
EDITORIAL

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Inequality has been a growing concern in recent years. The internationalisation of production and markets, the rampant financialisation of the economy, the deregulation of labour markets, and the retrenchment of welfare systems are only some of the factors that have been feeding into increased inequality in terms of income, property, job security, and working and living conditions. The weakening of industrial relations institutions has also been regarded as part of this broad picture, since trade unions and collective bargaining have usually been considered as vehicles of fairness and capable of reducing or at least containing inequality (see for instance the recent book edited by Daniel Vaughan-Whitehead, *Reducing inequalities in Europe: How industrial relations and labour policies can close the gap*, Edward Elgar-ILO, 2018). This issue of *Transfer* intends to contribute to this strand of research by investigating the analytical premises and the empirical evidence of such claims.

The introductory article by the editors of the issue provides a framework to investigate the relationship between industrial relations and inequality. By distinguishing between the impact on inequality among workers (the intra-class dimension) and the distributional effect between workers and employers (or labour and capital, the inter-class dimension), it identifies whether, under which conditions and to what extent we should expect industrial relations to reduce inequality. After presenting this framework, it then offers an overview of the literature assessing the evidence on the actual links between industrial relations and inequality, as well as of the specific contributions of this issue.

The article by Maarten Keune returns to the issue of collective bargaining and inequality by looking at the influence of different collective bargaining regimes on both inter- and intra-class inequality. By providing data from EU countries and examining examples from country cases that belong to different labour relations systems, the article shows that in multi-employer bargaining systems with high coverage and high trade union density, inequality both between capital and labour, and among different groups of workers, is lower. This relationship is influenced by other contextual factors, and, in particular, by the representation structure of trade unions, their bargaining agenda, and the characteristics of other labour market institutions.

The third article, by Maria da Paz Campos Lima, Diogo Martins, Ana Cristina Costa and António Velez, explores the development of the labour share and the trajectory of wage inequality in four sectors of the Portuguese economy in two phases: the years of the economic crisis and Troika intervention (2011–2014) and the recovery period (2015–2017). The authors argue that internal devaluation policies imposed on the country since 2010 weakened labour market and industrial relations institutions and contributed to the reduction in the labour share and the increase in wage inequality. The partial reversal of these policies in the second phase had a positive effect on wage outcomes, reducing inequality. Still, the impact of these policies was limited by the partial nature of these interventions and was differentiated across sectors, also due to the different characteristics of sectoral industrial relations institutions.

Monika Martišková, Marta Kahancová and Jakub Kostolný analyse how inequalities in employment relations are shaped by the interaction of industrial relations and public policies. The article examines the role played by trade unions in mitigating wage inequalities in Czechia and Slovakia in the automotive and retail sectors. The authors show that, in contexts in which the capacity of trade unions to have an impact on wage inequality through collective bargaining is increasingly limited, due to bargaining decentralisation and declining coverage, trade unions have concentrated their efforts on influencing the setting of the national statutory minimum wage, through the role peak-level union confederations play in national tripartite social dialogue. Thereby, trade unions have attempted to compensate their reduced capacity to influence inequality dynamics in the relationships with employers by a stronger pressure on policy-making.

Egidio Riva and Roberto Rizza look at the issue of occupational welfare by investigating the extent to which industrial relations institutions moderate inequalities (or create them) through the provision of occupational welfare across different workforce groups and notably workers with distinct skill levels. Analysing data from three waves of the European Working Conditions Survey in 30 European countries, the authors show that more highly skilled workers are more likely to have access to occupational welfare. However, this skill-based disparity varies across different industrial relations regimes. According to their analysis, stronger industrial relations institutions make occupational welfare less dependent on the bargaining power of more highly skilled workers and make welfare benefits accessible also to lower skilled employees, thereby contributing to the levelling of intra-class inequality. In this way, the authors show that, also with regard to occupational welfare, strong industrial relations institutions are associated with reduced disparities in working and employment conditions between different groups of workers.

The article by Ruth Barton, Élodie Béthoux, Camille Dupuy, Anna Ilsøe, Patrice Jalette, Mélanie Laroche, Steen Erik Navrbjerg and Trine Pernille Larsen contributes to the growing literature exploring the conditions under which industrial relations institutions are related to labour market segmentation and intra-class inequalities. It provides a conceptual framework to identify the processes that shape the relationship between collective bargaining and inequality in employment conditions among workers performing similar tasks at the workplace level. Through the presentation of unionised company-level cases in Australia, Canada, Denmark and France, the authors identify and present four ideal-typical situations in which collective bargaining operates differently, moving from avoiding or reducing inequity, to creating and maintaining inequity. The authors identify three set of factors – time, balance of power, and institutions – associated with different outcomes of collective bargaining in terms of inequality for different workforce groups.

These six articles shed some new light on the many facets of the relationship between industrial relations and inequality. On the one hand, they confirm that collective bargaining can reduce inequality in many dimensions of the employment relationships. On the other hand, however, they show that the changing features of industrial relations systems can reduce such a levelling impact and even reverse it. Such findings call for further research and provide insights for social partners and policy-makers committed to promoting equality.

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