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Joint Project of the European Social Partner Organisations;

"CEEC Social Partners' Participation in the European Social Dialogue:

..... what are the social partners' needs? "

Report of the Hungarian National Seminar
Budapest
Hungary
15th and 16th June 2004

Prepared by ARITAKE-WILD
June 2004

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Joint Project of the European Social Partner Organisations:

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The fourth of the series of five national seminars designed to identify the organisational and individual characteristics that will enable the participants to participate effectively in the European Social Dialogue was held in Hungary on the 15th and 16th of June 2004.

The objectives for the Hungarian social partners during the two-day event were;

- To identify the characteristics of organisations and individuals that will contribute most effectively to the European Social Dialogue;
- To develop individual social partner organisation and joint action plans to prepare for their full participation in the European Social Dialogue process following their recent accession to the European Union.

The seminar was attended by representatives of Hungarian employers' organisations and trade unions; representatives from the European social partners UNICE, UEAPME, CEEP and ETUC; and experts. The full attendance list for the seminar is attached as appendix one.

The seminar methodology was designed to assure maximum participation of the Hungarian trade unions and employers with “added value” input from the participants from the European social partner organisations and the experts. Most of the event involved discussions in small working groups with regular plenary feedback forums and consensus building sessions. To further facilitate the generation and development of ideas and strategies, the working groups were conducted in the Hungarian language with “subtle” interpretation available to the European social partner participants and experts. Full interpretation was provided in the plenary sessions.

Additionally, and in order to maximise bipartite discussion, agreement and action planning, where discussions took place in working groups, it was planned to use three groups: One containing exclusively trade union representatives; a second containing exclusively employers’ organisation representatives; and a third group of “mixed” composition. Although the “three group model” was used on the first day, due to lack

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of national participation on the second day only two groups were used, one trade union group and one employers' organisation group. This is regrettable, as in each of the previous national seminars, clear progress was made in the joint group, which greatly enriched the general conclusions.

Day one of the seminar was devoted to identifying the most important characteristics, actions and behaviours that will lead to successful participation in the European Social Dialogue for the Hungarian 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 key issues that they believed would have to be addressed. Day two was devoted to the development of individual social partner plans for each priority issue that will speed the transition and maximise the effectiveness of the Hungarian social partners in the European Social Dialogue.

This report follows the format of the seminar agenda, providing an overview report of each of the eight working sessions, and culminating in the agreed action plan that was the outcome of the final working session. The detailed agenda for the meeting is included as appendix two but the eight working sessions making up the seminar can be summarised as follows;

	Outline session content	Nature of the session
Session one	"Explaining the European Social Dialogue".	Expert input - plenary
Session two	"Building successful organisations and individuals for European Social Dialogue".	Working groups
Session three	Working group feedback. "Building successful organisations and individuals for European Social Dialogue".	Plenary presentations
Session four	"Successful social partners and successful meetings" – presentation of research findings.	Expert input - plenary
Session five	"The characteristics, actions and behaviours that contribute to successful engagement in social partnership".	Consensus building session – plenary.
Session six	"Action plan development on the agreed priority issues"	Working groups
Session seven	Working group feedback. "Action plan development on the agreed priority issues"	Plenary presentations
Session eight	Discussion and agreement on specific action plans	Consensus building session – plenary.

DAY ONE (15th June)

Session one (Expert input)

Explaining the European Social Dialogue

The history, evolution, participants, working rules, practices and priorities of the European Social Dialogue were summarised in formal presentations given by one of the seminar experts (Alan Wild) and the UNICE Director of Social Affairs (Thérèse de Liedekerke). These presentations are attached as appendices three and four respectively. Additionally, each of the representatives of the European social partners; Maria-Helena Andre of ETUC; Lilliane Volozinskis of UEAPME; and Valeria Ronzitti of CEEP commented briefly on the similarities and differences in the approaches of their respective organisations to the development of negotiating positions, the sign-off process for agreements and methods of communication and implementation.

At the end of session one, the Hungarian social partners were left with a series of specific questions for consideration during the course of the seminar;

- How will they organise member discussions and convey input to consultations?
- How will they prepare technical input for negotiating mandates?
- How will they get this mandate approved?
- How will they liaise with each other?
- How will they explain compromises to members?
- How will they organise follow up procedures?

Session two (Working group activity)

"Building successful organisations and individuals for European Social Dialogue"

The national representatives were divided into three working groups. Two thirds of the trade union representatives formed the "trade union group"; two thirds of the employers formed the "employers' organisation group" and the remaining one third of the total population formed the "joint group". The representatives from UNICE and UEAPME, together with one expert, joined the employers' organisation group; one representative from the ETUC together with one expert joined the trade union group; and the second representative from the ETUC, the representative from CEEP and one expert joined the

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“joint group”. A chairperson/rapporteur was designated for each group from the list of national participants.

The working groups were given 90 minutes to consider the following questions;

- *What do we need to do to build successful social dialogue partner organisations at the national level that are capable of contributing effectively to the European Social Dialogue? (Trade union and employers' organisation groups)*
- *What are the actions and behaviours that will make our meetings together as successful as possible? (Joint group)*

Session three (Working group feedback)

“Building successful organisations and individuals for European Social Dialogue”

The report back from the three groups covered the following issues;

Trade Union Group

- There are six confederations on the trade union side and although there is a degree of coordination between them, each one is an ETUC member in its own right. Issues will arise that need a common trade union viewpoint at the national level.
- The various confederations have different internal structures and decision making processes. Not all six trade union confederations were at the meeting so it was impossible to reflect their views.
- All present believe there is a need for some level of more structured integration, but the way to do this is unclear.
- The existing structure of the National Reconciliation Committee (OET) could be used as a vehicle to reach common viewpoints/opinions.
- Language training, technical expertise and IT skills will be needed. Assistance from the Government will be needed to resolve this.

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- Tight deadlines for decision making (six weeks in many cases) are going to be difficult to achieve.
- It will be important to know the employers' organisations position on EU issues as there may be common interest points that can be exploited jointly. However, the amount of work associated with identifying areas of consensus and exploiting them will be daunting.
- Integrating EU legislation through voluntary agreements will be difficult to achieve and success is not certain. The tripartite system, relying on the strength of Government and the force of law, is more important in Hungary.
- Twenty nine sectoral, bilateral groups are being set up. This system will be a useful vehicle for the management of bilateral dialogue.

Employers' Organisation Group

- There are nine employers organizations participating in the national social dialogue. For the purpose of their representation at EU and international level, they have created an umbrella organization called CEHIC but liaison between employers' organisations has to be made more efficient.
- There needs to be a faster flow of the most important information. Ways must be found to prioritise the information that needs to be worked on.
- There is an opportunity to better coordinate the work of experts in the various employer organisations.
- Ad hoc committees could be set up to resolve the problem of reaching common employer positions on pressing issues.

Joint Group

- Ways need to be found to link the Hungarian social partners jointly into the EU social dialogue?

- Often trade unions find partnership with Government easier than partnership with employers;
- Macro level regulation on social dialogue is missing.
- Social dialogue is hampered by the lack of activity at the sectoral level.
- If we want to integrate effectively into EU level work, obstacles associated with language, IT and training of experts need to be addressed.

Session four (Expert input)

“Successful social partners and successful meetings” – presentation of research findings

One of the seminar experts (Alan Wild) presented the findings from a small research project conducted specifically for this series of national seminars. Fourteen currently active members of the European Social Dialogue, eight trade union members and six employer members, from the “European 15” were asked the following questions relating to the organisational characteristics of “more” and “less” successful organisations and the actions and behaviours of “more” and “less” successful individuals.

Could you tell me, in your experience, what are the characteristics of the successful social partner at the European level? Could you list three or four characteristics of successful social partner organisations ?

Could you tell me, in your experience, what are the characteristics of the least successful social partners at the European level. Could you list three or four characteristics of the least successful social partner organisations?

*Turning now to behaviours. Can you tell me what are the most important actions and behaviours that make **individuals** more or less successful in the European social dialogue?*

*Are there any behaviours or actions that make particular **national delegations** (employers and trade unions together) more or less successful?*

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The purpose of this session was to allow the participants to review their own discussions and presentations from session three and four in the context of the knowledge and experience of individuals from different countries that had participated in the European Social Dialogue over a number of years. The full presentation is attached to this report as appendix five.

In summary, the following factors were identified in the research.

Characteristics of the "most successful" social partner organisations	Characteristics of "less successful" social partner organisations
<ul style="list-style-type: none"> ✓ Social dialogue is taken seriously; ✓ One or two individuals given clear responsibility for the social dialogue; ✓ Continuity of representation; ✓ Representatives are credible at the national level; ✓ Strong links between national and international activities; ✓ Clear process for mandate development; ✓ Clear process for reporting back; ✓ Processes for implementing agreements; ✓ Dedication of sufficient resources – admin, research and IT; ✓ Permanent Brussels presence. 	<ul style="list-style-type: none"> ✗ Lack of priority or interest in the social dialogue; ✗ Lack of clarity in who represents the organisation; ✗ Lack of delegation of authority – too many referrals to national HQ; ✗ Low credibility – nationally or at the European level; ✗ Changes in representation from meeting to meeting; ✗ Lack of processes for producing a clear mandate, reporting back or implementation; ✗ Over-political organisations/stances – lack of independence, influence of "party politics"; ✗ Poor electronic communication media; ✗ Lack of visibility in Brussels.
Actions/Behaviours of the "most successful" individuals	Actions/Behaviours of "less successful" individuals
<ul style="list-style-type: none"> ✓ Interested in and motivated by subject; ✓ Preparedness to research and learn; ✓ Patience!; ✓ Language skills; ✓ Good listening skills; ✓ Working outside of the formal meetings – 10% inside, 90% outside; ✓ Strong networker; ✓ Cultural awareness and sensitivity; ✓ Awareness of other country conditions; ✓ Awareness of views of other national social partner; 	<ul style="list-style-type: none"> ✗ No experience in collective bargaining; ✗ Lack of language skills; ✗ Lack of interest; ✗ Political operators; ✗ Dishonesty; ✗ Nationalistic approaches; ✗ Speaking to get their names in the minutes; ✗ Internet illiterate; ✗ Poor networker; ✗ Inability to work effectively outside formal meetings;

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√ Strong IT skills; √ "European" thinking.	× Lack of closeness to the other national social partner; × "9 to 5" workers.
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Session five (Consensus building session)

The characteristics, actions and behaviours that contribute to successful engagement in social partnership.

Each individual was asked to consider, in the light of sessions four and five, what they considered to be the most important issues to have emerged. During a "tour de table" exercise involving the national participants, the following "long-list" of issues was the outcome. The list below is exactly that recorded in the meeting. It is not in any priority order and reflects only the order in which the subjects were mentioned. It does not reflect "multiple mentions" of issues.

- Improving coordination between the 6 trade union and 9 employers organisations;
- Ensure materials (especially those in English) are properly distributed and have a uniform translation;
- Improve language skills through hiring people with foreign language competency that are able to provide adequate representation in Brussels for Hungary;
- Securing external financing for translation and IT training;
- Internal structures need to be refined to ensure ability to meet schedules;
- Request the introduction of laws to establish structures for bipartite social dialogue;
- Ways of avoiding the duplication of work with already stretched resources need to be found;
- Improve visibility through media campaigns detailing the achievements of the social partners (trade unions and employers' organisations) in order to combat lack of general interest in the issue;
- Both social partners need to attract young people into the organisations and to develop their careers;

- Establish umbrella organisations supervising our work, especially at the start to make sure we are going down the right path.

Following the national participant “tour de table”, the experts were asked to give their views on what they considered to be the most important priorities for the Hungarian social partners. In this short session, the experts and European level social partners made the following points;

- Social partners need to focus on what can be done now. Hungary is now a member of the EU, so partners need to deliver agreed actions quickly.
- Effective social dialogue requires strong leadership with a clear vision and commitment to the process.
- There needs to be a commitment to the European agenda. Recent voting turnouts are not cause for much hope; a better selling job on Europe is required.
- The social partners need to connect more closely with their membership.
- The social partners need to find ways to coordinate their viewpoint or message.
- Strong organisations have member interests as their top priority. The relevance of social dialogue issues discussed at the European level varies between topics and groups. The social partners need to focus on the issues of most importance to members.
- Ninety percent of employment related decisions are taken in Brussels, partners need a presence there. Effective participation in the social dialogue is not an option, but neither is it an obligation.
- Whenever there are meetings on social dialogue in Brussels, in most cases there is room only for one representative from the trade unions and one from the employers’ side and they must work together, like it or not. It is important to identify mechanisms that need to be put in place separately and jointly to achieve practical working solutions.

Following this general discussion, each of the national participants was asked to select three issues from the above “long-list” that they wished to spend the following day working on. This more focused “tour de table” produced the following three broad themes that would form the basis for the following day’s discussions:

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1. Developing joint positions, sharing resources and eliminating overlaps within both the trade union and employer organization structures: *What are the key short and medium term plans that need to be put in place to achieve this?*
2. What needs to be done jointly at the national level to make social dialogue effective: *What can we around the table do to ensure there is interplay between the two social partners to share views, maximise consensus and to deliver on decisions and agreements?*
3. Language skills: *What needs to be done to ensure organisations are equipped to be able to work efficiently and effectively in the European social dialogue?*

DAY TWO (16th June)

Session six (Working groups)

Action plan development:

Due to the reduced number of participants during the second day, the members of the joint group were asked to join their respective social partner group. In the subsequent discussions, the development of a concrete and time-phased action plan was hampered by the fact that not all of the six Hungarian trade union confederations and the nine employers' organisations were represented. Additionally, the level of representation from the organisations that were present was generally not of 'decision-making' level.

The two groups were given the following questions for the working group:

Produce specific and time bound action plans to address the following issues:

- *To assure that both Hungarian social partner groups can effectively develop negotiating mandates, participate in meetings, deliver agreements reached and make best use of resources available to them.*
- *To assure that the social partner organisations are able to work jointly both to maximise their collective influence at the European level and to give effect to agreements and decisions reached in the European Social Dialogue.*
- *To take short and longer term actions to increase the language capabilities of those representing the Hungarian social partners in Europe.*

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For each group, a working group chairperson/rapporteur was appointed and the European level social partner and expert participants were divided between the two groups.

Session seven (Working group feedback)

Action plan development

The group rapporteurs presented the following feedback from their working sessions;

Trade Union Group

- ❖ There is a need to establish a coordination process either through the OET or by establishing a new process/procedure. The latter approach will lead to questions of funding and structure, etc. To make this decision, all the trade union confederations need to be present at a meeting involving people of decision making level. Before this discussion takes place, a working group will be needed to further define and detail the options.
- ❖ Language: in the short term, an audit can be undertaken to examine language capability by professional field. This will help understand how currently available resources can best be used. In the long term, organisations will need to both recruit and develop staff members with “negotiation level” language skills.

Employers' Organisations Group

- ❖ A formal and comprehensive system for information flows needs to be established to ensure documents on European social dialogue achieve appropriate and timely distribution.
- ❖ Language skills need to be improved to have effective participation in European social dialogue. There is a need for more experts with appropriate language skills than currently exists.
- ❖ There needs to be an improvement in cooperation between the Hungarian social partners in terms of European social dialogue.

- ❖ Both Hungarian social partners need to increase efforts in the areas of information gathering and mandate development in the format most able to fit in with the existing European social dialogue demands.

Comments from the expert panel:

Following the presentations, the European level social partner participants made the following points.

- ❖ Each side needs to find ways to improve internal coordination. Solutions have to be found quickly, and must be practical rather than theoretical. This work could have been taken forward at this seminar and it is regrettable that not all of the national social partners of Hungary were present to benefit from this opportunity.
- ❖ In considering solutions based on the existing OET structures, the issue of social partner autonomy and the opportunity for meaningful bilateral discussions is important.
- ❖ European social dialogue should not be seen as a burden but as an opportunity. Nonetheless real efforts must be put in within and between the organisations if they are to benefit from it. These benefits will come at the national, as well as the international, level.

Session eight (Consensus building session)

Action plan development

During the discussion of the working group reports in plenary session, it was agreed that action plans could be developed for the priority issues. These action plans should divide responsibility between the groups present at the seminar.

It was agreed that the formal action plan emerging from the seminar should be both focused and achievable. To make progress, the seminar attendees will have to carry their action plan development forward into more representative forums.

There was agreement of all parties to the following actions;

<i>Hungarian social partner action plan</i>	
Trade Unions	Employers' Organisations
<p><i>Trade union coordination:</i> A process needs to be established to facilitate the coordination of trade union views on European issues based on either the OET or a new umbrella structure. A working group will be established to develop concrete proposals that will be presented for decision to each of the trade unions involved.</p> <p><i>Language:</i> In the short term, an audit will be undertaken to establish existing language competencies in the various professional disciplines needed for effective engagement in the European Social Dialogue.</p> <p>In the longer term, recruitment opportunities must be used to bring people with both language and technical skills into the trade unions. It was recognised that there will be a trade off between language skills, expertise in technical issues and negotiating competencies. This will need to be addressed through additional training.</p>	<p><i>Information flows:</i> A more formal and reliable system needs to be established to assure a better information flow on European social dialogue issues.</p> <p><i>Language:</i> Steps need to be put in place to identify technical experts with the language skills necessary to effectively represent employers in the European Social Dialogue.</p>

The meeting ended with a word of thanks to those that participated and for the hard work done, especially on the second day. Despite the relatively short action plan, the tasks included in it can be implemented quickly and provide a stepping stone to further progress. However, if this is to be achieved it will require the participation of all trade unions and employers' organisations. Thanks were offered to all those involved in the preparation and conduct of the seminar.

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List of Appendices

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| Appendix one | Seminar agenda |
| Appendix two | Hungarian social partner action plan. |

AGENDA

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

National Seminar No. 4

Venue: CEU Konferencia Központ / 1106 Budapest, Kerepesi út. 87.

Date: 15 and 16 June 2004

DAY ONE

Wednesday 15th June

0900 - 0930	Registration		
0930 - 1000	Introductions and welcome	Plenary	
1000 - 1045	"Explaining the European Social Dialogue"	Plenary	Mr. Alan Wild
1045 - 1100	Coffee break		
1100 - 1300	Three concurrent work groups; Group 1 "What do we need to do to build successful social dialogue partner organisations at the national level that are capable of contributing effectively to the European social dialogue?" – trade union group. Group 2 "What do we need to do to build successful social dialogue partner organisations at the national level that are capable of contributing effectively to the European social dialogue?" – employer group Group 3 "What are the actions and behaviours that will make our meetings together as successful a possible?" - joint trade union and employer group.	Work Groups	
1300 - 1400	Lunch break		
1400 - 1500	Feedback from Groups 1,2 and 3	Plenary	
1500 - 1515	Coffee break		
1515 - 1600	Presentation of research; "Successful social partners and successful meetings – learning from experience"	Plenary	Mr. Alan Wild
1600 - 1800	General discussion and agreement on the characteristics, actions and behaviours that contribute to our successful engagement in social partnership	Plenary	

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1800	Close and any announcements	Plenary	
	Evening Program in accordance with announcements		

DAY TWO Thursday 16th June

0900 – 1200 Coffee to be taken at 1030	<p>Three concurrent work groups;</p> <p>Group 4 "Based upon yesterday's conclusions – what are the issues we need to work on to make our organisations as effective as possible in the European level Social Dialogue? What specific actions do we need to take?" – trade union group.</p> <p>Group 5 "Based upon yesterday's conclusions – what are the issues we need to work on to make our organisations as effective as possible in the European level Social Dialogue? What specific actions do we need to take?" – employer group</p> <p>Group 6 "Based upon yesterday's conclusions - what are the issues we need to work on to make our involvement in the European Social Dialogue a success? What specific actions do we need to take?" - joint trade union and employer group.</p>	Work Groups	
1200 - 1300	Feedback from groups 4,5 and 6	Plenary	
1300 - 1400	Lunch		
1400 – 1630 Coffee to be taken at 1500	Discussion and agreement on the key issues and the specific actions to be taken by the trade unions and employers individually and jointly.	Plenary	
1630 - 1700	Closing remarks	Plenary	

<i>Hungarian social partner action plan</i>	
Trade Unions	Employers' Organisations
<p>Trade union coordination: A process needs to be established to facilitate the coordination of trade union views on European issues based on either the OET or a new umbrella structure. A working group will be established to develop concrete proposals that will be presented for decision to each of the trade unions involved.</p> <p>Language: In the short term, an audit will be undertaken to establish existing language competencies in the various professional disciplines needed for effective engagement in the European Social Dialogue.</p> <p>In the longer term, recruitment opportunities must be used to bring people with both language and technical skills into the trade unions. It was recognised that there will be a trade off between language skills, expertise in technical issues and negotiating competencies. This will need to be addressed through additional training.</p>	<p>Information flows: A more formal and reliable system needs to be established to assure a better information flow on European social dialogue issues.</p> <p>Language: Steps need to be put in place to identify technical experts with the language skills necessary to effectively represent employers in the European Social Dialogue.</p>