



Executive Summary Report

Joint Project of the European Social Partner Organisations:
"CEEC social partners' participation in the European social dialogue:
What are Social Partners' Needs? "

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Overview

This executive summary is designed to describe the objectives, methodology and overall conclusions of the joint social partner project - "CEEC social partners' participation in the European social dialogue: What are Social Partners' Needs?" It is no substitute either for the comprehensive full report or the five individual national seminar reports that were produced during the project. This is particularly true for those who wish to review the discussion or conclusions of one or all of the individual national seminars.

In their work programme 2003-2005, the European social partners (UNICE-UEAPME, CEEP and ETUC) agreed to take a number of actions in the areas of employment, mobility and enlargement. In the context of their work on enlargement, they undertook to assist the social partner organisations in CEECs to prepare for their full involvement in the activities of the European social dialogue following their accession on 1 May 2004.

The specific aim of the project was to help social partner organisations in the CEECs to identify what they needed to do at the national level in order to strengthen their capacity to act as social partners mandated to represent the views of their members in the European social dialogue. The pilot project covered five countries in central and eastern Europe (Poland, Hungary, Czech Republic; Slovakia and Lithuania). An identical program of seminars for the three remaining CEEC accession countries (Slovenia, Latvia and Estonia) is planned for early in the year 2005.

Methodology

The national seminars were designed to identify the organisational and individual characteristics that would enable the national social partners to participate effectively in the European social dialogue. They were attended by representatives of national employers' organisations and trade unions; representatives from the European social partners UNICE, UEAPME, CEEP and ETUC; and selected experts.

The specific objectives for the national social partners during the two-day events were; to identify the characteristics of organisations and individuals that will contribute most effectively to the European social dialogue; and to develop individual social partner organisation and joint action plans to prepare for their full participation in the European social dialogue process after accession. Day one of each seminar was devoted to identifying the most important characteristics, actions and behaviours that would lead to a successful entry into the European social dialogue for the national social partners. Through successive combinations of working groups, feedback forums, expert input and consensus building sessions, the participants were encouraged to develop a short list of the most important issues that they believed would have to be addressed. Day two was devoted to the development of individual social partner and joint action plans for each priority issue designed to speed their transition and maximise their effectiveness of the national social partners in the European social dialogue.

The detailed seminar methodology was designed to assure the maximum participation of the national trade unions and employers. The majority of the time in each national seminar was devoted to discussion in small working groups, regular plenary feedback

forums and consensus building sessions. Additionally, and in order to maximise bipartite discussion, agreement and action planning, three concurrent working groups were used; one containing exclusively trade union representatives; a second containing exclusively employer organisation representatives; and a third group of "joint" or "mixed" composition. The outputs of all three groups were presented and discussed in plenary in order to develop overall consensus on priorities and actions.

Overall Conclusions

The following general conclusions from the project are based upon discussions between the national and European social partner representatives that took place at the "concluding meeting" of the project; on the separate observations of the European social partners (ETUC, UNICE, UEAPME and CEEP); and the views of the various experts that assisted throughout the project.

The five countries involved in this project differ greatly in their size, state of economic development, the maturity of current social dialogue systems, the resources available to the social partners and the attitude of national Government to the promotion of social dialogue. It is nonetheless possible, noting the dangers of stereotyping the countries involved, to draw certain general conclusions from the project as a whole.

i) No "one size fits all" solution

The first general conclusion is that any temptation to apply a "one size fits all solution" or "single model of bipartite dialogue" to the five CEEC accession countries participating in the project should be resisted. Although the overall conclusions reached at the end of each individual meeting seem quite similar, the concrete issues faced by the social partners in the five countries visited are both complex and very different. This means that the social partners will need to take varying routes in working to resolve essentially similar overall problems.

For example, although they still have a lot of work to do, the social partners in the Czech Republic and Poland are individually well organised, have basically sound relationships with each other and benefit from a degree of Government support. This contrasts with the situation experienced in Lithuania where a tradition on how social partners can engage in a respectful social dialogue does not yet exist; in Slovakia where the national Government is taking steps to dilute the influence of trade unions and employers' organisations; and in Hungary where it proved impossible to get all of the social partner organisations around the same table with participants of sufficient decision making stature to the seminar.

The need for diverse approaches to the resolution of essentially similar problems needs to be constantly borne in mind throughout this section.

ii) Bipartism and Tripartism

By far the most common issue encountered in the national seminars and most extensively discussed at the concluding meeting was the subject of the relationship between tripartite and bipartite dialogue.

In each of the five participating countries the Government had already established tripartite consultation mechanisms to advise, to a greater or lesser extent, on the move from state control to market economy. This same tripartite structure was also

used, again to a greater or lesser extent, in the development of national laws, and in particular labour laws, that were required to implement the European acquis.

At the commencement of each seminar, it was clear that not everyone saw the need for a system of autonomous bipartite social dialogue. Bipartite and tripartite dialogues were frequently seen as mutually exclusive and it took some time before certain participants could see that bipartite social dialogue and tripartite concertation could be *complementary* and not *alternative* approaches to partnership.

By the end of the seminars every country had concluded that not only was an autonomous system of bipartite social dialogue necessary to link effectively with the European level equivalent, but that effective bipartite dialogue could lead to increase the influence of the social partners in the existing tripartite system.

A series of practical problems associated with the development and maintenance of an autonomous bipartite dialogue were identified:

Resources - few of the trade unions and none of the employers believed that effective bipartite dialogue structures could be established using only existing resources. Trade unions reported falling membership and declining revenues. Employers' organisations described the difficulties they had experienced since their creation of getting sufficient companies to see the benefit of membership. Both parties described considerable internal difficulties associated with shifting extremely scarce resources from the local to the international level.

Bipartite autonomy in a tripartite framework - temptations were great to seek "quick fixes" to the resource question by using the structure and resources provided by Government to the tripartite social dialogue. However, the social partners in every country acknowledged the adverse impact of using tripartite resources on the autonomy of the social dialogue in terms of priority and agenda setting; the ability to meet as and when they wished or to effectively control work performed by the Government-funded secretariat. This approach was therefore seen as resource efficient but sub-optimal in terms of autonomy.

The Government as an employer - in each of the project countries the Government remains a major employer. Both employers and trade unions felt uncomfortable with the failure of Government to separate its political responsibilities from those it has as an employer. It was frequently said that the inability or unwillingness of the government to distinguish between the roles of "elected Government" and "business owner" in its engagement in the social dialogue politicised discussions to a great extent.

Strength and representativity - both sides were aware of the need to strengthen their role as social partners in the eyes of Government and the general public as well as vis-à-vis their own constituents. Given their representativity problems, Government regulation was frequently seen as the only way that compliance with their decisions and agreements could be assured at the national level.

Membership of European level organisations - most but not all key national level trade unions and employers' organisations participating in the tripartite social dialogue in their country are members of the European level social partner

organisations. This raises important questions for implementation of voluntary agreements in some countries.

Scope for bipartite dialogue in a heavily regulated environment - the project countries have a long history of high Government intervention in the labour market. In the face of a Government with strong interventionist tendencies it is difficult for the social partners to find space for their autonomous activities. The absence of a recognised, autonomous and influential role feeds the negative spiral of representativity, membership and resources.

Top down demand for national bipartite social dialogue - it appeared from the debate, that those most demanding autonomous bipartite social dialogue were not so much the national trade unions, employers' organisations and their members, but the European Union level. The key driver being the essential role of social dialogue in EU decision-making and governance in the area of labour affairs. In the absence of this top down "demand-side pull", there would seem to be little "supply-side push" for the development of sophisticated bipartite dialogue. Strong, autonomous and financially self sufficient social partners are very unlikely to simply "emerge" from the environment currently prevailing in the project countries.

The issues outlined above apply to a greater or lesser extent in individual countries. They are no "quick fix" solutions and the development of an autonomous national social dialogue depends first and foremost on the needs of the national social partners themselves. However, actions by the national Government can either support or undermine their efforts. Moreover, the European level social partners and financial support from the EU can help to initiate movement.

iii) Attitude and role of Government

At the tripartite level, it was commonly claimed, the Government tended to prefer to reinforce its own position as decision maker by trading one side off against the other and consequently were not enthusiastic about the prospect of employers and trade unions developing and pursuing a shared agenda.

However, the Government was not the only player bearing responsibility for this situation. In the short term this approach allowed either trade unions or employers to side with a friendly Government, leaving the excluded party with little alternative but to oppose everything and wait for a change of Government after an election. Both employers and trade unions described themselves as being more experienced with "opposing and blocking" followed by "maximising advantage", than in developing a genuine long term shared agenda on key economic and social issues.

The structure of ownership further complicates relations between social partners and the Government. The state remains a very influential employer in its own right but is either unable or unwilling to separate the roles of politics and business ownership.

By developing more long term cooperative relationships, the social partners themselves can work to change this pattern and break out of the "win/lose" cycle.

iv) Leadership and in-group coordination

In many countries of the world both employers' organisations and trade unions are either looking to merge or to develop fruitful cooperation based on a clear division of tasks between complementary sister organisations. By contrast, in most of the

project countries, the trend still seemed to be towards competitive behaviours on the part of these organisations.

If the project countries are to maximise their influence at the European level, these competitive behaviours need to be modified. Their acknowledgment of this fact at the operational level is reflected in each action plan in each country. The need for improved coordination of group positions; the identification of areas of consensus between the social partners; and a sharing of duplicated resources are major items on every agenda. However, the degree of support for such cooperative attitudes at technical level by the highest decisions makers in the organisation varied from country to country.

If the project countries are to exert a more effective influence in the short to medium term at the European level, the need for improved cooperation must be rapidly embraced by the most senior managers in both trade unions and employers' organisations.

v) Financial and Material Resources

Without exception, the employers' organisations and trade unions spoke of financial and material resource shortfalls. Contrary to what happened in the established EU countries, which were able to switch resources gradually from the domestic to the European stage as the locus of law creation gradually shifted from the national level to the European, the social partners in the project countries have had to cope with the national implementation of the European acquis at the same time as being required to become operational in dealing with the new issues on the European level agenda. The short term workload they face is quite extraordinary.

Moreover, the most successful employers' organisations and trade unions in the established EU countries have built financially and structurally sound organisations out of a long history where collective answers to common challenges made sense both for unions and companies. There is no comparable history upon which to build in the project countries.

Whilst there is little doubt that the organisations can do much to help themselves from a resource point of view through membership growth, service development and sharing resources, this will probably not be sufficient for them to impact dramatically at the European level in the short to medium term. There is a strong argument to suggest that these countries would, against longer term sustainable governance and business plans, benefit from a short to medium term injection of assistance. In almost all cases, the social partners spoke of having a presence in Brussels and being able to train and develop their people. These would be sound places to start in considering assistance.

vi) Human Resource quality

Although many organisations mentioned the pure shortage of numbers of people available to them, the overriding human resource issue they identified was that of language capability. Moreover, the best language skills they had in their organisations were typically possessed by those with little knowledge or experience in the technical issues or in social negotiations.

This mismatch of language and technical skills was a general theme in the actions contained in each of the national action plans. The plans concentrated on two themes;

- i) The conduct of audits of language/technical capabilities within individual organisations and within the employers' organisation and trade union sides as a whole in order to better use existing resources and to prioritise training and development efforts;
- ii) To provide fast track learning opportunities for younger people, including work experience placements and funded "observation" places at social dialogue meetings.

Whilst the actions to develop the organisational skill base process have to be taken nationally, the initial analysis tool could be more effectively designed centrally on behalf of all of the accession countries in the context of a joint programme.

Next steps

The seminar programme was viewed by the national and European level social partner organisations as a valuable exercise. It brought to the surface the practical problems of connecting with the European social dialogue machinery and supported the development of concrete action plans to facilitate this. Aside from the technical objectives of the seminars, the opportunity was provided for the national social partners to work together in a practical way on developing consensus approaches to certain issues. Additionally, the seminars proved to be an important source of two-way learning and relationship building between the European and national social partners.

Following discussions between the European and national level social partners, it was agreed to arrange similar seminars in the remaining CEEC countries (Latvia, Estonia and Slovenia) and to undertake "one year on" reviews in all eight countries to follow up on the agreed action plans.

The continuation of this programme combined with actions to support the skill development initiative referred to in the human resource conclusions will run in parallel with other initiatives on enlargement foreseen in the social dialogue work programme such as the study on restructuring in new Member States and will become part of an integrated programme of assistance to social partners of the new member states.