

## All countries

### Collective agreements/Works Councils common?

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#### Asia

China	A company with 25 or more employees must establish a trade union which may negotiate and conclude a collective agreement. In practice, collective agreements are extremely rare.
Hong Kong	<p>There is no collective bargaining legislation in Hong Kong. Therefore, collective agreements are very rare.</p> <p>Works councils do not exist in Hong Kong. Employee representation in Hong Kong is implemented through trade unions, although even if a deal is struck between a trade union and an employer, the terms of that deal will not automatically be binding on the members of the union.</p>
Singapore	<p>Collective agreements are common within specific industries, such as transport and manufacturing.</p> <p>Trade unions are administered by the Industrial Relations Act (Chapter 136), the Trade Disputes Act (Chapter 331) and the Trade Unions Act (Chapter 333), among others.</p> <p>Both trade unions (as sole negotiating body for employees) and employers may serve on the other party a notice to negotiate on industrial matters such as commence negotiations for a collective agreement. The receiving party is required to accept the invitation to negotiate. A collective agreement is valid for a minimum of two years and a maximum of three years.</p>
United Arab Emirates	There are no trade unions in the UAE and employee representatives are not common. Therefore, collective agreements do not exist.

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#### Europe

Austria	<p>Very common. Collective Bargaining Agreements (between chamber of commerce and trade unions) cover almost every industry sector and must be complied with.</p> <p>Works councils within the undertakings are also very common and relatively powerful.</p>
Czech Republic	<p>Collective Bargaining Agreements are not as widespread as in other European countries, although rather common in heavy industries (eg automotive, mining).</p> <p>Work councils and representatives for occupational health and safety protection may also be elected in an employer's organisation. The establishment of such bodies is not mandatory, even if a certain number of employees is exceeded.</p>
England & Wales	Very rare.

France	<p>Industry-wide Collective Bargaining Agreements (“CBAs”) generally apply to companies in France.</p> <p>Social and Economic Committees (new Works Councils) have to be implemented as from 11 employees over 12 consecutive months. In companies employing at least 50 employees over 12 consecutive months, the Social and Economic Committee has specific powers in economic, financial and strategic matters and benefits from a budget for its functioning and for social activities to the benefit of the employees.</p>
Germany	<p>Federal Ministry of Labor and Social Affairs can declare specific collective bargaining agreements (“CBA”) as generally binding. Keeping such aside, the only reasonable way how CBAs come into binding effect is that the contracts refer to it or that company concluded CBAs that shall apply. It is not mandatory to form a works council. Employees and operations with more than five employees may elect a works council. However, always an initiative by the employees is required to start the founding of a works council.</p>
Hungary	<p>Collective agreements can theoretically be concluded at the workplace level, at the professional/technical level, at the class level, at the sectoral level, at the territorial level or at the national level. Currently the micro level counts as dominant in Hungary, the professional or national level is not present yet. According to the Hungarian Central Statistical Office’s statistics approximately one third of the employees fall within the scope of a collective agreement (those individuals being mainly employed in the public sector) and approximately one tenth of the employees is a member of a member council.</p> <p>If the average number of employees is higher than fifteen a shop steward, if it is higher than fifty a works council shall be elected at the employer or at the employer’s independent establishment or division. Both the shop steward and the works council have the same entitlements. Works councils are a right of the employee and not a duty of the employer.</p>
Ireland	<p>They are not common. Unlike many jurisdictions, employers are not bound to recognise a trade union unless taking over a business that already recognises one. Employees may join a trade union, but employers are not obliged to negotiate with any such trade union in relation to employees terms and conditions of employment. Trade union membership amongst the international employer sector in Ireland is particularly low. Employers do need to take care, however, not to unintentionally recognise a trade union or create collective bargaining arrangements by negotiating with a trade union.</p> <p>Works councils are not a significant feature of the Irish industrial relations landscape. Irish law includes specific provision for the establishment of both European and local level works councils but, in practice, they are rare.</p>
Italy	<p>The application of NCBA is convenient (not mandatory) because it generally provides a complete discipline of the employment relationship - the Italian employment contracts are generally very short documents as they can refer to NCBA for any matter not specifically addressed in the contract.</p> <p>Typically, a company chooses a NCBA specifically tailored on the business sector.</p> <p>Even if not applied, in case of claim, the NCBA are taken into account to compare possible less favourable provisions of the individual employment agreement.</p> <p>Works Councils are common in companies with more than 15 employees.</p>

Netherlands	<p>Collective agreements are common in the Netherlands, but not in technology.</p> <p>Works Council is mandatory at 50 + employees, but there is no penalty on not having a Works Council in place.</p>
Poland	<p>Collective agreements are not common in private business sector. They are more common in state owned companies and some industries (eg mining).</p> <p>Works Councils might be established if employees so desire once the number of employees exceeds the 50 person threshold. It is a statutory entitlement for employees' and there is no obligation.</p>
Portugal	<p>Very common.</p>
Slovakia	<p>Collective agreements are common both on an employer and sector level. Works councils are also common but not as much as trade unions.</p> <p>A works council can be set up in a company that has at least 50 employees. Companies that have less than 50 but at least three employees can have an employee trustee. The rights and obligations of an employee trustee shall be identical to the rights and obligations of a works council.</p>
Spain	<p>Collective bargaining agreements are very common in Spain, almost every employer is under the application of a collective bargaining agreement. In this regard, please bear in mind that collective bargaining agreements in Spain have a similar status of a law.</p> <p>Employee representatives are also common in Spain. Depending on the size of the company, there might be 1 to 75 employee representatives.</p>

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## **South America**

Brazil	<p>Mandatory observance.</p>
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