



Representativeness of the European social partner organisations: Textiles and clothing sector

Executive summary

Introduction

This study aims to provide the necessary information to encourage sectoral social dialogue in the textiles and clothing sector. The EIRO series of representativeness studies, carried out at the request of the European Commission, sets out to identify the representative social partner associations to be consulted under the provisions of the Treaty on the Functioning of the European Union (TFEU). The study thus identifies the relevant national social partner organisations in the textiles and clothing sector via a top-down approach (listing the members of the European affiliations) and a bottom-up approach via the national correspondents from the European Industrial Relations Observatory (EIRO).

The effectiveness of European social dialogue depends on the representativeness of the sector's relevant national actors – only sufficiently representative associations can participate in European social dialogue.

A national association is considered to be a relevant sector-related interest association if it meets the following criteria: a) the association's domain relates to the sector; b) the association is either regularly involved in sector-related collective bargaining and/or affiliated to any relevant European interest association.

A European association is considered to be a relevant sector-related interest association if it is on the Commission's list of interest organisations to be consulted on behalf of the sector under Article 154 of the TFEU and/or participates in sector-related European social dialogue and/or has requested consultation under Article 154.

Defining the sector

For the purpose of this study, the textiles and clothing sector is defined in terms of the Statistical Classification of Economic Activities in the European Community (NACE) (Rev. 2), to ensure the cross-national comparability of the

findings. More specifically, this sector is delineated by NACE codes 13 (manufacture of textiles) and 14 (manufacture of wearing apparel).

Economic background

The EU27 is the world's largest market for textile and clothing products, the world's second-largest exporter of textiles and the third-largest of clothing. The sector accounts for approximately 4.5% of EU manufacturing production and 7.5% of manufacturing employment – over two million employees in 2011.

Employment characteristics

Manufacture of clothing is the most significant activity in terms of employment, providing 1.3 million jobs. More than two-thirds of workers are aged between 25 and 49 in both the textiles and wearing apparel subsectors and women constitute 71% of the workforce. Most companies in the sector are microcompanies – more than 85% employ fewer than 10 people. Average annual employment losses in recent years totalled around 120,000 – an annual decline of 5%. This accelerated to 7% in 2010. However, average employment loss has slowed more recently, reaching only 2% in 2011.

Recent developments

The textile and clothing sector was already undergoing restructuring before the start of the crisis, driven by the following factors: changing consumer demand, technological advances, escalation of production costs, growth in retailers' purchasing power and environmental issues.

With a lower added value per person employed than many other activities, this labour-intensive sector faces considerable competition from low-cost economies and has been affected by the liberalisation of international trade. In response, European industry has undertaken extensive subcontracting or relocation to low-cost countries, resulting in a

diminishing skilled labour force and accelerating technological change.

The number of enterprises in the sector decreased between 2001 and 2011 in 16 countries covered in this study and this resulted in a subsequent drop in employment. In the Czech Republic, Latvia, Slovakia and Spain, employment fell even though the number of companies increased. The proportion of employees in the sector remained stable between 2001 and 2011 in all countries except Austria (where it rose from 69% in 2001 to 94% in 2010) and Hungary and Sweden (where it remained stable at 100%). Only Luxembourg recorded an increase in employment from 2001 to 2011. In total, 644,500 jobs were lost in the sector from 2008 to the last quarter of 2010.

National level of interest representation

Trade unions

The number of active trade union members differs greatly across Europe, ranging from over 2.2 million members of IG Metall in Germany to only a few dozen PSPKM members in Greece. In total, 76 sector-related trade unions fulfilling the criteria for inclusion in the representativeness study were identified. There is only one sector-related union in 33% of the countries. There are two sector-related unions in 15% and three in 22% of the countries. Four or more sector-related unions exist in 30% of the countries. This is indicative of a fragmented landscape overall, despite the prevalence of pluralist employee associations.

Employer organisations

In total, 52 sector-related employer organisations in 22 countries were identified. All these organisations are members of EURATEX, the EU-level employer association. Cyprus, Ireland, Luxembourg, Malta and Slovakia have no sectoral employer associations, while in Estonia, Latvia and Poland, sectoral organisations do not participate in collective bargaining. There is only one employer organisation in 10 of the 22 countries that have such organisations. There are two employer organisations in seven countries, three in one country (Belgium) and four in four countries. Pluralist associations are less prevalent in employer organisations than in trade unions.

In terms of participation in public policy, authorities consult 89% of the employer organisations for which related data are available. Employer organisations are consulted in all countries (where they exist) except Greece, although this practice is not systematic in some countries.

Collective bargaining

Collective bargaining coverage is highly polarised across the EU. While 10 of the countries studied record high rates of collective bargaining coverage (exceeding 80%), in eight countries the rate is 20% at most.

European level of interest representation

The textiles and clothing sector organisations listed by the European Commission as social partner organisations to be consulted under Article 154 of the TFEU are IndustriALL Global Union and the European Apparel and Textile Confederation (EURATEX).

IndustriALL is affiliated to the European Trade Union Confederation (ETUC) and represents 194 national organisations and 7,314,027 workers from 39 European countries. It has 47 direct affiliations in the textiles and clothing sector, 45 of which participate in sectoral collective bargaining, and it covers 24 of the 26 countries reporting sector-related trade unions.

EURATEX, whose federations at Member State level represent over 180,000 companies and over 1.8 million jobs, belongs to the Alliance for a Competitive European Industry. It has 25 direct affiliations, 23 of which participate in sectoral collective bargaining, and it covers 20 of the 22 countries reporting sector-related employer organisation.

Conclusions

Top-down and bottom-up analyses of the textiles and clothing sector in the EU27 show that IndustriALL and EURATEX should be regarded as the most significant EU-wide representatives of employees and employers and are therefore required to be consulted under the provisions of the TFEU, especially since no other European-level actors with comparable coverage could be found on either side of the industry.

Further information

The report *Representativeness of the European social partner organisations: Textiles and clothing sector* is available at <http://www.eurofound.europa.eu/eiro/studies/tn1302024s/index.htm>

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