

(b) Nothing in the present text to be interpreted as favouring the recognition of any association of workers established, dominated or financed by employers or their representatives.

III. Effects of Collective Agreements

3. (a) A collective agreement to be binding on the signatories thereto and on those of their members on whose behalf the agreement is concluded. Employers and workers bound by a collective agreement not to be able to agree to include in contracts of employment stipulations contrary to those contained in the collective agreement.

(b) Stipulations in contracts of employment which are contrary to the collective agreement to be regarded as null and void and automatically replaced by the corresponding stipulations of the collective agreement.

(c) However, stipulations in contracts of employment which are more favourable to the workers than those prescribed by a collective agreement not to be regarded as contrary to the collective agreement.

4. The stipulations of a collective agreement concluded between an employer, a group of employers or an employers' organization, on the one hand, and one or more workers' organizations, on the other hand, to apply to all the workers of the classes concerned and employed in the undertakings covered by the agreement unless the said agreement specifically provides to the contrary.

IV. Extension of Collective Agreements

5. (a) Where appropriate, measures, to be determined by national regulations and suited to the conditions peculiar to each country, to be taken, if necessary, to extend the application of all or certain stipulations of a collective agreement to all the employers and workers included within the industrial and territorial scope of the agreement.

(b) National regulations concerning the extension of a collective agreement may contain, among other things, the following conditions :—

- (i) The collective agreement should already cover such a number of the employers and workers affected as, in the opinion of the competent authority, is representative ;
- (ii) As a general rule, the requests for extension of the collective agreement should be made by one or more organizations of workers or employers who are parties to the collective agreement ;
- (iii) Prior to the extension of the collective agreement, the employers and workers to whom the collective agreement would be rendered applicable should be invited to present their observations.

V. Interpretation of Collective Agreements

6. Disputes arising out of the interpretation or application of a collective agreement to be submitted to a procedure for settlement agreed to by the parties and, if such procedure is not agreed upon or breaks down, to be referred to appropriate machinery determined by agreement between the parties or by legislation.

VI. Supervision of Application of Collective Agreements

7. (a) Employers' and workers' organizations parties to collective agreements to ensure supervision of the application of such collective agreements.

(b) In the absence of adequate supervision by the organizations concerned, the supervision of the application of collective agreements to be entrusted to the bodies existing in each country for this purpose or to institutions established *ad hoc*.