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Summary

This book deals with innovative uses for extending the scope of collectively bargained agreements through the declaration of an 'algemeenverbindendverklaring' (a.v.v.), as applied in the Netherlands. An a.v.v. can support organizations in achieving social policy objectives, for example in the field of environmental policy. Under an a.v.v., the declaration of the relevant Minister serves to extend the scope of the provisions that bind the parties to a collective agreement so as to include the minority of persons who are not formally parties to the terms of a private agreement. Thus, the problem of enforcement and maintenance of the agreement with regard to "free riders", individuals or entities who benefit from the agreement but who are not parties to it and therefore incur none of its contractual obligations, can be solved. In the 1930s, a.v.v. extensions were legally regulated for the first time. In those early cases, the orders applied only to certain commercial agreements and to collective labor agreements. Since the Second World War, a.v.v. instruments have been applied to other types of agreements.

The first part of this book contains a detailed study of the regulation and application of a.v.v. extensions in different policy areas. The second part includes a research into more general juridical aspects of regulation. This study also considers European aspects of regulation, for example the relation to the articles in the EU Treaty concerning competition and state aid. Finally, the author considers the conditions under which an a.v.v. can play a more significant role in implementing environmental policy and how legal regulation can be improved.

Chapter One examines the present and future functions of the a.v.v. in government policy. Existing difficulties with enforcing and maintaining governmental regulations provide an important impetus for reforming the ways that private parties are held accountable for their social conduct. Self-regulation is one method for involving private organizations, for example branch organizations, in advancing a variety of social goals. In regulatory policies, the principle of self-regulation is supported in general, but less clearly in specific applications. In environmental policy, self-regulation still plays a modest role. In most cases, the government prefers legislative solutions for implementing environmental policies among private entities. Consequently, the government is also responsible for the enforcement and maintenance of its regulations. Further, self-regulation and governmental regulation are often seen as contradictory methods for guiding compliance with social policy goals. However, these two forms of regulation are not necessarily mutually exclusive, but can be complementary. The answer should be not "either…or," but "and…with."

Legal regulation by way of an a.v.v. may be considered as a type of "legally conditioned self-regulation." That is to say that legal regulation under an a.v.v. must still sufficiently guarantee that relevant public interests are met. For example, although the determination of environmental policy is a task of government under Article 21 of the Constitution, an a.v.v. can be used to shift responsibility for enforcement and maintenance of the policy to the parties bound by the agreement.

Since the early 1990s, covenants have been used as instruments of self-regulation in environmental policy. However, the attitude of the government at the national and European levels toward such covenants has been ambivalent. One reason for this attitude is the problem of free riders to the covenant. The author proposes that this problem, and governmental ambivalence to incorporating self-regulation into its regulatory schemes, can be resolved through the use of a.v.v.

Finally, *Chapter One* compares two existing and related mechanisms of self-regulation: standard rules in civil law and public regulation of industrial organizations. The author concludes that standard civil law has not been used in regulatory practice, especially in consumer matters, and does not fit well with environmental cases. The same conclusion applies to public regulation of industrial organizations. However, there are similarities between both types of mechanisms and a.v.v. instruments.

Chapter Two examines the earliest regulation of the a.v.v.: The 1935 Act on the Extension and Invalidation of (collectively bargained) Provisions (Law AVV 1935). This law contains the framework for both using a.v.v. extensions to encourage cooperation between industrial parties and for undoing or invalidating extensions to discourage overuse of cooperation. Before World War Two, more cooperation was needed in collective bargaining while after World War Two, radical changes in the economic environment required some restraint on cooperation. Thus, modern applications emphasize invalidation in a move that can be characterized as a transition from pro-cartel (via compulsory cartels during World War Two) to an anti-cartel law.
From 1935 to 1940 there were 38 requests for a.v.v. extensions resulting in 8 actual grants. The extensions covered many different contractual provisions, varying from delivery conditions and terms of payment to price determination. Furthermore, the Law AVV 1935 contains the most important features of later laws regulating a.v.v. extensions, including the Competition Law of 1958. For example, both contain the limitation that the Minister can only grant an a.v.v. at the request of the concerned enterprises. In addition, these laws share a markedly civil law character in their regulatory and maintenance schemes and include provisions for exemptions, both individual and general. It is also striking that both laws already focus strongly on the enforcement and maintenance of underlying agreement.

Chapter Three discusses the application of a.v.v. extensions in collective labor agreements. The incidence of a.v.v. requests and grants have risen dramatically since 1937. Today, all of the 200 to 250 requests for a.v.v. extensions made each year result in actual grants. The legal regulation of a.v.v. extensions for collective labor agreements (collectieve arbeidsovereenkomsten, or CAOs) must be considered in relation to the legal regulation of the CAO (Law CAO) itself. From a quantitative point of view, the a.v.v. extension of a CAO has little significance because only a small percentage of employers and employees (15%) will be committed to the CAO through the generally binding provisions of the a.v.v. extension. From a qualitative point of view, the likelihood of an a.v.v. grant stimulates adoption of the collective agreement. Generally, it is true in practice that a system of collective bargaining that includes both CAOs and generally binding provision extensions results in fewer labor conflicts and more attention to matters for the long term, or for "good causes".
The benefits and necessities of using a.v.v. extensions in collective labor agreements have been the topics of much debate since the early 1990s. Central theme in this debate is, on the one hand, a respect for the agreement between parties to the agreement and the responsibility of the social parties – in the case of labor relations, employers and employees – and on the other hand, the responsibility of the government for social and economic policy in general. For instance, the wage increases feared by some political parties as the necessary consequence of an a.v.v. grant are more likely to be a result of the CAO itself. The announcement of a possible intervention, or sometimes the complete revocation of the a.v.v. instrument altogether, is used by the government as a method for pressuring social parties in a direction preferred by the government. This strategy succeeded for the first time in 1993 and has been used repeatedly since that time.

In the Netherlands, regulation of collective labor agreements by the Law CAO and of the a.v.v. extension of a CAO by the Law AVV CAO have not changed much since their inceptions. Thus, the procedural and material provisions of both laws have adapted easily to developments over time. Although the structure of the later Law AVV CAO closely resembles the structure of the Law AVV 1935, there are important differences that can be seen through the coupling of procedural requirements between the Law CAO and the Law AVV CAO. For example, the agreement that underlies the request for an a.v.v. extension must be one that complies with the Law CAO. Further, the a.v.v. extension can never last longer than the CAO itself. Thus, the short term of the collective agreement, and therefore of the generally binding extension, combined with an absence of retroactive effect and proactive effect on social parties to the agreement, have serious consequences for employers and employees – exactly those social parties who are not formally bound by the agreement outside of the a.v.v. extension. As a result, employers and employees are sometimes bound to the agreement, or sometimes bound by particular terms of the agreement, and sometimes are not. This consequence is often referred to as the "flashing light effect." The end result is legal and practical insecurity for the employers and employees who must rely on the collective labor agreement.

An important difference between the legal regulation of the a.v.v. of a collective agreement and other legal regulations is that the agreement that underlies the generally binding extension is the result of negotiations between two more or less equal parties with clashing interests. This difference appears in the views of the social parties about the Minister's response to the request for extension. The presumption is that the collective agreement itself will not be judged at all and that the request for an a.v.v. extension will be judged only marginally.
The question as to whether a particular labor condition, or the subject of a labor condition, is regulated by legal rules or is left to the social parties to determine depends on a number of factors. In the case of a constitutional or international obligation, for instance the implementation of a Treaty convention or EU guideline, legal regulation is almost inevitable. Complying with terms that are essentially expressions of political policy, for instance meeting minimum level contributions for social security, certainly entail legal regulation. However, some governing instruments include allowances for deviation by means of an a.v.v. extension to a collective agreement or through a clause that is triggered only when the parties otherwise fail to resolve a conflict within a certain period of time. In one example, Article 139 of the EU Treaty provides for the enforcement of certain parts of a social policy, and even outright agreement at a community level, by means of an a.v.v. extension to a collective labor agreement.
Finally, this chapter examines funding and the important role it plays in social policy and collective labor agreements. The funds created through collective agreements finance a broad variety of projects, for example employee education programs. Although the governmental framework for approval of collective agreements includes recently clarified requirements about how funds are collected and used, transparency to both the parties involved and to the government still leaves much to be desired.

Chapter Four describes how legal regulation in the world of banking and finance can benefit from generally binding extensions to collective agreements. Previously, a.v.v. extensions were used to equalize standards of identity in financial affairs and were, in form, very similar to self-regulation measures in use at that time. Today, a.v.v. extensions have been replaced by legal regulations in banking and finance, thanks to the implementation of EU guidelines and the successful reduction of industry-wide problems such as money laundering.

Currently, a.v.v. extensions are used only in two areas within the financial industry: legal regulation of credit banks and legal regulation of stock exchange. In both cases, a.v.v. extensions are used to guarantee funds in case of bankruptcy. Two key differences in this area are that the Minister has the authority to impose an agreement when parties are unable to either reach an agreement themselves or are unable to do so within a reasonable timeframe, and that the authority to make granting decisions is shared between the relevant Minister and the Crown. Moreover, the agreement itself and the request for a generally binding extension is the result of negotiations between the National Bank of the Netherlands and a representative organization of the credit banks or stock exchange banks, rather than between all of the banks involved. Third parties, specifically investors, have no say in the process, although the maximum amounts guaranteed under these agreements certainly concern individual investors. Finally, the agreement and extensions are subject to enforcement under both public law and penal law, but are most often enforced through administrative sanctions such as the withdrawal of the license of a non-compliant bank.

Chapter Five outlines how a.v.v. extensions support relations between organizations of agricultural producers and line organizations at the European level. The importance of this cooperation between European agricultural enterprises under Article 33 of the EU Treaty is such that it supercedes the open competition requirements in Article 81 of the EU Treaty. Member states may use a.v.v. extensions to implement and, in fact, supplement EU market ordinances in any way necessary. A few of the market ordinances concluded between organizations of producers or line organizations contain detailed provisions for making their agreements generally binding. Typically, the structure of these internal provisions closely resemble national a.v.v. regulations and sometimes include provisions related to environmental policy.
The authority of member states to grant a generally binding extension to an agreement in this area is limited in two ways. First, the agreement usually contains express limitations on terms that are subject to generally binding extensions. Second, all decisions of the member states must be approved by the EU Commission, and usually in advance of concluding the final agreement.

Chapter Six completes the analysis of the regulation of generally binding extensions to collective agreements with a discussion how these mechanisms operate in the regulation of waste management fees. The pertinent regulation is part of the Environmental Management Act (EMA), Title 15.10. This legal regulation was created to meet the needs of various producers and importers for legal support in implementing waste management structures and was aimed especially at dealing with the problem of free riders.
The structure of this legal regulation also closely resembles the a.v.v. regulatory structures discussed in *Chapter Two* and *Chapter Three*. So far, a.v.v. extensions have been applied in five areas of waste management: car wrecks, agricultural plastics, plastic window frames, paper, and window glass. Here, the generally binding extension to the collective agreement is part of the waste management structure and is organized by the producers and importers either on a voluntary basis or by enforcement through a legal take-back and recycling obligation. In both cases, the waste management fee is used as indirect financing for product disposal. This means that the consumer, in buying a new product, has already paid for disposition of the waste stage of the product and can abandon the product at the end of its lifecycle without incurring additional cost.
The cooperation between producers and importers offers the opportunity for both to meet their obligations flexibly, without additional government regulation, and to do so in a pro-consumer and pro-ecology way. Even when governmental regulation is necessitated by an EU guideline,

existing collective waste management structures can be integrated rather easily. The effectiveness of such structures depends on both the market situation and on the existence of a professional organization to enforce the agreement. In particular, this chapter shows that the example of agricultural plastics proves that the market situation can change through cooperative self-regulation in such a way that the need for a generally binding extension and governmental regulation of the collective agreement is unnecessary.
So far, European legal aspects of the regulation of the generally binding extension does not seem to be contrary to EU waste guidelines or Treaty articles concerning competition and the free movement of goods. With regard to notification to the EU Commission for state aid, this remains an obligation of national governments. In the past, the EU Commission has made the final decision, usually within a period of 7-15 months and after extensive correspondence. In all cases, the Commission came to the conclusion that the waste management structures, including fee structures, were in agreement with Article 87. In 2001, there was a change in the notification policy and the Commission even agreed to drop the notification requirement in the case of window glass. Since 1998, the judgment of competition aspects has been left to the National Competition Authority (NCA).
Today, there is no legal relation between the decision making process in the EMA and the Competition Law (CL). A protocol between the Dutch Competition Authority (CA) and the Minister of the Environment approves the cooperative agreement. In some cases, the CA has come to the conclusion that there are no competitive restrictions under Article 6 of the CL and therefore no need to issue an exemption under Article 17 of the CL. Following European jurisprudence on this topic, the CA did not approve the compulsory fee passing and separate invoicing for waste management fees that was structured into some collective agreements for a long time. Even this principle seems to have changed with emerging self-regulation measures. In the 2003 Agreement on Paper, the CA approved the externalizing of fees in pricing structures, essential for waste management structures, under certain conditions.
In summary, *Chapter Two* through *Chapter Six* analyze the motivations, structures, and practices of different legal regulatory measures pertaining to generally binding extensions of collective agreements.

Chapter Seven focuses on general aspects of legal regulations. Much the same motivations apply: support of self-regulation, prevention of free riders, regulation from the bottom up, and possible withdrawal of governmental regulations. As mentioned earlier the legal regulation by way of a.v.v. extensions on private agreements can be described as a kind of legally conditioned self-regulation. This means that the grant of an extension by the relevant Minister is only possible upon request of the private parties to the agreement and that general interests must be guaranteed during the decision-making process. The position of the Minister varies according to the phase of decision making in this regard. During the conclusion of the agreement between the parties and their request for a generally binding extension, the Minister's position is one of orienting. In making a decision with regard to the request, his or her position is one of facilitating and testing. Finally, during the enforcement phase, the Minister assumes a supervisory role.
With the exception of the financial aspects of regulating an a.v.v. extension, most of the applicable legal regulatory structures are consistent. For example, procedural and substantive articles of regulation are formulated in the same way and can be interpreted flexibly over time. The initial establishment of an agreement between parties has a normal private law character and the Minister is never a party to this underlying agreement. Second, the request for an a.v.v. extension must be tendered to the Minister by an "important majority" of the parties. The preferred definition of "important majority" is the one that has been formulated in the regulation of collective labor agreements and used in structuring waste management fees.

This definition stresses the role of the majority on the one hand, but also leaves the Minister some discretion in taking account of different, relevant situations in the branch of industry concerned. In all legal regulations, the Minister has the authority to make final decisions for each request tendered by the parties. This authority is justified by reference to the Minister's perspective and knowledge of all of the relevant interests, and by his or her liability for the decision to the national Parliament. In almost all legal regulations, a ministerial recommendation makes explicit how a request and further relevant information must be presented. In some cases, particularly in collective labor agreements and waste management fee structures, these requirements are explained in a ministerial guideline. Both the regulation and the guideline are very important to the approval of the request. Next, the Ministry publishes the official request. In this public phase, third parties have the opportunity to inspect the request and submit comments. In the opinion of the author, such external influence on what is basically a private agreement is unproblematic, so long as the uniform public commentary procedure would be followed according to the national Law of General Administrative Rules (Awb).
Legal regulations differ in the role played by external advisory committees in approving a request for an a.v.v. extension. At this time, only the Law AVV CAO still has an advisory board that can be involved in the decision-making process under certain circumstances. In environmental affairs, there is a general advisory council, but this council only has the competence for involvement in general matters and not special matters. For example, a general advisory council may be consulted about using an a.v.v. extension as a steering instrument in implementing environmental policy.
Step four in the granting process is the actual decision by the Minister as to the particular request. In general, there is no time limit for making this decision. Although the EMA has stipulated that the decision must be made within 16 weeks, this period can be extended through a process of consultation with the EU Commission. In practice, the decision- making process takes between six months and a year. In the practice of the Law AVV CAO, this process only takes eight weeks. In cases where the uniform public procedure of the Awb would apply, additional requirements could add time to the process.

Based on Article 8:2 of the Awb, and on jurisprudence of the Law AVV CAO, there is at this time no administrative appeal process available for protesting a ministerial a.v.v. decision. *Chapter Seven* includes a discussion of the regulatory appeals process in general and a look at specific prospects for the a.v.v. decision process in particular. There is, however, a related process in the possibility of lodging an appeal against the decision of a corporation founded in the collective agreement. Based on the general criteria for "public authority" and the jurisprudence of the Law AVV CAO, it seems unlikely that the legal character of such a corporation, constructed by mutual agreement to enforce the agreement, would change much after an a.v.v. extension is granted.
The design and limits on terms that can be part of a collective agreement are different according to various legal regulations, varying from broadly defined, non-exhaustive lists of terms to exclusive lists of available terms. The author argues that to allow parties the freedom to address certain societal needs, for example environmental concerns, it is preferable to give parties the opportunity to limit the scope of the agreement and terms.
The Minister's discretion in evaluating a request is related to the balance of the various interests involved, specifically the interests of the parties as opposed to community interests, and therefore, to the politically sensitive question of the influence of the Minister on the content of the agreement itself. The lack of legal possibility for refusing an a.v.v. extension, the explicit grounds required for the decision in some regulations, the lack of possibility for prescriptions, and the limited possibility for influencing the scope of the agreement all

indicate a legislative intent to restrict the Minister's substantive influence. The Minister must respect the agreement reached by the parties as such. Furthermore, almost all regulations have limited the duration of the a.v.v. to a maximum of five years, allowing for a re-evaluation and modification after a certain period of time.

The legal character of an a.v.v. grant follows the 'Gesetztheorie' in which the Minister's decision results in an act of legislation. As long as the agreement is in effect, all parties are bound to it in the same way. Following decision and enactment, legal regulations provide for a limited number of exemptions, either in individual cases or by general exemptions, or by a combination of the two. In most cases, exemptions are allowed when there is an alternative equal to the agreement for the party seeking exemption. In addition, the Minister may also withdraw his decision under certain circumstances. In practice, this authority has never been used.
Traditionally, the enforcement and maintenance of a collective agreement are key components for achieving its stated goals and objectives. The organizational structure envisaged by the agreement must guarantee transparency, must define its decision-making processes, and must ensure accountability between the parties, as well as between the collective parties and the government. With the exception of financial regulations, maintenance of the agreement takes place via civil law. In case of conflict, many agreements provide for arbitration or some form of binding judgment. In the case of a generally binding extension to a collective agreement, questions have been raised about the admissibility of such provisions in relation to Article 17 of the Constitution. Based on the jurisprudence of the High Court, it is not possible to create a generally binding extension that excludes recourse to the court. Therefore, the possibility of reaching a 'definitive' settlement of conflicts outside the court is impossible. However, it is still possible to submit the dispute to binding settlement processes prior to adjudication before the court.
Legal regulation can be determined by civil law, as for private agreements and their maintenance, or by public law, as for a.v.v. decisions, exemptions, and withdrawals. Although this somewhat hybrid theoretical character has been criticized in the literature on this subject, there have been few problems in practice.

Chapter Eight examines the relation of cooperation between enterprises and binding extensions to regulations on the European level. There seems to be some degree of conflict with several EU Treaty articles, especially those concerning the free movement of goods (Articles 28 and 29), competition (Articles 81 through 86), and state aid (Article 87). The competition articles are also closely related to the national Competition Act.
The legal regulation of generally binding extensions with regard to the relevant articles of the EU Treaty has caused no problems so far. However, problems can arise in the underlying agreement. Based on several decisions of the European Commission and the jurisprudence of the European Court of Justice (ECJ), parties who conclude an agreement must observe the following elements:

- In case of an obligation to pay a fee, this fee must be levied equally on national products and imported products. The same requirement applies for the dispersal of funds collected under the agreement.
- There must be a clear relation between measures taken and the intended objectives, in this case the protection of the environment.
- Obligations must be proportionate to the intended objectives. This means taking the least intrusive measures possible.
- Creating obligations, such as price fixing or other measures, which interfere with free market entry must be avoided.

When an agreement meets these requirements, the judgment of the relevant authorities seems to be unproblematic. Likewise, grants of extensions to such agreements seem also unproblematic. Therefore, re-evaluating the relation between environmental and competition policies is not necessary.
Finally, *Chapter Eight* includes a discussion of ways in which an a.v.v. extension to a collective agreement can be used to implement EU guidelines. The author advocates implementation through an a.v.v. extension as a valuable use for this type of legal regulation, especially when certain guarantees are included and when national authorities, in addition to the a.v.v. process, possess legal tools for intervention in situations where the parties fail to resolve their own disputes.

Chapter Nine examines possibilities for more extensive a.v.v. applications, especially in environmental policies where the stimulation of self-regulatory mechanisms is at least as necessary, and inevitable, as in other areas of public policy. In environmental policy, this stimulation has taken forms varying from total autonomy to complete integration within governmental regulations. In order for private self-regulation to work as a part of a national environmental policy, there must be clear objectives, precise allocation of responsibility, concrete time limits for achieving goals, and unambiguous monitoring and accountability standards. Governments can also use regulations as incentives for compliance with the terms of the agreement.
Cooperation between enterprises emerges only when there is a culture of shared responsibility for solving societal – in this case, environmental – problems. This chapter also uses specific cases to point out the value of having more or less equal starting points for each party to the agreement, and the important role for subject matter expertise and professional organization.
The possibilities for using generally binding extensions to collective agreements to regulate environmental subjects seem almost limitless. However, a number of socio-political factors do impose limitations in fact, for example, on the political choices of certain approaches to a given problem and interrelationships between other existing regulatory instruments and agreements.
At this time, with the exception of collective labor agreements, generally binding extensions are only possible at the national level. However, in the long run it may well be highly efficient to use a.v.v. extensions to collective agreements in the European and global planes. To evaluate this proposal, the following chapters look at three cases: the remediation of soil at industrial sites, packaging, and disposal of clay pigeons used at artillery ranges. In the last two cases, an a.v.v. extension could be a viable alternative to governmental regulation. In the first case, the starting points for each party to the agreement seem to be too far apart to guarantee a successful agreement. Additionally, in the cases of soil remediation and packaging, there is a mixed public-private arrangement for enforcement and maintenance in which the two primary parties could conceivably play off of each other, thereby defeating the purpose of agreement.
Next, *Chapter Nine* examines the consequences of the generally binding extension of covenants. This mechanism is complicated by the position of the relevant Minister as party to the underlying covenant. The obligations of the Minister in most of the covenants are not so important as to be included in the covenants itself. In Belgium and Denmark there are legal regulations for such covenants. A brief study of these regulations indicates that in both cases it is possible to broaden the scope of the covenant. Both countries deal with the problem of free riders through the transformation of the content of the covenant into government regulation.

Lastly, this chapter describes the concept of a general legal regulation of generally binding extensions to collective agreements. In 2002, a new chapter of the EMA concerning chemicals and chemical products was published that included a more general regulatory concept for

agreements in these industries, much broader than has been used in the area of waste management. The author discusses how this broader concept has applications useful for solving existing problems, notably the application of Awb, Title 3.4, and the mechanism of a.v.v. withdrawal on a request, as well as for achieving a more uniform regulatory scheme overall. At the same time, more material aspects of regulation can still be left to specific laws and legislative mechanisms.
Substantively, the author recommends standardizing the term for submitting a.v.v. extension requests to the Minister and creating the possibility for a deviation of a legal measure by means of an a.v.v. extension.

Chapter Ten summarizes several important propositions concerning the opportunities for organizations and industries to take greater responsibility for solving societal problems through self-regulatory aspects of generally binding extensions to private collective agreements. As noted, success depends on both internal and external factors including the culture and structural organization of the involved parties, and governmental stimulation and incentives. Self-regulation by parties to the agreement has the advantage of close linkages between regulation, enforcement, and maintenance on the one hand and the ordinary conduct of business on the other. Moreover, generally binding extensions readily solve the problem of free riders to collective agreements and render the obligation of government to carry the enforcement load much less necessary. Procedurally, the role that government plays in evaluating and granting a.v.v. requests, and in instituting annual reporting procedures, provides some opportunity for influencing the agreement itself so that there is greater conformity to political and social policy goals. Finally, the decision- making process provides opportunity for input by interested third-parties.
In all of the cases studied in this book, legal regulation of generally binding extensions to collective agreements contain certain core components including finite duration, support by an important majority of the parties, public input, governmental approval, the possibility for exemptions or withdrawal, and enforcement under civil law principles. The fact that these key elements have not changed over time is cited as evidence of a stable balance between public and private interests. Further, the success of this regulatory instrument at the national level and its compatibility with the EU Treaty and competition laws indicate a reasonable likelihood of success at problem-solving at the European and global levels.

Of course, self-regulation is no panacea for the social and environmental ills of the world. Governmental regulation is inevitable in cases where the parties are unable or unwilling to cooperate on solving mutual, especially environmental, problems. The instrument of generally binding extensions to collective agreements offers strong opportunities for resolving the tension between governmental regulation and self-regulation. Actually taking the steps to implement these measures requires a change of mind by both private enterprises and governments at many levels.