ARITAKE-WILD

Final Report

Joint Project of the European Social Partner Organisations

"CEEC Social Partners' Participation in the European Social Dialogue: What are Social Partners' Needs? "

Phase Two – Follow-up meetings
May 2005 – June 2006

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1. Project overview

In their work programme 2003-2005, the European social partners (UNICE, UEAPME, CEEP and ETUC) agreed to take 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 what were then the Central and Eastern European accession countries (CEECs) to prepare for their full involvement in the activities of the European social dialogue after 1st May 2004.

To this end, the European social partner organisations launched a project with the aim of helping social partner organisations in the CEECs 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.

An initial pilot project covered five countries in Central and Eastern Europe (Poland, Hungary, Czech Republic, Slovakia and Lithuania). Following the success of the pilot, a second project was undertaken covering the three remaining CEEC accession countries (Slovenia, Latvia and Estonia). The initial "eight country" project is referred to in this paper as "phase one".

Phase one of the overall project involved the design and organisation of two-day seminars in each of the eight CEECs between December 2003 and April 2005. During the course of each seminar, representatives of the national social partner organisations were invited to identify what they needed to do at the national level in order to strengthen their capacity to represent the views of their members in the European social dialogue. On the basis of the identified priorities, the social partners individually and jointly developed specific and time-bound action plans.

During the period May 2005 to April 2006, the European level social partner organisations undertook a series of follow-up seminars in each of the eight participating countries. The objectives of the follow-up, or "phase two", seminars were to:

> ➢ Review progress on the implementation of the action plans developed during phase one of the project;

> ➢ Identify and discuss any problems that had been encountered and propose ways to resolve them;

> ➢ Identify future "individual organisation" and "joint" priority actions for the national social partners.

This report reviews the extent to which to the national social partners were able to complete the action plans they had set for themselves. It examines where, in reality, they devoted most effort in working to improve their effectiveness at the European level and identifies the European level assistance they sought and used. Finally it describes the difficulties they faced in implementation. The report is comparative in nature, and does not examine the outcomes of each seminar in chronological order. For those interested in a particular country or countries, individual and detailed reports of each of the national seminars are appended to the report (appendix iv) and can be found on the web sites of the trade union and employer resource centres hosted by ETUC and UNICE respectively.

The purpose of this report is to inform the social partners' reflection on how to further improve their effectiveness both at national and EU level.

2. Methodology

The phase two seminar methodology built upon that used successfully during the eight "two-day" first phase national seminars. The shorter, one-day, meeting format was designed with the objective of assuring maximum participation of trade union and employer representatives. The contribution of the participants from the European social partner organisations and the experts was designed to promote focussed debate; to facilitate problem identification and resolution; and encourage action to address the problems identified.

Detailed discussions were held in small working groups. Plenary feedback and review sessions involving all attendees were used to identify priorities and build consensus around issues and actions. To further facilitate the generation and discussion of ideas and the development of future strategies, the seminar was conducted in the national language of the country, with interpretation from and into English to allow the participants to draw on the expertise of the European organisers.

The working sessions making up the seminar can be summarised as follows:

Figure 1		
Phase two seminar outline agenda		
Session one	"Implementation of the phase one action plans."	Presentations by the national social partners.
Session two	"The current European social dialogue	Presentation by the European social

	agenda and likely priorities for the future."	partner organisations.
Session three	"Adapting and improving action plans in the light of experience and changing priorities."	Working group discussions and feedback followed by review in plenary session.
Session four	"Actions to assist new member states social partner organisations already undertaken by the European social partners."	Presentation by the European social partner organisations.
Session five	"Discussion of priority needs and issues."	Concluding plenary session discussion.

The schedule of phase two meetings was as follows;

Figure 2	
Lithuania	25th May 2005
The Czech Republic	21st June 2005
Hungary	4th October 2005
Poland	15th November 2005
Slovakia	1st February 2006
Slovenia	15th February 2006
Estonia	29th March 2006
Latvia	26th April 2006
Concluding meeting	27th June 2006

3. Recapitulation of the key findings from phase one of the project

In order to evaluate the outcomes of phase two of the project described in sections four and five of this paper, it is important to have a general understanding of the action plans established in phase one. Almost without exception, the national action plans developed in phase one of the project focused on a limited number of common areas:

◊   Coordination among trade unions or employers and reporting to members;
◊   Establishing a regular national level dialogue between the social partners;
◊   Securing more financial and material resources;
◊   The quantity and quality of human resources;
◊   Early identification of priority issues; and

◊ Developing cooperative approaches with national social partner organisations in other member states;

The fact that the areas for action were common to each country reflects more the importance of this limited number of issues than similarities in the stage of development of the organisations involved or the national context in which they work. In fact the national social partner organisations participating in the project reflect wide differences in resource availability, the existence of formal structures for social dialogue and the maturity of relationships between the social partners. For example, in Lithuania or Estonia, " *establishing a regular national level dialogue between the social partners*" meant working on ways to ensure smooth and respectful communication between both sides. By contrast, in the Czech Republic or Slovenia the same action point manifest itself in efforts to further improve a variety of existing, and sophisticated, forms of formal and informal national level social dialogue. Were the "EU15" to establish European social dialogue improvement plans, it could easily be imagined that they would come up with a similar list of priority actions.

i) Coordination among trade unions or employers and reporting to members;
In most of the participating countries, one or both of the social partner organisations have multiple national confederations that often compete for the same membership base. In some cases one or more national representative organisations are not members of ETUC or of UNICE, CEEP or UEAPME. Without exception, every trade union and employer action plan spoke of improving inter and intra organisational coordination and reporting. The issues discussed were the need to identify a common list of priorities; agreeing common mandates for European level discussions and negotiations; establishing regular and reliable information flows; and sharing resources to reflect agreed priorities rather than duplicating activities on only the most important item or items on the agenda.

ii) Establishing a regular national level dialogue between the social partners;
In most of the participating countries, establishing an effective and ongoing formal or informal dialogue between the social partners at the national level was a stated priority. Given the existence of tripartite dialogue in some form or other in every country, the national social partners felt little "demand-side pull" either from members or Government for an additional national and bipartite social dialogue. They often struggled to see bipartism and tripartism as complementary processes; they could not see an independent agenda for bipartite dialogue, particularly when the legislative role of the state left little flexibility for independent operation; they saw difficulties in resourcing bipartite dialogue, given that the state supported the administrative arrangements for the tripartite version; and they could not see beyond a tripartite dialogue that was often adversarial in nature with both sides either playing, or being played by, the Government.

By the end of the phase one 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 increase the influence of the social partners in the existing tripartite system. Many practical problems were however identified that stood in the way of getting a national bipartite dialogue to work. The problem of coordination is described in i) above and two more important issues are referred to in paragraphs iii) and iv) below.

iii) Securing more financial and material resources;
The social partners in the participating countries have had to cope, in a relatively short time-span, with the transition to a market economy and the restructuring activities that accompanied this; the national implementation of the European acquis; and at the same time become operational in dealing with the new issues on the European level agenda. The workload they continue to face is quite extraordinary.

With very few exceptions, the employers' organisations and trade unions spoke of financial and material resource shortfalls. Trade unions often 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 already scarce resources from the local to the international level.

iv) The quantity and quality of human resources;
Although many organisations mentioned the pure shortage of numbers of people available to them, the overriding human resource issue they identified was that of combining language capabilities with technical competence. Typically, the best language skills the social partners employed were possessed by those with the least knowledge or experience in relevant technical issues or in labour related negotiations.

This mismatch of language and technical skills was a theme that ran through each of the national action plans. The social partner plans focused on two areas. First, the conduct of audits or "mapping" of available language and technical capabilities in order to better use existing resources and to prioritise hiring, training and development activities. Second, to provide fast track learning opportunities for younger people, including work experience placements and funded "observation" places at social dialogue meetings.

v) Early identification of priority issues;
In the light of paragraphs ii), iii) and iv) above, it is not surprising that most national social partner organisations individually and jointly identified the need to establish priorities and to focus limited resources on the most important issues. It was frequently explained that demonstrating a linkage between the national and European level agenda and activities was important. Where joint priority setting was envisaged, the identification by the social partners of shared concerns where win/win solutions were possible was a common thread.

vi) Developing cooperative approaches with national social partner organisations in other member states;

Towards the end of the series of phase one meetings, and perhaps linked to the experience gained in working "for real" in the European social dialogue, the question of international relationships and alliances with sister social partner organisations in other countries emerged as an increasingly important issue.

4. Summary of key findings from phase two of the project

During each of the workshops, the national social partners offered feedback on their phase one action plans; discussed in working groups and in plenary the adaptation of these plans in the light of experience and changing priorities; and drew conclusions on future priority needs and issues. The discussion was assisted by formal and informal interventions from the European social partners, including presentations on current European social partner priorities and their recently introduced programmes of assistance built around the new employer and trade union resource centres. The presentational materials are attached to this report as appendices ii) and iii).

This section of the report considers;

> ➢ The national social partner reports back on phase one actions;
> ➢ Review and conclusions on future priority actions;
> ➢ Underlying national issues and challenges;
> ➢ The effectiveness of actions to assist new member states social partner organisations already undertaken by the European social partners.

i) The national social partner report back on phase one actions;

The action plans adopted by the national social partners during phase one varied in length, detail and focus. Probably the most comprehensive action plan was developed in the Czech Republic. Nonetheless, and even where action plans were relatively short and objectives broad in nature, for example in Lithuania and Latvia, they still represented significant and real challenges for the organisations concerned.

Against these challenges, all of the national social partners were able to report improvements in effectiveness and everyone was able to point to areas where more work needs to be done. For reference the full text of each of the phase one action plans is contained in the individual national reports appended at iv) to this report. They are also available for reference on the employers' and trade union resource centre web sites.

The following table (Figure 3) lists the areas where positive outcomes were most frequently reported by both the trade unions and employers. The issues are listed

in order of frequency of mention, and the countries reporting progress on each issue are listed.

Figure 3 Areas where positive progress was most frequently reported			
Trade unions	**Progress reported by**	**Employers' organisations**	**Progress reported by**
Improved coordination between trade unions	Hungary, Slovenia, Lithuania, Poland, Czech Republic and Estonia.	Improved coordination between employers' organisations.	Hungary, Slovakia, Poland and the Czech Republic
Establishment or improvement in the functioning, of bipartite social dialogue.	Slovenia, Slovakia, Poland, Lithuania, Latvia and the Czech Republic.	Establishment, or improvement in the functioning, of bipartite social dialogue.	Poland. Slovakia and Latvia.
Technical skills training undertaken	Slovakia, Poland, Latvia, Lithuania and the Czech Republic.	Identification of talent within the employers' group.	The Czech Republic and Slovakia.
Language training undertaken	Hungary, Slovakia, Poland and Estonia.		

Before discussing the specific areas where positive results were achieved and where constraints on progress had been noted (Figure 4 below), two general issues should be noted;

- ➢ Although joint actions had been agreed in the phase one seminars by all of the national social partners, only in the case of the Czech Republic did they prepare a joint report back;

- ➢ During the report back progress, the trade unions were significantly more positive about what had been achieved during the previous year than the employers. In noting constraints on effectiveness, the employers and trade unions raised a similar number of issues.

Progress was reported most frequently on the two most significant issues to emerge from the phase one action planning process i.e. improvement in internal coordination of activities within the two social partner groups and the establishment, or improvement in the functioning, of bipartite social dialogue. It will be seen later that these also remain the most important issues going forward.

Either through the identification of talent pools, in the case of the employers, and through training delivery in the case of the trade unions, both sides had moved ahead to some extent on human resource development.

On the other identified phase one priorities; with the exception of the Slovakian trade unions, where specific funds have been earmarked for European issues, no one reported progress on financial matters; improved prioritisation was reported only by the Slovakian employers; and cooperation with other national social partners was raised in Latvia by both the trade unions and employers.

Figure 4			
Areas identified that had acted as constraints on progress			
Trade unions	***Constraint reported by***	***Employers' organisations***	***Constraint reported by***
Poor coordination between trade unions.	*Latvia, Slovenia and the Czech Republic.*	Differing views between SMEs and larger enterprises.	*Hungary and Slovenia.*
Inadequate language skills.	*Poland and Estonia.*	Insufficient financial resources.	*Slovenia and the Czech Republic.*
Negative attitude of Government to social dialogue.	*Slovakia and Estonia.*	Human resource constraints.	*Slovenia and the Czech Republic.*
Difficulties in getting employers to engage.	*Lithuania and Estonia.*		

Although progress has been made, in-group coordination remains a constraint on effectiveness. The employers in Hungary and Slovenia spoke specifically about difficulties in developing agreed positions on European issues between those representing small business and those representing larger companies. Of interest is the inhibiting effect that actual or planned structural changes in employers' organisations have had on the effectiveness of social dialogue in Slovakia and Slovenia. The split of the Slovakian employers' organisation into two and the uncertainty being caused by planned laws in Slovenia to remove the mandatory membership of the "Chamber system" were both described as important constraints. Conversely, the "multi-employers' organisation" constraint in Hungary was reported to have improved through the recent acceptance into membership of UNICE by MGYOSZ.

The trade unions in three countries felt that negative attitudes to the development of social dialogue on the part of Government (Slovakia and Estonia) and the employers (Lithuania and Estonia) was inhibiting progress. In countries where sectoral social dialogue has not developed, the trade unions reported difficulties in identifying and engaging with an "employer partner".

ii) Review and conclusions on future priority actions;

Following the feedback sessions and the information provided on European social dialogue priorities by the European level social partners, the participants were split into working groups to review and revise their priorities for the future. In five of the seminars, as had been planned, three working groups were formed; one for employers, one for trade unions and one joint group. There were three exceptions to this. In the Baltic states of Latvia, Lithuania and Estonia it proved impossible to establish a joint group due either to the lack of employer participants at the seminar or reluctance to work in other than "group teams". In these cases just two groups, employers and trade unions, were formed.

The working groups reported back to the plenary meeting and further work was done in plenary session to identify the most important areas for further action and improvement. The most frequently mentioned issues are summarised in Figure 5 below;

Figure 5	
Areas identified for further action and improvement	
Trade unions	
Improve the effectiveness of bipartite social dialogue.	*Hungary, Slovenia, Slovakia, Poland and Lithuania.*
Encourage more employer engagement.	*Poland, Latvia and Estonia.*
Improve coordination within the group.	*Hungary, Slovenia and Lithuania.*
Prioritise European issues vis à vis the national agenda.	*Hungary, Slovenia and the Czech Republic.*
Employers' organisations	
Improve coordination within the group.	*Hungary, Slovenia, Poland, Latvia and the Czech Republic.*
Improve the effectiveness of bipartite social dialogue.	*Hungary, Slovenia and Poland.*
Improve information flows.	*Hungary, Slovenia and Slovakia.*
Prioritise European issues vis à vis the national agenda.	*Slovenia, Slovakia and Estonia.*
Joint Group	
Improve the effectiveness of bipartite social	*Hungary and Slovakia.*

dialogue.	
Prioritise European issues vis à vis the national agenda.	*Slovakia and Latvia.*
Increase public awareness of social dialogue benefits.	*Latvia and Slovakia.*
Create space for bipartite dialogue.	*Hungary and Poland.*
Improve international networking.	*Slovakia and Poland.*

Not surprisingly, improving bipartite dialogue and in-group coordination remain major priorities for most social partner organisations going forward. The trade union and joint working groups listed bipartite dialogue highest whilst the employers listed it second to improving group coordination. The trade unions in Poland, Latvia and Estonia agreed that they should identify ways to encourage more employer participation in social dialogue at all levels. In particular, they felt the weakest link in the chain to be social dialogue at the sectoral level. The employers did not generally feel that the "sectoral gap" was an issue that needed to be addressed.

The national social partners acknowledged implicitly that if they are to address the issue of lack of resources in the short term, they will need, individually and jointly, to get better at setting priorities. This was expressed most often in the context of addressing competing demands for resources between the international and the domestic agendas.

The joint groups reinforced the importance of bipartite dialogue and priority setting, but also raised other interesting, and perhaps underlying, issues. Increasing public awareness of the benefits of social dialogue and working to create the space for social dialogue were seen as important if bipartite social dialogue is to improve. Improving international networking and cooperation with sister organisations in other Member States was seen as important if national influence and effectiveness was to be maximised.

iii) Underlying national issues and challenges.
It is clear from the paragraphs above that there is a high degree of correlation between in the areas the social partners worked on between the phase one and phase two seminars and where they believe they need to devote future efforts. The three most important issues to emerge are;

> ➢ Further improving internal coordination;

> ➢ Improving the effectiveness of dialogue between the social partners; and

> ➤ Setting European priorities in the face of a heavy domestic agenda.

Each of these areas will be discussed in more detail in the concluding section (5) below.

There is a danger however in focussing only on the commonality of themes emerging from the eight seminars. This approach risks ignoring or losing those national specific issues and problems that were the topical undercurrent to discussions in the individual seminars. An attempt to identify the key underlying issue or issues arising in each country is not only informative, but also provides an insight into the national context against which actions need to be implemented. The following table (Figure 6) reflects the author's perception of the most important undercurrents in each country.

Figure 6	
National undercurrents	
The Czech Republic	The Czech social partners are generally well organised and have a relatively sophisticated and mature approach to social dialogue. They identified what they saw as a mismatch between the European level and national labour related priorities. Telework and stress were seen to be peripheral issues compared to their stated national priorities of lifelong learning, youth unemployment, undeclared work, the aging population and free movement of people.
Estonia	The Estonian trade unions consistently questioned the attitude of both the Government and employers toward social dialogue. They characterised the discussions that did take place as "parallel monologues".
Hungary	The Hungarian social partners were concerned that they had fallen back on Government legislation to implement the European level Telework agreement. Their analysis of the reasons for this "failure" revealed concerns about the effectiveness of bipartite social dialogue when the typical approach of both parties was adversarial in nature. Moving to the next stage in effectiveness will require an increased preparedness to compromise and more effort to find win/win solutions.
Latvia	The Latvian meeting contained paradoxical messages. The national social partners had clearly made significant progress over the 13 month period between phase one and phase two meetings, and have gone as far as any of the EU 25 in implementing the European level Telework and Stress agreements. Nonetheless, the seminar was much less effective than it could have been as a result of the small employer presence which made it impossible to engage in a balanced joint discussion. This was exacerbated by their wish to resolve the essentially domestic issues of low pay, the black economy and migration through European debate.
Lithuania	Whilst Lithuanian trade union/employer relationships had improved noticeably between the phase one and phase two meetings, the trade unions questioned employer commitment to effective social dialogue. This

	was reflected in poor employer attendance at the meeting and the consequent inability to engage in a joint working group discussion.
Poland	The "weight" of the Polish labour code was blamed for failing to allow space for effective bipartite social dialogue. The social partners believe it will be appropriate to establish less formal relationships between them and, like Hungary, to foster the construction of a shared agenda and to develop less adversarial attitudes toward each other.
Slovakia	The Slovakian social partners, and particularly the employers, were experiencing difficulties in balancing national and European priorities in the face of a heavy and ambitious domestic reform agenda. Both social partners criticised the negative attitude of Government toward social dialogue.
Slovenia	A key issue for the Slovenian social partners is to make progress on implementation of the Telework agreement. In such a sophisticated country it is a surprise that at the time of the seminar it had not been possible to produce a jointly agreed translation of the European agreement as a start point to discussions. The social partners were concerned, preoccupied and inhibited by the uncertainties being caused by planned changes in the law relating to the mandatory membership of the "Chamber" system.

iv) The effectiveness of actions to assist new member states social partner organisations already undertaken by the European social partner

During each of the national seminars, the European level social partners presented the work they have undertaken with the support of the European Commission to support the improvement in the effectiveness of CEEC participation in the European social dialogue. The full presentation is attached to this paper as appendix iii). Summarising these activities, the employers and the trade unions have established resource centres to manage the current project and to provide;

➢ More and better information on European social dialogue issues;

➢ Specifically tailored advice and guidance for CEECs on making applications for European level project funding;

➢ A tool for assessing the competence and development needs of those involved in European social dialogue work;

➢ Direct training for European social dialogue participants in languages and technical skills; and

➢ Provision of funded "observer" places at key meetings in order to build the experience base of social partner organisations.

At each of the national seminars, the social partners were extremely appreciative of the total package of assistance provided. They were seen to be relevant to their efforts to develop their staff and to fast track the technical development of younger people with language skills. It can be seen from the progress reports in Figure 3 above that the language training facilities offered by ETUI/REHS were felt to be particularly effective.

During each of the seminars, either or both social partners commented that the opportunity to make the time and space for a structured and assisted discussion on their effectiveness in the European social dialogue was extremely valuable, and enabled them to "look up" from the day to day "to do urgently" list.

6.   Concluding thoughts and comments.

With some exceptions, the social partners are still predominantly working on the two basic building blocks for effective participation in the European social dialogue; that is, "inter and intra organisational coordination" and "the establishment of effective bipartite dialogue". Without the former, it is difficult to agree priorities, mandates and approaches, and to coordinate the national application of European level decisions. Without the latter, the social partners are unable to develop the "joint reporting" on issues that is often needed and have to rely on Government to assure effective implementation of European level agreements. Their failure to resolve these issues will at some point threaten the ability of the European social partners to do business in the manner they do today.

The other issues raised ….. more money; better people; priority setting; and more international cooperation will improve the impact and effectiveness of both parties, and may assist cooperation within and between the social partners to develop. They cannot however replace the need for the essential underpinning elements of cooperation and effective bipartite dialogue to be put in place. Indeed, w here the inhibitors to coordination and bipartite dialogue are chronic, no amount of work on other issues will make the sides effective. In certain countries, the absence in of more effective bipartite dialogue means that more money and more and better people will not resolve the current problems.

To put the situation of the participating countries into perspective, one should recall that after many more years of EU membership, and participation in the European social dialogue since its inception, not all of the EU15 are as effective in these areas as they might like to be.

The objective of the remainder of this report is to inform and provoke further analysis and discussion on these Issues;

Inter and intra organisational cooperation

In-group cooperation is the easier problem to describe, but is nonetheless difficult to resolve. Not only does lack of coordination make it difficult to reflect a balanced national view in European discussions and to implement decisions taken, it is also extremely resource wasteful. Poor coordination makes it impossible to prevent resource duplication and encourages wasteful argument between experts in differing organisations.

Problems tend to arise where there is no established umbrella or generally accepted "leader" organisation(s) for either or both groups. This may be because there exist;

- Multiple organisations competing at the national level for the same or similar membership;

- Certain organisations of workers or employers that are not members of the European level social partner organisations and that do not recognise the national body or bodies that are members to represent them;

- What seem to be irreconcilable differences of views between organisations within a group, for example small enterprises and larger companies.

It is important on a country by country basis to separate the problems associated with the existence of competing interests where there is no will to cooperate and those where multiple representational channels exist but there is a genuine will at the most senior levels in the organisations to improve coordination. In the former case, no amount of investment in people, priority setting, rule making and committee meetings will adequately resolve the situation. When relationships are overtly competitive, victory over a competing organisation is often more important than national interest or effectiveness. In the latter case investments in setting clear "rules of the game", making people responsible for coordination and establishing a means to regularly discuss priorities at policy level in the various organisations will improve effectiveness.

It is interesting to note that the tendency seen in many of the EU15 countries to move to mergers and formal alliances of organisations is to date noticeably absent in CEECs. On the contrary, organisations in some new Member States, seem to be experiencing a movement of differentiation between those representing the private sector and those dominated by state owned companies. In Hungary and Slovakia, this has lead to the closing down of the umbrella organisations which proved unable to make the synthesis between these two constituencies and were considered as artificial bodies for representation on the international or EU scene.

In theory this fragmentation problem should not have arisen on accession. All eight CEECs have long been members of the International Labour Organisation (ILO) and have relied on a single organisation to represent them in Geneva. Arrangements that have been satisfactory at the ILO for a number of years have

failed in a relatively short period of time at the European level for three reasons. First, decisions in Geneva are exclusively the responsibility of the Government that ratifies a Convention to deliver. Second, ILO decisions are often limited to "world lowest common denominator" standards, European ones make a real difference to day to day employment life. Third, European Directives are not voluntary, and powerful legal structures exist to assure effective enforcement.

In most of the participating countries, more work needs to be done at the national level, and separately with each side of the social partnership, to help them to understand the nature of their coordination problem and to find ways to resolve it. Where chronic problems exist, it is likely that major decisions will need to be taken at senior levels if they are to be resolved.

Effective bipartite social dialogue

There are a number of different inhibitors to effective bipartite social dialogue in the CEECs. In some countries there is a single or dominant inhibitor. In others there exists an interesting cocktail made from various measures of the following ingredients;

> ➢ Poor inter and intra organisational cooperation – the basic requirement;
> ➢ Domination of Tripartism and the encouragement of adversarial relationships;
> ➢ Lack of Government enthusiasm for autonomous social dialogue;
> ➢ Weak Employer commitment or ability to engage;
> ➢ Declining trade union membership and insufficient representativeness, notably of workers in small family businesses.

Sub themes emerging in the analysis of these issues include the absence of a natural bipartite agenda, the absence of a sectoral bridge and social partner representivity.

i) Poor inter and intra organisational cooperation;

Put simply, where one or both sides are unable to represent their worker or employer constituency without significant challenge, agree priorities, establish common positions and deliver outcomes, effective bipartite dialogue cannot happen. Adequate cooperation within the respective sides of the social dialogue is "building block one".

ii) Domination of tripartism and the encouragement of adversarial relationships;

Tripartite committees are well established in each of the CEECs. Indeed, tripartism has an extremely important role to play in providing a way for the state listen to the views of the nation's most important stakeholders representing workers and business when making key decisions. Where the tripartite system evolved prior to the establishment of effective bipartite dialogue between the social partners it can make both joint cooperation and autonomous decision making difficult.

Dialogue in the tripartite form can easily become a forum where either side plays, or is played by, Government and each debate results in a clear winner and a loser. Unless Government decides otherwise, consensus is not needed to move forward. When the most important decisions on the national agenda are discussed in this way, it is extremely difficult for the social partners to develop genuinely cooperative approaches outside the tripartite on what are often seen as lesser priorities. The comments reported from Hungary and Poland on the social partners difficulty in moving from an exclusively adversarial relationship to one where compromise is possible on certain issues is a good example of this effect.

In many countries the problem does not arise as the social partners have their own well established, and equally important, agenda where they have to resolve complex problems between themselves. This is normally through multi-employer wage negotiations but can be other areas where multi employer agreements have to be reached. Other than in Slovenia, and to an extent in Slovakia, there is no history of widespread multi employer bargaining or discussion in CEECs.

iii) Lack of Government enthusiasm for autonomous social dialogue;
Government can support bipartite dialogue primarily by creating the space for dialogue on things that matter. It is equally open to Government to stifle dialogue by filling the available space with detailed and prescriptive regulation and approaching tripartite dialogue as a form of "pendulum arbitration" where Governments of particular affiliation generally agree with the same social partner. It would seem from the seminars that not all CEEC governments are convinced of the case for strong and autonomous social dialogue in their country.

iv) Weak employer commitment or ability to engage;
Where there is no tradition of multi-employer bargaining, and where employers are happy with Government views dominating the legal agenda, business sees no compelling reason either to invest in membership of employers' organisations or to mandate such bodies to represent them in discussions or negotiations. Recent research[1] suggests employers that seek to avoid either multi employer or company level collective bargaining actively shun membership of employers' organisations. This factor is reinforced where membership and influence of trade unions in a sector or a country is low.

The identification of this problem is complicated by the fact that trade unions are quite likely to accuse employers' organisations of lack of enthusiasm, but employers' organisations themselves are unlikely either to accept this criticism or admit to the analysis to be fair.

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[1] 'Peak' Employers' Organisations; towards adaptation or extinction? Croucher, Tyson and Wild Economic and Industrial Democracy (2004)

v) Declining trade union membership and insufficient representativeness, notably of workers in small family businesses
There are genuine concerns with the representativeness of both sides of the social partnership.

Other than in Slovenia, where the legally enforced "Chamber system" still exists, there is no history of employer solidarity through high levels of membership of employers' organisations. Prior to the early 1990's the state was the nation's primary employer in Central and Eastern European countries and employers' organisations as we know them today did not exist. In particular employers' organisations have found it difficult to attract small business members.

In six of the eight states studied (the exceptions being Slovenia and Slovakia) trade union membership has fallen to around or below the 20% level and is focussed on larger enterprises in the state sector and "heavier" industries. In virtually every country, the trade unions spoke of the difficulties of organising in the workplace and finding a parallel social partner at the sectoral level.

The failure of some form of effective bipartite dialogue to emerge in a number of CEECs can be a symptom of one or more of the chronic problems described above or associated with a lack of human and material resources, poor priority setting or the need for attitudinal change. Where there are chronic inhibitors to the bottom up development of bipartite social dialogue, it is unlikely to develop at all if the major demand for it is to assure national representation in the European social dialogue. The reasons for the slow development of bipartite dialogue in some of the participation survey countries needs to be honestly and critically reviewed by the national social partners individually and then jointly.

It is the author's assessment that the participating CEEC Member States can be placed in the simple "Boston Box" below in the following manner.

Figure 7

LITHUANIA ESTONIA LATVIA	SLOVAKIA

BIPARTITIE DIALOGUE

POOR   EFFECTIVE
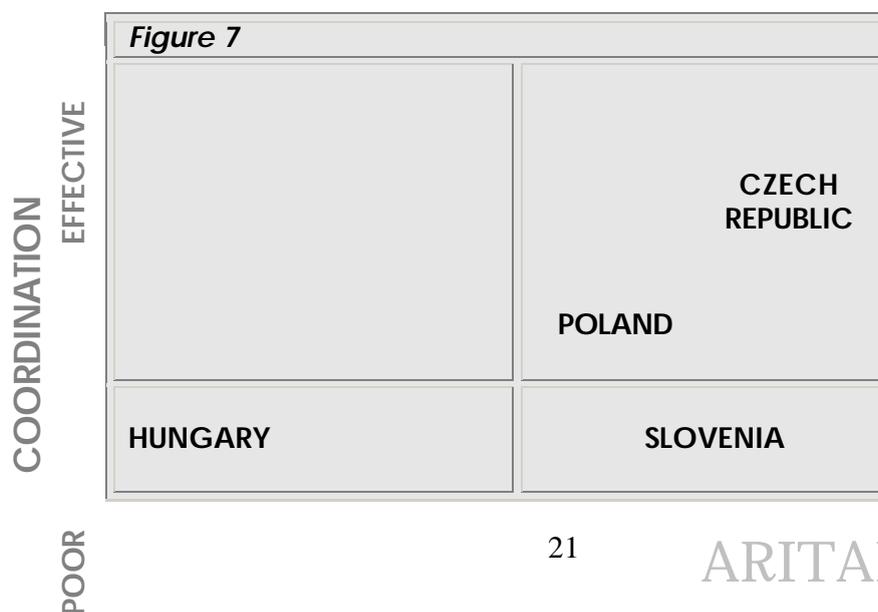
In summary, the promotional work being undertaken by the European social partners and described in appendix iii) is extremely valuable. However, in those cases where group coordination is chronically poor and bipartite dialogue fails to emerge or to thrive, more fundamental country based analysis and work is needed. The first priority in these cases is to find ways to improve in-group coordination. The second is to find a formula that works in the national context to improve the effectiveness of bipartite dialogue.

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