REPORTS AND INQUIRIES

Collective Agreements in the Chemical Industries

Conditions of employment, including recruitment, dismissal and the procedure for the settlement of labour disputes, are determined in the chemical industries in most countries by collective agreements between workers and employers. These agreements are discussed in the following article. Although the different stages of economic development and differences in the organisation of the industry in the countries concerned make generalisation difficult, an attempt is made to show present tendencies in the drawing up of these agreements.

In many countries conditions of employment are dealt with by collective bargaining, and the ensuing collective agreements have developed into an invaluable extension of the safeguards provided for workers by national legislation. The law in most countries allows employers' and workers' organisations, provided they comply with certain statutory or constitutional requirements, complete freedom to settle the contents and duration of their collective agreements and their rights and obligations thereunder.

However, in some countries the law defines the agreements legally considered to be collective. For example, in order to be valid, collective agreements in Argentina must, under the Collective Agreements (Legal Status) Act of 13 October 1953 (No. 14250), be concluded between an association of employers, an employer or a group of employers, and an employees' association that is an incorporated trade union having sole power to represent the workers and conclude a collective agreement on their behalf. In addition, such agreements must be approved by the Ministry of Labour and Social Welfare.[1] A somewhat similar system exists in the Union of South Africa, where organisations of workers and employers are empowered, under the 1937 Industrial Conciliation Act, once they become representative of a region or industry, to form an industrial council for the purpose of negotiating, concluding and applying collective agreements. Any such industrial council becomes a body corporate by the fact of being registered.

[1] Such approval makes collective agreements binding not only on the parties to them but also on all workers in the same trade.

Scope of Collective Agreements

Collective agreements in the chemical industries vary in scope from one country to another and sometimes even within the same country.

In some countries national collective agreements exist for the chemical industries as a whole, e.g. France, Austria and the Federal Republic of Germany. In France a national collective agreement for the chemical industries was signed on 30 December 1952. It regulates relations between employers and workers in all chemical plants and covers workers, staff, engineers and managerial staff. The agreement comprises the same set of clauses for each class of employee, together with annexes dealing with workers, staff, and engineers and managerial staff respectively. Under this agreement there may be further annexes dealing with individual branches of the industry, regions or districts, if the parties think fit, in order to adjust some of its provisions to special conditions. It is understood that such annexes may not be less favourable than the agreement itself. In Austria a model collective agreement *(Rahmenvertrag)* was signed on 10 December 1947 between the Chemical Employers' Association, the Federal Corporation for the Chemical Industries and the Chemical Workers' Union. This agreement applies to all establishments in the chemical industries and trades. Similarly, in the Federal Republic of Germany general provisions prescribing wage scales and conditions of work for chemical workers are incorporated in a model collective agreement *(Manteltarifvertrag)* signed on 2 February 1953 by the German Federation of Chemical Employers and the Federation of Unions of Chemical, Paper and Pottery Workers. This model collective agreement covers some 90 per cent. of all the workers employed in the chemical industries.

In those countries where national collective agreements exist it sometimes happens that wage or plant agreements are concluded separately to deal with points requiring special negotiation or to adapt the agreements to the conditions encountered in a given district or plant. In the three cases referred to where national collective agreements exist (Austria, the Federal Republic of Germany and France) wages themselves are fixed by special wage agreements.[1] In Argentina, where there is a collective agreement covering the chemical industries as a whole, the position is in practice somewhat similar. A collective labour agreement signed on 26 December 1950 by the Chemical Workers' Union and the Chamber of Chemical Employers, which originally applied only to the federal capital and the province of Buenos Aires, was later extended at the union's request to cover the whole country by order of the Minister of Labour and Social Welfare (16 February 1951).

In some countries collective agreements have been concluded for individual branches of the chemical industries or, in some cases, for groups of plants. Countries with collective agreements which, although national in geographical scope, are confined to separate branches of the industry, include Italy, Finland, the United Kingdom, Denmark, the Union of South Africa and, to some extent, Israel, the Netherlands, Sweden and Switzerland.

The system in force in these countries is by no means uniform and varies according to local circumstances. Often it is the system found by practical experience to be the best.

In Italy, for example, collective agreements have been concluded in

[1] See below, p. 398.

the chemical industries since the end of the Second World War in 11 trades, including oils, fats, soap and allied products, plastics, chemicals and drugs, cellophane and synthetic fibres, and cover all the workers employed in these trades. On the other hand, in some branches such as plastics there is, in addition to the general agreement, a special agreement dealing with semi-skilled workers.

In the United Kingdom collective agreements are negotiated through the joint industrial councils by Imperial Chemical Industries Limited and the trade unions concerned. There is a joint industrial council for the chemical industries as a whole in addition to joint industrial councils for heavy chemicals, fertilisers and plastics. There is also a separate joint conference for the drug and fine chemical group. The main joint industrial council negotiates and regulates basic wage scales, hours of work and general conditions of work currently applicable to all the firms in question, while the group bodies negotiate and settle the non-basic wage rates, hours and conditions applicable to members of the various groups. The employers have separate wage agreements with craft unions in respect of engineering maintenance men and building trades maintenance men. Imperial Chemical Industries Limited has negotiated agreements covering wage rates and conditions of employment for process and maintenance workers with the craft organisations concerned.

In Finland collective agreements have been concluded in certain branches such as dyestuffs, explosives, plastics and chemical fertilisers; this has been done in Denmark in the case of paints and lacquers, sulphur and fertilisers, oils, etc.

In the Union of South Africa two agreements have so far been published, one of which deals with the chemical processing industries of Witwatersrand and Pretoria. There is also a central industrial council for the explosives and allied industries.

In the Netherlands, Sweden, Switzerland and Israel most collective agreements or wage settlements are negotiated on a plant basis. Nevertheless, in some branches of the chemical industries national collective agreements or wage settlements have been negotiated, e.g. in the Netherlands in heavy chemicals (nitrogen, sulphur, fertilisers), printing inks, soap and washing products and bituminous products; in Sweden in matchmaking and chemico-technical production; in Switzerland in synthetic products (chemical industry) in the canton of Geneva and in manufacturing (chemical industry) in the same canton; and in Israel in the dyestuffs industry.

In many countries collective agreements in the chemical industries have been negotiated for individual plants or groups of plants. In the United States all collective agreements are concluded on a plant basis. The same applies to Canada, India, Japan, Mexico and the Philippines. In Norway and Switzerland, where this system also predominates, collective agreements have, however, been concluded in respect of groups of firms belonging to the same branch of the industry (e.g. the chemical industries in the Basle area of Switzerland) and where a number of firms are grouped together in the same employers' organisation, as in the Norwegian electro-chemical industry. The latter system is also encountered in Sweden in the heavy and fine chemical trades.

It should be added that collective agreements are sometimes concluded as part of the settlement of collective labour disputes. In Australia, under the 1904 Conciliation and Arbitration Act and its subsequent amendments, collective agreements arise out of disputes between

an undertaking or company and its employees. Under the Act the parties must submit their dispute to the appropriate conciliation officer, whose award is then applicable to all establishments in the district belonging to the industry.

A somewhat similar situation is found in practice in Chile, where it is usual for individual contracts of employment to be concluded (minimum wages for workers being fixed by joint wage boards). Nevertheless, following a number of collective disputes affecting certain large chemical firms, in which the trade union took part, the parties accepted awards proposed by the special conciliation board for the chemical and pharmaceutical industries. These awards amount in practice to collective labour agreements.

Contents of the Collective Agreements

An analysis is given below of the collective labour agreements concluded in the chemical industries, and an attempt is made to assess their effect on working conditions. Two qualifications are, however, called for. In the first place it is important to appreciate that an international survey of this kind is necessarily fragmentary and incomplete; and in the second place it must be borne in mind that these agreements are negotiated in industries at widely varying stages of development.

Industrial Relations

In many countries the parties to collective agreements in the chemical industries have taken care to insert provisions dealing with freedom of association, the recognition of trade unions authorised to negotiate changes in existing agreements and conclude new ones, the representation of workers within the undertaking, the rights or privileges of trade unionists, etc.

Although in some countries agreements do not include provisions of this kind, this does not imply any absence of trade union rights. Where reasonably comprehensive legislation exists, this is sometimes considered adequate to ensure freedom of association. For example, the model collective agreements for the chemical industries in the Federal Republic of Germany and Austria make no mention of trade union freedom and workers' representation within the undertaking. The same applies to the national collective labour agreement for the Italian chemical and pharmaceutical industries. Moreover, freedom of association is not mentioned, for example, in a number of collective agreements in Denmark, although they do contain provisions regarding workers' representation within the undertaking.

It may be added that, just as the omission of any provisions on the subject does not prove the absence of freedom of association, their inclusion is not conclusive evidence that it is freely practised, whatever safeguards may be afforded in theory. Clearly a trade union movement cannot discharge its proper responsibilities for the negotiation of collective agreements unless freedom of association exists in practice as well as in theory.

Recognition of the Right of Association.

Examples of explicit recognition of the freedom to exercise trade union rights are to be found in the national collective agreements for

the chemical industries of France, Norway, Sweden and many other countries. The collective agreements in the Swiss chemical industries guarantee individual freedom and the right to work and add that a worker may be not penalised or victimised in any way by reason of his membership or non-membership of a trade union or of any duties he may be called upon to perform within the union itself. A similar clause is found in some agreements in the United States and Canadian chemical industries; it forbids any discrimination, coercion or interference by the company or the union by reason of the membership or non-membership of the workers in the union, which is, however, recognised as having the sole right to bargain on behalf of all the workers in the plant.

Some agreements in the United Kingdom chemical industries state that it is in the interests of all the workers in any establishment to join a union which is a party to the agreement, so that negotiations between the unions and the employers can be as representative as possible. These agreements, though not instituting a closed shop, require the company to impress upon the workers the desirability of joining the union.

While collective agreements in some countries do no more than recognise freedom of association, elsewhere they contain detailed provisions regarding freedom to exercise trade union rights and the workers' freedom of opinion. This is particularly true of the French national collective agreement for the chemical industries, which contains a number of clauses dealing with freedom to exercise trade union rights, the position of shop stewards, works councils, etc. Similarly, there are clauses dealing with shop stewards in the United Kingdom collective agreements for the chemical industries and with workers' delegates in the collective agreements for Norway, Denmark, etc.

Recognition of the Union as the Sole Representative Bargaining Agent.

In many other countries the collective agreements for the chemical industries recognise the signatory unions as having sole power to bargain on behalf of the workers in the plants concerned. Chief among the countries where this system predominates are the United States and Canada.

Explicit recognition. In the United States, federal legislation has been in existence since 1935 to safeguard the right of the majority of workers in any given plant to designate representatives to negotiate on behalf of all the workers. Trade union leaders have constantly tried to extend this safeguard by inserting clauses in collective agreements compelling all workers to be or to become members of the union, but the legislation of the federal Government and of certain states (particularly in the south) imposes restrictions on the closed shop.

The collective agreements in the chemical industries contain certain standard clauses governing the relationship between the union and the workers in any given plant. Under the "union shop" clause only those workers who belong to the union or join it within a specified period may remain in their jobs. Under the "membership maintenance" clause workers are not forced to join the union in order to enter or remain in their jobs, but they must remain members once they have joined. Under the "sole bargaining" clause the union has sole power to bargain on behalf of the work force as a whole. Lastly, under the

" check-off " clause the employer undertakes to deduct the workers' union dues from their wages and to transfer them to the trade union treasurer.

A recent inquiry in the chemical and allied industries covering 61 collective agreements and 123,900 workers showed that 36 agreements involving 27 per cent. of the workers contained the union shop clause, 21 agreements involving 27 per cent. of the workers contained the membership maintenance clause, and 43 agreements involving 46 per cent. of the workers contained the sole bargaining clause. In all, 98 per cent. of the agreements studied, involving 99 per cent. of the workers, included the check-off clause.[1]

Under the union shop system the union cannot refuse membership to a worker without valid reason, though some agreements entitle the union to ask for a worker's dismissal. If it does so, the union must notify the employer in advance, so that he can give the worker a chance to set matters right.

As has been seen, some collective agreements require the union to bring no pressure to bear upon the workers to join it.

Under the great majority of collective agreements the employer undertakes to deduct the workers' union dues from their wages. As each worker is given a trial period varying from three weeks to a month according to the firm, his membership of the union is retrospective, i.e. if kept on at the end of his trial period he is considered to have belonged to the union from the start of his employment and pays his dues for the trial period. The check-off clause is also encountered in other countries, particularly Mexico.

Explicit recognition of the signatory union as the representative bargaining agency is stipulated by the collective agreements of a number of countries, although such recognition does not involve any obligation to join the union. This applies, for example, to some agreements in Israel, the Philippines, Portugal and Argentina, though in some of these countries recognition is only given as long as the union possesses or acquires incorporated status or, as in Argentina, is recognised by the Ministry of Labour.

Trade union representation within the undertaking. Recognition of the trade union's right to bargain on behalf of the workers in the undertaking has led to the adoption of contractual provisions dealing with trade union representation at the plant level, whether or not the workers are all members.

In Canada some collective agreements in the chemical industries authorise the union to elect group leaders, and the employer undertakes in the agreement to recognise them as such. These group leaders may, with their foremen's permission, leave their normal jobs without loss of pay to inquire, for example, into grievances, it being their duty to deal with these as they arise.

Exactly the same provisions are found in the collective agreement for the Argentine chemical and allied industries with respect to internal grievance committees. Workers' delegates on these committees are elected by the union from among workers in the plant with not less than one year's service.

Trade union delegates are not always employed in the undertaking where they act as delegates. Some Australian agreements state that if

[1] Theodore ROSE : " Union-Security Provisions in Agreements, 1954 ", in *Monthly Labor Review* (U.S. Department of Labor), Vol. 78, No. 6, June 1955, pp. 649-658.

the union delegate behaves objectionably towards an employer, a manager or even a foreman or worker, the employer may withdraw his right to visit the plant ; in such a case he is replaced by another delegate.

The arrangements for trade union representation within the undertaking are sometimes less rigid than this. For example, members of the works committees in Belgium and France are elected from lists of candidates submitted by the most representative workers' organisations. The French collective agreement, which regulates the number of seats on these committees and the grades of staff represented, simply refers to current legislation.

Implicit recognition. In some countries the collective agreements do not explicitly recognise the signatory union but contain a number of basic provisions that amount to implicit recognition. Some of the agreements in the Mexican chemical industries are of interest in this connection, for example in the provision made for the revision of the agreement. This may take place at two-yearly intervals—all that is required is for the union to inform the employer of the changes it wishes to make not less than 60 days before the agreement is due to expire. It may also be revised at any time with the joint consent of the employer and the union. In addition these agreements grant a number of benefits to the union and its members.

The employer undertakes to observe the exclusion clause strictly and to dismiss any worker expelled from the union. Trade unionists are also given preferential treatment when workers are hired for certain jobs or for posts of responsibility during the holidays. The firm shares profits among all union members in its employment at the rate of 5 per cent. of the annual royalties payable by the firm to the government in exchange for its concession. The agreement goes on to stipulate the minimum amount that may be paid out under this scheme, irrespective of the firm's financial results during the year.

Classification of Workers

In many countries special provisions are inserted in collective agreements to deal with the classification of workers in the chemical industries. This classification may vary widely. Some agreements classify workers according to the skills acquired or required, while in others jobs are listed in order of seniority. Other agreements give no classification but refer to the wage scales for the various grades, jobs and posts laid down by special agreement as, for example, in France.

Grading of Workers.

The collective agreements in a number of countries include provisions designed to grade the workers in the plant or firm concerned. Sometimes this takes the form of a definition of the skill required for a given grade ; in other cases the workers in certain jobs are required to belong to a specified grade. For example, the national collective agreement in the Italian chemical and pharmaceutical industries divides workers into four grades—skilled, semi-skilled, unskilled and labourers—and lists the duties performed by each.[1] In Argentina the collective agreement divides workers in the chemical industries into a number of grades

[1] This agreement also contains three grades for women workers and lists the duties of each.

according to trade and experience. Some agreements in the United Kingdom chemical industries classify workers according to the jobs they perform. In Portugal the collective agreement for the chemical industries in the Lisbon area refers to grades without defining either the skill required or the duties performed.

Some agreements make it clear that the grading of workers is linked with the establishment of wage scales. The model collective agreement for the chemical industries in the Federal Republic of Germany divides workers into four grades for purposes of payment, namely labourers, process and laboratory workers, semi-skilled workers and skilled workers.

Job Listing.

The system of grading workers does not appear to be followed in the United States, Canada, the United Kingdom, the Scandinavian countries and a number of other States.

Many collective agreements in the United States contain a list (usually in an appendix) of all the jobs in the plant by order of seniority and by department, division or section, as the case may be. This list is used as a guide to wages, i.e. the wage payable is given opposite each job ; it may also be used for promotion purposes. There are, however, agreements in the United States that establish wage groups for both process and maintenance workers.

Women Workers.

The collective agreements in the chemical industries of many countries contain provisions dealing with women workers.

In some countries these agreements divide women workers into grades and specify the jobs to be performed by each grade (which may be split into several subdivisions).

Broadly speaking, however, most collective agreements seem to apply indiscriminately to men and women workers. Often this is clear from the clauses dealing with the wages payable to women. Elsewhere it is explicity stated and followed by a provision establishing complete equality and opportunity for the two sexes within the plant (in France, for example).

Other agreements stipulate that there must be equal pay for equal work. A provision of this kind is to be found in the Italian collective agreement for the chemical and pharmaceutical industries, and in the model collective agreement for the chemical industries in the Federal Republic of Germany, where the classification of jobs according to the type of work and the level of output are settled jointly by the management and the works council.

In some collective agreements in the United States chemical industries, restrictions are imposed on work by women. The parties agree not to allow the recruitment of women except for certain purposes (mainly as social workers). It is also laid down that if during a period of labour shortage the employer is unable to find enough suitable workers for certain jobs, he may recruit women instead. When the shortage is over, the women can be laid off irrespective of seniority in order to restore the position as it existed before.

Arrangements of this kind are not, however, very widespread and it should not be concluded that the number of women employed in the United States chemical industries is small. Investigation in the early

part of 1952 showed that in the industrial chemical industries the percentage of women employed in plants making organic chemicals was little lower than 14 per cent., and was a little below 10 per cent. in the case of plants making mineral chemicals. In these latter plants three-quarters of the women were office workers, and most of the remainder were employed on packaging and laboratory work. In the organic chemical plants the majority of the women were also office workers; nevertheless it was found that in synthetic fibre plants women accounted for 25 per cent. of production workers.[1]

Under some agreements in the United Kingdom chemical industries some wartime provisions allowing women to be employed on men's jobs have been prolonged to enable women to take over in emergencies jobs normally performed by men.

Seniority

Seniority in any establishment (company, plant or department) refers to the length of time a worker has been continuously employed there (failing other provisions to the contrary). Seniority clauses in collective agreements vary in purpose from one country to another. In some agreements they are inserted to regulate the order in which firms lay-off and recall their workers; in others they govern transfers or shifts within the firm and in yet other cases they are used for the calculation of seniority bonuses. In many agreements seniority clauses are designed to secure all these aims.

For example, in the agreements in force in the United States and Canadian chemical industries, seniority clauses are used first and foremost to regulate promotion and to determine the order in which workers may be laid off and recalled. Thus in the United States when a job falls vacant the usual practice is for preference to be given, other qualifications being equal, to the worker with the longest service. A worker must first go through a trial period before he is covered by the seniority clause (under some Canadian agreements the period is three months' continuous employment with the company). Once this trial period is over the clause has effect from the start of his employment. Seniority in a particular department ranks before seniority in the company as a whole. Clearly seniority cannot be determined arbitrarily and must involve no discrimination. If it is done unfairly, thus robbing the system of much of its value, the union is entitled to appeal to the appropriate authority for the settlement of any disputes that may arise.[2] Should the union have any objection regarding the way in which the company assesses the workers' skills, the agreements often provide for negotiations between it and the employer.

As an exception to the seniority clause some agreements provide that, where a permanent vacancy occurs in a job that has been filled on a temporary basis, the temporary worker in that job may become

[1] See " Employment Trends in the Industrial Chemicals Industry ", in *Monthly Labor Review*, Vol. 74, No. 5, May 1952, pp. 522-531.

[2] After a strike one chemical company divided its workers into two groups for seniority purposes, one group made up of those who returned to work before the end of the strike and the other composed of workers who only returned when the strike was over. Subsequently the employer dismissed the workers in the second group and kept on other workers who had less seniority. The National Labor Relations Board ruled that the employer had broken the law (cf. American Federation of Labor: *Research Report* (Washington), Vol. VIII, No. 12, Dec. 1955).

permanent even though he thereby takes precedence over a worker with more seniority.[1]

When the company cannot find a worker with the skill required for the vacant post among its own employees, it may fall back on the recall list of workers laid off because of a slackening in business.

The United States agreements, in common with those in the chemical industries of other countries, e.g. Canada and France, contain a number of detailed clauses on the acquisition, interruption and restoration of seniority.

Seniority is used as a yardstick for promotion in other countries as well, though no procedure is laid down. For example, in the Argentine collective agreement for the chemical and allied industries there is a short clause stating that promotion should preferably be given to employees of the firm in the grade immediately below; where other qualifications are equal preference should be given to the most senior worker. This agreement also links the wage scale with the grading and seniority system.

A less rigid system is found in the French national collective agreement. Managements take responsibility for making appointments to vacant or new jobs, although in the interests of internal promotion they give preference to those already in their employment. Only when they can find no one suitable among their own workers do they recruit outside.

In some countries seniority bonuses are payable, e.g. in Belgium and France. Similarly the Italian collective agreement for the chemical and pharmaceutical industries contains a clause whereby a seniority bonus at agreed rates is payable after ten or 20 years' service with the same firm. Under the French collective agreement the seniority bonus is calculated on the basis of the minimum wage for the worker's grade in proportion to the number of hours actually worked. The bonus rates are 3, 6, 9, 12 and 15 per cent. respectively after three, six, nine, 12 and 15 years' service with the firm.

Termination of the Contract of Employment

The great majority of collective agreements in the chemical industries include provisions dealing with the termination of contracts of employment—procedure for termination, notice, compensation, etc. In some countries, particularly in Latin America, the agreements do not contain any provisions of this kind as the question is subject to statutory regulation.

Conditions Governing Dismissals.

In many cases collective agreements containing provisions dealing with the termination of contracts of employment impose restrictions on dismissal.

Lay-offs. Under the French collective agreement, whenever an employer anticipates a marked slackening in business with a danger of redundancy, he must inform the works committee or, failing this, the

[1] Dealing with a similar case—where a temporary replacement fills a senior post—the Italian national collective agreement for the chemical and pharmaceutical industries states that if the lower-grade worker is not replaced within 30 days he must remain permanently in the senior post.

shop stewards and discuss with them the action required. An effort must be made to transfer the redundant workers to other jobs or to reduce hours of work, etc. If, however, lay-offs become necessary, their order should, as far as operating needs allow, be based on personal grounds (family circumstances and income, seniority, etc.).

Under certain collective agreements in the Canadian chemical industries the employer is required to give the union the longest possible warning of any general lay-offs or of any temporary stoppage or reduction of work.

In the United States, collective agreements often provide that in the event of any falling-off in business the employer must share out the work as far as possible among the regular workers. If he is forced to reduce the work force and if equal weight is normally given to merit and seniority, the latter is the deciding factor. When the workers are recalled, both factors are taken into account, although seniority is no longer reckoned after a certain lapse of time (usually a year).

The agreements accordingly provide that any lay-offs must be staggered on the principle " last in, first out ". This requirement may be waived in the case of skilled workers needed to keep the plant running efficiently. When the workers are recalled, those with the longest service (after allowing for the lapse of time since they were laid off) are considered first, provided they are capable of filling the vacancies. In addition the employer may transfer such workers to other departments, so that workers with the greatest seniority may be given the jobs of other workers with less service on condition that they have the necessary skills. When any such regrading of workers takes place the employer often consults the union.

Somewhat less rigid provisions on the subject of re-hiring have been included in the collective agreements of other countries. For example, the national collective agreement for the French chemical industries states that those firms whose business is liable to fluctuation must give priority to workers laid off during the previous 12 months.

Some agreements in the United States stipulate that physically handicapped workers whose opportunities of finding jobs are restricted must be given preferential treatment under the seniority regulations. Moreover, when such a worker is threatened with dismissal the usual seniority procedure may be set aside.

In some instances, the seniority regulations apply to women, but only provided they hold jobs in departments where the work is suitable for women.

Some agreements, e.g. the French national collective agreement, require the employer to give written notice of termination of a worker's contract of employment.

Dismissal for disciplinary reasons. A number of agreements deal with the dismissal of workers for disciplinary reasons. Some, including certain Canadian agreements and the Italian national agreement, list the reasons held to justify dismissal. Others, e.g. some agreements in the United Kingdom, Canada and Mexico, together with the model collective agreement in the Federal Republic of Germany, do not actually list the reasons but all provide safeguards. In Canada the company undertakes to notify the union in writing of the reason for a worker's dismissal. Such cases may be dealt with by the grievance settlement machinery, a measure which is also provided for in a number of United States agreements. In the Federal Republic of Germany the model

collective agreement stipulates that the employer must first consult the works council about any dismissals without notice. Where this cannot be done he must inform the council immediately. In Mexico cases of dismissal must be submitted to the works joint committee, which decides whether the action is justified or not. Some agreements in the United Kingdom allow an appeal to the management.

Explicit safeguards are sometimes inserted with regard to dismissals of workers because of their membership or non-membership of a union. In the French collective agreement the employers undertake not to be swayed by such considerations in deciding on certain matters, including disciplinary measures and dismissals. If one of the contracting parties claims that a dismissal is in violation of trade union rights the two parties must ascertain the true facts and settle the matter fairly, preferably by giving the worker back his job.

Length of Notice.

The great majority of collective agreements provide for a period of notice to be given whenever the contract of employment is terminated, though the details vary widely.

In some countries the length of notice is not affected either by seniority or grade. For example, the collective agreements in the United States chemical industries usually require the employer to give one week's notice before dismissing the worker or to pay him one week's wages unless the dismissal is the result of an emergency such as damage by natural forces, strikes, etc. In some agreements the employer reserves the right to assign the worker to any available job at his normal rate of pay or at the rate for the job, whichever is higher, instead of paying him a week's wages.

A similar provision dealing with the length of notice is found in a number of collective agreements in the United Kingdom, whereby the contract of employment of a worker who has been with a firm for not less than four consecutive weeks may not be terminated except after a week's notice starting on any day of the week.

Similarly the South African agreements require either a week's or a month's notice by either party according to whether the employee is paid by the week or the month. If either party fails to give notice the equivalent of a week's or a month's wage must be paid as the case may be.

A number of Australian agreements state that a worker who leaves his job without giving notice may lose up to three days' pay.

In many countries the length of notice required by a collective agreement varies in accordance with the worker's grade or seniority or both.

For example, under the national collective agreement in the French chemical industries, the period of notice on either side, except in cases of emergency or serious misbehaviour, is one week for wage earners. This period is extended to two weeks for jobs and grades where a two-week trial period is required, to a month for staff (i.e. salaried employees, technicians, draughtsmen and supervisors), and sometimes to two months for certain grades of supervisors and staff.

Where the employer fails to give due notice the worker is entitled to compensation equal to the wages he would have drawn if he had worked while under notice. Similarly, where the worker fails to give due notice he must compensate the employer for the hours he would have worked during the period of notice.

Elsewhere the length of notice varies according to seniority. In the model collective agreement for the chemical industries in the Federal Republic of Germany both parties are required to give the following notice of termination of the contract of employment: during the first six months of employment—one week; after six months and up to five years of continuous service—two weeks; from six to ten years—three weeks; after the eleventh year—four weeks. Other provisions regulate recruitment for special types of jobs and dismissal without notice. Similarly, in Austria the model collective agreement establishes the length of notice as follows: one week after the first month and up to the end of the first year, and two weeks after one year's service.

Length of notice may increase with seniority. For example, the collective labour agreement for the Basle chemical industry requires one day's notice during the trial period (first four weeks), seven days' notice during the temporary engagement (first six months) and 14 days' notice up to the end of the third year of service; after the third year this is extended to one month and after the sixth year to two months; in each case except during the trial period the contract is terminated at the end of the week.

Under the collective labour agreement for the chemical industry in the Lisbon area the length of notice is even longer, viz. after two weeks and up to two years—one week; from two to ten years—three weeks; from ten to 15 years—16 weeks; and after 15 years—24 weeks. Service with the same firm is taken to mean the aggregate time the worker has been employed either continuously or at intervals of not more than six months.

Lastly, length of notice sometimes varies in accordance with both seniority and grade. The Italian national collective agreement for the chemical and pharmaceutical industries requires six days' (48 hours') notice to be given to unskilled workers if they have worked continuously for up to one year, and 15 days' (120 hours') notice if they have worked for a longer period; the notice may be given on any day of the week. For skilled workers the notice may be given either in the middle or at the end of the month. The following length of notice is required: up to five years' service—one month for first-class workers and half-a-month for the second class; between five and ten years' service—a month-and-a-half and a month respectively; more than ten years' service—two months and a month-and-a-half respectively. Salaried employees and similar grades are divided into three groups. An indefinite contract of employment may only be terminated after the following notice has been given: for employees with up to five years' service—two months for the first group, a month-and-a-half for the second and a month for the third; between five and ten years' service—three months, two months and a month-and-a-half respectively; more than ten years' service—four months, three months and two months respectively.

Dismissal Pay.

Some of the agreements referred to in the foregoing section not only require notice to be given when a contract of employment is terminated or, failing this, the payment of wages for that period, but also entitle workers to dismissal pay.

The national collective agreement for the French chemical industries entitles workers who are dismissed (except for serious misbehaviour) to separate compensation which varies according to grade and seniority.

For " workers " [1] with more than ten years' service with the firm since the age of 18, dismissal pay is equal to 50 hours' pay plus a further ten hours for every year's service after the beginning of the eleventh year. The total pay is increased by 10 per cent. if the worker is over 50 years of age, by 20 per cent. if he is over 55 and by 30 per cent. if he is over 60. In no circumstances, however, may the total dismissal pay exceed the equivalent of three months' wages. If at the time of dismissal the worker is entitled to benefit under a non-contributory pension scheme provided by the firm he is allowed to choose between taking his dismissal pay or benefiting by the scheme.

For " staff " [1], i.e. salaried employees, technicians, draughtsmen and supervisors, dismissal pay after three years' service equals three-tenths of a month's salary for each year's service with effect from entry into the firm, though the total may not exceed the equivalent of 14 months' salary. For certain classes of supervisors and staff a further one-tenth of a month's salary is added for each year spent with the firm in that particular grade ; in this case the total compensation may not exceed 16 months' salary. Where an employee is retired by the firm between the age of 60 and the normal age of retirement the agreement entitles him to termination pay. Where he retires at the normal age no compensation is due ; alternatively, he can choose between remaining in the firm's pension scheme and drawing dismissal pay, according to the type of pension scheme in force.

For the " engineers and managerial staff " [1], compensation after three years' service must be paid as follows : up to five years' service—three-tenths of the monthly salary for each year of service since the date of entry into the firm ; between five and ten years' service—four-tenths of the monthly salary for each year after the fifth ; between ten and 15 years' service—six-tenths of the monthly salary for each year after the tenth ; more than 15 years' service—eight-tenths of the monthly salary for each year of service. However, this compensation may not exceed the equivalent of 20 months' salary. The agreement also includes provisions dealing with managerial staff between the ages of 60 and 65 (termination pay) and with those over the age of 65. It further requires retirement compensation to be paid to any person between the ages of 60 and 65 who retires from the firm at his own request and with the employer's consent.

Similar compensation is required by the Italian collective labour agreement for the chemical and pharmaceutical industries in the event of resignation not only by supervisors but by all workers ; this applies, moreover, to employees of any age as well as to those over 60. Compensation on resignation is calculated on the basis of the dismissal pay, which may vary according to seniority and grade (unskilled or skilled workers or salaried employees).

Unskilled workers after one year's service are entitled to dismissal pay equal to six days' (48 hours') wages for each of the first five years of continuous service ; ten days' (80 hours') wages for each of the next five years' service ; 12 days' (96 hours') wages for each of the next eight years' service ; and 15 days' (120 hours') wages for each year of continuous service after the eighteenth. Compensation on resignation by workers with two years' service is calculated as a proportion of the dismissal pay, viz. 50 per cent. for those with up to five years' service, 75 per cent. for those with up to ten years' service and 100 per cent. for those with more than ten years' service.

[1] See above, p. 378.

Skilled workers with one year's service are entitled to dismissal pay at the rate of 15/30ths of their monthly wage for each of their first two years of service ; to 20/30ths of their monthly wage for each of the succeeding years up to the end of the tenth year ; and to 25/30ths of their monthly wage for each year in excess of ten. Compensation in the event of resignation is equal to 50 per cent. of the dismissal pay for workers with less than five years' service and to 100 per cent. for those with more.

The rate of compensation for salaried employees who resign is in the same ratio to dismissal pay as for skilled workers.

Some agreements in the United States chemical industries require compensation to be paid on termination for physical incapacity or on retirement at the age limit of 65 when the worker is not entitled to a pension. Such compensation is paid at the rate of one week's wages for each year of service.

Conditions of Work

Hours of Work.

Almost all the collective agreements in the chemical industries contain provisions dealing with hours of work. In some cases these are extremely brief, merely establishing the principle that hours of work must be limited, while in others they are very detailed and go on to prescribe the organisation of working hours within the limits set either by agreement or by law.

Generally speaking, hours of work in the chemical industries as settled by collective agreement range from 40 to 48 a week. The daily limit is eight hours for non-shift and shift workers or seven or seven-and-a-half hours for shift workers, i.e. those on shift or continuous-process work, even if they do not in fact hand over to other workers. However, instances are occasionally encountered where a working week of less than 40 hours or more than 48 is authorised, although this is exceptional.

Non-shift work. The normal working day for non-shift workers is eight hours, while the working week is 48 hours under the model collective agreement in the Federal Republic of Germany, the Italian national collective agreement and a number of agreements in Canada and Mexico.

Hours of work are often fixed at eight a day with either no weekly limit or with a limit of less than 48 hours. For example, a number of agreements in force in the Danish chemical industries, together with the collective agreement for the chemical industry in the Lisbon area, merely require a working day of eight hours.

Under certain agreements in the Union of South Africa the limit of eight hours for the working day is accompanied by a limit of 45 hours for the working week (which may be spread over five days at the rate of nine hours a day), whereas in Canada some agreements, while setting a daily limit of eight hours, impose a weekly limit which varies in practice from 40 to 48 hours. They stipulate, for example, that hours of work may not exceed eight a day from Monday to Friday and four on Saturday, which amounts to 44 hours a week.

Under the majority of collective agreements in the chemical industries of the United States, Australia and New Zealand, the normal eight-hour day is accompanied by a weekly limit of 40 hours. The eight-hour day in a five-day week appears to be practised on an increasing scale.

In the collective agreements for the chemical industries of some countries restrictions are placed on the length of the working week rather than the working day. In Norway, Sweden and Switzerland, several agreements stipulate that the working week may not exceed 48 hours. The same provision occurs in the model collective agreement for the Austrian chemical industries.

In the Netherlands the usual working week varies from 45 to 48 hours. In the United Kingdom collective agreements prescribe a working week ranging from 42 to 44 hours, the latter figure being more usual. Mention should also be made of the national collective agreement in the French chemical industries, which refers to the standard 40-hour week prescribed by special legislation dealing with the chemical industries.

Shift work. A number of collective agreements make special reference to the hours of shift workers. The model collective agreement for the Austrian chemical industries, in common with several agreements in Denmark and Norway, limits working hours to eight a day, while the Norwegian agreements also limit the working week to 48 hours. According to the collective agreement for the Basle chemical industry the working week may not, generally speaking, exceed 48½ hours on the average over any seven-week period.

Some collective agreements recognise that continuous or semi-continuous shift work must mean that the normal working day or week will be exceeded, a case in point being the agreement in the Federal Republic of Germany.

As already mentioned, the model collective agreement for the Federal Republic of Germany states that the normal working day should not exceed eight hours, not counting breaks. When fewer than eight hours are regularly worked in any working day, the remaining time may be spread over the rest of the same week. In continuous shift work such time may also be spread over the preceding or the following weeks, though the working day may not exceed ten hours. With continuous shift work on weekdays and Sundays, different arrangements may be made (in agreement with the works council and with the permission of the labour inspectorate) to distribute working hours in such a way that the shifts can change over regularly every week.

A number of agreements also prescribe a working week of fewer than 48 hours for continuous or semi-continuous shift work; normally the working week ranges from 40 to 48 hours.

Thus a number of collective agreements in Mexico require a working day of eight hours (48 hours a week) for day work, seven-and-a-half hours (45 hours a week) for combined day and night work and seven hours (42 hours a week) for night work.

Certain Canadian agreements dealing with double-shift work prescribe an eight-hour day from Monday to Saturday inclusive for the day shift and an eight-hour day from Monday to Friday for the afternoon shift, with a changeover of shifts every week.

In the United Kingdom, as already stated, the agreements merely stipulate a working week ranging from 42 to 44 hours. Some of them state that the working day may vary in length provided it does not lead to the working of a longer week than the average for a specified period.

In Sweden, as was noted earlier, there is a working week of 48 hours for non-shift workers; this is reduced to 42 hours for shift workers and in some agreements the length of each shift is fixed at eight hours.

Lastly, as in the case of non-shift work, the collective agreements in the United States, Australia and New Zealand limit the normal working week for shift workers to 40 hours.

Rest breaks. Collective agreements often include provisions whereby workers are given breaks to allow them to eat or to rest. Such breaks vary in length from 15 to 25 or 30 minutes and are frequently reckoned as working time.

Several agreements specifically allow a few minutes (between five and ten), which are reckoned as working time, to enable workers to change their clothes or have a wash, particularly where they are employed on very dirty jobs or have to wear special clothing. Several agreements, however, do not count this as working time. Under some collective agreements in the United States working time is taken to include the time spent by the worker in covering the distance from the entrance gate to his actual place of work.

Overtime.

Almost all collective agreements deal with overtime. Methods of calculation and payment vary greatly, and this article will merely deal with the commonest of them.

Definition of overtime. A large number of collective agreements take overtime to mean all hours worked in excess of the normal working day. Starting and stopping times may vary from one agreement to another in accordance with conditions in each plant, but the period itself may not exceed eight hours. Examples of this type of regulation are to be found in the model collective agreements for the chemical industries in the Federal Republic of Germany and Austria, as well as in certain agreements in the United Kingdom, Denmark, etc. On the other hand some agreements in these countries (for example in the United Kingdom) give no definition of overtime but confine themselves to establishing the rates of pay applicable.

For shift workers it is sometimes stipulated that overtime consists of those hours worked in addition to the normal shift in any period of 24 hours. Examples of this are to be found in certain collective agreements in the United States and the Austrian model collective agreement, though the latter makes an exception in the case of double-shift work when shifts change over.

An appreciable number of other agreements define overtime as all hours worked in excess of the normal working day and week. For example, a number of collective agreements in the United States state that all hours worked in excess of eight a day or 40 a week constitute overtime.[1]

On the other hand, the working day or week may be longer than the normal period established by agreement, and exceptions to this normal period may be reckoned as part of the working day and week before overtime rates become payable. Under the Italian collective agreement overtime is taken to mean those hours worked in excess of eight a day or 48 a week by workers on the normal schedule and in excess of ten a day and 60 a week if the work is subject to statutory or contractual exceptions.

[1] Some agreements state that in any choice between calculating overtime on a daily or a weekly basis, the method used must be the one that gives the higher earnings for the worker.

Overtime is also defined as all hours worked in excess of the normal working week. An example of regulations of this kind is found in the French national collective agreement, which, following present-day French legislation, states that premium rates must be paid in respect of any hours worked in excess of the normal working week of 40 hours or a period reckoned to be equivalent.

Work on Sundays, public holidays and (as the case may be) work by night or on Saturday evening if the five-and-a-half day week is in force, or at any time on Saturday if the five-day week is in force, is reckoned as overtime and therefore requiring higher pay.

Premium rates. Under these collective agreements overtime pay comprises the normal wage plus a sum usually expressed as a percentage of the wage. The increase may be at a flat-rate or progressive according to the number of hours worked. Premium rates are usually paid for overtime worked by night, on Saturday afternoons or at any time on Saturday or on Sundays and public holidays.

Provisions dealing with overtime vary widely. A number of the commonest examples are given below.

According to the model collective agreement in the Federal Republic of Germany overtime is payable at the rate of time-and-a-quarter. A 10 per cent. increase is required for ordinary night work and 15 per cent. for exceptional night work. Time-and-a-half is payable for work on Sundays and statutory public holidays, double time for statutory public holidays falling on a weekday, and two-and-a-half times the normal rate for work on the following public holidays : the first of May, Easter, Whitsun, Christmas and New Year's Day.

A flat-rate increase, though somewhat higher, is also required by a number of collective agreements in the United States. These usually involve the payment of time-and-a-half for any hours worked in excess of eight a day and/or 40 a week. Some agreements prescribe the same rate of payment for Saturday work whenever Saturday is normally the sixth working day. In some agreements double time is payable for Sunday work whenever Sunday is normally the seventh working day. Generally speaking, two-and-a-half times the normal rate is payable in respect of public holidays, which are listed in the agreements.

A flat rate of time-and-a-half is also prescribed by the Austrian model collective agreement (unless the workers are recalled to the plant, in which case it is double time) for overtime worked by non-shift workers; this rate becomes progressively higher for shift work, being time-and-a-half for the first eight hours in excess of the normal shift and double time for any extra overtime. Treble time is payable for overtime work on Sundays.

A large number of collective agreements require progressively higher rates of pay in accordance with the number of hours worked. In the United Kingdom several such agreements involve the payment of time-and-a-quarter for the first two hours' overtime, time-and-a-half for any other hours worked on weekdays and double time for Sundays. In Sweden the initial increase is higher, being 35 per cent. above the normal rate for the first two hours, 50 per cent. for the remaining hours and 100 per cent. for Sundays and public holidays.

Progressive increases for overtime are not always the same for day work and night work. Thus, in the Italian collective agreements, rates are increased by 25 per cent. for the first hour during the day and 60 per cent. for the first hour during the night, 35 per cent. for any subsequent

hours worked by day and 75 per cent. for any subsequent hours worked by night. The increase is 70 per cent. for Sundays and public holidays.

These premium rates may contain a greater number of steps, which may also be somewhat steeper. In Denmark, for example, time-and-a-quarter is payable for the first hour of overtime worked after the normal working day, time-and-a-third for the second hour, time-and-a-half for the third and fourth hours, and double time for the remaining hours. Under some agreements time-and-a-half is payable for the first four hours worked on Sundays and public holidays and double time for the remaining hours.

Progressively higher rates are sometimes prescribed only in respect of hours worked in excess of the normal working week. In France, for example, the national collective agreement states that hours worked in excess of the normal working week of 40 hours or a period considered to be equivalent are payable at the rate of time-and-a-quarter for the first eight hours of overtime and time-and-a-half for any additional hours.

Restrictions on overtime. Restrictions on the actual number of hours of overtime are not very common. The agreements in the Union of South Africa and a number of those in Australia place an upper limit on the number of hours of overtime that can be expected of a worker.

It is more common for a reference to be made to the statutory restrictions on the subject. For example, the model collective agreement in Austria and a number of collective agreements in Norway restrict overtime to the maximum allowed by law.

Another type of provision is the following, which is found in the model collective agreement for the chemical industries in the Federal Republic of Germany. This recommends that overtime should be avoided as far as possible by transferring workers to other jobs within the plant or by taking on new workers in so far as technical considerations allow. Where overtime cannot be avoided, it must be carried out in accordance with the relevant agreements and legislation.

A number of agreements in the United States stipulate that overtime must be shared as equally as possible among the workers engaged on the same or similar operations. Other agreements add that this must not be in any way detrimental to the efficiency of the plant.

Weekly Rest and Public Holidays.

The foregoing section on overtime includes information on work carried out on Sundays and public holidays and the premium rates of pay required. It should perhaps be added that a number of collective agreements list the days considered to be public holidays for which workers are paid at the usual rates. Generally speaking, these are religious, traditional and customary festivals. In addition, it is often provided that if the day of rest falls on a public holiday it may be taken later. The same applies if a public holiday occurs during the period of holidays with pay.

The number of public holidays varies from one country to another. Some agreements in the United Kingdom, for example, together with the collective agreement for the chemical industries in the Lisbon area, list six, while in some United States and Canadian agreements there are seven. In Canada there are also agreements that provide for nine public holidays, as do a few agreements in Mexico. The collective agree-

ment for the Basle chemical industry provides for eight, and the Austrian model agreement ten. Some Danish agreements stipulate nine-and-a-half public holidays, while others require shift work to be stopped at Easter, Whitsun and Christmas, in each case for two days. The Italian collective agreements recognise four national public holidays and 12 religious festivals.

Holidays with Pay.

Holidays with pay are dealt with by almost all collective agreements, except where there is a reference to current legislation, as in the model collective agreement in Austria, a number of agreements in Denmark, Norway and Sweden and the Argentine collective agreement.

A number of agreements stipulate that these holidays may not, generally speaking, be interrupted. It is specifically stated in certain agreements in the United States as well as by the French national collective agreement that they must be given by closing the plant or by means of a roster system. Where the holiday has to be interrupted owing to operating needs, one of the periods must be of a certain minimum length and must be taken (as for example in France) during the period of holidays with pay. If part of the holiday is not taken during this period, an extra working day is added to the holiday if fewer than six days remain, and two working days if more than six days remain. Under certain Swedish agreements 12 days' holiday with pay must be taken between May and September. Normally the holiday period is fixed by the employer in accordance with custom and very often in consultation with the works committee or a similar body.

The wage payable during the holiday with pay usually depends on the amount the workers would have earned if they had worked their normal hours. Agreements often stipulate that workers must be paid a sum equal either to the wages earned immediately before the holidays, or to the average hourly earnings during the last wage period. Certain agreements in the United States provide for a slightly higher rate of payment during the holiday.

Under some agreements workers can be required in case of necessity to give up part or all of their annual holidays. Where this happens they are entitled to the sum they would have been paid if they had gone on leave. Other agreements provide for their recall should their services be needed and allow for time off in lieu.

Entitlement to annual holiday with pay. By and large, workers are only entitled to an annual holiday with pay after a spell of continuous service with the same firm. This is usually one year, as in many agreements in the United States, Canada, Mexico, the national collective agreement for the French chemical industries, the Italian collective agreement, and others.

Some agreements allow workers who have served for a shorter period to take a holiday in proportion to their length of service. In the United Kingdom, for example, some collective agreements contain a clause whereby workers are entitled to holidays with pay in proportion to their length of service, provided they have worked continuously in a chemical plant for not less than two months.

A shorter period of service before entitlement is allowed also by a number of agreements; for example, only six months are required under the model collective agreement for the Federal Republic of

Germany.[1] Similarly in Switzerland the collective agreement for the Basle chemical industry entitles workers to a holiday with pay during their first year of service.

Very few agreements require more than one year's service, although in Portugal, under the collective agreement for the chemical industries in the Lisbon area, workers become entitled to an annual holiday only after three years.

Length of the holiday. The length of the holiday with pay established by collective agreement in the chemical industries varies from one country to another and sometimes from one plant to another within the same country where a number of agreements are in force. The length of holiday may be fixed or it may be progressive according to seniority, age or grade. In some cases it is affected by a number of factors.

In the United Kingdom several agreements provide for two weeks' holiday with pay for those workers who are entitled to it. In Denmark also some agreements provide for a holiday of a fixed length, viz. 18 days (one-and-a-half per month).

A much greater number of agreements provide for a progressively longer holiday in accordance with seniority. This practice takes a number of different forms.

In Canada several agreements require one week's holiday after a year of continuous service and two weeks after three years' service.[2] In Mexico some agreements require an annual holiday of seven days after one year's service, 14 days after two years and 20 days after three.[3] In the United States a large number of agreements provide for one week's holiday with pay after one year's service, two weeks after three years and three weeks after 15 years. Others grant a holiday of one, two and three weeks after one, two and ten years' service respectively. Some agreements allow a fourth week after 25 years' service. In Portugal the workers in the chemical industries in the Lisbon area are entitled after three years' service to a number of consecutive days' holiday per year equal to the number of years of service, up to a maximum of 20 days. The employers nevertheless reserve the right to give only six days' leave and to pay higher wages for the remaining days.

Under some agreements holidays vary in length according to seniority as well as grade. The national collective agreement for the French chemical industries grants workers a holiday of 12 working days for between one and five years' service, 13 working days after five years, 14 days after seven years, 15 days after ten years, 16 days after 13 years, 17 days after 16 years, 18 days after 19 years, 19 days after 22 years, 20 days after 25 years, 21 days after 28 years, and 22 days after 30 years. Salaried employees, technicians, draughtsmen and supervisors are given 18 days' holiday, including not less than 15 working days, after five years' service. This rises to 18 working days after ten years, 21 working days after 20 years, and 24 working days after 30 years. Managerial staff with one year's service are given a minimum holiday with pay of

[1] Under this agreement no period of service is required of seasonal workers, who are entitled to one-twelfth of the annual holiday for each month of service.

[2] The tendency for longer holidays to be granted to chemical workers in Canada is gaining ground. A recently renewed agreement covering the workers in a chemical fertiliser plant in Quebec provides for four weeks' holiday with pay after 20 years' service (*Trades and Labor Congress Journal* (Montreal), Vol. XXXIV, No. 10, Oct. 1955, p. 33).

[3] Other agreements in Mexico are less liberal. They grant only five days' holiday after one year of service, and a full week after two years, while after three years the length of holiday is the same, but workers are paid a sum equivalent to three days' wages.

18 working days, which rises to 21 working days after three years' service and 24 working days after five years.

A somewhat similar system is found in Italy under the national collective agreement for the chemical and pharmaceutical industries. Unskilled workers are given 12 days (96 hours) if they have between one and seven years' service, 14 days (112 hours) if they have between seven and 15 years' service, and 16 days (128 hours) after 15 years. Skilled workers are entitled to 15 days' holiday if they have between one and five years' service, 20 days for between five and ten years' service, 25 days for between ten and 20 years, and 30 days after 20 years. Salaried employees with up to two years' service are entitled to 15 days' holiday, rising to 20 days for up to ten years' service, 25 days for up to 18 years' service, and thereafter 30 days.

Lastly, a progressively longer holiday may be granted in accordance with seniority and age. For example, the model collective agreement for the chemical industries in the Federal Republic of Germany grants a basic holiday with pay of 12 working days. This is increased by one working day for workers between 25 and 29 years of age, by two days for those between 30 and 34 and by three days for those aged 35 and over. At the same time the agreement provides for a further day's paid holiday for those workers with five years' continuous service, two days for those with ten years' service and three days for those with 15 years' service ; after 20 years a worker is entitled to a further day and after 25 years to an additional two days. It follows that the annual holiday with pay ranges from 12 days (workers under the age of 25 with less than five years' service) to 21 days (those aged over 35 with 25 years' service).

Length of service and age also govern the length of holiday under the collective agreement for the Basle chemical industries, which grants workers during their first year of service a holiday of six working days including one Saturday ; from two to ten years' service, 12 working days including two Saturdays ; from 11 to 13 years' service, 15 working days including two Saturdays ; and after 14 years' service, 18 working days including three Saturdays. Workers over 40 years of age with six years' service are granted 15 working days including two Saturdays and those over the age of 50 with 21 years' service receive 21 working days including three Saturdays.

Many agreements make special provision for holidays with pay for young persons. A number also contain clauses allowing extra leave for family reasons or to enable workers to attend trade union meetings.

Remuneration.

All agreements in the chemical industries deal with remuneration. The overwhelming majority prescribe the actual wages payable to workers. Some, however, particularly those concluded at the national level, do not fix the level of wages but lay down the procedure for doing so.

The national collective agreement for the French chemical industries, for example, sets up wage-fixing machinery and states that minimum hourly or monthly wage scales must be established in relation to *(a)* the minimum hourly wage of an ordinary labourer (rating=100), and *(b)* the ratings of the various grades and posts for workers, salaried employees, technicians, supervisors and senior staff.

Similarly, in the Federal Republic of Germany the model collectiv

agreement states that the wages of workers (who are divided into four wage groups—labourers, process and laboratory workers, semi-skilled and skilled workers) should be fixed by separate wage agreements for each Land.

The model collective agreement in Austria also requires actual wage rates to be fixed by separate agreements, but this is not an absolute rule for all collective agreements negotiated at the national level. For instance, the Italian national collective agreement for the chemical and pharmaceutical industries does in fact lay down wage scales.

The great majority of agreements that fix wage rates adopt various systems of payment on a time basis. The agreements in a number of countries, such as Italy and, to a large extent, the United Kingdom and Switzerland, lay down minimum wages. In other countries, such as the United States, Mexico, Argentina, Portugal, Sweden and Denmark, the agreements establish normal wage rates. In some of these countries the agreements include clauses tying wage rates to the cost-of-living index.

Payment by results, though not common in the chemical industries, is nevertheless found in some collective agreements, e.g. in Sweden and Norway, where there is provision for payment to be made on a task basis. In the Federal Republic of Germany the model collective agreement states that where a job is suitable for payment on such a basis the management and works council should agree on the principles and basis of payment. The rates of pay and the time allowed are left to be settled in each plant; they are designed to give task workers, assuming an average output under normal working conditions, earnings at least 15 per cent. higher than the hourly wage. A bonus system may be used for jobs that are not suited to payment on a task basis. Such bonuses may be introduced if output is higher than normal in terms of quality or quantity or if there are savings in raw materials and power.

A large number of agreements require the payment of shift-work bonuses in addition to the basic wage. These bonuses may be calculated either as a percentage of the basic wage or on a flat-rate basis, and may vary according to the part of the day or night during which the workers are at work.

Some agreements also regulate the effect of transfers on wages. Usually a worker assigned temporarily to a job in a higher grade is paid the proper rate. If he is assigned temporarily to a job in a lower grade, he is paid his usual rate unless the transfer later becomes permanent, in which case after a few days he is paid at the rate for his new job.

In many countries a number of agreements make provision for the recall of workers to do urgent jobs between two normal working periods. In the United States, for example, such workers are entitled to extra pay, which may be as high as two-and-a-half times the normal rate. In other countries, e.g. the United Kingdom, such workers are paid a recall bonus in addition to their normal pay.

Certain agreements provide for special bonuses for skill or for dangerous or unhealthy jobs.

Settlement of Labour Disputes

The settlement of labour disputes, whether individual or collective, is dealt with, often in great detail, by the majority of collective agreements. Although very varied, the procedures they lay down fall into a few broad groups, which are described below. In some countries the agreements provide for the settlement of labour disputes through

conciliation procedure. Elsewhere the conciliation procedure is followed by arbitration. In a third group of countries only arbitration is provided for.

Conciliation.

In some countries, e.g. the United Kingdom and France, collective agreements provide only for conciliation procedure.

In the United Kingdom a worker with a grievance can raise it with his shop steward, who talks it over with the foreman. A group of workers can also make a complaint. The actual machinery for the settlement of disputes operates at three levels. First of all discussions take place at the plant itself between the employer and the local trade union representative. Then, if necessary, a second meeting is held (also in the plant), attended by a representative of the employers' association and a national trade union representative. Lastly, the case goes to the disputes settlement committee of the appropriate joint industrial council. In no sense is there any contractual obligation to have recourse to arbitration if no settlement is reached at this third and final stage.

Under the French national collective agreement, if an individual dispute remains unsettled the union has the right to discuss it with the regional employers' association. In the event of deadlock the case is taken to a subcommittee of the general regional conciliation board, which is responsible for settling any collective disputes that arise out of the working of the agreement. At the top is the National Joint Board, which has power to deal with cases that the regional boards cannot settle themselves.

It may be noted that the French national collective agreement also sets up a special body known as the National Joint Interpretation Board to give rulings on any difficulties arising out of the interpretation of the agreement and its annexes. The majority of the other agreements, however, do not establish any special bodies to deal either with this question or with difficulties arising out of the operation of the agreement.

Conciliation and Arbitration.

In many countries the collective agreements lay down a procedure for conciliation and, if this fails, a procedure for arbitration.

For example, a number of agreements in the United States provide for a conciliation procedure more or less the same as that established by the United Kingdom agreements referred to above. However, if the parties cannot agree, each of them appoints an arbitrator. These two arbitrators then select a third to act as chairman of the arbitration board. Where necessary the third arbitrator is appointed by the Director of the Federal Mediation and Conciliation Service or by any other authority nominated in the agreement. Majority decisions by such a board are final.

A somewhat similar procedure is laid down by the collective agreement for the Basle chemical industry, under which differences arising out of the working and interpretation of the agreement are submitted first for conciliation and, in the event of deadlock, for arbitration. This agreement appoints the president of the court of appeal of the canton of Basle-Town as chairman of the arbitration tribunal in the absence of any agreement between the two parties to appoint another individual.

Under the model collective agreement in the Federal Republic of

Germany both the conciliation boards and the arbitration tribunals are appointed on a purely joint basis, each body being made up of two members from each side with no independent chairman. The federal conciliation board and arbitration tribunal are both made up of three members from each side.

Unanimous decisions by the conciliation boards are final and binding ; majority decisions need the agreement of both parties. In the event of disagreement, the case can be taken to the federal conciliation board whose majority decisions are final and binding. If the votes are equally divided, conciliation is deemed to have failed. Decisions by the arbitration tribunals and the federal arbitration tribunal are final and binding. If the votes are equally divided, arbitration is deemed to have failed.

Arbitration.

Some agreements only provide for arbitration procedure. An example is the Austrian model collective agreement, which sets up an arbitration tribunal to settle any disputes arising out of the working of the agreement. This tribunal is made up of three representatives from each side and a chairman appointed by agreement between the contracting parties. Its decisions are final and are taken by an absolute majority. The chairman does not normally vote but in the event of deadlock has the casting vote.

Some agreements in the United States also provide for arbitration procedure only.

Stoppages of Work.

Many agreements either prohibit or regulate concerted stoppages of work and the closing down of plants (strikes and lockouts).

In the United States many agreements contain an outright ban on strikes and lockouts throughout the life of the agreement. Some agreements provide that in the event of an unofficial strike disciplinary action can be taken in agreement with the union against the workers involved.

A similar ban is contained in the collective agreement for the Basle chemical industry, which requires each of the contracting organisations to deposit 15,000 francs with the cantonal bank as surety of their compliance with the agreement.

Other agreements recognise the possibility of strikes and lockouts but permit them only subject to certain conditions.

Under the French national collective agreement no concerted stoppage of work or lockout may take place until the expiry of a ten-days' notice, during which period an effort must be made to reach a settlement.

Other agreements are stricter in that they require the conciliation procedure to be followed before the strike or lockout can take place. Under some agreements in the United Kingdom it is only after the conciliation procedure has failed at each level that a strike or lockout can be declared. Even so, the party concerned must give the statutory period of notice.

Similarly, in the Federal Republic of Germany the model collective agreement states that stoppages of work may only be ordered after the federal conciliation board has failed to secure agreement.

Lastly, a few British agreements stipulate that strikes and lockouts may not take place if there is no industrial dispute.

Conclusions

It is clear from the foregoing review that these agreements are largely made up of provisions dealing with actual conditions of work. Such provisions have a twofold purpose. They impose regulations in the absence of statutory or other regulations and at the same time supplement and adapt existing regulations in accordance with the special needs of the chemical industries.

On the other hand they contain many provisions on subjects that do not technically form part of the regulation of working conditions. The contractual regulation of a growing range of new questions by the parties directly concerned, which is a feature of these agreements, reflects the determination of employers and workers to have questions of joint interest settled by the negotiators best acquainted with the problems arising in their industries. Frequently the result has been to place these agreements in the forefront of social progress, while legislation has tended to lag behind.