

Main Article



Who receives occupational welfare? The importance of skills across Europe's diverse industrial relations regimes

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Egidio Riva

Università degli Studi di Milano-Bicocca, Italy

Roberto Rizza

Università di Bologna, Italy

Summary

This study investigates the association between eligibility for occupational welfare and employees' skill levels. In particular, building on Visser's classification, we explore (i) the extent to which this relationship is moderated by industrial relations regimes and (ii) whether the moderating effect of industrial relations regimes has changed over time. Analyses draw on the latest three waves (2005, 2010, 2015) of the European Working Conditions Survey, and consider a nationally representative sample (N = 64, 122) of employees in 30 European countries (the then 28 EU Member States plus Norway and Turkey). Findings indicate a significant, persistent, skill-biased disparity in access to occupational welfare in any industrial relations regime, with the only exception of the organised corporatism regime (that is, the Nordic countries).

Résumé

Cette étude explore le lien entre l'éligibilité à la protection sociale au travail et le niveau des compétences des travailleurs. Sur la base de la classification de Visser, elle examine plus particulièrement (i) dans quelle mesure cette relation est modérée par les régimes de relations industrielles et (ii) si cet effet modérateur des régimes de relations industrielles a évolué au fil du temps. Cette analyse s'appuie sur les trois dernières phases (2005, 2010, 2015) de l'Enquête européenne sur les conditions de travail, et prend en compte un échantillon national représentatif (N = 64 122) de salariés dans 30 pays européens (les 28 États membres de l'UE d'alors, ainsi que la Norvège et la Turquie). Les résultats révèlent une disparité marquée, persistante et fondée sur les compétences dans l'accès à la protection sociale au travail, quel que soit le régime de relations industrielles, à la seule exception du régime de corporatisme organisé (c'est-à-dire dans les pays nordiques).

Corresponding author:

Egidio Riva, Dipartimento di Sociologia e Ricerca Sociale, Università degli Studi di Milano-Bicocca, Via Bicocca degli Arcimboldi, 8, 20126 Milan, Italy.

Email: egidio.riva@unimib.it

Zusammenfassung

Diese Studie untersucht den Zusammenhang zwischen dem Anspruch auf betriebliche Sozialleistungen und dem Qualifikationsniveau der Arbeitnehmer. Besonders auf Grundlage der Klassifikation von Visser beschreiben wir, (i) inwieweit dieser Zusammenhang durch Arbeitsbeziehungssysteme beeinflusst wird, und (ii) ob sich dieser Effekt im Laufe der Zeit verändert hat. Die Analysen stützen sich auf die letzten drei Europäischen Erhebungen über die Arbeitsbedingungen (2005, 2010, 2015) und betrachten eine national repräsentative Arbeitnehmerstichprobe (N = 64.122) aus dreißig europäischen Ländern (die damaligen 28 EU-Mitgliedstaaten plus Norwegen und der Türkei). Die Ergebnisse weisen bei allen Arbeitsbeziehungssystemen auf eine signifikante, beständige und einseitig auf Qualifikationen ausgerichtete Disparität hin, wenn es um den Zugang zu betrieblichen Sozialleistungen geht. Die einzige Ausnahme bildet hier das System des organisierten Korporatismus (d. h. die nordischen Länder).

Keywords

Occupational welfare, industrial relations regimes, skills, inequality, European countries

Introduction

Occupational welfare may be defined as a form of welfare provision that employers afford to their employees (Farnsworth, 2004; Goodin and Rein, 2001). Such provision, in its narrow conceptualisation (Farnsworth, 2013), includes employer-provided social benefits, such as pensions, housing, health insurance, child care or work-life balance arrangements. Some scholars, however, adopt a broader definition, which encompasses all forms of occupational provision that enhance employee well-being – such as subsidised canteens, company cars, travel expenses, and other recreational benefits (Pavolini et al., 2013) – or even social benefits that trade unions provide to workers (Natali and Pavolini, 2014). The focus of this article is the range of non-statutory elements of occupational welfare, namely those introduced by employers, often as a result of bargaining (Farnsworth, 2013; Natali et al., 2018b), that help employees deal with 'new' or more traditional social risks.

Previous research indicated substantial cross-national differences in the nature, rationale and prevalence of occupational welfare (Natali et al., 2018a). These variations result from the combination of three institutional variables: (i) welfare regimes, (ii) labour market conditions and (iii) the industrial relations framework (Behling, 2018; Berg et al., 2014; Farnsworth, 2013; Fleckenstein and Seeleib-Kaiser, 2011). National governments may encourage expanded occupational welfare in times of budget cuts and economic recession in order to compensate for or supplement public welfare provision. Nonetheless, the interplay between public and occupational welfare is much more complex and nuanced: for instance, employers may not increase their social provision, even if encouraged to intervene, so that welfare state retrenchment or poor levels of public welfare may in fact go together with very low spending in employer-based welfare (Wiß and Greve, 2019). The provision of occupational welfare may, however, rise when employers, mainly in core industries and when labour markets are tight, anticipate a potential return on such investment, mainly in terms of attracting, rewarding and retaining employees. Hence, there is evidence that it may be targeted primarily towards specific groups of employees, resulting in increased segmentation and dualisation in the workforce (for example, Chung, 2018). As Greve (2007) suggests, there are indeed certain social benefits, such as so-called 'welfare accounts', that are based on the level of

remuneration and therefore exacerbate existing inequalities between top managers and professionals, on the one hand, and those at the bottom of the organisational ladder, on the other hand. Against this background, strong industrial relations, in terms of high levels of coordination and coverage rates, have been found to reduce earnings inequality and, more generally, disparities in work and employment conditions between different groups of workers (for example, Visser, 2008).

Several studies have focused on the institutional drivers, including industrial relations settings, of occupational welfare (for example, Den Dulk et al., 2012; Greve, 2007; Seeleib-Kaiser and Fleckenstein, 2009). Nonetheless, most research on the role of industrial relations has investigated individual countries (for example, Budd and Mumford, 2004; Frans et al., 2019; Yerkes and Tijdens, 2010) or has compared a limited number of countries (for example, Berg et al., 2013; Natali et al., 2018b). Moreover, there has been relatively little research into the space-time variation in the number and type of employees entitled to occupational social provision. One reason for these gaps in the literature may be the limited availability of data covering a number of different countries. Given our premise that the institutional framework may help to explain variations in the prevalence and dispersion of occupational welfare across occupational groups (and especially between skilled and unskilled employees) this study draws on a large, representative dataset - the European Working Condition Survey (Eurofound, 2017) - and investigates: (i) the extent to which industrial relations institutions (Visser, 2008) moderate the relationship between eligibility for occupational welfare and employees' skills, and (ii) how the moderating role of industrial relations regimes has changed over time. In particular, given the data source, the focus is on certain occupational benefits – namely, earnings-related provisions such as medical services and different types of subsidies – which do not refer to the social policy domains usually investigated in the occupational welfare literature (such as pensions, child care or work-life reconciliation, see Natali et al., 2018b; Yerkes and Tijdens, 2010).

Industrial relations regimes, skills and occupational welfare

Differences in industrial relations may affect the ways in which organisations address the need to attract, involve and retain highly skilled employees (for example, Mahnkopf, 1992; Thelen, 2001). In fact, the diversity of industrial relations significantly impacts the terms of the employment relationship and the diffusion of specific labour market practices (for example, Berg et al., 2014; Gunnigle et al., 1998; Ozaki, 1999). Hence, examining the bargaining structure and style, the degree of coordination, the power balance between labour and capital, and the strategies of employers and trade unions regarding both work organisation and workplace performance may improve our understanding of the prevalence of occupational welfare and its distribution across the workforce. On the basis of the multidisciplinary research conducted in the field we believe that an encompassing bargaining structure that collectivises, rather than individualises, risks (Thelen, 2014) may positively affect the prevalence of occupational welfare and also favour its relatively even distribution across the workforce. By contrast, we assume that weak collective bargaining in a low-regulated, employer-oriented, decentralised industrial relations framework may limit collective control over employment conditions and leave the provision of social benefits to employers' discretion, thereby increasing inequality of provision. In order to test these general assumptions, we adopted Visser's (2008) typology of industrial relations regimes.

The literature has largely examined the differences between industrial relations across countries and types of economy (for an overview see, for example, Wilkinson et al., 2014), and several classifications have been formulated (for example, Crouch, 1993; Ebbinghaus and Visser, 1997). Visser's typology, which is widely considered to be authoritative (for example, Bechter et al.,

2011: 18), is quite helpful when investigating the prevalence and distribution of occupational welfare, insofar as it throws light on the role of labour relations, interwoven with a set of institutions, in forging employment conditions. Indeed, this framework points to complementarity among industrial relations regimes, established welfare state regimes (Esping-Andersen, 1990), employment regimes (Gallie, 2007) and varieties of capitalism (Hall and Soskice, 2001). Visser's (2008) typology is fairly comprehensive and allows industrial relations arrangements in European countries to be clustered into the following groups: 'organised corporatism' (Denmark, Finland and Sweden), 'social partnership' (Austria, Belgium, Germany, Luxembourg and Slovenia), 'polarised/state-centred' (France, Greece, Italy, Portugal and Spain), 'fragmented/state-centred' (including the transitional economies and democracies of Central and Eastern Europe), and 'liberal pluralism' (Cyprus, Ireland, Malta and the United Kingdom).

In the 'organised corporatism' and 'social partnership' regimes, employers are generally inclined to invest in their employees' knowledge and skills and are thus interested in promoting long-term, cooperative employment relationships (Thelen, 2001). High levels of coordination of both employers' and unions' behaviour, together with a centralised bargaining mechanism, promote a strategic cooperative rationale in labour relations, which are generally labour-oriented, built on the mutual recognition of social partners and developed through integrated bargaining. Consistent with this, we reason that in the organised corporatism regime, strong, all-encompassing trade unions, in the context of highly coordinated and centralised bargaining, may secure occupational social provision for a large number of employees, regardless of their occupations and the sectors they work in (Hypothesis 1). Within the 'social partnership' regime, however, traditional bargaining institutions and practices have remained remarkably robust in the manufacturing sector, but have not spread further (Hassel, 2014). Hence, in accordance with current literature (for example, Natali et al., 2018a, 2018b; Thelen, 2014), we foresee that, compared with the 'organised corporatism' regime, in the social partnership regime there may be a lower prevalence of occupational welfare benefits, and skill-biased disparity in the eligibility for occupational welfare could be greater (Hypothesis 2).

In the 'liberal pluralism' regime, industrial relations develop on a voluntaristic basis. Collective bargaining and labour power are weak, while industrial relations are mainly adversarial. Employment terms and conditions are established by the market, and working and employment conditions are mainly demand-led (Rubery and Grimshaw, 2003; Rubery et al., 2005). In this scenario, we argue (Hypothesis 3) that relations between employers and employees depend on the leverage the latter may exercise at workplace level. Highly skilled workers may have significant bargaining power and thus may push employers to meet their demands as a result of market forces (for example, Swanberg et al., 2005; Golden, 2008). When meeting employees' demands for welfare benefits also yields benefits for employers, in terms of their capacity to attract and retain core workers and valuable human capital, there may be an economic case to be made for the provision of occupational welfare. Hence, we argue that in the 'liberal pluralism' regime, in the absence of significant pressure from trade unions, the 'business case' rationale (Kossek and Friede, 2006) could act as a predictor of the provision of occupational social benefits.

In the 'polarised/state-centred' cluster, where the state still plays a crucial role in the spheres of economic governance and industrial relations, collective bargaining is significant, but the degree of centralisation is only intermediate. The degree of coordination is also lower as a result of the significant fragmentation of both trade unions and employers' organisations. Trade unions have comparatively weaker organisational strength and bargaining power, and in a rather segmented labour market they are more likely to represent core workers, that is, skilled and permanent employees working in large organisations (Gallie, 2007: 17–19). Accordingly, we would

expect (Hypothesis 4) negotiations to enhance control over employment terms and conditions for better qualified employees. Furthermore, because relations between social partners are less participatory, and national labour markets are not tight (European Commission, 2015), we would also expect organisations' propensity towards providing welfare benefits to be comparatively limited.

Countries falling in the 'fragmented/state-centred' regime display relatively lower organisational density and higher fragmentation, lower collective bargaining coverage at decentralised level, weaker and less effective organised labour, and overall an acquiescent bargaining style (European Commission, 2013). In a context in which the degree of collective representation is low and fragmented, the bargaining approach is accommodating, and the negotiated terms and conditions of employment are mainly employer-oriented, we would expect (Hypothesis 5) social partners to lack the strategic capacity and commitment to pursue long-term mutual gains, and organisations to be much less supportive of (highly skilled) employees' needs as regards occupational welfare provisions.

Although a substantial and growing body of literature has investigated the relationship between occupational welfare and industrial relations arrangements, mainly at national or sectoral levels, several aspects remain relatively unknown. For instance, to the best of our knowledge, a proper understanding of space-time variations in employees' entitlement to occupational welfare provision according to their skills and qualifications has yet to emerge (Emmenegger et al., 2012). The few studies pointing to the existence, across Europe, of a clear segmentation pattern in the workforce (for example, Chung, 2018), are mainly cross-sectional and fail to shed any light on whether skill-biased disparity in eligibility for work-based social provision has increased or decreased across countries over time. Therefore, there is still ample room for a better understanding of whether the supposed moderating effect of industrial relations regimes on the relationship under scrutiny has changed. Two theoretical frameworks can be used in this perspective (for a review, see, for example, Kaufman, 2004; Wilkinson and Wood, 2012). Neoclassical economics, universalistic theories in human resource management, and convergence theory in industrial relations hold that, in the long term, institutions will be progressively eroded and economies will converge, as a result of trends and processes taking place at the international level and affecting a wide range of fields, such as globalisation or the de-standardisation of the employment relationship. Baccaro and Howell (2011, 2017) maintain, for instance, that industrial relations systems have followed a common and similar neoliberal path, which has eventually produced a certain degree of convergence in institutional functioning. In more detail, they assume that margins for employers' discretion have expanded and so has their relative bargaining power, while employees' ability to negotiate agreements has weakened. Hence, based on this argument, we may expect that inequalities between high- and low-skilled employees in terms of their access to occupational welfare have augmented over time, in all industrial relations regimes. By contrast, from a neo-institutionalist approach, cultural and institutional differences among countries are likely to persist and produce different labour market outcomes (Meardi, 2018; Wilkinson et al., 2014). Accordingly, there is reason to believe that cross-national differences in the prevalence and dispersion of occupational social provision between occupational or socio-economic groups would continue or perhaps increase. These competing propositions will be tested in this study.

Data and methods

Analyses draw on the latest three waves (2005, 2010 and 2015) of the European Working Conditions Survey (EWCS), conducted on a random sample of employees and the self-employed in more

than 30 European countries. For the scope of this study the original sample was restricted to employees and then further limited to 30 countries (the then 28 EU Member States, plus Norway and Turkey) due to the geographical coverage of the survey across the three waves. The resulting sample comprised 107,090 individuals, equally distributed by gender. As for age, employees aged 45+ represent 43.7 per cent of the total, while those aged 15/34 and 35/44 account for, respectively, 29.6 per cent and 26.5 per cent of sampled employees. Three-quarters (77.2 per cent) have a permanent employment contract, whereas the remaining employees have temporary jobs. In terms of the employees' occupational categories (Isco-88 1 digit), about 40 per cent are either managers (8.4 per cent), professionals (14.9 per cent) or technicians and associated professionals (13.5 per cent); clerical support workers (10.9 per cent) and service and sales staff (16.4 per cent) comprise more than a quarter of the total; craft and related trades workers comprise 12.2 per cent; while elementary occupations account for 12.2 per cent of sampled employees. The remaining part of the sample includes skilled agricultural, forestry and fishery workers (3.6 per cent), and plant and machine operators and assemblers (7.8 per cent).

In order to study entitlement to employer-provided welfare benefits, we use the following dichotomous question (0=No; 1=Yes), which was asked in the EWCS: 'With regard to your earnings from your main job, do they include advantages of any other nature (for instance, medical services, access to shops, etc.)?' As for the main independent variable, namely, skills, within the conceptual framework of the International Standard Classification of Occupations, we classified the 10 major Isco-88 groups at different skill levels, as follows. Occupations in groups 1, 2 and 3 were classified at skill levels 3/4. Elementary occupations were classified at skill level 1. All other occupations were classified at skill level 2. Military occupations (N=504) could not be easily classified at any given skill level and were therefore removed from the sample (moreover, military forces are usually excluded from representation and bargaining rights). Of the countries covered by the EWCS, most had already been classified in Visser's (2008) typology of industrial relations regimes. Taking into consideration recent research, Turkey and Croatia, whose type of regime has yet to be determined, were included in the 'fragmented/state-centred' cluster. These two countries, in fact, are also characterised by weak trade unions, fragmented and decentralised bargaining, low bargaining coverage, and an acquiescent bargaining style (European Commission, 2013).

In order to predict the probability of having access to occupational welfare provisions by skill levels, we estimated a logistic regression model. So as to test the moderating effect of industrial relations regimes, as well as the change in such an effect over time, we included in the equation the interaction between skill levels, industrial relations regimes, and year. We then tested the null hypothesis and made inferences about the differences in employees' entitlement to welfare provisions, depending on their skill levels. Given that in a nonlinear regression model it is hard to interpret the slope coefficients, we computed average marginal effects (Williams, 2012). Thus, the results can be understood as the mean of the marginal effect; in other words, the average proportion of employees entitled to occupational welfare provisions. Building on the pertinent literature concerning unequal access to occupational welfare (Emmenegger et al., 2012; Farnsworth, 2013), the following covariates were included in the model: (i) gender, dummy coded (0=male; 1=female); (ii) age, recoded in the following categories: 1=15/34; 2=35/44; 3=45+; (iii) type of employment contract, coded as: 1=contract of unlimited duration (that is, permanent); 2=contract of limited duration (that is, fixed-term); 3=a temporary employment-agency contract; 4=an apprenticeship or other training scheme; 5=other (including no contract); (iv) number of employees working in the establishment (1=1; 2=2-9; 3=10-49; 4=50-249; 5=250+) employees); (v) economic sector (Nace rev. 1), coded into the following categories: 1=agriculture, hunting, forestry and fishing (cat. a, b); 2=industry (cat. c to f); 3=services, excluding public administration

Table 1. Average entitlement to occupational welfare, by selected covariates.

	Mean	Std. Dev.	Freq.
Skill levels			
Low (skill level 1)	0.114	0.317	11,002
Intermediate (skill level 2)	0.169	0.375	34,325
High (skill levels 3/4)	0.210	0.407	40,971
Gender			
Male	0.203	0.402	41,660
Female	0.163	0.369	45,606
Age			
15/34	0.180	0.384	27,179
35/44	0.189	0.391	23,234
45 +	0.179	0.384	36,566
Contract			
Indefinite contract	0.205	0.404	66,681
Fixed-term contract	0.125	0.331	9670
Temporary employment agency contract	0.112	0.315	1261
Apprenticeship or other training scheme	0.127	0.334	581
Other (including no contract)	0.086	0.281	8116
Establishment size			
I	0.099	0.299	2222
2–9	0.143	0.350	1,7064
10–49	0.185	0.389	2,1971
50–249	0.220	0.414	15,232
250+	0.305	0.461	9801
Economic activity (NACE Rev. I)			
Agriculture, hunting, forestry and fishing (cat. a, b)	0.114	0.318	2093
Industry (cat. c to f)	0.189	0.392	20,400
Services, excluding public administration (cat. g to k)	0.203	0.403	32,505
Public administration and defence, other services (cat. I, m to q)	0.161	0.368	31,305
Year (survey wave)			,
2005	0.122	0.328	23,145
2010	0.215	0.411	31,908
2015	0.192	0.394	32,222
Industrial relations regimes			,
Organised corporatism	0.362	0.481	10,850
Social partnership	0.219	0.414	21,213
Polarised/state-centred	0.146	0.353	16,093
Fragmented/state-centred	0.153	0.360	10,222
Liberal pluralism	0.117	0.322	28,897

(cat. g to k); 4=public administration and defence, other services (cat. l, m to q); and (vi) year of the survey (1=2005; 2=2010; 3=2015). The final model included only observations that had non-missing values of all listed variables, so that the sample was further reduced to 64,122 employees.

Findings

The descriptive statistics reported in Table 1 suggest that the proportion of sampled individuals having access to occupational welfare is as follows: 11.4 per cent for low-skilled employees (skill level 1); 16.9 per cent for employees with intermediate skills (skill level 2); and 21.0 per cent for

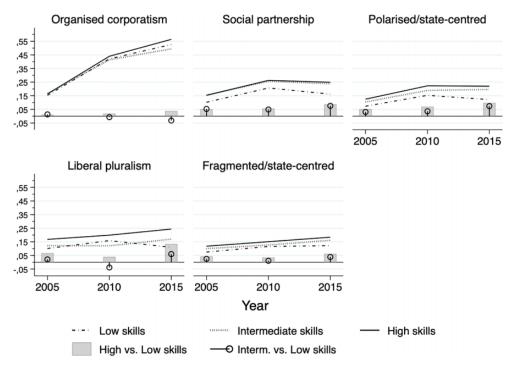


Figure 1. Average predicted probability of employees' entitlement to occupational welfare according to their skill levels, by industrial relations regimes and year (survey wave).

highly skilled employees (skill levels 3/4). The share of male workers (20.3 per cent), permanent employees (20.5 per cent), and employees working for larger companies and/or in the service sector having access to welfare benefits is higher. As regards the diverse industrial relations regimes, average entitlement to employer-provided welfare benefits is relatively higher in the 'organised corporatism' regime (36.2 per cent) and in the 'social partnership' regime (21.9 per cent); the lowest average level of eligibility (11.7 per cent) can be found in the 'liberal pluralism' regime. On average, the number of employees entitled to welfare benefits increased substantially between 2005 (12.2 per cent) and 2010 (21.5 per cent), and then stabilised.

Figure 1 illustrates the findings of regression analyses as marginal effects. More specifically, it shows how the slope of the relationship between average eligibility for employer-provided welfare benefits and employees' skills varies as a function of industrial relations regimes, by year (or survey wave). Table 2 reports pairwise comparisons of the aforementioned marginal effects, calculated in order to detect any skill-biased inequalities in the probability of accessing occupational welfare, and changes in such inequalities across industrial relations regimes over time.

Average entitlement to occupational welfare is higher in the 'organised corporatism' regime, in which the proportion of employees reporting access to welfare benefits also significantly increased over time. In such a regime, employees are more likely to be entitled to employer-provided welfare benefits, regardless of their skills. Consequently, Hypothesis 1 holds true. Furthermore, skill levels do not have significantly different coefficients in any of the three surveys.

Table 2. Pairwise comparisons of average predicted probability of employees' entitlement to occupational welfare.

	Low skills			Intermediate skills			High skills		
	Margins	Std. Err.		Margins	Std. Err	r.	Margins	Std. Err.	
Organised corporatism									
2005	0.153	0.02	cdefghi	0.166	0.01	ghi	0.163	0.01	fghi
2010	0.421	0.03	Þ	0.414	0.01	Þ	0.440	0.01	Þ
2015	0.526	0.04	qr	0.494	0.02	q	0.564	0.01	r
Social partnership									
2005	0.102	0.02	abc	0.155	0.01	efgh	0.153	0.01	efg
2010	0.207	0.01	jkl	0.256	0.01	no	0.263	0.01	0
2015	0.162	0.02	efghij	0.238	0.01	lmn	0.249	0.01	mno
Polarised/state-centred									
2005	0.073	0.01	а	0.104	0.01	bc	0.125	0.01	cde
2010	0.153	0.01	defgh	0.189	0.01	ij	0.223	0.01	kl
2015	0.122	0.02	bcde	0.196	0.01	ijk	0.220	0.01	klm
Liberal pluralism									
2005	0.101	0.02	abc	0.122	0.01	bcde	0.168	0.01	ghi
2010	0.159	0.02	defghi	0.121	0.01	cd	0.199	0.01	ijk
2015	0.110	0.03	abcde	0.170	0.01	ghij	0.244	0.01	lmno
Fragmented/state-centred									
2005	0.075	0.01	а	0.100	0.01	Ь	0.118	0.01	c
2010	0.116	0.01	bc	0.127	0.01	cde	0.151	0.01	efg
2015	0.122	0.02	bcdef	0.161	0.01	efghi	0.184	0.01	hij

Note: Margins sharing a letter in the group label are not significantly different at the 5% level.

In the 'social partnership' regime, the average provision of welfare benefits is comparatively high, and grew significantly between 2005 and 2010, whereas no significant change can be seen in the following period. Pairwise comparisons across the levels of the dependent variable prove that in this regime, highly skilled employees, and employees with intermediate skill levels, are significantly more likely than low-skilled employees to gain access to occupational welfare. Accordingly, Hypothesis 2 also holds true. Moreover, this gap widened slightly between 2010 and 2015.

In the 'liberal pluralism' regime, highly skilled employees are significantly more likely to benefit from occupational welfare schemes than their colleagues with intermediate or low skills: in 2015, average entitlement to occupational welfare benefits was 24.4 per cent for highly skilled employees, 17.0 per cent for those with intermediate skills, and 11.0 per cent for low-skilled employees. Given that we have identified a significant skill-biased disparity in the probability of gaining access to occupational welfare for employees in 'liberal pluralism' systems, Hypothesis 3 holds true. In addition, such disparity has grown over time, in particular between 2010 and 2015.

In the 'polarised/state-centred' regime, in which occupational welfare provision is not very common, the disparity in employee access to employer-provided social benefits based on their skill levels has increased over time and is now greater than in any other regime. Such an unequal pattern is the result of certain recent trends, which have emerged, in fact, since 2010. During this period of time, average entitlement to welfare benefits has remained fairly stable for low-skilled employees; however, the percentage of medium- and highly skilled employees reporting access to occupational welfare provisions has increased significantly. The parameter estimates for high and intermediate skills are not significantly different at the 5 per cent level. Based on these findings, we may

argue that there is only partial support for Hypothesis 4. In fact, in the 'polarised/state-centred' regime, in which average entitlement to occupational welfare is at an intermediate level, possessing either intermediate or advanced skills enhances an employee's likelihood of benefiting from occupational welfare schemes.

Finally, employees in the 'fragmented/state-centred' regime are the least likely to be eligible for occupational welfare provisions. In keeping with Hypothesis 5, the difference in the skill levels slope is comparatively lower. That is, in 2015 the probability of being eligible for occupational welfare benefits in the case of highly skilled employees was 18.4 per cent, which is not significantly different from that reported by employees with intermediate skills; while the proportion of low-skilled employees entitled to occupational welfare provisions was 12.2 per cent. Finally, skill-biased disparity has increased slightly over time, mainly between 2010 and 2015.

Discussion and conclusions

This study investigated the association between employees' eligibility for occupational welfare and their respective skill levels. In particular, taking Visser's classification as a basis, we have explored (i) the extent to which this relationship was moderated by industrial relations regimes, and (ii) whether the moderation effect of industrial relations regimes has changed over time. Drawing on the most recent waves of the European Working Conditions Survey (2005, 2010 and 2015) and taking into consideration a nationally representative sample (64,122) of employees in 30 European countries (the former EU-28 plus Norway and Turkey), our analysis provided evidence of a significant and persistent skill-biased disparity in the probability of gaining access to occupational welfare, which varies across industrial relations regimes. The persistent cross-cluster variation indicated by our study runs contrary to previous studies (Baccaro and Howell, 2011, 2017), which suggested the hypothesis of a convergence to some form of neoliberal model in which employers' pressure for greater flexibility in collective bargaining and lower labour market regulation could have a corrosive effect on coordination and social solidarity. By contrast, our results indicate that, after controlling for individual and organisational-level variables (that is, for the composition of both the labour force and the economy), diversity in industrial relations regimes is persistently associated with different outcomes for workers with different skill levels. Put differently, industrial relations still play a crucial role in determining labour market outcomes. It seems that stronger industrial relations make occupational welfare less responsive to skill levels and, more generally, to the bargaining power of specific groups of workers. Hence, we may argue that the findings reflect those of Natali and colleagues (2018b), who also found that strong industrial relations - in terms of strong actors, high coverage rates and a high degree of bargaining coordination - seem to be a prerequisite for the delivery of comprehensive employer-provided welfare benefits, constantly over time.

In Scandinavian countries, which are included in the 'organised corporatism' regime, industrial relations settings are comparatively stronger and have showed a high degree of stability over time. Indicators such as trade union density, bargaining coverage, centralisation and coordination are indeed higher than the European average and remained unchanged over the 2008–2017 interval (Eurofound, 2016, 2018). Accordingly, in this cluster of countries, highly coordinated and encompassing bargaining, despite a recent move towards a two-tier system, has proved more resilient to labour market conditions and less sensitive to the relative capacity of certain occupational groups to influence their own employment and working conditions. In addition, under these conditions, collective agreements signed at national or sectoral level have been complemented by workplace-level bargaining, which has topped-up statutory benefits, addressed new social risks, extended

social protection, and catered to new constituencies, including the peripheral labour force and the low-skilled (see, for example, Jansson et al., 2018; Thelen, 2014).

In the 'social partnership' regime, the strength of industrial relations is still above the European average, but lower than in the Nordic countries. Recent developments, however, which reveal a certain degree of heterogeneity among these countries, suggest that erosion in industrial relations institutions and increasing segmentation in their social and economic outcomes may have occurred. As a consequence, as the findings of this study indicate, the provision of welfare benefits has become more segmented (see, for example, Blank, 2018; Frans et al., 2019; Keune and Payton, 2018). Increasing dualisation in access to occupational welfare is related mainly to the dualistic and less encompassing character of industrial relations, across sectors and companies. For instance, in many branches of the service sector - namely in low-wage industries such as retail, hotels and health care – some workers are covered by sectoral agreements, others by company-level agreements, but many are left outside the system (Jaehrling and Méhaut, 2013). That said, trade unions have been negotiating occupational welfare provision at the company level (Behling, 2018), mainly in return for limited wage demands and concessions (Trampusch, 2007). Even though the importance of occupational welfare has increased recently, traditional mechanisms for welfare redistribution operated by trade unions and employers' associations through all-encompassing collective agreements have weakened (Frans et al., 2019). In Germany, for example, the Hartz reforms shifted some of the responsibility for the provision of welfare entitlements onto employers via the tax system, by introducing ways of creating greater company-level flexibility based on departures from sectoral agreements through the use of opening clauses (Burroni, 2016). That has seemingly enabled employers to treat different groups of workers distinctively, through variable pay systems, and the different bargaining power has resulted in increasing inequality among different occupational groups.

Industrial relations institutions in these two clusters of countries have shown a certain level of stability and continuity; in the remaining industrial relations regimes, however, the strength of trade unions, collective bargaining coverage, centralisation and coordination have decreased (Eurofound, 2018; Gumbrell-McCormick and Hyman, 2018). These transformations seem to have contributed to diminish protections and benefits, including occupational welfare entitlements, provided to the weaker segments of the labour force and increased the dualisation of the labour market, across skill levels.

In the 'polarised/state-centred' regime, in which collective bargaining institutions are centralised but fairly uncoordinated, occupational welfare is still underdeveloped, but it has grown in importance (Greve, 2007; Natali et al., 2018a; Pavolini et al., 2013). In recent times, employers have been interested in providing welfare benefits rather than ensuring higher wages. Employerprovided welfare benefits have been granted fiscal and labour cost-related advantages, so that any net wage increase granted has been accompanied by indirect wage costs, whereas such indirect costs have been lower with the provision of employee benefits. Considering the productivity difficulties experienced by many companies, wage moderation appeared to be a possible way of regaining competitiveness (Pavolini et al., 2018). Consistent with that, there is evidence that, in several countries – such as Italy and Spain – trade unions and employer associations, especially at local level, have more frequently negotiated occupational welfare benefits (Maino and Rizza, 2018). During the 'Great Recession', however, the increase in welfare benefits stalled and dispersion of provisions emerged, across companies and sectors and qualification levels (Agostini and Ascoli, 2014; Molina, 2014; Pavolini et al., 2013). In this regard, there is reason to believe that the sectoral composition of the economy, the average company size, as well as the high labour market segmentation (Rizza and Scarano, 2019) hampered the possibility that more vulnerable workers

could be entitled to employer-provided welfare benefits. In addition, labour market changes and decentralisation trends following the 2007/2008 economic crisis have weakened the capacity of trade unions to regulate working conditions and obtain more generous welfare protections, mainly for peripheral workers in peripheral sectors.

Finally, in countries under the 'liberal pluralism' and 'fragmented/state-centred' regimes, despite internal heterogeneity, indicators measuring the strength of trade unions, bargaining coverage, centralisation and coordination report the lowest values, which have been persistently below European averages. In this framework, decentralised and employer-driven bargaining has reflected the conditions on local labour markets and bargaining power based on skills and qualifications (Bosch, 2017). In the 'liberal pluralism' regime, and especially in the United Kingdom, since the political turn in the 1980s and over recent decades, both state- and employer-based welfare provision have declined (Naczyk, 2018). Furthermore, the social and economic outcomes of the processes involving social partners, nested in institutionally weak and segmented industrial relations, have been fragmented and occupational welfare has been covering some categories more than others, as our analyses show. The institutionalisation of firm-level, individualised employment relations has led companies to use welfare benefits as a way of managing human resources and rewarding the most skilled, at the expense of individuals who have no or low-level qualifications. In transition economies, occupational welfare is a marginal phenomenon, which has gradually diminished since the collapse of state socialism. Industrial relations, mainly in the private sector, became decentralised and conflict-oriented, bargaining coverage and union density were reduced and strong inter-union competition developed (Korkut et al., 2017). Consistent with this, occupational welfare evolved in a decentralised and uncoordinated manner and its nature and rationale are closely related to economic sector and company size. In the public sector, there are employment-related rights and entitlements that, after a period of growth are now declining, following public austerity measures and market pressure to reduce operational costs (Bernaciak et al., 2011). In private and multinational companies, there are a wide spectrum of welfare benefits, which have been implemented either unilaterally or as a result of collective bargaining. In small enterprises, employer-based welfare provision is almost non-existent (Czarzasty, 2018). In general, because collective bargaining is limited, occupational welfare is modest and generally provided in a paternalistic way by employers, with no coordination between business associations and trade unions. As a consequence of the very limited diffusion of employee benefits, the difference across skill levels was and has remained comparatively small over time.

There are, admittedly, a number of limitations to the present study. These mainly concern the way in which the dependent variable is measured, and the analytical framework adopted in order to group European countries together in the different industrial relations regimes. Concerning the former limitation, the EWCS collects only data regarding a certain type of employer-provided social benefits, which are variable components of pay and are designed to hedge several social risks, ranging from health care to income preservation. Therefore, their nature is not clear-cut. Nonetheless, it is worth mentioning that this is one of the very few datasets available for investigating, in a comparative perspective, occupational welfare. As for the latter limitation, Visser's framework has certain drawbacks despite its widely acknowledged strengths and relevance: some countries are difficult to classify among existing industrial relations regimes (Kohl and Platzer, 2007; Visser, 2008). Furthermore, this classification may underestimate within-cluster heterogeneity and overestimate between-cluster differences (Meardi, 2018; Schröder, 2013). Finally, the focus on national industrial relations systems may lead one to overlook the development of a supranational level of regulation, in virtue of the role played by multinational corporations or the

increasing similarity of employment practices at the sectoral level as a result of economic globalisation (Bechter et al., 2011; Ozaki, 1999).

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