godino (chapter 8) claim that they have been able to avoid even more radical budget cuts and privatisation policies. Also, they have been able to raise awareness among the general public of the dangers for the quality and accessibility of public services, making them a core political issue. And finally, they have helped to construct broad coalitions between unions, civil society actors and the public.

In France, social dialogue and collective bargaining were fairly stable during and after the crisis, showing a strong element of continuity. However, for trade unions it did become more difficult to achieve their objectives through these processes (Ramos Martín, chapter 3). As a result, extensive protests against public sector austerity and reform also took place in the past decade, even though unions have faced difficulties with mobilising civil servants (ibid.). Still, a series of strikes was organised, including cross-sectoral strikes against general government policies and sector-specific strikes addressing sectoral problems (ibid.). For example,

‘...in January 2008, widespread strikes and demonstrations took place in the public sector. In a joint action, public sector federations (CGT - FO - FSU - CFDT - CFTC - UNSA - Solidaires) organised nationwide strikes and demonstrations expressing their dissatisfaction over wages and conditions in the public sector. The

actions continued in May 2008, when the main unions joined in demonstrations and strikes against the government's proposals to reform public services (ibid.).'

Also, in May 2014, the main trade union confederations organised a strike demanding better pay for public workers and an end to austerity. Tens of thousands of public sector workers joined the strike, which affected schools, hospitals, airports, city transport, police stations and government buildings across the country. Still, the government refused to grant wage increases until the economy had returned to growth.

In education, several strikes against reforms were organised. For example, in November 2009, the teachers went on strike to protest against Sarkozy's reforms, and again in September 2011 public and private education unions organised a nationwide strike against the budget cuts in the sector, with the support of parents' associations (ibid.). Also in the healthcare sector, several national strikes were organised to protest against the impact of austerity policies on the working conditions of healthcare workers, against the plans to reorganise public hospitals as if they were enterprises, against the reforms to the pension system, etc. Similarly, in day care strikes emerged. For example,

'to protest against the increase of their duties, the deterioration of their working conditions, and the stagnation of their career prospects, the ATSEM (local specialists for nursery schools) association and several unions representing workers in the sector organised a strike in December 2016. The ATSEM collective, supported by the CGT, the CFDT and FO, launched the strike demanding a reduction of their duties, a decrease in work pressure, and an improvement of their wages (ibid.).'

Germany is the country least affected by the crisis. This however has not meant that there has been less protest. Indeed, a revival of protest can be observed over the past decade or so (Schulden and Seikel, chapter 4). It has not so much addressed current austerity policies like in many of the other countries, but rather the outcomes of the earlier reforms and austerity in the 1992-2007 period and the related needs of the sector to function well in the future. As Schulden and Seikel (ibid.) argue:

'...in all three sectors trade unions have run relatively successful campaigns for the improvement of pay and working conditions or – in the case of hospitals – for more staff. These campaigns have explicitly articulated the link between working conditions and service quality. As a result, the unions have received large-scale support from the broader public and have been able to create new strategic alliances with users of public services, such as parents or patients. Moreover, in all sectors, the campaigns have generally gone hand-in-hand with a proactive demand for care and educational work as a public service and, in the case of hospitals, with a fundamental critique of commercialisation.'

In day care, in 2007, the trade unions started a campaign ('Promote chances – demand esteem!') in which they argued that better day care requires better paid care workers with better working conditions. This was followed in 2009 by the first nationwide strike of care workers after their wage demands and demands concerning improved

health and safety conditions were rejected in the collective bargaining round (ibid.). Such offensive tactics were possible since the public sector in Germany was not really experiencing a budget crisis. And the strike was successful in that care workers got wage increases of between €100-400. Again in 2015 the unions demanded a substantial wage increase of some 10%, and again they went on strike when their demands were rejected. For most workers the 10% increase was not achieved however, as ‘...a final agreement was reached which led to wage increase of about 3% for childcare assistants, 4.4% for skilled day care workers and up to 11% for heads of day care centres,’ (ibid.).

The unions put a lot of effort into arguing that their interests, related to better pay and working conditions as well as a professionalisation of day care work, coincided with those of the parents who wanted better quality day care, and were quite successful in getting public support. This support has strengthened the position and confidence of care workers and may well lead to more industrial action in the future.

In the primary education sector in Germany, three-quarters of workers have civil servant status, which means they cannot engage in collective bargaining and strikes and that their wages and working conditions are largely set by law at the level of the *Länder*, the main regulatory level for primary education. Hence, their options for industrial action are limited (ibid.). This is not the case for the employee-status teachers who increasingly engaged in industrial action over the past decade. They did so mainly to address their two-fold disadvantage, that is, the fact that they are paid substantially less than secondary school teachers, and primary education teachers with civil servant status. These strikes were accompanied by a number of campaigns demanding higher wages and more recognition (ibid.). As a result, a number of *Länder* have already upgraded the status and wages of this group of teachers.

Likewise, in the German hospital sector protest has been important and has not only addressed wages and working conditions or the quality of services, but the logic of commercialisation that has been key to the reform of the sector as well:

‘Considering the influence of industrial relations, the development of the German hospital sector is an example of how disputes and struggles for good working conditions have a major impact not only on the quality of services, but also on the more fundamental driving forces of the sector. Commercialisation has been the main driving force in the German hospital sector for more than 20 years, but it has produced neither adequate services nor acceptable working conditions. Therefore, the struggles within hospitals have always been linked directly to a more fundamental critique of the logic of commercialisation (Décieux 2017). The various union campaigns for more staff and better working conditions have made a major contribution to reversing the trend and bringing more resources into the hospital system. Thus, industrial relations have become an important driver of the necessary modernisation of hospital services. As collective bargaining in the sector is fairly fragmented and divided among different groups of hospital providers it could only set good examples and practices, which then have to be universalised through new regulation by the state (ibid.).’

In the UK, reforms in the public sector since the crisis have resulted in some remarkable conflicts between public sector workers and the government as well as in important changes in public sector industrial relations (Hopkins and Simms, chapter 9). In general, the highly unionised public sector has become more conflictual in recent years. This was demonstrated for example by the 30th November 2011 public sector strike, involving members of 29 different trade unions, over proposed changes to the pensions of public sector workers to the detriment of the workers. As Hopkins and Simms (*ibid.*) note, ‘... The dispute formed part of wider discontent amongst public sector workers about the effects of the austerity agenda on pensions, pay increases, workforce size and job quality.’ Indeed, in the UK austerity led to discontent which then resulted in increased protest. Still, the protests have had little effect as pensions were indeed reformed in most of the public sector, employment was reduced, and workloads increased (*ibid.*).

At the sectoral level, in the education sector, labour relations have been tense in the past decade, resulting in, among other actions, a series of local strikes in 2016-2017 by teaching assistants who were in danger of suffering pay cuts of up to 25%. Possibly the most significant sectoral case was the junior doctors’ dispute in England in 2015 and 2016, ‘... one of the most notable examples of a breakdown of collective regulation in the NHS, and hospitals in particular, for many decades’ (*ibid.*). The dispute emerged because of the government’s attempts to reform the contract for junior doctors, as part of a broader attempt to create a ‘seven-day NHS’. This resulted in the junior doctors taking strike action for the first time in 40 years, altering labour relations in the sector profoundly (*ibid.*):

‘The dispute escalated towards the end of 2015, with junior doctors demanding ‘concrete assurances’ that the new contract would not be imposed. Following a series of protests, the BMA balloted for collective action. In a notable show of dissatisfaction, there was a turnout of over 70% for the strike ballot and 98% of those voting supported strike action. Strikes were planned for three days in December 2015, although they were called off when the government agreed to suspend its threat to unilaterally impose the new contract without collective agreement from the union. Both sides agreed to continue negotiations, but further talks in January broke down and the first doctors’ strike in forty years occurred on January 12th 2016.’

‘Over 40 000 operations and procedures were cancelled during the 24-hour strike. A new offer was received from the government and further strike plans were suspended by the union, but talks again broke down towards the end of the month. A series of further 24-hour and 48-hour strikes took place throughout the early months of 2016 leading to an agreement to involve the conciliation and arbitration service, Acas, in an effort to reach a negotiated outcome. A new contract was agreed and put to members for approval. 68% of affected BMA members voted in a referendum on whether to accept the proposal, with 42% accepting. The Health Secretary then announced that the new contract would be unilaterally phased in over twelve months, starting in October 2016. The BMA announced further strikes in response, but these were suspended. Despite support

for the action, the new contract was imposed. In practice, this means that the new terms and conditions have been integrated into junior doctors' contracts without the negotiated agreement of the relevant professional association. This is a major shift in approach to public sector industrial relations and is a direct challenge to the power of the BMA. Unsurprisingly, it has considerably changed the "tone" of industrial relations in the sector.'

These examples show how reforms have spurred protest and strikes among actors who do usually not engage in such activities. It also shows how difficult it is for those protesting and going on strike to achieve results, in the UK but as we have seen, also in other countries.

The case with the least changes in labour relations, and with only few significant signs of protest caused by the crisis and/or austerity and reform policies, is Denmark. As mentioned above, the Danish labour relations system in the public sector is a strong one with strong actors and near 100% bargaining coverage, and traditional forms of bargaining and interaction seem to be sufficient for most actors involved. Mailand and Larsen (chapter 2) argue that the strengthening of the management prerogative is possibly the most important change during the crisis period. Employers have successfully pushed for a stronger management prerogative, for example where working hours are concerned, pushed also by the Ministry of Finance to increase control. At the same time, '...fundamentally IR institutions are the same and the social partner organisations show a high level of stability over the 15 year period. Likewise, although employment has been reduced in recent years, the job level in 2017 is the same as it was in 2008 and the public sector in terms of resources and employment is still among the largest in Europe when compared to the private sector.'

5. Conclusions

Important changes have been taking place over the past few decades in the organisation and finances of the public sector across Europe. On the one hand these changes have been inspired by longer-term trends in the realm of ideas, in particular (i) the discourse of permanent austerity, demanding a reduction of public deficits; (ii) the New Public Management ideology, arguing for small government, privatisation and outsourcing of public services, the introduction of market mechanisms and efficiency drives in the public sector and decentralisation; and (iii) the construction of capitalism in the former state socialist countries. On the other hand, in the shorter term, these changes originate in the 2008 crisis. Initially, this crisis arose in the financial sector but it rapidly spilled over to the public sector and created strong austerity pressures on public budgets. This pressure was especially intense in the countries depending on financial assistance from the Troika, which demanded profound austerity and institutional reforms in exchange for such support.

These two developments have had profound effects on the number and quality of jobs in the public sector in particular since 2008. In most countries included in this study, in the past decade, public sector employment declined. This has been the case across

the public sector and declines have been especially severe in the municipal sector as, following decentralisation processes, local governments have been accumulating additional responsibilities but often without sufficient financial means to maintain employment levels. In addition, the quality of jobs suffered, exemplified by the stagnation or decline of real wages and by the increase of workloads. Thus, public sector workers have shouldered a significant part of the impact of the crisis, reflected in fewer and lower quality jobs. Each country has followed its own trajectory however, depending on historical developments, political choices and economic circumstances. Most noticeably, in Germany public sector employment actually increased after 2008 and job quality was maintained or improved, mainly because the German public sector had already been through deep restructuring in the 15 years previous to the crisis, involving significant job losses and the deterioration of working conditions, and because the crisis had relatively little impact on the country. Employment levels were also maintained in Czechia, where the crisis was also relatively mild, and in Slovakia, where adjustments were concentrated on the issue of job quality rather than on employment. And in Danish elderly care, financial funding and employment actually increased, but slower than the growth of the elderly segment of the population, resulting in a decrease of budgets and workers per elderly person. Most countries and sectors suffered negative developments in both the number and quality of jobs however, with the most dramatic effects occurring in the Troika countries. In most recent years, again depending on economic developments and political choices, as well as protest from workers and citizens, certain improvements can be observed in employment levels and wages in most countries, but not workloads.

Clearly, these turbulent developments have had their effects on, and were affected by, public sector labour relations. In spite of the fact that there are long traditions of social dialogue and collective bargaining in the public sector across Europe, in almost all countries governments have resorted to unilateral decision making on budgets, employment and wages to deal with budgetary pressures. They either ignored or gave much less weight to traditional social dialogue and collective bargaining in this process, considering that the austerity pressures had to be prioritised over social and employment objectives, and that the subsequent effects on jobs and job quality were perhaps unfortunate but unavoidable. Where in the past social dialogue and collective bargaining with public sector trade unions and employers were often viewed as a resource, during the crisis they came to be seen as a burden. And in cases like the Netherlands or Denmark, where social dialogue and collective bargaining did continue to an important extent, the trade unions and employers had little influence on government policy.

As a reaction to these developments, here we have discussed two main changes in the panorama of workers' representation. One is the increasing fragmentation of the union landscape, with more occupational unions emerging to defend the interests of particular groups (doctors, nurses, primary school teachers, etc.). These occupational unions gain members and influence because the various groups that they represent feel that their specific interests are not defended well enough by the broader, more encompassing sectoral and national unions. The latter often seemed to have lost their capacity to influence government policy and to effectively mobilise against these

policies. Considering the negative developments in employment, wages and working conditions, turning to occupational unions is an understandable reaction. However, the corollary of this development is that the solidarity between groups of workers declines, as may their overall strength.

The other change in representation has been the emergence of a range of social movement type actors and of organisations of public service users (parents, patients, etc.). These groups first and foremost targeted (and still target) the availability and quality of public services in education, healthcare and other areas, which suffered from the austerity measures following the crisis as well as from the longer-term reforms that had been implemented in the public sector. However, in doing so, they also addressed issues related to work and its role in guaranteeing sufficient and good quality public services. They argued that good public services require sufficient public sector workers with decent training, wages and working conditions. In this way, these social movements and user organisations took up the cause of the public sector workers. Obviously, this resonates very well with the struggle of trade unions against job losses and deteriorating wages and working conditions, and increasingly social movements, user organisations and trade unions started to perceive that they have a common cause. This has resulted in the frequent creation of alliances between these three groups to jointly defend their interests, based on a common discourse underlining the need for more and better public sector jobs.

Following from the deteriorating conditions and from the emergence of new actors and alliances, with the possible exception of Denmark, there has been a very significant increase in protest by public sector workers, user organisations and social movements against government policy. Most noticeably, there has been a surge in the incidence of public sector strikes across the countries and even groups that are traditionally very unlikely to go on strike (e.g. doctors) have joined this trend. But there have also been many campaigns aimed at improving working conditions, demonstrations, and other types of protest. Unions, movements and user organisations often co-operated in these activities or declared their support for each other's protests. For trade unions, these alliances have been an important source of renewed strength as well as a way to boost their image with the general public. To this effect, they have been very careful to continuously link their struggle for more and better jobs to the quality and availability of public services.

The success of protests is mixed. They have achieved little direct success when governments considered that the financial pressures were high and austerity unavoidable, as expressed by the increased unilateralism in the most difficult years of the crisis. However, they are likely to have avoided even deeper austerity and reforms. They have also managed to raise strong concerns among the general public and have firmly put the issue of maintaining public services and public employment on the political agenda across Europe. Also, as successful protests in Czechia, Slovakia and Germany show, in more economically advantageous circumstances much can be achieved. Similarly in the other countries, we see that when the crisis was becoming less intense, protests did have more effect, especially when they were based on broad alliances and on arguments not only about the number and quality of jobs but also

about the quality and availability of public services. Indeed, the end of the crisis has not meant the end of protest, as is evidenced by regular strikes and other forms of dissent, especially in education and healthcare across the continent.

The present situation of public sector workers and the concerns about public services as such show that NPM and austerity politics have run up against their own limits. The permanent austerity and marketisation projected on the public sector for decades, which were then strongly intensified by the crisis, have resulted in poorer availability and quality of services and the increased dissatisfaction of both public sector workers and citizens. A slight recovery can be noticed in recent years but, as demonstrated by the German experience, it will take a lot of time, resources and protest for the public sector and public sector workers to recover fully. This points to the need to revalue the importance of good quality public services in our societies, as well as the role of public sector workers in delivering these services. Good public services are crucial for the quality of life of citizens, for social cohesion and equality, as well as for an innovative and dynamic economy; and good public services require sufficient, well-trained workers with decent wages and working conditions.

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