

Social Dialogue and Collective Bargaining

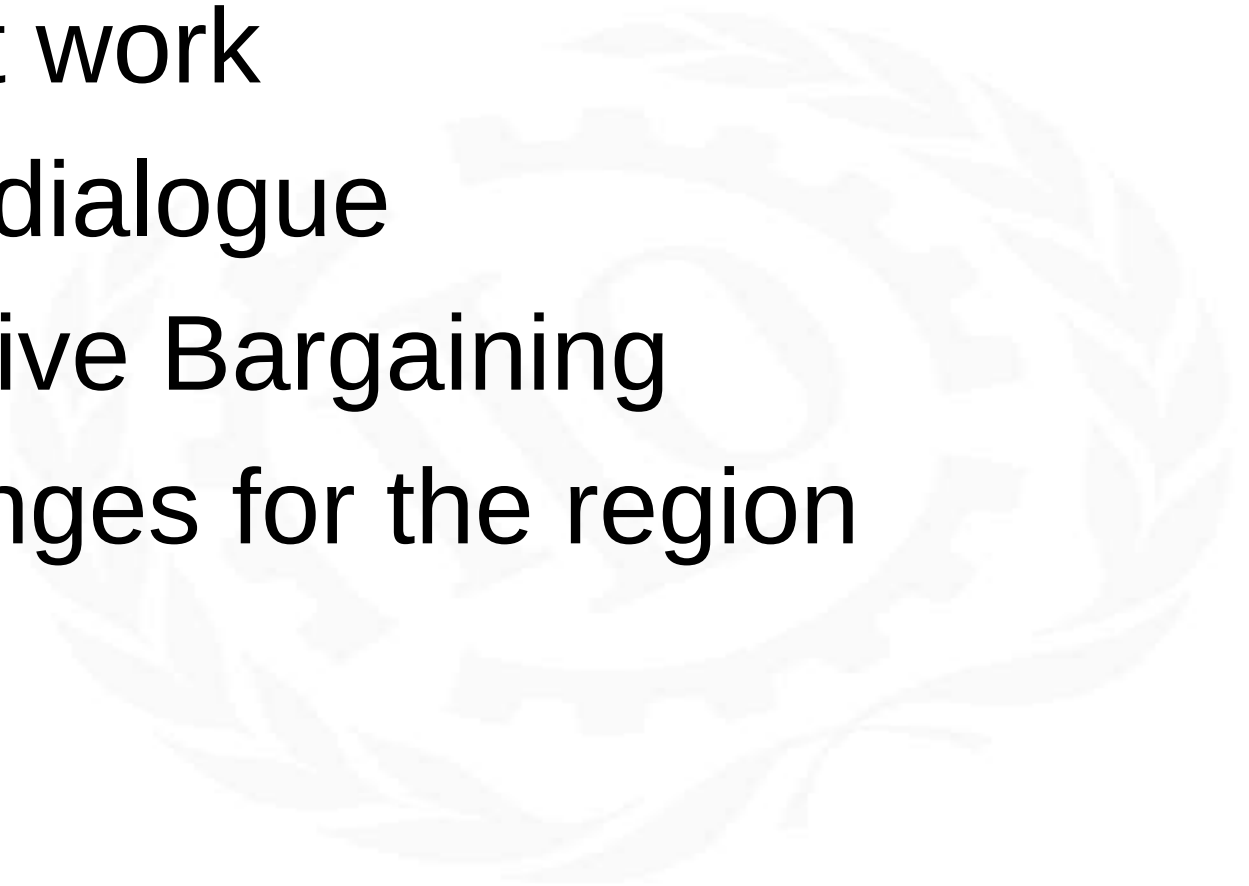
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Presentation

- Decent work
- Social dialogue
- Collective Bargaining
- Challenges for the region





DO NOT.....

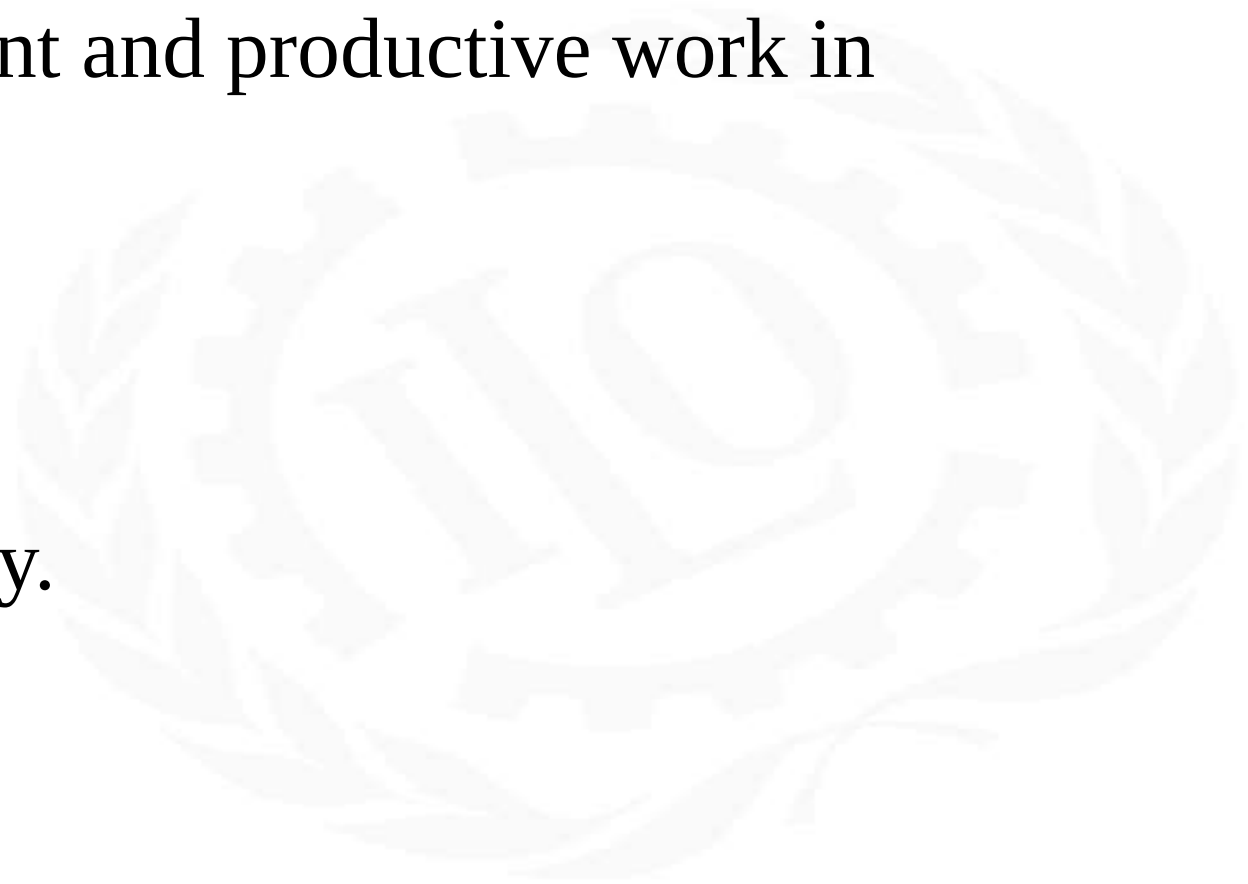




Decent Work – A Definition

Advancing opportunities for women and men to obtain decent and productive work in conditions of:

- freedom,
- equity,
- security, and
- human dignity.



DECENT WORK AGENDA

Four inseparable, interrelated and mutually supportive strategic objectives

**Employment
Creation and
Enterprise
Development**



**Social
Protection**



**Standards
and Rights
at Work**



**Social
Dialogue**



Gender equality and non-discrimination as cross-cutting issues



Social Dialogue

- Include all types of negotiation, consultation or simply exchange of information between or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy
- Can take place at national, sectorial or workplace level
- Can act as a mean of preventing social conflicts or resolving them



An overview of main ILO instruments

- Conventions and recommendations
- 1998 Declaration on Fundamental Principles and Rights at Work
- 2008 Declaration on Social Justice for Fair Globalization
- 2002 Resolution on Tripartisme and Social Dialogue



Social Dialogue

■ **Preconditions:**

- ◆ Independence from the state (C.87)
- ◆ Independence from each other (C.98)
- ◆ Organizational capacity and legitimacy (representativity)
- ◆ Relatively even balance of power between the parties
- ◆ Willingness to cooperate in good faith



Collective Bargaining - Definition

- *Process* of negotiations, information and consultation between employer(s) and employees aiming to determining the terms and conditions of employment and regulate relationship between employers and workers
- Importance of c.98, voluntary nature, two parties (W and E) etc



Collective Bargaining

- Relevant, important role
- When done well it **CAN**:
 - ◆ Reduce the poverty
 - ◆ Skill unskilled
 - ◆ Strengthen weak voices
 - ◆ Create order to labour relations
 - ◆ Empower organizations and individuals
- For these reasons and many more employers support collective bargaining



Collective Bargaining

- When NOT DONE well it **CAN**:
 - ◆ Fail to deliver social and economic objectives
 - ◆ Fail to balance job creation with job protection
 - ◆ Create mistrust and loss of confidence
 - ◆ Shut down enterprises



Emphasis on three features of collective bargaining

1. Voluntarism of the agreements
2. Flexibility on the level of bargaining
3. Non exclusivity of the bargaining method



ESSENTIAL REQUIREMENTS FOR COLLECTIVE BARGAINING

Enabling Legislation

- Legislation must provide room for employers' and workers' representatives to negotiate about terms and conditions of employment.
- If legislation is too prescriptive, provides benefits, covering all eventualities then nothing to negotiate about and no collective bargaining.
- Legislation must provide *minimum* floor below which no employer can go – not a “maximum” that all employers apply.



ENABLING LEGISLATION ctd

- If past practice indicates no rights currently applicable to workers can be reduced then very difficult to negotiate to meet changing enterprise and social requirements.
- Collective bargaining requires Government to provide a framework that supports the parties coming to their own decisions about terms and conditions of employment, and then ensures enforcement.



OUTCOMES OF COLLECTIVE BARGAINING

What employers want from negotiation in collective bargaining – **what's in it for me?**

- A sensible and affordable agreement which is workable in practice
- An agreement which preserves the relationship between the parties
- Social peace, no strikes, no further claims during agreement, flexibility..



Challenges in the region...

- Common history, socialist times (only 20 + years in “market economy”)
- Long transition for some countries... danger of being “stuck in the middle”
- Lack of social dialogue tradition e.g 20+ years compared to 100 or more years in some European countries e.g 150 years in Ireland (voluntary agreements between E and W)



Challenges in the region

- Strength and capacity of social partners, issues of representativity
 - ◆ EOs – very few existed until 1990
 - ◆ TU-s – played different role, had a very high membership e.g. 90%, one TU etc
 - ◆ With transition - decline of TU membership, TU competition, particular difficulties in private sector



Challenges in the region

- Strength and capacity of social partners, issues of representativity
 - ◆ Slow and difficult increase in EO membership (particular issues with attracting SMEs), competition, Chambers of Commerce, finances (membership fee collection issues)
 - ◆ State somehow active in “kick start” establishing EOs in some countries and still encouraging establishment of sectorial EOs – in order to promote collective bargaining



Challenges in the region

- Mismatch of social partners representation (public vs private sector)
- Positional vs Interest based negotiations
- Negative press



Challenges in the region

- Perceived value and importance of national tripartite dialogue (e.g. economic and social councils) relevance etc...Eg. No meetings, poor funding, undermined value of ESC, ignored, not taken seriously, no time for consultation, bypassed for various reasons e.g. proposed legislation comes from “another ministry” etc
- Even weaker social dialogue at regional or local level



Challenges in the region

- Collective bargaining specific issues e.g. General collective agreements, few sectorial and very few enterprise level agreements
- Some “specifics” e.g 3 parties in the GCA agreements, no expiry date and no ability to cancel the agreement
- Extension clauses, issues of affordability
- CBAs not respected, court cases, high costs...



What is needed ?

- Consensus on enabling legislation and enabling business environment
- Stronger capacity of social partners
- More genuine willingness from the state to dialogue with social partners
- No interference from the government in bargaining process
- More willingness among social partners to bargain collectively – more trust!
- Securing implementation of agreements



ROLE OF EMPLOYERS' ORGANISATION

- Train individual employers on negotiating skills so they can undertake effective bargaining themselves
- Act in advisory capacity – either before and/or during the negotiations
- Co-ordinate sector – including ensuring wide communication with all participants
- Facilitate parts of negotiation – prepare position papers / economic analysis / comparison with other sectors / ensure legal compliance



■ Thank you for your
attention

