FROM COLLECTIVE BARGAINING TO SOCIAL DIALOGUE:

NEW LEGAL FRAMEWORK, NEW PARADIGM FOR THE FRENCH LABOR RELATIONSHIP

Harvard Law School - Labor and Worklife Program

Rebalancing Economic and Political Power: A Clean Slate for the Future of Labor Law
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The French legal system

The two branches of the law.

- Public law
- Private law
- Social law (labour law + Social Security Law)
PUBLIC LAW
- Constitutional law
- Administrative law
- Public finances
- International public law etc.

PRIVATE LAW
- Civil law
- Business law
- Social law
- Consumer law
- Rural law
- International private law, etc.

European law, fiscal law, criminal law, judicial law
CONSTITUTIONALITY BLOCK
The 1958 Constitution, Preamble to the 1946 Constitution, the Declaration of the Rights of Man and of the Citizen of 26 August 1789

CONVENTIONALITY BLOCK
EU (Treaties, European directives, European regulations)
Council of Europe (European Convention for the Protection of Human Rights and Fundamental Freedoms)

LEGALITY BLOCK
Organic laws
Ordinary laws

GENERAL PRINCIPLES OF LAW

DECREES

COLLECTIVE AGREEMENTS

EMPLOYMENT CONTRACT
The theory of the hierarchy of norms

- A state law
- A centralized law
- The lower-level norms must be conform to the higher-level norms

The « favorability » principle / principle of favor
“Principe de faveur”
INTRODUCTION

The French legal framework for collective agreements

1) The legal steps

- Act of 25 March 1919: the implementation of the principles of civil law
- Act of 24 June 1936: the collective agreement begins the law of the professional sector
- Act of 23 Dec. 1946: principle of the hierarchy of collective agreements
- Act of 11 Feb. 1950: back to contractual freedom
- Act of 13 July 1971: recognition of the workers’ right to negotiate
- Act of 13 November 1982: expanding the conventional coverage, in particular by giving a main part to the firm-level agreement and introducing the principle of mandatory negotiations (one, three and five years periods) / introducing the possibility to derogate from the Act by the way of collective agreements
- Act of 4 May 2004: beginnings of deconstruction of the principles of the hierarchy of collective agreements
- Act of 20 August 2008: complete autonomy of the different levels of collective bargaining concerning the organization of working time
- Act of 17 August 2015: creation of the personal account of activity / broadening representation to the employees in the small companies / decreasing of the number of the branches
- Act of 8 August 2016: a new architecture for the different levels of bargaining (the firm level is becoming the ordinary one) / majority agreements (Unions gathering more than 50 % of the votes cast) or, failing that (at least 30 %), by a referendum (consultation of employees) / definition of the functions of the branch agreements
- Ordinance-law of 22 Sept. 2017: prevalence position recognize to the firm-level bargaining with the exception of specific named fields such as salaries, classifications, complementarity social protection, Mutualized funds in the field of the vocational training, equality between women and men, prevention of arduousness, organization of working time, fixed-term contracts, workers with disabilities, temporary employment, “equivalent” hours…
INTRODUCTION: HISTORICAL GROUNDS

The French legal framework for collective agreements

2) Different levels of the collective bargaining

- national
- regional
- local

Cross-industry level
Branch level
Professional level
Group
Entreprise
Establishment

Multi-professionnal level (L2152-2)

Intercompany level (L2232-36 à 38)

The growing place of the territory level
INTRODUCTION : HISTORICAL GROUNDS

The French legal framework for collective agreements

3) The original legal articulation between the different levels (before 2004):

- the hierarchy between the different levels

- the main place given to the branch level : the consequence of the mechanism of extension
INTRODUCTION: HISTORICAL GROUNDS
The French legal framework for collective agreements

4) The legal mechanism for extension of collective agreements

- **An « erga omnes » effect**

The mechanism of the extension entitles to give an overall effect to the provisions of a collective agreement signed only by a part of the social partners, i.e. binding even the non-signatories or the employers non members of a professional organization, from the moment that they are included in the scope of the agreement.

- **A mechanism that concerns several levels**: the branch, the profession, the cross industry level (Lab. cod. art. L. 2261-19)

- **And does not depend on the size of the firm**
INTRODUCTION : HISTORICAL GROUNDS
The French legal framework for collective agreements

4) The legal extension mechanism of collective agreements

- A mechanism created in 1936 for
  - enhancing the « social peace »
  - making the collective agreement extended to the professional law of the sector
  - normalizing the competition between firms

« cushioned conflicts, arbitrary forbidden, situations more stable, improvement of working conditions, fair competition between employers belonging to the same professional sector that stop squeezing the « patrons » who attend to insure to their collaborators workers the most human conditions »

E. BENDER, spokesman on the bill concerning the collective agreements, senator, Parti radical, intervention in the discussions around the bill, Senat, session on 17 June 1936, p. 518)
The mechanism of extension requires, from the moment that it’s created, the existence of employers’ organizations and trade unions which are representative.
INTRODUCTION : HISTORICAL GROUNDS
The French legal framework for collective agreements

4) The legal extension mechanism of collective agreements

- An administrative decision issued by the Ministry of labour;
- he can
  - *Refuse* to extend the whole collective agreement, including for general interest reasons
  - *Partly* extend the collective agreement: the Ministry can exclude clauses
    - In contradiction with the law
    - Or that do not meet the needs of the branch
- Extend under conditions of compliance with the legal provisions
4) The legal extension mechanism of collective agreements

- The legal effects of the collective agreement extended
  - It becomes the law of a professional sector or the national cross industry level (ANI – Accord national interprofessionnel)
  - It applies even to the employers non-members of the organization that has signed for
5) The "favorability principle"

- an ancient principle: the law of 1936
« The collective agreements must not contain any provisions contrary to the current laws and regulations, but it can provide more favorable provisions »

(art. 31c labor code, 1936)
INTRODUCTION : HISTORICAL GROUNDS

Three reforms have profoundly transformed the legal framework of the collective bargaining and the hierarchy of norms in the field of the labor law

1) The Act of 4 May 2004, concerning the lifelong vocational training and the social dialogue

2) The Act of 20 August 2008 on the renovation of the democracy and the reform of the working time

3) The Act of 8 August 2016 on work, modernization of social dialogue and to secure professional career paths
Deconstruction of the principle of the hierarchy of collective agreements

- Decentralization of collective bargaining to enterprise
- Subsidiary role of the branch (decrease and restructuring/supporting role to the small firms)
- Increasing the individual arrangements regulated by the contract of employment
- Growing place to the group agreement
- Territorial negotiations

« Social dialogue »
1) The Act of 4 May 2004, concerning the lifelong vocational training and the social dialogue

The law has made « the choice of reformism and the bet of responsibility of the social actors. Leaving thereby the unproductive ideological conflicts, this bill is opening the boundaries of what is possible »

(Senator Chérioux’s report)

According to F. Fillon, the minister of labor at the time, it’s now possible « to rethink a system remained unchanged for decades » and « close to breathlessness » by strengthening the legal framework for the collective bargaining
Everyone must see the significance of this project. It aims to rethink a system remained unchanged for decades by modifying the rules stated by the law of 1950 concerning the collective agreements. Behind its technical nature, it is indeed our democracy that is at stake. Talking about the rules of collective bargaining means dealing with the procedures to concluding agreements, tackling the legitimacy of such agreements, redefining the scope of the collective bargaining and the various levels of competence to negotiate them. It means rethinking the articulation between the law and the contract. All in all, it’s giving rise to a new deal that might change the nature of the social relationship.

F. Fillon, Minister of Labor
2) The Act of 20 August 2008 on the renovation of the democracy and the reform of the working time

- Theoretical bases

  ✓ Giving a place more important to the collective bargaining

  ✓ Enhancing the legitimacy of the social partners
The working time is indeed a privileged field for the fulfilment of an update social dialogue. However, the current framework remains too influenced by the requirements laid down in the law, that have been piled up over the years and don’t have no more real justifications. To promote social dialogue on working time, the guidance document of 26 December 2007 invited therefore the social partners to rethink the articulation of the roles between a law refocusing especially on the definition of the rules necessary for the protection of health and safety of workers, and a collective bargaining with broad competences, especially concerning the quota time off fixing modalities for overtime work and the equivalent compensatory rest. 

F. Fillon, Prime Minister
2) The Act of 20 August 2008 on the renovation of the democracy and the reform of the working time

- Practical implementations: the Act relaxes the implementation of provisions concerning the organization of working time by...
  
  ✓ Moving away the principle of the hierarchy of norms

  ✓ Using the collective agreement when a decree was before required

  ✓ « Normalizing the derogation »: the derogation aims at becoming the common standard
3) The Act of 8 August 2016 on work, modernization of social dialogue and to secure professional career paths

- Finalizing the reform:
  
  ✓ Reinforce the collective bargaining at the firm level

  ✓ Encourage to negotiate (failing agreement, implementation of the legislative or regulatory provisions)
The new legal architecture in the field of labor law

Public order (established by law)

= the absolute minimum that binds the collective agreements

The scope of collective bargaining

= more favorable than law except if it previews otherwise

Auxiliary provisions (applied by default)

= stated by law or decree
I- The new architecture of the collective bargaining at the different levels

II- The prominent place given to the collective bargaining at the firm level

III- The new functions for the collective bargaining
I- The new architecture of the collective bargaining at different levels

The linkage between the branch level and the higher ones

Collective agreement at a branch level can now derogate in a less favorable direction from a higher level, provided that such possibility has not been excluded by the signatories (Lab. cod. art. L2252-1)
Consequently

It is the responsibility of the higher level to forbid or to restrict the derogations.

In the absence of such a provision, the possibility is open, for a lower level of negotiation, to derogate from a higher level.
I- The new architecture of the collective bargaining at different levels

The linkage between the branch agreement and the lower levels

The enterprise level is the ordinary level (art. L2253-3 Lab. Code)

The branch level agreement still binds the agreement signed at lower level of negotiation
- in the areas prescribed by law
- And unless that enterprise agreement provides guarantees that are at least equivalent
Art. L2253-1 et 2
Primacy of the branch agreement
(setting up of public order by negotiation)

- Minimum wages
- Classifications
- Collective guarantees in the field of supplementary social protection
- Mutualized funds in the field of the vocational training

- Equality between women and men

Primacy of the branch agreement unless enterprise agreement provides guarantees that are at least equivalent (L2253-1)

Act of 4 May 2004
Act of 8 August 2016
- Organization of working time over 3 years,
- Fixed-term contracts,
- Workers with disabilities,
- Temporary employment,
- “Equivalent” hours...
- Number of hours needed to characterize the night work
- Minimum hours of work for the part-time workers (when it’s less than 24 h/week)
- Rate of increase and start of the overtime hours for part-time workers
- Fixed-term contract
- Temporary work
- Contract with an indefinite period of time in the construction sector
- Trial period
- Transfer of employment contracts (L1224-1)
- Minimal wages for the employee of a “société de portage” and fee for bringing business

Primacy of the branch agreement **unless** enterprise agreement provides *guarantees* that are **at least equivalent** (L2253-1)
- Prevention of arduousness
- Workers with disabilities
- Number of employees necessary to nominate the trade unions delegates, their number and how their career path is taken into account
- Extra allowance for dangerous or unhealthy work

Primacy of the branch agreement ONLY IF IT SAYS AND

unless enterprise agreement provides guarantees that are at least equivalent

L2253-2
I- The new architecture of the collective bargaining at different levels

➢ What are the learnings to be drawn:

✓ Adaptation or calling into question of the principle of favor?
A branch, a professional or a cross-industry agreement can incorporate stipulations less favorable for the employees than the one that are applicable under a collective agreement covering a territorial or professional field with a wider scope, except if the collective agreement expressly states that it cannot be derogated entirely or partly.

When a collective agreement is signed at a higher level, the parties [must] adapt the provisions of the ancient collective agreement less favorable for the employees if a stipulation of the higher level collective agreement specifically provides.
I- The new architecture of the collective bargaining at different levels

➢ What are the learnings to be drawn :

✓ Adaptation of the principle of favor or calling into question ?

✓ Can we still talk about « principle » as soon as it has lost its imperative nature ?

❖ The boundaries set out by the law to the adaptation of the principle of favor :

- The law remains imperative : a collective agreement can only derogate from the law in a more favorable way

- The employment contract cannot derogate from the law and the collective agreements, except in a more favorable way (article L2254-1)
II- The prominent place given to the collective bargaining at the firm level

➢ **New scope**: concerning the working time, the Act of 2008 entitles the enterprise or establishment agreement ...

- To implement the law provisions, where the branch or the professional level were before exclusively entitled

- To derogate from the branch level with no more possibility for it – but concerning only the working time – to prohibit the derogations
The legal working time remains at 35 hours per week
(art. L. 3121-27)
The law sets out **maximum duration** for work
(art. L. 3121-20, 21, 22)

- **48 h** per week
- **44 h** over a 12 weeks period
- **46 h** – exceptionally – provided that there exists an extended branch collective agreement
- **60 h** for a limited period, in exceptional circumstances leading to exceptional extra-work
The law set out maximum **daily** durations for **work**

✓ **10 h** max. - exceptions exist (L3121-18)

The law set out minimum duration for **resting**

(art. L. 3132-1)

✓ **24 h** of weekly rest + **11 h** of daily rest (i.e. 35 h)

✓ **11 consecutive hours** of daily rest (art. L. 3131-1)
II- The prominent place given to the collective bargaining at the firm level

- **New scope**: After the Act of 2008
  - Overtime hours are implemented by an enterprise agreement with *no more* possibilities for the branch to frame it (art. L. 3121-11)
  - Some measures can be set out at the firm level and *only if not*, at the branch level
    - Working time arrangements more flexible
    - Time saving account
    - Flat-rate pay agreement
II- The prominent place given to the collective bargaining at the firm level

- New scope

- The compulsory negotiations in enterprises with a union section

  - Existing since 1982 – salaries, work duration and collective labor disputes (Act of 13 November)

  - Extended to other topics: sharing of added value, equality women-men, quality of working-life, job and skills forecast management

- Now, every 4 years max. (depending on the provision of the agreement)
- In the absence of such agreement, the standards of the Labor Code will apply (every each year – L2242-13 and seq.)
- Penalties exists if negotiations have not been open
- As long as negotiations are in progress, the employer can’t take decisions regarding all the employees (individual decisions are still possible).
III- New purpose for the collective bargaining

The adaptation of labor law to the market rationality: a market-based labor law?

✔ Labor law is now becoming an adjustment variable for businesses

✔ Mobilization of new semantic fields
  ❖ Perimeter of the collective agreement instead of speaking of scope
  ❖ The reference to the “socle” (basis) of rights which suppose minimum rights (floor rights)
    ➡ An approach promoted by the European Commission (the draft of European Pillar of Social Rights – 8 March 2016)

❖ The reference to the “guarantees that are at least equivalent” (“garanties au moins équivalentes”) which replaces the reference to favorable provisions
III- New purpose for the collective bargaining

- The adaptation of labor law to the market rationality: a market-based labor law?

- The weakening of the branch level
  - The interchangeability between the different levels of negotiation
  - The subsidiarity of the branch-level
  - The increasing place of the group-level agreement: the burst of sectorial solidarities
  - The social rights are faced with economic freedoms
    - The litigations against the decision of labor Minister to extend branch collective agreement

  - Would be a concerted practice that is a distortion of competition within the internal market
  - Rejection of petition by the Conseil d’Etat (CE 30 avril 2003, Syndicat professionnel des exploitants indépendants des réseaux d'eau et d'assainissement, N° 230804, publié au recueil Lebon ; CE 21 mai 2008, Sté Nouvelle de remorquage du Havre, n° 291115, mentionné dans les tables du recueil Lebon ; CE18 juin 2010, Syndicat des agences de presse photographiques d'information et de reportages, n° 318143, publié au recueil Lebon
  - **BUT** “The provisions of such collective agreements must not have the purpose or effect of preventing, restricting or distorting competition on market in particular by restricting access to the market or to the full play of competition by the other companies”
CE 16 janvier 2002, n° 223859, Syndicat national des entreprises d'esthétique et de coiffure à domicile et autres, mentionné aux tables du recueil Lebon

La convention de branche prévoyait une durée minimale de travail pour les salariés à temps partiel (22 heures), ce qui avait pour effet, pour les requérants, d’exclure du marché la pratique de la coiffure à domicile, en violation des articles 7 de l’ordonnance du 1er décembre 1986, repris à l’article L. 420-1 du code de commerce, et 9 repris à l’article L. 420-3 du code de commerce.

Le Conseil d’Etat rejette la demande mais sans remettre en cause un raisonnement qui conduit inexorablement à mettre en concurrence des dispositions qui devraient être hiérarchisées et non confrontées.

« Considérant qu’il résulte des dispositions législatives précitées que si les conventions de branche ou les accords professionnels ou interprofessionnels et leurs avenants, négociés et conclus par les représentants d’organisations syndicales d’employeurs et de salariés, répondant à l’objet de l’article L. 131-1 du code du travail relatif à la détermination des relations collectives entre employeurs et salariés, de leurs conditions d’emploi et de travail et de leurs garanties sociales, ne sont pas, en eux-mêmes, des “conventions” ou des “ententes” au sens de l’article 7 de l’ordonnance du 1er décembre 1986, les stipulations desdits conventions ou accords collectifs ne doivent pas avoir pour objet ou pour effet d’empêcher, de restreindre ou de fausser le jeu de la concurrence sur un marché notamment en limitant l’accès au marché ou le libre exercice de la concurrence par d’autres entreprises »

L. 420-1 du code de commerce
Sont prohibées, lorsqu’elles ont pour objet ou peuvent avoir pour effet d’empêcher, de restreindre ou de fausser le jeu de la concurrence sur un marché, les actions concertées, conventions, ententes expresses ou tacites ou coalitions, notamment lorsqu’elles tendent à limiter l’accès au marché ou le libre exercice de la concurrence par d’autres entreprises.

L. 420-3 du code de commerce
Est nul tout engagement, convention ou clause contractuelle se rapportant à une pratique prohibé par l’article 7.
### III- New purpose for the collective bargaining

- The adaptation of labor law to the market rationality: a market-based labor law?
- The weakening of the branch level

- The evolution of the role of the branch level: supporting role for enterprises (Acts of 2016)

  - Commissions paritaires permanentes de négociation et d’interprétation – Permanent Joint Commissions for negotiation and interpretation (art. L2232-9)
    - Representing the branch before public authorities
    - Monitoring work conditions and labor
    - Giving an opinion on a collective agreement during trial

  - Supporting the collective bargaining in the small enterprises (- 50)
    - Providing, in the branch-level agreement, a standard agreement to enterprises (art. L2232-10-1)
III- New purpose for the collective bargaining

- The adaptation of labor law to the market rationality: a market-based labor law?
- The weakening of the branch level


  ✓ Supporting the collective bargaining in the very small enterprises (- 11) (art. L23-111-1 and seq.)
    ❖ Giving information, advices to employees and employers
    ❖ Facilitating the resolution of individual or collective labor conflicts (with the consent of the parties)

  ✓ Means:
    ❖ 20 members, employees and employers from very small enterprises, designated for 4 years (renewable) by Employers organizations and Trade unions representative at the national cross industry level
    ❖ 5 hours of delegation per month
CONCLUSION

- Social partners co-legislators?

- The new forms of the State intervention within the field of labor law

- The becoming of the “principe de faveur” / principle of The « favorability » principle / principle of favor

- The “territorialisation” of the social dialogue
Social partners co-legislators?
The shift from collective bargaining to social dialogue

- Preliminary observations

  - The context of emergence:
    - the UE
    - the French approach

  - The plurality of approaches of the concept of social dialogue
    - Legal analysis: no legal definition but a “method”
      - For supporting changes by elaborating the legal rules at the national cross-industry level – France
      - For resolving conflicts and promoting the negotiation - ILO
    - Sociological approach:
      - A turning point in the labor relationship: the development of a culture of partnership
Social dialogue is an extremely valuable tool for the management of change. Although it is often called into action only when the risk of redundancies is high, it has proved its value in many successful companies as a mechanism for combining economic and social efficiency. The ILO has a special role to play in promoting social partnership for the management of change in an increasingly competitive global market.»

“...In terms of national policies, all of this means reinforcing the ILO’s current efforts to promote decent work at the country level in the light of the orientations set out in the Commission’s report. These include a stronger emphasis on local and community development, on institutional and policy reform to respond to globalization (e.g. dynamic labor market policies, building the capacity of the social partners and a greater role for social dialogue in adjustment processes), and on national policy coherence.”

“The State has a key role to play in creating an enabling institutional framework to balance the need for flexibility for enterprises and security for workers in meeting the changing demands of a global economy.”

Social partners co-legislators?

The shift from collective bargaining to social dialogue

- No definition of social dialogue but a legal preliminary procedure preceding the vote of the bill (concerning the draft bill initiated by the government)

« concertation », Information, consultation, negotiation

Are social partners agree to open negotiations?

Based on a guidance document provided by the government

Of joint bodies involved in the process

Between social partners
Article L. 1 of Labour Code

« Every bill initiated by the Government and which concerns individual and collective labor relations, employment and vocational training and that is included in the scope of the negotiations at the national cross-industry level must be preceded by a prior dialogue with employers’ organizations and trade unions in view of a possible opening of negotiations.

To that purpose, the Government provides them a guidance document [policy paper] presenting some diagnostic information, the aim being pursued and the main options.

When they intend to initiate such negotiations, they must inform the Government and indicate the estimated timeframe to lead the negotiation.

The present article in not applicable in case of urgency. When the Government decides to implement a bill without using the dialogue [concertation] procedure, it must inform the organizations mentioned above with a reasoned decision embedded into a document delivered to these organizations before taking the necessary urgent measures. »

Art. L. 2

« On the basis of the results of the dialogue and the negotiation procedures, the Government submits the bills and draft decrees falling into the scope of the article L.1 to the National Commission on Collective Bargaining or, as the case may be, to the Higher Council for the Employment, vocational training and counselling, in accordance with the conditions laid down in Articles L. 2271-1, L. 5112-1 et L. 6123-1. »
Social partners co-legislators?

The shift from collective bargaining to social dialogue

- Social partners involved in the making of the law
  - The social dialogue as a way to support (even anticipate) politic changes: the dogma of a permanent transformation
  - Build the law on the social dialogue to reinforce the legitimacy of the public action
- The new forms of the state intervention within the field of labour law

  The shift from collective bargaining to social dialogue

**Partnership**

- The opening of social dialogue to the civil society

  New partners, “parties” (in a legal sense?) /

  New issues

The legitimacy of the “stakeholders”?
The new forms of state intervention within the field of labor law

The shift from collective bargaining to social dialogue

The territorialization of the social dialogue

- Involving the enterprises in the revitalization of job areas
- Setting up a territorialized law
- The main role played by European law: the relevant territory to apply the European employment policies (European Strategy for Employment – ESE)
- A European law relayed by the French legislation: the example of the art. L. 1233-84 to 89 of the labor code
Article L1233-84

When enterprises conduct collective redundancies for economic reasons affecting, by its spread, the balance of one or several job areas where they are settled, enterprises mentioned at the article L. 1233-71 [i.e. employing at least 1,000 workers] must contribute to the creation of activities and to the employment development and mitigate the effects of the redundancies planned on the other enterprises within the job area(s).

These provisions do not apply to company under judicial reorganization or in judicial liquidation.
The new forms of state intervention within the field of labour law

The shift from collective bargaining to social dialogue

A social dialogue embedded in a social democracy?

- The recent changes of criterion of employers’ organizations and trade unions representativeness: enhance the legitimacy of social partners.

- The constitutional bill concerning the social democracy (14 March 2013): the constitutionalization of the social dialogue procedure.

« The institutional prerogatives of the legislator author of the law remain. But it will take into account and capitalize on the experience of national cross-sectorial collective agreement signed in this framework by the social partners », grounds of the constitutional bill, p. 4
The becoming of the “principe de faveur” / « favorability »
principle / principle of favor

- An ancient principle (1936) linked with the mechanism of extension of collective agreements
  - A consequence of the mechanism of extension, that gives the collective agreement an « erga omnes » effect

The mechanism of the extension entitles to give – by decision of the Minister of Labor law - an overall effect to the provisions of a collective agreement signed only by a part of the social partners, i.e. binding even the non-signatories or the employers non members of a professional organization, from the moment that they are included in the scope of the agreement.

- The principle : a lower-level norms must be conform to the higher-level norms and can derogate only in a more favorable way for the employees

- Scope after the reforms
  - Still in force concerning the linkage between of the branch and the higher levels of negotiation (cross-industry) (L2251-2)
  - Still concerning the linkage with the law (L2251-1)
The “territorialization” of the social dialogue

- Linked (but different) with the regionalization and decentralization
- Territorialization

- New forms of state intervention

“i.e. taking into account the territory in the scope and the substance of the rules of law”

- No definition, no set level of the territory (pragmatic approach) – the “relevant territory” for the European Union in the framework of the European employment strategy

1.3.3. The local level

“Innovative solutions to employment development, combating exclusion and improving the quality of life and work are to be found at local level. Trial schemes with extended partnerships covering cities or employment areas have proven the effectiveness of such approaches which succeed only where the social partners are genuinely, deeply involved.
Special attention will be paid to participation by the regional and local social partners in the local development forum to be held in 2003.
The Commission will support:
- the application of experience gained in the context of the various Community programmes and initiatives;
- information operations targeted at the social partners (Internet site on local development);
- dialogue at local level.”
The “territorialization” of the social dialogue

Territorialization

- Which gives rise to a reorganization of collective action (public and private) around the settlement of a problem
- The law and the negotiations become a tool for public action, related with employment
- A shift from a division of the territory following a top-down process to a bottom-up

Legal problems raised

- Legitimacy of the “stakeholders” invited to negotiate
- Binding force of the “act” still a controversial issue
- But a real effectiveness in the enterprises and on the employment areas (“bassins d’emploi”)

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