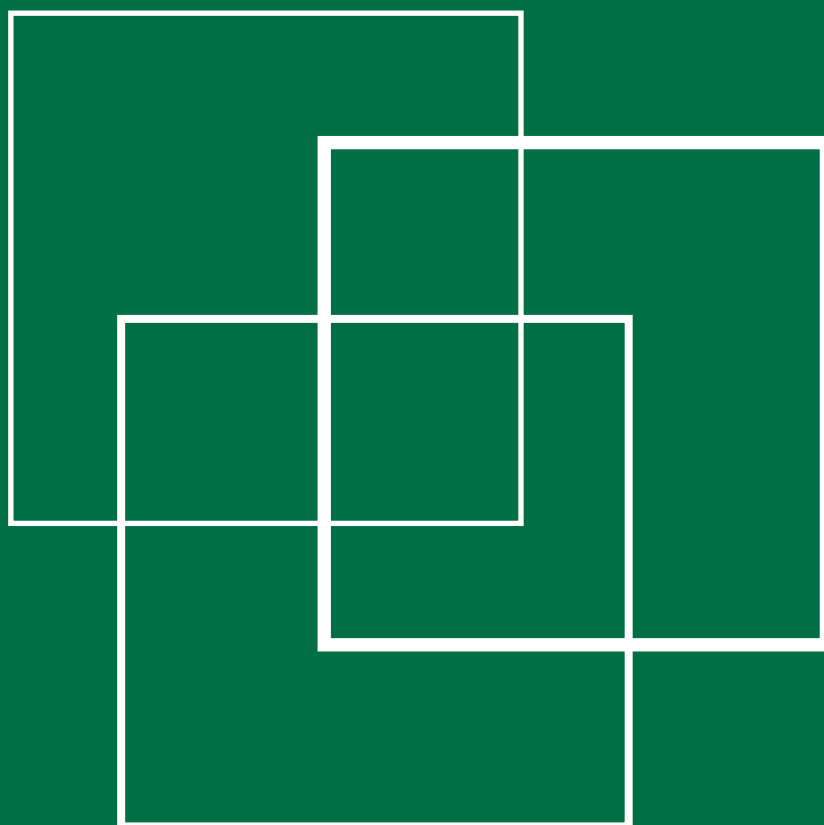




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Tripartite Social Dialogue on Employment in the Countries of South Eastern Europe

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Tripartite Social Dialogue on Employment in the Countries of South Eastern Europe

Report

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1. Introduction: Objective, Scope and Main Findings

The purpose of this report is to provide an overview of the institutional framework for tripartite social dialogue between representatives of government, and workers' and employers' organisations in South East European (SEE) countries (Albania, Bosnia and Herzegovina, Bulgaria, Croatia, FYR of Macedonia, Moldova, Romania, Serbia and Montenegro) and to assess the extent to which this framework has been used to address employment issues and to involve the social partners.

This report has been prepared by the Budapest-based ILO Sub-Regional Office for Central and Eastern Europe (SRO Budapest) at the request of the co-organisers of the South East Europe Ministerial Conference on Employment, scheduled for 30–31 October 2003 in Bucharest.¹

This report has been prepared on the basis of the following sources of information:

- The results of two ILO surveys: the first survey was conducted by the Infocus Programme for Social Dialogue, Labour Law and Labour Administration, Geneva, in cooperation with ILO-SRO Budapest, on National Tripartite Institutions for Social Dialogue in SEE countries,² in July-August 2003; the second survey was conducted by SRO Budapest in July-August 2003 on tripartite social dialogue and employment in SEE countries, that is, the extent of the social partners' involvement in the formulation and implementation (evaluation-monitoring) of employment policies, in view of the Ministerial Conference referred to above (for more details on the methodology of the second survey, see the explanation in section 4).
- Existing literature on social dialogue and employment policies in SEE countries, including ILO publications.
- Reports and publications of the European Commission.
- Other sources as specified in the list of references attached to this report.

This report does not seek to make a comprehensive assessment of the systems of industrial relations in SEE countries nor to evaluate their employment policies. Its only purpose is to describe the main features of the institutional framework for tripartite social dialogue at national level in SEE countries, and to assess whether and how this institutional framework has been used to involve the social partners in the formulation and implementation of employment policies.

¹ Organised by: Stability Pact for South Eastern Europe's Initiative for Social Cohesion; the Ministry of Labour and Social Solidarity of Romania; the Council of Europe and the Federal Public Service for Employment, Labour and Social Concertation of Belgium.

² The survey was carried out on the basis of a questionnaire submitted to chairpersons of national tripartite institutions for social dialogue/ministers of labour in order to collect information on these institutions. The results of the survey were presented by Mr. Pritzer, of IFP/DIALOGUE-ILO in Geneva, at the sub-regional seminar on permanent secretariats of national tripartite institutions of stability pact recipient countries, organised by the ILO in Sarajevo, 4–5 September 2003.

Main findings of the study:

- Being members of both the ILO and the ‘European family’ SEE countries appear to have embraced tripartism and social dialogue, which represent both fundamental values of the ILO and an essential feature of the European Social Model.
- All SEE countries have ratified ILO fundamental conventions No. 87, on freedom of association, and No. 98, on the right to organise and collective bargaining.
- Four SEE countries have ratified ILO priority convention No. 144 on tripartite consultation on International Labour Standards (Albania, Bulgaria, Moldova, Romania).
- All SEE countries have established an institutional framework for tripartite social dialogue between representatives of governments and of workers’ and employers’ organisations.
- The institutionalisation of national tripartite social dialogue is older in Bulgaria, Croatia and Romania (beginning of 1990s), fairly recent in Albania, FYR Macedonia and Republika Srpska (1996-97), and more recent still in Moldova (1999), Serbia-Montenegro including Kosovo (2001) and the Federation of Bosnia-Herzegovina (2002).
- The institutionalisation of tripartite social dialogue is an important step in itself; However, it does not mean that tripartite social dialogue works perfectly; although there are significant differences between SEE countries, there are nevertheless significant shortcomings which are preventing tripartite social dialogue from functioning properly, and which need to be addressed.

Tripartite social dialogue and employment:

- All SEE countries claim to have formed a constructive social dialogue environment for employment policy creation.
- Regardless of their articulation, all countries (with the exception of Romania and Serbia) also claimed consensus on these employment policies and strategies between governments and social partners.
- Three-quarters of SEE countries indicated the existence of a specialised tripartite body dealing with employment and labour market issues.
- Half of the countries claimed some sort of employment policy framework. Employment strategies are clearly influenced by the after-effects of war in the countries of former Yugoslavia. While EU candidate countries (Bulgaria and Romania) and other countries not directly affected by war (Albania, Moldova) claimed all kinds of strategic frameworks for employment policy, this was not always true of other SEE countries. Only Montenegro more closely resembles the first group of countries according to the questionnaire.
- Monitoring and evaluation mechanisms have been developed in many SEE countries, although the social partners are rather weakly involved. Perceptions of involvement differ significantly between governments and the social partners: while the former take the view that the social partners are involved, the latter are less sanguine.

The report is structured in terms of five sections:

1. Introduction;
2. background;
3. discussion of the institutional framework for tripartite social dialogue in SEE countries;
4. results of the survey on tripartite social dialogue and employment;
5. policy conclusions.

2. Background

The countries of SEE have experienced dramatic changes over the last 12 years or so from the point of view of political, economic, institutional and social reforms. Indeed, in most of these countries elections were held, followed by the establishment of democratic institutions; economic reforms were launched aimed at opening up the economy via price and trade liberalisation; the taxation and welfare systems were reorganised; and public companies privatised and restructured.

However, these countries share (together with the CEE countries now EU member states) one common feature: the social dimension of reform has not attracted sufficient attention from policy makers and the international players who advised or supported them. One of the main reasons for this is that the actor best able to influence the reform agenda has been faced with many difficulties, namely the trade unions. Another reason is that these countries were under strong pressure from international financial institutions to give priority to macroeconomic stabilisation (liberalisation of prices and trade, reduction of public deficits, reduction of inflation, and stabilisation of exchange rates), at the expense of social policies. As a result, a heavy price was paid by different groups within society, particularly the most vulnerable, in terms of job losses, decline of real wages and incomes, and widespread poverty, at least in the beginning of the transition process.

Recipient countries of the Stability Pact form a rather heterogeneous group in terms of the progress made in the transition process towards building:

- a full-fledged market economy, particularly in respect of privatisation and public sector restructuring;
- stable democratic institutions and sound governance;
- a sound legal system in accordance with the rule of law;
- a strong and well organised civil society.

There is obviously a significant gap between, on the one hand, countries like Bulgaria and Romania, which have not experienced war and conflict and which entered into transition in the early 1990s (although they experienced political and institutional instability until 1996–97), have the status of EU accession countries and are well advanced in their negotiations with the EC; and, on the other, Albania, Bosnia-Herzegovina, Croatia, FYR Macedonia, Moldova, and Serbia and Montenegro, which embarked on transition much later, due to war and conflict in which they were involved directly (Croatia, Bosnia-Herzegovina, Serbia and Montenegro) or indirectly (Albania, FYR Macedonia). Moldova has not experienced war, but the legacy of the past caused it to start its transition later, too.

In Bulgaria and Romania the pace of reform has accelerated in the last few years in comparison to the earlier stages of transition, thanks to more political and institutional stability and EU pressure on both

countries within the framework of accession negotiations. In the countries of the second group transition has been slower. Economic reforms such as privatisation and restructuring of public companies, and the modernisation of production, as well as the transformation of social policies and setting up sound systems of governance took time, since these countries had to overcome a particularly burdensome legacy from the socialist period and to deal with the consequences of the ensuing wars and conflicts. They have also had to address major social and political challenges, such as high unemployment (between 20 per cent and 40 per cent depending on country), widespread poverty, and corruption.

The countries of the second group – with the exception of Moldova – have in common a link to the European Union within the framework of the Stabilisation and Association Process (SAP). This is a policy framework created by the European Union to help the countries of the Western Balkans move closer to Europe, introducing European values, principles and standards, such as democracy, the rule of law, respect for human rights, protection of minorities and a market economy. It offers them both a framework and an agenda in terms of which to promote these principles and values (European Commission, 2003).

Moldova is linked to the European Union by the Partnership and Cooperation Agreement (PCA) signed on 28 November 1994 (entering into force on 1 July 1998). The PCA provides a framework for wide-ranging cooperation with the EU with a view to bringing Moldova into line with the legal framework of the European Single Market.

The industrial relations changes experienced by these countries over the transition period are also important. Three examples might be mentioned.

(i) All these countries have, though to different extents and at different times, undertaken significant reform of their labour legislation and enacted a whole set of new laws, with a view to regulating labour relations in harmony with ILO and European standards. For instance, new labour codes were adopted in all SEE countries, as indicated below:

- Bulgaria: 1993, amended in 2001 and 2004;
- Albania: 1995, amended in 2003;
- Croatia 1995, amended in 2003;
- Bosnia-Herzegovina: Federation of Bosnia-Herzegovina: 1999 and Republika Srpska: 2000;
- FYR Macedonia: 1993;
- Moldova: 2003;
- Serbia and Montenegro: Kosovo: 2001; Montenegro: 2003; Serbia: 2001, amended in 2005;
- Romania: 2002.

The adoption of new labour codes was supplemented by the passing of a whole set of Acts and secondary legislation regulating different aspects of industrial relations, such as labour disputes settlement, collective bargaining procedures, exercise of the right to freedom of association (registration of workers' and employers' organisations), and protection of workers' claims in case of employer insolvency.

The process of labour legislation reform is still going on in several SEE countries. Amendments are still being introduced into labour codes and other labour legislation with a view to harmonisation with international and European labour standards, particularly in terms of fundamental principles and rights at work (non-discrimination in employment and occupation, for instance), as well as accommodation of the requirements of labour market flexibility.

(ii) Independent workers' and employers' organisations have begun to develop while representing the interests of labour and business in both bipartite and tripartite social dialogue, thus reflecting the new reality of trade union pluralism in the SEE countries.

(iii) Different types of social dialogue institution were established at different levels of decision making to enable bipartite and tripartite actors to address common problems in the areas of labour relations and economic and social policy. Among these institutions one might mention: institutions for the settlement of labour disputes (Bulgaria, Croatia, Albania, Romania), schemes for worker information and consultation, such as works councils (Croatia, Republika Srpska, Bosnia and Herzegovina), and, more importantly, tripartite institutions which serve as forums for consultation and social dialogue (all countries).

In what follows we will concentrate on national tripartite social dialogue, to the exclusion of regional and territorial tripartite social dialogue, bipartite social dialogue, and collective bargaining.

We will describe :

- the context in which tripartite social dialogue has developed in SEE countries and the influence exerted by the ILO, the EU and the new EU member states of CEE;
- the main institutional arrangements within which tripartite social dialogue takes place in SEE; we will highlight both achievements and some weaknesses.

3. Institutional Framework for Tripartite Social Dialogue in SEE Countries

3.1 Development context of tripartite social dialogue in SEE countries

There have been very few studies on the development of social dialogue in SEE countries (there are far more on new EU member states from CEE). The most recent studies on SEE are:

- *Social Dialogue in Central and Eastern Europe*, ed. Giuseppe Casale, ILO (1999): includes SEE, with the exception of Serbia and Montenegro.
- *Social Dialogue in Southeast European Countries: Possibilities, Limitations, Perspectives*, Darko Marinkovic (2002), presented at the Regional Conference on the Action Plan for the Development of Social Partnership in the Beneficiary Countries of the Stability Pact, organised by the European Economic and Social Committee in Thessalonica, 1–3 September 2003.
- *Social Dialogue in Southeast European Countries*, Dragan Duric (2002): study commissioned by the Central European University, Budapest.
- *Social Dialogue at National Level in the EU Accession Countries*, Ludek Ruchly and Rainer Pritzer (2003): includes two SEE countries (Bulgaria and Romania).

This report draws on the above studies. It is not our ambition to fill the analytical and informational gaps on the development of social dialogue in SEE countries: as already stated, we shall look briefly at the current state of the institutional framework of tripartite social dialogue in SEE countries and assess the extent to which it is being used to involve the social partners in the formulation and implementation of employment policies.

Social dialogue as a rampart against social tensions

Tripartite social dialogue has developed in SEE countries (this was also true for other CEE countries) in a context of radical transformation – political, institutional, social and economic – affecting all social quarters, and severe economic crisis, characterised by the following: a sharp fall in GDP, high inflation, increasing unemployment and widespread poverty due to falling real wages and incomes among different social segments. In the countries of the former Socialist Republic of Yugoslavia this context was further complicated by the wars and conflicts that hit the sub-region during most of the 1990s following the latter's disintegration.

The consequences of economic transformation gave rise to tensions between the first governments formed after the first free elections and the people. They have seriously threatened the stability of countries such as Romania and Bulgaria.

Unfortunately, macroeconomic stabilisation measures (trade and price liberalisation, restructuring of public companies, and so on) were usually adopted and were not always accompanied by social measures to mitigate their effects on workers and families.

It was amid these tensions that attempts were made to deal with the concerns of those severely hit by the economic crisis. For instance, in Bulgaria an attempt was made from 1990 to establish dialogue between government and social partners with a view to resolving the protests that had erupted in different parts of the country. In March 1990 the first tripartite negotiations took place between the government, the Confederation of Independent Trade Unions of Bulgaria (CITUB) and the Union of Enterprise Managers of Bulgaria, which led to the conclusion of a tripartite agreement, followed by a second agreement concluded at the beginning of 1991 (Gradev, 2001). Soon afterwards, the first tripartite body for social dialogue was established (1992).

In Romania, attempts were made to start tripartite cooperation with a view to ensuring smooth implementation of the reform package launched by the government in 1990 (partial liberalisation of prices, relaxation of wage controls, decentralisation of powers). In 1992 the first tripartite agreement was signed between government and social partners and in 1993 the tripartite secretariat for social dialogue was established to serve as a forum for tripartite consultation.

In Croatia, tripartite social dialogue started to develop in 1993 when a voluntary agreement was reached between the government, the chamber of commerce and three trade union confederations to establish an Economic and Social Council at a time when tripartite discussion was taking place on labour law and public sector reform (Lisica, in Casale, 1999).

In Albania the first attempts to develop social dialogue between the government and the trade unions took place in 1992 in a context of rapid deterioration of living standards and rising unemployment. In 1993 the first agreement between the two main trade unions (CTUA and UTTA) and the government was signed to institutionalise the partnership, soon joined by the newly established employers' organisation, the Business Confederation of Albania, created in 1994 (Muco, in Casale, 1999).

Tripartite social dialogue started to develop progressively after the end of the war in Bosnia-Herzegovina, in the countries of the former Socialist Republic of Yugoslavia: FYR Macedonia (1996), Republika Srpska (1997) – Bosnia and Herzegovina – and, more recently, Serbia and Montenegro (2001) including Kosovo (2001).

Finally, in Moldova, although there were some attempts from 1991 to develop tripartite social dialogue to address the first social and economic consequences of the collapse of the economy, dialogue did not take shape until 2001 when a tripartite republican commission for collective negotiations and

negotiations was created and a national tripartite agreement concluded between the government, the two trade union confederations – Trade Union Confederation of the Republic of Moldova and the Confederation of Free Trade Unions of Moldova ‘Solidarite’ – and the national confederation of employers’ associations.

Generally speaking, the main objectives of the tripartite actors in their attempts to develop and organise tripartite social dialogue in the context of transition were as follows. For governments, the objectives were:

- to obtain support from the social partners for the reform process in a context of severe economic difficulties;
- to consolidate the emerging democracy and to avoid unrest which would endanger social peace and undermine the reform process.

On their part, the social partners saw the developing tripartite social dialogue as an opportunity:

- to have a forum to voice the concerns of workers and employers in the formulation of economic and social reforms;
- to gain social and political legitimacy, including at international level;
- to obtain access to sources of information so as to be able to influence the reform process (labour legislation reform, privatisation and restructuring of ailing industries, wages and incomes policy, and so on).

Factors in the development of tripartite social dialogue in SEE countries

Dragan Duric has identified two factors that influenced the development of social dialogue in CEE countries as a whole: (i) the activities of the ILO and (ii) the European Social Model promoted by the European Union (Duric, 2002). One should also add a third factor, namely the pattern of industrial relations prevailing in more advanced CEE countries (by “more advanced CEE countries” we mean those that have completed the transition to a market economy and have joined the EU on 1 May 2004).

The activities of the ILO

Before examining the role the ILO has played in the region as regards the development of tripartite social dialogue, it would be useful to examine the importance of tripartism in the life of the organisation and the conditions for effective tripartite social dialogue.

Since 1919 tripartite social dialogue has been a core ILO concern, reflected in its structure, procedures, policies and programmes. Indeed, workers and employers enjoy the same prerogatives as governments in shaping the ILO's principles, standards, policies and programmes. They are represented on an equal footing with governments in the different governing organs and therefore participate equally with government representatives in decision making.

Tripartism is also a constitutional obligation for the ILO. The Declaration of Philadelphia, which is an integral part of the ILO Constitution, gives the ILO the solemn obligation to *advance programmes which will achieve the cooperation of workers’ and employers’ organisations, along with governments, in the formulation and implementation of social and economic measures in Member States.*

The ILO believes that social dialogue is a fundamental right – the right for different population groups, particularly workers’ and employers’ organisations, to participate in the formulation and implementation of decisions of an economic and social nature which affect their lives. The concept of tri-

partite social dialogue is closely linked with that of *democracy*. Today, social dialogue in general is perceived as a means of furthering democracy because it ensures that large segments of the population are legitimately involved in the policy-making process. As such it gives social legitimacy to economic and social policies.

The concept of tripartite social dialogue is also closely linked with that of the *market economy*. In a market economy inevitably there is sometimes divergence of economic interests between the social partners and the government, at least in the short term. To manage this divergence of economic interests and to ensure that it does not deteriorate into different forms of social disruption, tripartite social dialogue plays the role of institutional safeguard to guarantee the smooth functioning of the economy by enabling compromises, so fostering stability and promoting peace.

All in all, social dialogue represents a tool of good governance in relation to society and the economy.

The fundamental role of social dialogue and tripartism as a pillar of democracy and a tool of good governance was reaffirmed by the International Labour Conference at its 90th Session in June 2002. The latter adopted a resolution concerning tripartism and social dialogue which called upon the ILO to strengthen them within its own structure and in member states, so confirming its commitment to this fundamental and universal value.

Despite being a universal value tripartite social dialogue has sometimes been subject to questions and criticisms. Some argue that tripartism limits democracy, because it places part of the decision-making process in the hands of employers' and workers' organisations that do not have the same legitimacy and responsibility as government and parliament. Also, it is seen as an indirect means for these organisations to interfere in the prerogatives of legislative power. Some conservative economic and political circles have asked whether workers' and employers' organisations are representative enough to be granted the right to participate in shaping legislation, particularly in Central and Eastern Europe.

These arguments do not stand up to scrutiny. Indeed, there are no studies which confirm them (ILO, 1996). In addition, experience shows that important decisions on economic and social policies have been taken by means of tripartite cooperation in a number of the most developed countries, posing no problems to governments or parliaments. Furthermore, it is widely accepted that tripartite social dialogue and legislative power do not substitute, but rather complement one another.

Effective tripartite social dialogue requires that five conditions be met:

1. Independent, strong and representative social partners, able to represent the interests of their constituencies.
2. The parties should be willing to cooperate, reaching a consensus about the challenges and problems, and to find common responses, both in times of crisis and of economic prosperity. It should be particularly stressed that political will on the part of the government to engage in meaningful social dialogue on economic and social policies is of paramount importance for the success of transition. All political parties should maintain this political will, so that changes of government do not diminish the commitment.
3. The existence of well functioning institutions of social dialogue, including at lower levels (sectoral, enterprise, workplace) of decision making. International experience shows that effective social dialogue cannot operate in a vacuum; it requires a well organised institutional framework endowed with the necessary human and financial resources within which the tripartite actors can interact with each other in order to reach the necessary compromises and to build consensus on social and economic policies.

4. An agenda and agreed procedures.
5. Practice in the conduct of tripartite social dialogue.

This does not mean that social dialogue cannot take place unless all the above conditions are met. Most importantly the first two conditions must be met because they represent prerequisites for the effective operation of tripartite social dialogue: on the one hand, without respect for the principle of freedom of association, both in law and in practice, allowing independent workers' and employers' organisations to develop and function freely, and on the other, without the political will on the part of the government to interact with the social partners on issues of common interest, effective social dialogue could never get off the ground.

Tripartite social dialogue is both flexible and a learning process: on the one hand, it can get under way even without, for example, a full-fledged institutional framework or a clear and precise agenda; at the same time, tripartite actors do not need much experience in the conduct of social dialogue before starting to talk to each other.

Since the beginning of the transition, the ILO has been instrumental in the development of tripartite social dialogue in SEE countries. Indeed, through its Budapest-based Sub-Regional Office for Central and Eastern Europe the ILO has done significant work in the sub-region aimed at promoting tripartism and social dialogue. A policy of advocacy supported by comprehensive programmes of technical cooperation, financed both by a regular budget and funds provided by donor countries, has been pursued over the last 14 years in Central and Eastern Europe, including SEE countries, with a view to promoting the principles of freedom of association and collective bargaining (as prerequisites for tripartism) and tripartite social dialogue.

Technical assistance has been provided to the emerging workers' and employers' organisations in all SEE countries to strengthen their ability to effectively represent the interests of their constituencies and to take part in both bipartite and tripartite social dialogue. Technical assistance has also been supplied to most governments in the region to help them create the appropriate legal and institutional framework for tripartite social dialogue and to build all sorts of industrial relations institutions such as machinery for the settlement of labour disputes, workers' participation schemes, and so on. At the same time, tripartite actors have benefited from training programmes to help them conduct tripartite social dialogue on economic and social policies. Moreover, training activities have also been carried out by the ILO at the sub-regional level with a view to enabling the tripartite actors from SEE countries to share experiences and good practices in tripartism. Experience-sharing among SEE countries, as well as with more advanced CEE and EU countries has proved a very useful tool for the promotion of good tripartite practices in the region. The participation of tripartite actors in the different activities of the ILO, particularly the International Labour Conference, has also contributed greatly to recognition and acceptance of tripartism in the region. The ILO has worked closely with other players in the region, such as ETUC, ICFTU, UNICE and IOE, as well as individual EU countries, thus contributing significantly to enhancing the capacity of governments, and workers' and employers' organisations.

The efforts of the ILO continue: it has launched in 2003 a technical cooperation project for the promotion of social dialogue and enhancement of national expertise in labour law in SEE countries, financed by France and Italy, recently joined by Belgium, within the framework of the Stability Pact's Social Cohesion Initiative. The main objective is to strengthen the capacity of tripartite actors in social dialogue and to improve the functioning of tripartite institutions in SEE countries.

The influence of the European Union

Tripartite social dialogue, together with autonomous bipartite social dialogue between employers and workers, is an essential feature of the European Social Model. This was stressed by participants in a conference on tripartism organised under the Danish Presidency of the EU at Elsinore in October 2002.

For the European Commission, tripartite social dialogue refers to both concertation (informal dialogue) and consultation (official dialogue in line with article 138 of the Treaty) between the social partners and the EU authorities (European Commission, European Council) on European social policies with a view to achieving the strategic objectives of strengthening social cohesion and promoting full employment. As such it represents a 'key aspect of good governance' (Communication of the European Commission, 2002).³

The role of the social partners in policy making has been stressed by the different European Treaties adopted by EU member states since 1992, as well as by recent EU summits of heads of state and government.

The Maastricht Treaty put the social partners at the centre of the European venture by granting them the right to be consulted at two stages:

- proposals for directives;
- the content of directives.

The Amsterdam Treaty reinforced the requirement that the European Commission and the Council consult the social partners in formulating EU legislation. Furthermore, the Luxembourg Summit of 1997 closely associated the social partners in the European Employment Strategy, while the Social Policy Agenda adopted by the European Council in December 2000 in Nice assigned the social partners a central role in implementing and monitoring this agenda. Last but not least, the Laeken summit of December 2001 confirmed the creation of a Tripartite Social Affairs Summit to be held each year before the Spring European Council.

The social partners have acquired an increasingly important consultative role in EU policy making. Such a social dialogue trend at the European level has directly influenced the development of tripartite social dialogue in Bulgaria and Romania, as candidate countries, within the framework of accession negotiations. Indeed, social dialogue is considered part of the *acquis communautaire* that these two countries have to embrace both in their legislation and in national industrial relations practice. For instance, Romania, as early as 1993, as a result of its obligations arising from the EU association agreement, was under pressure to create an adequate institutional and legislative framework for the development of social dialogue and cooperation between government and social partners (Casale and Mihes, in Casale, 1999). It also benefited from a Phare programme that enabled it to establish and finance the first tripartite institution for social dialogue between 1993 and 1997.

Another example of the role played by the EU in the development of tripartite social dialogue is the creation by Bulgaria and Romania of tripartite bodies dealing with employment policy, as requested by the EU Employment Guidelines. We will return to this issue.

However, the EU appears to have exerted less influence in the other SEE countries, namely the Western Balkan countries covered by SAP and Moldova. For instance, the SAP policy framework, designed to help

³ 'Tripartism in an enlarged EU', conference organised jointly by the Danish Presidency of the EU and the European Foundation for the Improvement of Living and Working Conditions, Elsinore, Denmark, 29–30 October 2002.

the countries of the Western Balkans to move closer to Europe, while stressing the importance of an active civil society, including professional associations and trade unions, fails to emphasise social dialogue sufficiently in comparison to other components, such as home and legal affairs and public administrative reforms.

The influence of the new EU member states of Central and Eastern Europe

The pattern of industrial relations followed by the more advanced countries of Central and Eastern Europe – and new members of the EU – such as the Czech Republic, Hungary, Poland and Slovakia, in which tripartism represents the dominant form of social dialogue, has spread to SEE. Governments and social partners in Central and Eastern Europe have put particular emphasis on tripartite consultation at national level with a view to managing the changes generated by transition, while the other levels of industrial relations, particularly bipartite sectoral social dialogue and enterprise-level collective bargaining, have received less attention and therefore remain weak (Ghellab and Vaughan-Whitehead, 2003). Strong tripartite institutions for social dialogue have been set up in these new EU member states and function as forums for consultation between government and social partners on economic and social policies, and subsequently on enlargement issues.

The results achieved by countries such as Hungary – the first country to establish a tripartite body for social dialogue (in 1988) – and the Czech Republic in building workable systems of tripartite social dialogue that have contributed significantly to the success of transition and, later on, to the completion of accession negotiations with the European Union, have had a real influence on the development of tripartism in SEE countries.

Tripartite actors in SEE countries see the Czech Republic and Hungary as significant examples of the value added that tripartism can bring to the handling of the challenges posed by transition – including completion of privatisation and structural reforms; macroeconomic stabilisation; recovery of GDP; reduction of unemployment – without major social unrest (on the contribution of social dialogue to the success of the transition in the Czech Republic, see Casale, Rychly and Kubinkova, 2002). As a result, a similar pattern of industrial relations is emerging in SEE, with tripartism playing a prominent role in comparison to lower levels of social dialogue.

The experience of the more advanced countries of Central and Eastern Europe shows that the transition towards a modern market economy and stable democracy entails major reforms in all spheres of society (economic, institutional, social, legal, cultural, and so on). These reforms are complex and entail sacrifices from all stakeholders. It is widely recognised that social dialogue can add real value to this process since it allows the reform process to be conducted effectively and smoothly and its costs to be distributed more fairly, preserving social stability.

In the last few years there have been several exchanges of experiences between the Czech Republic, Hungary, and other new EU member states, such as Poland and Slovenia, and SEE countries (for instance, Bosnia-Herzegovina, FYR Macedonia, and Serbia), for example, within the framework of ILO technical cooperation programmes in the region. Interestingly, the Czech Republic recently became a donor country towards SEE countries and is cooperating with the ILO in providing assistance in the broad area of social dialogue and tripartism.

The activities of the ILO in promoting cooperation between SEE countries and other European countries has also involved EU member states from Western Europe with a strong tradition of tripartite social dialogue, such as Ireland and Portugal.

This list of contributors to the development of tripartite social dialogue in SEE countries is not exhaustive. A number of other important players have also contributed to promoting social dialogue in the

region, particularly European social partners such as the ETUC, UNICE, and ICFTU, as well as bilateral donor countries, as well as international and regional organisations such as the Social Cohesion Initiative of the Stability Pact.

3.2 Tripartite institutions for social dialogue

Central tripartite institutions have been set up in all SEE countries. The latter have all ratified fundamental ILO conventions No. 87, on freedom of association, and No. 98, on the right to organise and collective bargaining. Also, four countries have ratified priority convention No. 144 on tripartite consultation on International Labour Standards (Albania, Bulgaria, Moldova and Romania); two other countries are presently considering ratifying this convention – Bosnia-Herzegovina and FYR Macedonia. Finally, in Croatia and Serbia and Montenegro there seems to be an awareness among tripartite constituents of the importance of ratifying this convention to strengthen the overall framework of tripartite social dialogue. Also, five countries have ratified the European Social Charter (Table 7c).

The abovementioned steps represent important achievements. They show that SEE countries, as members of the ILO and part of the European family, have embraced the fundamental value of tripartism, although much remains to be done. It also shows the willingness of tripartite actors in these countries to work together to move the reform process forward.

As already mentioned, the institutionalisation of tripartite social dialogue has occurred at different times in different SEE countries.

Bulgaria was the first country to establish a national tripartite body for social dialogue (in 1992), the National Council for Tripartite Cooperation. This was followed by:

- Romania and Croatia in 1993 with the creation of the Economic and Social Council (ESC) and the Tripartite Secretariat for Social Dialogue, respectively;
- FYR Macedonia, which created its ESC in 1996;
- Albania and Republika Srpska with the creation (in 1997) of the National Labour Council and the ESC, respectively;
- Moldova, which created the Republic Commission for Negotiations in 1999;
- Serbia-Montenegro including Kosovo, which created the Social-Economic Council and the ESC, respectively, in 2001;
- the Federation of Bosnia-Herzegovina, which established its ESC in 2002.

The title of the central tripartite institution varies from one country to another, but in practice each has a similar role: to offer an institutional framework within which the representatives of government and social partners can organise their dialogue and negotiations.

Alongside these central tripartite institutions for social dialogue a number of SEE countries have also created a whole range of specialised tripartite bodies at the national level dealing with specific issues – such as employment, vocational training, pensions and occupational health and safety – in which the social partners are involved along with government representatives.

We shall briefly mention some examples of specialised tripartite bodies in SEE countries before moving on to the in-depth discussion of the central tripartite bodies.

In Albania, the social partners participate in the tripartite board of the following bodies (Muco, in Casale, 1999):

- the Social Insurance Institute that administer the social benefits funds;
- the Training Enterprise and Employment Fund whose mandate is to provide support for training and retraining of the unemployed;
- the State Labour Inspectorate, in charge of enforcing labour legislation.

In Bulgaria the social partners are involved in two major tripartite bodies in particular:

- the National Council on Employment, whose main mandate is to elaborate employment policies at the national level;
- the National Council on Working Conditions, in charge of promoting better working conditions.

In Croatia, the social partners are, inter alia, involved in the tripartite boards of following specialised bodies:

- Pension Fund;
- National Council for Occupational Health and Safety;
- Employment Bureau;
- Development Fund;
- National Council for Competitiveness (a multipartite body).

In Serbia, the social partners are involved in two specialised bodies:

- National Council on Occupational Health and Safety;
- Employment Council.

Romania represents an extreme case, with five specialised tripartite bodies at national level with social partner participation:

- National House for Pensions and Other Rights;
- National House for Health Insurance;
- National Council for Adult Training;
- National Commission for the Promotion of Employment;
- National Commission for Certification and Occupational Standards.

As we can see, in each of the five countries one specialised tripartite body at national level is dedicated to employment issues. We will return to this issue in section 4.

Mode of creation of central tripartite body

This is the main instrument of tripartite social dialogue. Different arrangements were chosen by the different countries/territories, and the central tripartite institutions were created by law or government regulation or by tripartite agreement.

The countries/territories which chose the first option (law or government regulation) are Bulgaria, Romania, Albania, Republika Srpska, Kosovo, Montenegro, Moldova and more recently Serbia, while the Federation of Bosnia-Herzegovina, Croatia and FYR Macedonia chose the second (tripartite agreement).

The question of which instrument (law/government regulation or tripartite agreement) provides a more solid foundation and guarantees better operation of the central tripartite institution has been debated in many countries in the region and beyond. There is no simple answer, since it very much depends on the system of industrial relations already in place and the choice of tripartite actors. The best law in the world, clearly defining the mandate, structure, composition and mode of operation of the central tripartite institution and providing it with sufficient resources, cannot guarantee the effective functioning of the national tripartite institution if, for example, political will is lacking on the part of the tripartite actors. Conversely, tripartite social dialogue can function effectively without a legal framework, that is, on the basis of a tripartite agreement, if there is a real willingness to work together and to share standpoints and common approaches with a view to addressing common challenges. Ireland and the Czech Republic are good examples of tripartite social partnership (in the case of Ireland it is in fact multipartite) functioning effectively without any legal basis but with collectively defined rules.

In the SEE countries there seems to be a preference for the legal approach, considered more likely to ensure the proper functioning of tripartite social dialogue. For example, in Serbia the Social-Economic Council (SEC) was first established by tripartite agreement in 2001, and relaunched by another tripartite agreement which further specified its mission and working methods. However, three years after its establishment, the SEC in Serbia still lacked an adequate secretariat with all the necessary resources (premises, technical and administrative staff, a proper budget, and so on). In addition, it had experienced a number of ups and downs. The social partners, particularly the trade unions, blamed the lack of a legal framework for these shortcomings and therefore requested that the government promulgate a law with a view to securing better SEC functioning and compelling the state to fund it adequately and to hold regular meetings, among other things. The government and the social partners engaged in a consultation in 2004 with the view to giving the SEC a legal framework. As a result a law on Social-Economic Council was formulated and adopted by parliament in November 2004. The same debate is taking place in FYR Macedonia where the ESC is also regulated by a tripartite agreement, concluded in 1996. The latter still lacks adequate resources to operate effectively: a budget, premises and staff. The Confederation of Trade Unions of Macedonia (CCM) is also requesting that the government provide the ESC with a legal basis, strengthening its powers, resources and operation. The CCM leadership considers that legislative regulation of the national tripartite body's functioning would be more effective than a mere tripartite agreement because it would lead to more commitment on the government side. However, although a law would cause the government to respect the rules and procedures of the national tripartite institution, provided the latter are clearly defined, it cannot substitute a lack of political will from any of the parties to social dialogue to engage effectively in genuine cooperation with the other two partners.

Composition of the central tripartite body

Central tripartite bodies in SEE countries have a strict tripartite composition, that is, they are composed exclusively of representatives of government and of workers' and employers' organisations. In other words, these bodies do not reach out to other representatives of civil society, such as NGOs (with the exception of Montenegro, which reserves seats for NGOs operating in the field of gender equality).

However, central tripartite bodies in SEE countries/territories, with the exception of Romania and Republika Srpska, do include independent experts in their meetings on an ad hoc basis to assist the tripartite actors in addressing technical economic and social issues.

The composition of these central bodies is either strictly tripartite, with an equal number of members from the three sides (Federation of Bosnia-Herzegovina, FYR Macedonia, Kosovo, Republic of Serbia,

Republika Srpska, Romania) or with a different number of seats granted to each party, as in Albania and Bulgaria, where the social partners have more seats than the government.

The total number of members sitting in central tripartite bodies varies significantly across the region: four countries/territories have a relatively large number of members: Montenegro (38), Moldova (30), Romania (27) and Albania (25). At the other end of the spectrum are FYR Macedonia and Serbia with 9 members. Bulgaria, Croatia and Kosovo come somewhere in between, with 14, 15 and 15 members respectively.

Government representation in the central tripartite body

In most countries/territories, the government side is represented by key ministries in charge of labour, social and economic/financial affairs, with the exception of Bulgaria, where only the Ministry of Labour and Social Policy represents the government. Elsewhere, government representation in the central tripartite body is extended to other technical ministries, such as the Ministry of Justice (Albania, Moldova), Education (Albania, Romania), Privatisation (Serbia), Trade (Federation of Bosnia-Herzegovina, Kosovo) and Transport (Moldova, Romania) (see Table 7b in Annex). This suggests a willingness to extend the scope of tripartite social dialogue beyond labour and to encompass broader social and economic issues. The involvement of technical ministries other than the ministry of labour – for example finance, economy, industry and so on – does not imply always that in practice tripartite institutions address economic issues. Indeed, the experience shows that the quality of social dialogue on economic issues depends very much on how convinced the representatives of those ministries are about the importance of involving the social partners in the formulation of economic policies.

Social partner representation in the central tripartite body

As already mentioned, independent workers' and employers' organisations have emerged in all SEE countries. The composition of central tripartite bodies reflects the reality of trade union pluralism in the region, although there are still obstacles in certain countries preventing full application of freedom of association.

In Bulgaria, Croatia (for trade unions),⁴ Republika Srpska and Romania, the representation of social partners in the central tripartite body is determined on the basis of criteria defined in law. In Albania, the criteria of representation were defined by a Council of Ministers decree after consultation with the social partners, while in the Federation of Bosnia-Herzegovina they were defined in the tripartite agreement that established the ESC. In the Republic of Serbia, Kosovo, FYR Macedonia and Moldova the criteria of representation of workers' and employers' organisations in the national tripartite institution have not yet been defined. The workers' and employers' organisations that are currently present in the central tripartite body are assumed to be representative, but this has not yet been measured against defined criteria.

For example, in Serbia three national trade union confederations claim to be representative, and were granted a seat on the SEC when it was established in 2001. Presently, a law on trade unions and employers' organisations is being prepared which is expected, inter alia, to establish a set of statutory criteria on the basis of which representativeness will be assessed. A similar process is expected to occur in Croatia as far as the representativeness of employers' organisations is concerned. Only one employers' association, the HUP (Croatian Employers' Association) has represented the interests of employers in the ESC so far, a situation which is being challenged by a newly established employers' association, the SNUP. In March 2003 the Croatian Government requested ILO assistance in defining criteria for determining employer organisation representativeness in accordance with ILO principles and standards

⁴ In Croatia criteria defining employers' representativeness are in development.

and comparative practice. The current process of determining criteria of employer organisation representativeness is being conducted in Croatia on the basis of ILO advice. Finally, in Bulgaria the government recently launched a review to measure the representativeness of employers' and workers' organisations against the statutory criteria with a view to designating the organisations to be represented in the newly established Economic and Social Council.

The question of social partner representativeness is generating much debate and tensions between the social partners and the government in SEE countries and in the region as a whole. On the one hand, existing workers' and employers' organisations that have been denied the status of representative organisations – and so representation in the national tripartite body and the right to engage in collective bargaining – and/or newly established organisations are challenging existing criteria before the courts; on the other hand, governments are attempting to define criteria where none exist with a view to distinguishing between representative and unrepresentative organisations. The representativeness debate is creating tensions among tripartite actors in countries such as Serbia, Croatia, FYR Macedonia and Romania, to some extent complicating tripartite social dialogue in these countries.

Dual system of employers' representation

On the employer's side, in some countries/territories, such as Bulgaria, FYR Macedonia, Kosovo, Montenegro and Republika Srpska, the representativeness debate is further complicated by the role of the chamber of commerce in tripartite social dialogue. Here the chamber of commerce is either the sole representative of employers in the central tripartite body (Kosovo, FYR Macedonia) or it shares this responsibility with independent employers' associations (Bulgaria, Republika Srpska, Montenegro). Kosovo is the only case where there is still no independent employers' association, the chamber of commerce being the sole representative of employers' interests in the tripartite social dialogue.

In Republika Srpska and Montenegro the chamber of commerce co-exists with established independent employers' organisations and appears to play a dominant role on the employer' side in the tripartite social dialogue, having more representatives. In Bulgaria, the chamber of commerce has the same number of representatives as the three other representative employers' organisations in the National Commission for Tripartite Cooperation. Finally, in FYR Macedonia the chamber of commerce is the sole employers' representative in the Economic and Social Council, while the newly established Confederation of Employers of Macedonia (URMM) is not yet a member of the ESC.

In Albania, Federation of Bosnia-Herzegovina, Croatia, Romania, and Serbia, employers are represented exclusively by independent employers' associations.

This situation in the first group of countries/territories raises a number of questions concerning respect for the ILO principle of freedom of association. Indeed, the chambers of commerce are not totally independent of the state. Furthermore, they are based on compulsory membership and so cannot be considered voluntary employers' associations. While their participation in the tripartite social dialogue might have been useful at the beginning of the transition, when there were only weak independent employers' associations – or none at all – with the development of independent associations, there may be a need to review the situation in light of ILO standards and comparative practice.

Presidency of central tripartite body

In the majority of countries/territories the central tripartite body is chaired by a government representative (usually the minister of labour); in three cases the presidency is taken on a rotating basis by each of the three tripartite partners (Croatia, Kosovo, Romania). A closely related issue is the setting of the

agenda of meetings. In half the countries/territories the chairman of the national tripartite body is responsible, in consultation with the social partners (Albania, Croatia, Kosovo, Romania), while in the other half the agenda is the responsibility of the president of the national tripartite body (Bulgaria, Federation of Bosnia-Herzegovina, Republika Srpska, Serbia, FYR Macedonia).

The work of the central tripartite body

In Albania, the Federation of Bosnia-Herzegovina, Bulgaria, Croatia, Romania and the Republic of Serbia the work of the central tripartite body is structured around the plenary meetings and sub-committees dedicated to the discussion of specific issues. In Albania, the Federation of Bosnia-Herzegovina, and Croatia, one sub-committee deals specifically with employment or employment and social policy. Surprisingly, in FYR Macedonia the central tripartite body has four sub-committees, but none dedicated to employment issues.

Bulgaria, Romania and the Republic of Serbia have separate specialised tripartite bodies dealing with employment functioning outside the scope of the central tripartite body.

In contrast, in Kosovo, Moldova and Republika Srpska the tripartite body does not have sub-committees, so that tripartite discussion – also on employment issues – if any, takes place at the plenary meeting only.

Resources and functioning of the central tripartite body

In Albania, Bulgaria, Croatia, Romania and Serbia the work of the central tripartite institution is supported by a permanent secretariat (3, 4, 4, 30 and 6 persons respectively), as well as a budget to finance operations (meetings, research and publications, press conferences, and so on).

In the Federation of Bosnia-Herzegovina and Kosovo the permanent secretariat of the central tripartite institution consists of a single person and is government-funded.

The central tripartite institutions in Moldova and Republika Srpska do not have a permanent secretariat but seem to have a budget (for meetings, studies and publications, press conferences). In Republika Srpska, the government has realised that the lack of a permanent secretariat, with appropriate resources and staff to support the work of the central tripartite body, is a handicap and it has expressed its intention to establish one with a view to improving the ESC's functioning, for which it has requested the assistance of the ILO. Finally, the tripartite body in FYR Macedonia lacks both a permanent secretariat and a budget.

The role of the central tripartite body

Central tripartite institutions in SEE countries appear to have a rather broad mandate (Pritzer, 2003):

- exchange of information between tripartite actors;
- government consultation with the social partners on social and economic issues and draft social and labour legislation;
- settlement of major labour disputes;
- negotiation of national tripartite agreements.

In their exchange of information and consultation representatives of the government and the social partners appear to address a wide range of policy issues in SEE countries, as follows:

- social policy and social protection;
- labour legislation reform;
- wage policy;
- employment policy;
- occupational health and safety;
- economic policy and privatisation.

In Croatia, Kosovo, the Republic of Serbia and Romania the central tripartite body addresses further policy issues, such as gender and education.

It is striking when we examine the answers to the ILO questionnaire that very few countries/territories mention European integration as a topic addressed by the central tripartite body. Surprisingly, even in Bulgaria and Romania, two candidate countries, European affairs are not mentioned, suggesting a lack of consultation with the social partners by governments or perhaps the discussion of these matters in other forums.

The settlement of labour disputes is dealt with by the central tripartite body in Bulgaria and Serbia.

Finally, in Bulgaria, Croatia, Federation of Bosnia-Herzegovina, FYR Macedonia, Kosovo, Moldova and Republika Srpska, the central tripartite body serves also as a forum for negotiating tripartite agreements.

Interestingly, in Romania two tripartite agreements were recently concluded between the government and social partners (2001 and 2002), but negotiations took place outside the Economic and Social Council.

We shall return to this issue of tripartite agreements in section 4 on social dialogue and employment.

4. Tripartite Social Dialogue on Employment

4.1 Employment: A Central Policy Issue on the Agenda of Tripartite Social Dialogue?

Providing people with jobs under conditions of freedom and dignity – as the Director General of the ILO has put it – has become the main challenge of public economic and social policies in all countries. Employment is recognised today as the main instrument of the fight against poverty and social exclusion, and the main lever for social improvement.

Both the ILO and the EU – which all SEE countries aspire to join, Bulgaria, Croatia and Romania already being candidate countries – have called on their member states to develop a comprehensive employment policy with significant social partner involvement. Both bodies have formulated employment policy instruments that strongly advocate a broad social partnership between public authorities and social partners. These instruments provide important guidance for the actions of their member states.

As Rychly and Pritzer (2003) point out, the main ILO instrument is the Employment Policy Convention (No. 122, 1964), while the EU has its Employment Guidelines.

ILO Convention No. 122 pays particular attention to consultation with the social partners by government when designing employment policies. Article 3 of Convention No. 122 stipulates: “representatives of the persons affected by the measures and in particular representatives of workers and employers shall be consulted concerning employment policies with a view to taking fully into account their experiences and views”. The important role of the social partners in the formulation and implementation of em-

ployment policies is further specified in Employment Policy Recommendation No. 169 (1964) which stipulates that member states should consult employers' and workers' organisations when drawing up and implementing plans and programmes aimed at the promotion of "full, productive and freely chosen employment".

A number of other ILO instruments call on member states to promote tripartite consultation on employment issues. For example, Tripartite Consultation Recommendation No. 113 (1963) calls on member states "to take measures to promote effective consultation and cooperation between public authorities and social partners, *inter alia*, in the "establishment and functioning of national bodies responsible for the organisation of employment and training".

The EU, following the adoption of the Amsterdam Treaty, has developed an important instrument of employment policy in the form of the Employment Guidelines, which provide guidance for both member states and accession countries in the formulation of their National Action Plans for Employment and Joint Assessment Papers, respectively.

The Employment Guidelines call on member states to cooperate with the social partners with a view to addressing labour market problems via effective labour market policies, increasing labour force mobility and improving labour market systems. Social partnership is one of the main features of the new European Employment Strategy, requiring the creation of an institutional framework for government-social partner cooperation.

It appears that the role of the social partners in the formulation and implementation of employment policy has become crucial. The Employment Guidelines assign them particular responsibility in the area of labour market policies, including negotiation of collective agreements, encompassing such issues as work organisation and flexibility. Tripartite bodies dealing with employment issues, such as those created in Bulgaria and Romania, are useful tools for involving the social partners in designing and implementing employment strategies.

Creating and maintaining employment has become a central issue at EU level since the Lisbon Summit adopted the 10-year strategy for harnessing the power of the knowledge economy for creating jobs (EIRO, 2001). The creation and maintenance of jobs is also a concern in this part of Europe.

Since the beginning of the 1990s increasing efforts have been made in most EU member states and at the Community level to conclude social pacts in which employment and competitiveness are the main focus. These two issues have been at the top of the agenda of most social pacts concluded in EU member states over the last 10 years. In CEE countries too, attempts are being made by tripartite actors to address employment issues via tripartite social dialogue.

4.2 Analysis of Survey Results

4.2.1 Methodology and statistics

In order to assess the extent to which the above-described framework for social dialogue has been mobilised to address employment policy in SEE countries we conducted a questionnaire-based survey. The main goal of the survey was to capture the *perceptions of social partners and governments* on the following issues:

- whether the country has an employment strategy;
- whether this employment strategy was formulated via social partnership;

- whether the country has concluded a social pact on employment and has a tripartite committee dealing specifically with employment policy;
- whether the country has a monitoring and evaluation mechanism for employment policy and the extent to which the social partners are involved in its operation.

Time frame and target groups

The questionnaire was sent out by the ILO Sub-Regional Office in Budapest in July 2003 and the last evaluated response was received at the end of September 2003.

The number of questionnaires sent out was 37, broken down as follows: 11 governments; 11 employers' associations and 15 workers' organisations. The response rate was 76%: 91% of governments, 73% of trade unions and 64% of employers replied. Country details are indicated in the Appendices. In one case, two government replies were provided on the basis of the respondent's initiative.

We used two versions of the questionnaire, one for government representatives and the other for social partners. They differ slightly in that some questions did not apply to one or the other group: for example, assessment of the social partners' ability to contribute to employment policy creation and main sources of information available to the social partners on the proposed employment strategy. However, most questions were the same, allowing us to analyse differences in tripartite actors' perceptions of social dialogue on labour market policies. Some were so-called "open questions" with which we sought information in areas where we were unsure of the result, and where we expected countries to be highly differentiated; the questionnaires were our main source of information. Statistical analysis was carried out using SPSS – a statistical program – which makes it relatively easy to analyse links and causes in the answers of different groups of respondents or different groups of countries. We used weighting when comparing countries to balance out the fact that we sometimes received disproportionately more answers from one stakeholder in one particular country. In this way, only one, "average" answer for each of the different types of stakeholder is taken into account in the cross-country comparison.

The results of the survey provide a unique source of information on the current state of social dialogue in SEE countries, reflecting the perception of the actors themselves concerning employment dialogue. However, the survey has limitations since it does not pretend to offer fully generalisable results.

Limits of the exercise

We cannot use this survey to generalise fully concerning social dialogue on employment policies. One reason for this is that we did not ask all the social partners nor target all government bodies and institutions involved in tripartite social dialogue or playing a role in the formulation and implementation of employment policies: for instance, ministries of finance and the economy, ministries of education, employment bureaus, and so on.

However, representativeness is a goal of all worthwhile surveys and the results of our survey do allow us to draw some conclusions (detailed in this section). In addition, we did target the main players of tripartite social dialogue, namely ministries of labour (representing government), and most workers' and employers' organisations.

4.2.2 Existence of an employment strategy

By "*employment strategy*" we mean an articulated document which states goals of employment policy within some timeframe and proposes clear actions to reach these goals; in an ideal case the strategy also defines resources and distributes tasks among individual actors. International conventions and rec-

ommendations usually recognise three dimensions of *employment policy*: long-term (strategic), medium-term and short-term (operational). The questionnaire focused on all three dimensions. Employment strategy deals with the whole area of employment, encompassing measures taken by the state, such as various active labour market policy (ALMP) measures, employability (education and training), the relationship between labour market and social protection schemes, dialogue with and among the social partners on employment and labour market issues. Employment strategy goes beyond labour market policy; because it needs to encompass all actors, it cannot be pushed forward only by the government if the strategy is to be implementable. By “*labour market policy*” we mean the combination of passive (unemployment benefits) and active labour market policies (training and retraining). (For further discussion of the notion of “labour market policy”, see Cazes and Nesporova, 2003)

Two SEE countries, Bulgaria and Romania – which are also EU candidate countries – have developed their employment policy frameworks much more than the others. In 2002 they started to prepare Joint Assessment Papers (JAPs) in cooperation with the European Commission, and later on, a National Employment Action Plan. Both countries mentioned the EU employment guidelines, which they took into account when preparing their respective national employment policies and strategies.

Most other SEE countries were more or less (directly or indirectly) affected by the war in former Yugoslavia. We hypothesised in the statistical analysis that there would be significant labour market policy differences in respect of (i) the relationship to the EU (candidate/non-candidate) and (ii) effects of the war in Yugoslavia.

Ten out of twenty-one respondents (government representatives and social partners together) replied that there was a long- or medium-term national employment strategy in their country (47.6%), including Moldova, Romania, Albania and Croatia. Countries with a short-term employment strategy included Serbia and FYR Macedonia. As for other kinds of employment policy framework, almost two-thirds do not think that such a thing exists. Surprisingly, more governments than social partners are convinced that a long-term national strategy does not exist (six as against three trade unions and two employers’ associations), while in the case of short-term strategies the opposite is the case: five governments think a short-term strategy exists (62.5%), but only three trade unions and two employers’ associations (43% and 33%, respectively). This may merely indicate some confusion between “long-term” and “short-term”; however, we shall look more closely at short-term employment strategies (monitoring, evaluation).

To what extent have the social partners been involved in the formulation of employment strategy?

In Bulgaria and Romania the social partners indicated that the formulation of national employment policies and strategies according to European employment guidelines did not always involve a close relationship with the social partners, though this is one of the prerequisites of a sound and sustainable employment strategy and labour market policy. The Romanian social partners, for example, commented in the questionnaire that in 2002 the JAP was elaborated by the government without consultation with them.

In some countries the social partners pointed out that they were not involved in the preparation of the employment strategy and labour market policies because the country doesn’t have an employment strategy. This was the case, for example, with the Association of Employers of the Federation of Bosnia-Herzegovina or the Trade Union Confederation of Republika Srpska. However, we do not perceive this as a necessary precondition of participation. Governments can initiate a dialogue with the social partners even if there is no comprehensive employment strategy or elaborated labour market policy. Social partners can and even should be involved in labour market policy as it is mainly their responsibility to implement labour market policy at the workplace level.

Sometimes respondents produced contradictory statements; for instance, the Association of Employers of the Federation of Bosnia-Herzegovina stated both that they could not be involved in something that did not exist (employment strategy) and – in the following line – that the necessary environment for labour market policy creation was “constructive dialogue”. Unfortunately, we are not able to explain statements of this kind.

Consensus among the tripartite actors is crucial for both preparation and implementation of any employment strategy. While most (87.5% or 7 representatives) government replies were positive regarding the existence of a consensus on the developed strategy, the social partners thought otherwise, particularly trade union representatives. As we can see, trade union representatives were more critical concerning the lack of employment strategy consensus.

Table 1 Consensus on the developed employment strategy

	Trade union	Employer	Government	Total
No	5	3	1	9
Yes	2	3	7	12

Of the countries from which we received responses from a number of parties, only two had the same opinion on consensus, namely that there was no consensus in Republika Srpska and there was consensus in Bosnia-Herzegovina.

4.2.3 Tripartite agreements

One possible outcome of tripartite social dialogue between representatives of governments and social partners is the conclusion of tripartite agreements or social pacts. Therefore, we asked respondents to indicate whether any social pacts or tripartite agreements on employment policy had been concluded in their country. More than one-third of representatives of governments and social partners replied positively to this question (Albania, Bulgaria, Croatia, Moldova, Romania and Serbia).

- What is the content of these tripartite agreements and how is employment dealt with?
- How effective are they?

We shall now examine a few tripartite agreements concluded in some of the above-mentioned countries to illustrate the link between social dialogue and employment. In Albania, a bipartite agreement⁵ was concluded in May 2003 between the government and the two main trade union confederations, the KSSH and the BSPSH, represented in the National Labour Council, particularly with a view to accelerating revision of the Labour Code, improving social dialogue at all levels (including national level), enhancing workers’ and pensioners’ living standards, and reducing wage and income differentials. In fact, employment was not the main issue in this bipartite national agreement. Employers’ organisations did not participate in the negotiations.

In Croatia in December 2001 representatives of both social partners and government in the ESC concluded a comprehensive framework tripartite agreement entitled “Partnership for Development”, cov-

⁵ Agreement of understanding between the Council of Ministers and the two main trade union confederations, the Confederation of Trade Unions of Albania and the Association of Independent Trade Unions of Albania.

ering 2002-2003, with the purpose of moving forward the revitalisation and restructuring of the national economy, which was expected to enhance competitiveness and reduce the high unemployment rate. This agreement had five annexes, three of which were more or less connected with employment. For instance, Annex 3 was dedicated, *inter alia*, to employment policy, while Annex 2 dealt with education and science. The remaining appendices addressed other issues, such as restructuring and privatisation, wage policy and ratification of European and international standards. Implementation of this tripartite agreement experienced some difficulties, with the following outcome: three signatory confederations out of four abrogated the agreement, while the fifth trade union confederation, the NHS, had not signed it in the first place. The former blamed the government for not respecting its commitment to quickly formulate the details and timeframe for implementation. With four trade union confederations out of five outside the agreement it lost legitimacy, suggesting a lack of experience on the part of the tripartite actors in implementing tripartite agreements.

Another country where social dialogue recently led to the conclusion of a national agreement is FYR Macedonia.⁶ However, as in Albania, the national agreement, concluded in December 2002, was of a bipartite nature, signed by the government and the CCM trade union confederation. Employers' representatives did not participate. This agreement does address unemployment, which is currently Macedonia's principal challenge, but it rather resembles a general framework stating a number of general objectives than a real agreement with precise economic and social policy commitments. The two parties agreed to combine efforts, *inter alia*, to: (i) boost economic growth and development by accelerating privatisation and restructuring; (ii) develop business infrastructure and credits for SMEs; (iii) promote employment and reduce unemployment by the adoption of an employment strategy; (iv) fight crime and corruption; (v) ratify international conventions (such as ILO Priority Convention No. 144), (vi) enhance social protection and (vii) ensure better labour law enforcement.

Finally, in Romania two tripartite agreements were concluded between government and social partners in 2001 and 2002, addressing employment issues, among other things. The 2001 Social Agreement was the first of its kind in the country's history. It was signed by the government, the eight employers' organisations and the five trade union confederations considered representative at national level. This agreement, which was quite comprehensive, had ambitious objectives:

- GDP growth of between 4.0% and 4.5%;
- keeping the budget deficit below 4%;
- job growth of at least 1.5%;
- keeping unemployment below 9.5%;
- increasing real wages by 4-4.5%.

In addition, the tripartite actors agreed a number of other objectives, including elaboration of a national employment strategy and a National Action Plan as requested by the European Union. On their part the social partners committed themselves to maintaining social peace. A tripartite committee was set up to monitor implementation of the social agreement. Implementation encountered a number of problems, and as a result two trade union confederations repudiated it.

⁶ Social agreement on the future activities of the Government of the Republic of Macedonia and the Federation of Trade Unions of Macedonia within the framework of the Social Partnership.

The second social agreement was signed in March 2002 between the government, three trade union confederations (CNSLR-FRATIA, CSDR, Meridian) and seven employers' organisations (CNPR, CONPIROM, UGIR-1903, CNIPMMR, UGIR, PNR, and CONPR). The two trade union confederations that repudiated the 2001 Social Agreement did not take part in negotiations on the second agreement, arguing that the government had not respected its commitments in the first.

The new agreement also sets ambitious objectives:

- creation of 100,000 jobs;
- reduction of unemployment to 9.2%;
- 5% GDP growth and a 22% inflation rate.

Other commitments included increasing the minimum wage by 25% and real wages by 4%.

In contrast to Albania, in Croatia, FYR Macedonia and Romania employment was at the heart of the agreement. However, a distinction should be drawn between the agreements concluded in Albania and FYR Macedonia on the one hand and those concluded in Croatia and Romania on the other. In the first two countries employers' associations did not participate in the negotiations. In addition, the content of the agreements appears weak and they resemble more general statements without concrete objectives and real commitments.

The agreements in Croatia and Romania involved the employers' associations, and are much more concrete. However, they faced a number of implementation difficulties. Both were denounced by some on the trade union side on the grounds that the government did not respect its commitments. At the same time, in FYR Macedonia, almost one year after the conclusion of the bipartite agreement between the government and the CCM trade union confederation little has been implemented.

These tripartite agreements indicate significant progress in the functioning of social dialogue in the region. However, the weak content, on the one hand (Albania and FYR of Macedonia), and poor implementation of the agreements (Croatia and Romania), on the other, suggest a lack of practice in the formulation of tripartite agreements and a lack of experience in their monitoring. In the latter countries, the process of monitoring implementation of tripartite agreements needs to be urgently improved to avoid it being denounced by social partners if the governments are to build and strengthen the confidence of the social partners in tripartite social dialogue institutions.

While in Albania, Croatia, and FYR Macedonia the tripartite agreements were concluded within the framework of the central tripartite body for social dialogue, as described in section 3, in Romania the negotiations took place outside it. The negotiations were conducted under the direct supervision of the Prime Minister and therefore at a higher level. In addition, according to the law of 1997 the Romanian ESC has no mandate to organise negotiations between government and social partners, but serves only as a consultative body.

4.2.4 Forms of social partner involvement in employment policy

As we saw in section 3, there is an established framework for tripartite social dialogue in all SEE countries. However, as the survey shows, it is not always utilised. Social partners might not, for example, acknowledge the existence of dialogue because other channels – particularly ad hoc ones – are used instead.

Of the interviewed social partners, 23% were involved in ad hoc conferences, 54% took part in a regular tripartite consultation process, and 19% were members of ministerial or inter-ministerial bodies in-

volved in preparatory work. The government view is the same: 27% of trade unions and the same proportion of employers' associations were involved via ad hoc conferences. Five governments (50%) involved both trade unions and employers in a regular tripartite consultation process. Invitations to ministerial or inter-ministerial bodies were given by three (27%) governments to both trade unions and employers. Without specifying further, three governments involved the social partners in other ways.

As mentioned in section 3 some countries have a separate tripartite body for employment issues (for instance, Bulgaria, Romania, and Serbia), while others (Albania, Croatia, Federation of Bosnia-Herzegovina) have set up a sub-committee on employment issues within their central tripartite body.

In the survey 77% (17 respondents out of 22) confirmed the existence of such a body, responses of social partners and governments were about the same. Republika Srpska reported the lack of such a body, while respondents in Serbia and Moldova were inconsistent on this point.

A good sign of potentially fruitful social dialogue concerning labour market policy is a positive evaluation of the environment for the formulation of employment policy: 75% (15 government or social partner representatives) stated that they perceived the environment for labour market policy creation as constructive. However, no one described the environment as "consensual", the highest possible evaluation in the questionnaire. Deeper understanding is desirable at this point in terms of future policy-making processes and improving social dialogue. Generally, governments assess the employment policy creation environment much more positively: all eight respondents talked of a constructive environment (Albania, Bosnia-Herzegovina, Croatia, Kosovo, Macedonia, Moldova, Romania and Serbia). The same perception is shared by employers' associations in Bulgaria, Albania, and Serbia, and – looking at unweighted cases, each respondent having a weight of "1" regardless of how many respondents there are (this differs from the table below, which shows weighted cases) – also one Romanian association, while the other talks of an environment of ignorance. Trade union representatives, when unweighted, were largely convinced that there was a constructive environment (two trade unions in Romania, two in Albania, and one in Bulgaria, Bosnia-Herzegovina, Montenegro and Serbia). On the other hand, as we can see from the table, trade union representatives were sometimes rather critical and evaluated the labour market policy creation environment as conflictual (for example, Moldova and one trade union in Bulgaria).

Table 2 Evaluation of the labour market policy creation environment

	Trade unions	Employers	Governments	Total
Consensus	0	0	0	0
Constructive dialogue	4	3	8	15
Ignorance	0	1	0	1
Conflictual	2	0	0	2
Other	0	2	0	2

There are always ways in which social dialogue on employment strategies might be improved. We asked government and social partner representatives to identify possible improvements and to indicate their importance. The following were identified as crucial for improving social dialogue: better communication between social partners and the government (57% of all respondents), better communication among social partners (45%), increased transparency of employment policy making (43%), but also improved technical capacities of social partners (24%) and improved institutional framework (27%).

While communication between social partners and government is perceived as crucial by 83% of employers' associations, and two-thirds of trade unions, one-third of government representatives feel the same: they sometimes do not regard improving communications as important at all. All trade unions feel that it is crucial or important to improve communications among the social partners themselves, a view shared by 83% of employers' associations and 66% of governments. Social partners would like to see increased transparency in employment policy making (50% of trade union representatives, 67% of employers' representatives, but only 22% of governments). On the other hand, governments point out the need to improve the technical capacities of the social partners in order to improve social dialogue on employment strategies (five answers, 62.5% evaluating this as "crucial" or "important").

In conclusion, there seems to be a gap between the goals assigned to the established institutional social dialogue framework (in either legislation or the tripartite agreement regulating its functioning) and the reality of social dialogue as perceived by the actors, particularly the social partners. The latter complain of a lack of: (i) government utilisation of the existing central tripartite body for consultation with the social partners on employment policies and the tendency to use ad hoc channels, and (ii) communication between them and government on employment policies. This perception is not surprising if we take the Federation of Bosnia-Herzegovina and Republika Srpska, whose ESCs have not met for months. The same is true in Moldova and FYR Macedonia, where the central tripartite body does not meet on a regular basis. In the latter, according to the CCM trade union confederation, the ESC tends to meet only when there is a crisis. Finally, in Serbia ESC activity has been sporadic this year in comparison with 2002, following its relaunch on the basis of an innovative tripartite agreement reached in April 2002 with ILO assistance.

4.2.5 Roles of individual actors

The main objective of this set of questions was to capture perceptions of the employment policy influence of different stakeholders. Such influence is not restricted to labour ministries. A number of other domestic and international institutions may also have a say. We asked our target groups to assess their influence.

A majority (77%) of respondents evaluated the influence of labour ministries as High or Very High. (Surprisingly, one respondent in Romania believes that the labour ministry has "little" influence on labour market policy.) Social partners and governments differ, with the latter assessing influence as slightly higher.

The ministry of finance and/or the economy has a significant or very high influence according to 59% of government and social partner respondents. Governments rank the influence of the ministry of finance higher because of the budgetary constraints imposed by the ministry of finance on all policies. This influence, which can be very strong, may not be recognised by the social partners: some social partner respondents evaluated the influence of the ministry of finance as "none" (Croatia and Albania) and others as "little" (Romania and Republika Srpska) (18% of all responses).

Politicians and political parties have no influence, according to one respondent, while 35% grade their influence as "significant" and 35% as "medium". Most government responses fall in the latter category, while social partner responses are more evenly distributed among all five possible answers (from "1" for no influence to "5" for very high influence).

It was not uncommon for trade unions to be evaluated as having no influence at all: 18% (4 respondents in Croatia, Serbia and Republika Srpska) said trade unions had no influence and Albania designated this influence as "small" (making 23% of all respondents). Only 7 respondents out of 22–32% –

came up with “significant” or “high” evaluations. It is interesting that trade unions themselves believe their influence to be smaller than it is perceived by government representatives (57% of trade unions regarded their influence as “medium”, while 44% of government representatives considered trade union influence to be “significant” and another 44% as “medium”).

A similar pattern can be found in respect of employer association influence. Even more respondents marked the influence of employers’ associations as “none” or “little” – 48% – while nobody thought employers had “high” influence, and “significant” was offered in only four cases (19%) (government and trade union responses in Albania, Bulgaria, Croatia and Macedonia).

Various international bodies are believed to exert considerable influence, including the European Commission, the International Labour Organisation, the World Bank and the IMF

The European Commission (EC) had no or little influence according to 10 respondents (41%). On the other hand, high or significant influence was cited in 11 cases (50%), including Albania, Bulgaria, Macedonia, Romania and Bosnia-Herzegovina. Governments tend to rank the European Commission’s influence highly, consistent with the fact that almost all countries receive support from the EC: although this support differs from one country to another, it is usually complemented by strict monitoring and evaluation procedures in order to assess the results.

The influence of the World Bank and the IMF is also ranked as significant or high in 13 cases (62%); only 6 respondents (29% – Albania, Bulgaria, Croatia, Moldova, Serbia and Kosovo) took the opposite view.

The ILO is ranked as influential by 43% of respondents (9), while no or little influence appeared in 6 answers (29%). Respondents who do not perceive the ILO as influential in their country were found in Serbia, Romania and Croatia. High or significant influence again tends to be perceived by government representatives. This perhaps suggests that international organisations deal mainly with governments and less with the social partners, with the exception of the ILO.

4.2.6 The ability of social partners to contribute to the formulation and implementation of employment policies

If there is to be constructive social dialogue on labour market policy the social partners must have the appropriate capacities. Their own assessment of their ability to contribute significantly to the formulation of labour market policy is favourable: two respondents (both in Serbia) see themselves as well equipped and six as significantly so (61.5% of respondents), and at least some capacity is indicated by four social partner respondents. In other words, almost two-thirds of the social partners feel fairly well equipped to contribute to labour market policy creation and 88.5% can contribute at least to some parts of the strategy. (One respondent in Bulgaria said that they were little able to contribute, while one respondent in Republika Srpska said they were not able to at all.).

Table 3 Social partners' views on their own capacity to contribute to labour market policy creation

Capacity to contribute to:	Number of answers	Percentage
1. the whole strategy	2	15.4
2. a significant part of employment strategy	6	46.2
3. some aspects	4	26.9
4. a few aspects	1	3.8
5. almost no aspect	1	7.7

When it seems likely that the employment strategy has not been proposed by the social partners, but only by the government side, we need to find out how the social partners are informed. Their perception of main sources of information concerning proposed employment strategies is that governments alone or with another body (experts, trade union or employers' association) were the main information source (10 cases out of 11–91%).

In order to find out more about the real involvement of social partners in all stages of employment strategies, we asked about the specific involvement of social partners in the implementation of various labour market policy goals and tasks. Where applicable, the answers were as follows:

Table 4 Involvement of social partners in labour market policy implementation

Goal/task/area/ measure of labour market policy	Activity of social partners					
	1. Where one of the stakeholders evaluates the activity of the social partners significantly higher, it is represented by a “!”					
	2. Rows total 100%					
	Direct implementa- tion of the measure*	Indirect: providing funds (money)	Indirect: contributing to new legislation, which encompasses these goals	Other	Both direct + indirect involvement	No involvement of social partners
Labour law reforms	20%	0	50%	5%	20%	5%
Reform of labour market institutions (e.g. employment services, unemployment compensation)	29% ! gov !	0	43%	5%	14%	9%
Active labour market policies:						
<i>Promotion of lifelong learning</i>	25%	0	25%	10%	20%	20%
<i>Promotion of vocational training</i>	35%	0	20% ! TU !	5%	20% ! gov. !	20%

Goal/task/area/ measure of labour market policy	Activity of social partners					
	1. Where one of the stakeholders evaluates the activity of the social partners significantly higher, it is represented by a “!”					
	2. Rows total 100%					
	Direct implementa- tion of the measure*	Indirect: providing funds (money)	Indirect: contributing to new legislation, which encompasses these goals	Other	Both direct + indirect involvement	No involvement of social partners
<i>Promoting labour force mobility (geographical and occupational)</i>	9.5%	0	33% ! TU !	5%	14.5%	38% ! gov. !
<i>Job creation in SMEs</i>	15%	5%	25%	10%	15% ! gov. !	30%
<i>Promotion of community (public) work</i>	0	0	39%	0	22% ! gov. !	39%
<i>Incentives for increasing investment</i>	11%	0	32%	5%	5%	47% ! gov. !
<i>Promoting equal opportunities in the workplace</i>	29%	0	29% ! TU !	5%	19%	19% ! gov. !
<i>New forms of work organisation (flexible working arrangements, etc.)</i>	5%	0	32% ! TU !	5%	26% ! gov. !	32% ! gov. !
<i>Wage policy aiming at full employment and quality work (Minimum wage and pay framework)</i>	29%	0	29%	9.5%	19%	14%

Note: * such as introducing measures for equal pay, incentives for companies to take part in vocational training, job sharing by a worker of pre-retirement age and an apprentice, and so on.

Interestingly, governments more often indicate the involvement of social partners in various areas of labour market policy than the social partners themselves. On the other hand, government representatives also indicate the non-participation of social partners in many cases. Trade unions more often highlight their involvement in legislative processes.

4.2.7 Monitoring and evaluation of employment and labour market policies

The presumption behind questions on the existence or non-existence of monitoring mechanisms and employment policy evaluation was that it could be taken as indicative of a functioning employment strategy.

Employment policy monitoring mechanisms are cited by 66% of respondents (14). Lone voices in Bosnia-Herzegovina and Republika Srpska note no monitoring mechanism, while in Kosovo and Mon-

tenegro respondents claim the opposite. Respondents in other countries do not have uniform views: when we asked about the direct involvement of the social partners in monitoring, half of all respondents replied positively.

However, perceptions concerning the existence of monitoring and of social partner involvement in monitoring differ significantly. While 78% of government representatives talk about monitoring mechanisms, only 50% of employers' associations and 57% of trade unions do so. Concerning the involvement of the social partners, 79% of governments speak positively, while only 50% of trade unions and 17% of employers have the same opinion.

Table 5 Involvement of social partners in monitoring employment policies

Involved in monitoring	Trade unions' opinion on involvement of social partners	Employers'	Government's
No	3	5	2
Yes	3	1	7

Monitoring of employment policy is not necessarily accompanied by an evaluation of its effectiveness. The existence of an evaluation procedure and involvement in it of the social partners was mentioned by half of all respondents, with answers regularly distributed, indicating consonance of the perceptions of social partners and governments. No evaluation procedure was indicated in Bosnia-Herzegovina, Republika Srpska, Kosovo and Macedonia. Of course, there can be significant variations when the data are examined more closely, particularly unweighted responses. In Albania and Romania, for example, where we received more answers, it is interesting that the governments claim the existence of evaluation procedures, the employers claim the opposite, and the trade unions are split. Something similar can be observed in Bulgaria: the employers indicate the existence of an evaluation mechanism, while the trade unions are divided on the issue. The Moldovan government and trade unions are also at odds on this point.

Survey conclusions

Table 6 provides an overview of positive answers to crucial questions in the questionnaire. Each country or entity has only one "vote" in this table to even out inequalities in number of responses from each country. Countries not mentioned here either did not give an answer or gave a negative one.

²⁹ Non-Discrimination in the Area of Employment and Occupation in the Republic Of Croatia, Short Country Brief for the Meeting In Dubrovnik, 24-25 June 2004, Republic of Croatia, Ministry of the Economy, Labour and Entrepreneurship. Prepared by Lovrenka Brajkovic and Bulat Nenad Kazija.

³⁰ In the records of the Croatian Employment Institute, about 2.5% in total (or 7,500 persons) of persons with disabilities, about 60% of them men. In Croatia the proportion of disabled persons of working age who are permanently employed is 7.4%. The others all receive benefits in the welfare system.

Table 6 Positive answers to questionnaire

Country/ territory	Existence of long-term strategy	Existence of short-term strategy	Existence of other empl. policy fram work	Existence of social pacts on employment	Consensus on empl. strategy	Constructive environment for policy creation
Albania	x	x		x	x	x
Federation of Bosnia Herzegovina					x	x
Republika Srpska						
Bulgaria	x	x	x	x	x	x
Croatia						
Macedonia		x			x	x
Moldova	x	x		x	x	x
Romania	x	x		x		x
Serbia			x			x
Kosovo			x		x	x
Montenegro	x	x	x		x	x

All countries claimed the existence of a constructive environment for employment policy creation and, with the exception of Romania and Serbia, also consensus among the social partners. We can see clear differences in respect of the existence of an employment strategy caused, not surprisingly, by after-effects of war on the countries of former Yugoslavia. While EU candidate countries (Bulgaria and Romania) and countries which are poor but relatively peaceful (Albania and Moldova) claim all kinds of strategic frameworks for employment policy, this is not always true of the other countries in our survey. Montenegro is an exception, resembling more the first group of countries according to the questionnaire.

5. Conclusions

The report confirms our hypothesis that all SEE countries appear to have embraced the fundamental value of tripartism and social dialogue. They have undertaken significant steps to institutionalise tripartite social dialogue, often in difficult political, economic and social circumstances. They have established a framework within which representatives of government and social partners can interact in relation to economic and social issues of common interest.

Obviously, there are important differences between SEE countries in terms of progress towards full-fledged tripartism and effective tripartite social dialogue. While countries such as Bulgaria and Romania and, to a lesser extent Albania and Croatia – in the latter countries the experience of tripartite social dialogue was disrupted by political instability and the wars and conflicts that hit the region – appear to have acquired significant experience in tripartite social dialogue, in the other SEE countries (Bosnia-Herzegovina, FYR Macedonia, Moldova and Serbia and Montenegro, including Kosovo), the experience of tripartite social dialogue is more recent and remains fragile. In the first group of countries tripartite social dialogue is supported by a fairly well established institutional framework, while in the second the framework remains weak. For instance, the central tripartite body for social dialogue still lacks

the resources (human, financial, administrative) to operate effectively. We have also seen that in some of these countries (for instance, FYR Macedonia, Moldova, Federation of Bosnia-Herzegovina, Republika Srpska) the central tripartite body does not meet regularly, suggesting a lack of sustainability in respect of tripartite social dialogue although the challenges facing these countries are enormous.

There are a number of different reasons for this: on the one hand there are objective issues connected with a lack of experience of social dialogue and of resources, and the weakness of the actors themselves; on the other hand, there are also a number of subjective problems connected with the lack of political will to strengthen the existing framework of social dialogue and to use it effectively to address policy issues with employers' and workers' representatives.

Job creation is a central concern in all SEE countries because of the high rates of unemployment in the region. As the survey reveals it is a direct concern not only for government but also for trade unions (high unemployment means less members) and for employers (high unemployment means more social contributions to the employment fund, and so higher labour costs). The challenge of employment cannot be addressed effectively unless there is dialogue among the three actors with a view to building consensus on the types of employment strategy and policy to be developed and implemented at national level, as the experience of some EU countries has recently shown (Auer, 2000).

As already explained, SEE countries have instruments of social dialogue which could be used to address the problem of unemployment on a consensual basis. Some countries, such as Croatia and Romania, have already attempted to do so by concluding national tripartite agreements in which employment was a central concern. However, these agreements encountered a number of difficulties at the implementation stage. This suggests that some effort has to be made to improve the implementation of tripartite agreements with a view to building the confidence of social partners in tripartite social dialogue.

Establishing a framework for tripartite social dialogue is not enough; it should be actively utilised by the government to build consensus with the social partners on employment strategies and policies. According to the survey, the social partners in SEE countries still do not positively assess their participation in the formulation and implementation of employment strategies and policies. Most consider that this process lacks transparency and call for better communication between government and social partners. As representatives of the main labour market actors they evaluate their influence on employment strategies and policies as rather weak in comparison to technical ministries and international organisations. The social partners believe that their lack of influence is not due to their capacity to influence policies but to the way in which social dialogue functions (lack of transparency in policy elaboration, poor communication with the government). Poor communication between social partners and government seems to be a real problem in SEE countries. The majority (83% of employers' organisations and 66% of trade unions interviewed) rated communication with government as crucial for building consensus on employment policies. This might be due to the fact that governments sometimes use ad hoc means to consult social partners on employment policies rather than the existing institutional framework for tripartite social dialogue. At the same time, improving communication between the social partners is crucial for the effectiveness of the overall system of tripartite social dialogue.

Better and more systematic use of the existing institutional framework for tripartite social dialogue would probably improve communications and facilitate consensus building on employment policies in SEE countries.

Appendix 1 Two Questionnaires

Prague – Budapest, July 21st, 2003

Dear government representative

We would like to draw your attention to the attached questionnaire. The ILO Sub-Regional Office in Budapest is preparing a background paper on tripartite social dialogue over labour market policies for the Ministerial Conference on Employment in the 8 countries of the stability pact, which will be held in Bucharest on 30-31 October 2003. Evaluation of social partners' and governments' answers will be an important part of the paper. We would very much appreciate if you could spare half an hour answering our questions.

We want to evaluate the practice of tripartite social dialogue in area of labour market policies in general. The background paper will look at the way in, the extent to, which government is involving social partners in the formulation, implementation and evaluation of labour market policies in the eight South-Eastern European countries. The paper will be based on desk research of the framework for tripartite social dialogue in the respective countries and of labour market policies, on the one hand. On the other hand the "research" part will be complemented by a survey on the perception of the involvement of all social partners and governments in the management of labour market policies.

Well functioning labour market is fundamental in the fight against poverty and social exclusion. Without involvement of social partners, it would be very difficult to reach this goal. The principal challenge of the ILO Global Employment Agenda (as well as of the European Employment Strategy) is to make employment central to all economic and social policies. The project aims at bringing good and bad lessons to be learnt in this area. It also aims at contributing to the improvement of tripartite social dialogue on labour market policies in the region.

As far as methodology of the questionnaire is concerned, one representative of each actor of tripartite dialogue is asked to answer the questions. This will bring us a view of all tripartite actors on the practice of social dialogue over labour market policies in all selected countries. The purpose of this questionnaire is thus to obtain the views of government representatives on the way social partners are involved along with the government in the formulation, implementation and evaluation of labour market policies.

Please return the filled-in questionnaire before AUGUST 20TH, 2003 to Mrs. Marketa Vylitova, responsible for evaluation of questionnaires. We would prefer that you send it via email to marketa.vylitova@vupsv.cz and the ILO-SRO Budapest ghellab@ilo-ceet.hu

Thank you for your kind cooperation

Sincerely yours

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Questionnaire for governments

I. General questions – policy creation

1. Does your country **have a national employment strategy**? Please highlight the appropriate answer (Y or N) in each line.

a. Long or medium term Y / N

b. Short-term (instrument of implementation of the strategy) Y / N

c. Any other employment policy framework Y / N

Please specify:

2. In which way were the **social partners involved** in the preparation of employment strategies and policies?

Please mark all relevant answers.

	Trade unions	Unions of employers' organisations
Ad hoc conferences		
Regular tripartite consultation process		
Ministerial or inter-ministerial bodies		
Other. <i>Please specify:</i>		

3. Is there any committee/ body specifically dedicated to discuss employment strategies and policies within the general tripartite body of social dialogue?

Please highlight the appropriate answer (Y or N)

Y / N

a. If yes, what is its composition, its role and its mode of functioning? *Please specify*

composition	
role	
mode of functioning	

b. How do you assess its functioning and its influence on Government's policies on labour market?

Please specify:

4. Have there been any national agreement-social pacts on employment concluded in the past in your country? *Please highlight the appropriate answer (Y or N)*

Y / N

a. If yes, please describe it.

b. What have been their impacts? *Please specify:*

c. If not, what have been the obstacles, which prevented the conclusion of a national agreement-social pact in your country? *Please specify:*

5. Please evaluate the **influence of the following actors** in respect of labour market policy creation.

Please mark on the scale 1=no influence to 5=very high influence at each line.

Domestic Actors	Ministry of Labour	1	2	3	4	5
	Ministry of Finance / Economy	1	2	3	4	5
	Politicians, political parties	1	2	3	4	5
	Trade Unions	1	2	3	4	5
	Employers' organisations	1	2	3	4	5
International Actors	The European Commission (EU)	1	2	3	4	5
	The World Bank and the IMF	1	2	3	4	5
	The International Labour Organisation	1	2	3	4	5
Other actors (such as NGOs, national training boards, research institutes etc.). <i>Please specify</i>		1	2	3	4	5
		1	2	3	4	5

6. In your opinion, was / is there a **consensus** on the developed strategy?

a. Yes

b. No

7. How would you evaluate **the environment** of the creation of labour market policy in your country?

Please mark 1 of the following.

1	2	3	4	5
Consensus	Constructive Dialogue	Ignorance	Fight	Other. <i>Please specify:</i>

II. Implementation of employment strategies

8. Please try to specify, **how** did your Government **involve** social partners in pursuing implementation of the following goals / tasks / areas of labour market policy?

Goal / Task / Area / Measure	Social partners' involvement			
	Direct implementation of the measure*	Indirect		Other Please specify
		Providing funds (money)	Contributing to new legislation, which encompasses these goals	
Labour law reforms				
Reform of labour market institutions (e.g. employment services, unemployment compensation)				
Active Labour Market Policies:				
Promotion of lifelong learning				
Promotion of vocational training				
Promoting mobility of the labour force (geographical and occupational)				
Job creation in SMEs				
Promotion of community (public) work				
Incentives for increase of investment				
Promoting equal opportunities at the workplace				
New forms of work organisation (flexible working arrangements etc.)				
Wage policy aiming at full employment and decent work (Min. wage and pay framework)				
Other. Please specify:				

* such as introducing measures for equal pay, incentives for companies to take part in vocational training, sharing of job place by a worker in pre-retirement age and an apprentice, ...

III. Evaluation and monitoring

9. Is there a monitoring **mechanism in place** in employment policy in your country?

a. Yes.

i. How is your ministry **involved** in it? *Please specify:*

ii. How are the social partners involved in it? *Please specify:*

b. No.

10. Is there an **evaluation procedure** in place in employment policy in your country? (Evaluation of effectiveness)

a. Yes.

i. How is your ministry **involved** in it? *Please specify:*

ii. How are the social partners involved in it? *Please specify:*

b. No.

11. Please try to identify **ways of improvement of the social dialogue** in employment strategies.

On the scale 1= crucial to 5=unimportant, how would you rank the following options of improvement?

Better communication between social partners and the government	1	2	3	4	5
Better communication among social partners themselves	1	2	3	4	5
Increased transparency of employment policy-making processes	1	2	3	4	5
Improved technical capacities of social partners	1	2	3	4	5
Improved institutional framework	1	2	3	4	5
Other. <i>Please specify:</i>	1	2	3	4	5
	1	2	3	4	5
	1	2	3	4	5

12. **Any additional comments:**

Prague – Budapest, July 21st, 2003

Dear social partner

We would like to draw your attention to the attached questionnaire. The ILO Sub-Regional Office in Budapest is preparing a background paper on tripartite social dialogue over labour market policies for the Ministerial Conference on Employment in 8 countries of the stability pact, which will be held in Bucharest on 30-31 October 2003. Evaluation of social partners' and governments' answers will be an important part of the paper. We would very much appreciate if you could spare half an hour answering our questions.

We want to evaluate the practice of social dialogue in area of labour market policies in general. The background paper will look at the way in, the extent to, which social partners in eight South-Eastern European countries are involved or contribute to labour market policy creation. The paper will be based on desk research of the framework for tripartite social dialogue in the respective countries and of labour market policies on the one hand. On the other hand, the "research" part will be complemented by a survey on the perception of the involvement of all social partners and governments in the management of labour market policies.

Well functioning labour market is fundamental in the fight against poverty and social exclusion. Without involvement of social partners, it would be very difficult to reach this goal. The principal challenge of the ILO Global Employment Agenda (as well as of the European Employment Strategy) is to make employment central to all economic and social policies. The project aims at bringing good and bad lessons to be learnt in this area. It also aims at contributing to the improvement of social dialogue in labour market policies in the region.

As far as methodology of the questionnaire is concerned, one representative of each actor of tripartite dialogue is asked to answer the questions. This will bring us a view of all tripartite actors on the practice of social dialogue over labour market policies in all selected countries. The purpose of this questionnaire is thus to obtain the views of social partners on the issue of their participation in labour market policies.

Please return the filled-in questionnaire before AUGUST 20TH, 2003 to Mrs. Marketa Vylitova, responsible for evaluation of questionnaires. We would prefer that you send it via email to marketa.vylitova@vupsv.cz and to ILO-SRO Budapest ghellab@ilo-ceet.hu

Thank you for your kind cooperation

Sincerely yours

Marketa Vylitova

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Questionnaire for social partners
--

I. General questions – policy creation

13. Does your country **have a national employment strategy**? *Please circle the appropriate answer (Y or N) in each line.*

- | | |
|--|-------|
| a. Long or medium term | Y / N |
| b. Short-term (instrument of implementation of the strategy) | Y / N |
| c. Any other employment policy framework | Y / N |

Please specify:

14. In which way were the **social partners involved** in the preparation of employment strategies and labour market policies?

Please mark all relevant answers.

- a. Ad hoc conferences
- b. Regular tripartite consultation process
- c. Ministerial or inter-ministerial bodies
- d. Other. *Please specify:*

15. Is there any committee/ body specifically dedicated to discuss employment strategies and policies within the general tripartite body of social dialogue? *Please circle the appropriate answer (Y or N)*

Y / N

a. If yes, what is its composition, its role and its mode of functioning? *Please specify*

Composition	
Role	
Mode of functioning	

b. How do you assess its functioning and its influence on Government's policies on labour market?

Please specify:

16. Have there been any national agreement-social pacts on employment concluded in the past in your country? *Please circle the appropriate answer (Y or N)*

Y / N

a. If yes, please describe it.

b. What have been their impacts? *Please specify:*

c. If not, what have been the obstacles, which prevented the conclusion of a national agreement-social pact in your country? *Please specify:*

17. How would you assess the **capacity of your institution to contribute** significantly to the formulation of the labour market policy?

Capacity to contribute: Please circle the appropriate answer.

1	2	3	4	5
To the whole strategy	To significant part of emp. strategy	To some parts yes, to some no	To few parts of emp. strategy	To almost no point in employment strategy

18. What were your **main sources of information** on the proposed employment strategy?

Please choose 1, the most relevant answer.

- Government information policy / materials. *Please specify:*
- Expert studies. If so, by which experts? *Please specify:*
- Other trade union or employer association. *Please specify:*
- Other. *Please specify:*

19. Please evaluate the influence of the following actors in respect of the labour market policy creation. Please mark on the scale 1=no influence to 5=very high influence at each line.

Domestic Actors	Ministry of Labour	1	2	3	4	5
	Ministry of Finance / Economy	1	2	3	4	5
	Politicians, political parties	1	2	3	4	5
	Trade Unions	1	2	3	4	5
	Employers' organisations	1	2	3	4	5
International Actors	The European Commission (EU)	1	2	3	4	5
	The World Bank and the IMF	1	2	3	4	5
	The International Labour Organisation	1	2	3	4	5
Other actors (such as NGOs, national training boards, research institutes etc.). <i>Please specify</i>		1	2	3	4	5
		1	2	3	4	5

20. In your opinion, was / is there a **consensus** on the developed strategy?

- Yes
- No

21. How would you evaluate **the environment** of the creation of labour market policy in your country?

Please mark 1 of the following.

1	2	3	4	5
Consensus	Constructive Dialogue	Ignorance	Fight	Other. <i>Please specify:</i>

II. Implementation of employment strategies

22. Please try to **specify, how were you** (your organization / institution) **involved** in pursuing implementation of the following goals / tasks / areas of labour market policy?

Goal / Task / Area / Measure	Social partners' involvement			
	Direct implementation of the measure*	Indirect		Other Please specify
		Providing funds (money)	Contributing to new legislation, which encompasses these goals	
Labour law reforms				
Reform of labour market institutions (e.g. employment services, unemployment compensation)				
Active Labour Market Policies:				
Promotion of lifelong learning				
Promotion of vocational training				
Promoting mobility of the labour force (geographical and occupational)				
Job creation in SMEs				
Promotion of community (public) work				
Incentives for increase of investment				
Promoting equal opportunities at the workplace				
New forms of work organisation (flexible working arrangements etc.)				
Wage policy aiming at full employment and decent work (Min. wage and pay framework)				
Other. Please specify:				

* such as introducing measures for equal pay, incentives for companies to take part in vocational training, sharing of job place by a worker in pre-retirement age and an apprentice, ...

III. Evaluation and monitoring

23. Is there a monitoring **mechanism in place** concerning employment policy in your country?

- a. Yes.
- b. No.

24. Is there an **evaluation procedure** in place concerning employment policy in your country?

- a. Yes.
- b. No.

25. Are you (institution you're representing) directly **involved** in:

- a. **Monitoring** of employment strategy?
 - i. Yes. *Please specify How?*
 - ii. No. *Please specify Why?*
- b. **Evaluation** of effectiveness of labour market policy?
 - i. Yes *Please specify How?*
 - ii. No *Please specify Why?*

26. Please try to identify ways of improvement of social dialogue in employment strategies.

On the scale 1= crucial to 5=unimportant, how would you rank the following options of improvement?

Better communication between social partners and the government	1	2	3	4	5
Better communication among social partners themselves	1	2	3	4	5
Increased transparency of employment policy-making processes	1	2	3	4	5
Improved technical capacities of social partners	1	2	3	4	5
Improved institutional framework	1	2	3	4	5
Other. <i>Please specify:</i>	1	2	3	4	5
	1	2	3	4	5
	1	2	3	4	5

27. **Any additional comments:**

Appendix 2

List of responses received by 30 September 2003⁷

Questionnaire⁸ on SD and Employment in the Stability Pact Countries.

No.	Country	Government	TU	Employers
1	Albania	Ministry of Labour and Social Affairs	* Albanian Trade Union Confederation * Union of Independent Trade Unions of Albania	Council of Employers' Organisations
2.1	Federation of Bosnia-Herzegovina	Ministry of Labour and Social Affairs		Employers' Association in the Federation of Bosnia-Herzegovina
2.2	Republika Srpska	Ministry of Labour and War-Invalids' Welfare	Confederation of Trade Unions of Republika Srpska	
3	Bulgaria		* Confederation of Independent Trade Unions in Bulgaria – CITUB * Confederation of Labour - “Podkrepa”	Bulgarian Industrial Association – BIA
4	Croatia	* Office for Social Partnership * Croatian Employment Bureau		
5	FYR of Macedonia	Ministry of Labour and Social Policy		
6	Moldova	Ministry of Labour and Social Protection	Confederation of Trade Unions of the Republic of Moldova – CSRM	
7	Romania	Ministry of Labour and Social Solidarity	* Trade Union National Bloc – BNS * National Trade Union Confederation – Cartel Alfa * Democratic Trade Union Confederation of Romania – CSDR	Confederation of Romanian Employers – CPR
8.1	Serbia	Ministry of Labour and Employment	Trade Union Confederation “Nezavisnost”	Union of Employers of Serbia
8.2	Kosovo	Ministry of Labour and Social Welfare		
8.3	Montenegro		Confederation of Trade Unions of Montenegro	

⁷ We gratefully acknowledge the contributions by representatives of governments and the social partners to the survey, which served as a basis for this publication.

⁸ Number of questionnaires sent out in total (37), broken down as follows: governments (11), employers (11), and trade unions (15).

Appendix 3

Table 7a Central tripartite bodies in SEE countries: institutional and procedural arrangements

	Name and date of creation	Instrument of creation	Composition	Role	Areas of competency	Number of sub-committees/existence of an employment sub-committee	Resources of tripartite bodies
Albania	National Labour Council, created in 1997	Law	25 members – G: 5 – W: 10 – E.: 10	Consultative	Social policy, employment policy, wages, labour law, OSH, social protection	6 sub-committees: one on employment	– Permanent secretariat linked to the Ministry of Labour (3 persons) – Budget: Ministry of Labour
Federation of Bosnia and Herzegovina	Economic and Social Council, created in 2002	Tripartite agreement	15 members – G: 5 – W: 5 – E: 5	Consultative and advisory	Social policy, employment, economic policy, wages, labour law, OSH, social protection, gender, education, regional integration	2 sub-committees: one on employment and social policy	– Permanent secretariat linked to the Federal Ministry of Labour and Social Policy (1 person) – Budget: Federal Ministry of Labour and Social Policy
Republika Srpska	Economic and Social Council, Created in 1997	Tripartite agreement/law	9 members – G: 3 – W: 3 – E: 3	Consultative and advisory; Negotiation of tripartite agreements	Social policy, employment, economic policy, wages, labour law, OSH, social protection, gender, education, regional integration, promotion of collective agreements	No sub-committees	– No permanent secretariat – Budget: Ministry of Labour
Bulgaria	National Council for Tripartite Cooperation created in 1992	Law	14 members – G: 2 – W: 4 – E: 8	Consultative, negotiation of tripartite agreements/Settlement of labour disputes	Social policy, employment, economic policy, wages, labour law, OSH, social protection	5 sub-committees; separate tripartite body on employment promotion	– Permanent secretariat linked to Council of Ministers (4 persons) – Budget: Council of Ministers

Croatia	Economic-Social Council (GSV), created in 1993	Tripartite agreement/law	15 members – G: 5 – W: 5 – E: 5	Consultative and advisory	Social policy, employment policy, economic policy, wages, labour law, OSH, social protection, gender, education	10 sub-committees: one on employment and social policy	– Permanent secretariat linked to government office (4 persons) – Budget: government office
FYR of Macedonia	Economic-Social Council, created in 1996	Tripartite agreement	9 members – G: 3 – W: 3 – E: 3	Consultative and advisory, Negotiation of tripartite agreements	Social policy, employment policy, economic policy, wages, labour law, social protection	4 sub-committees: no sub-committee on employment	– No permanent secretariat – No budget
Republic of Serbia	Social-Economic Council, created in 2001	Tripartite agreement/reformed by a law in 2004	18 members – G: 6 – W: 6 – E: 6	Consultative, Settlement of labour disputes	Development and promotion of collective bargaining, employment policy, wage and price policy, privatisation, competitiveness, education, health and social security, demographic trends	6 sub-committees: Separate tripartite employment council Steering committee of the national employment service	– Permanent secretariat: linked to government office – Budget: Ministry of Labour and Employment
Kosovo	Tripartite Advisory Council, established in 2001	UNMIC regulation	15 members – G: 5 – W: 5 – E: 5	Consultative and negotiation of tripartite agreements	Social policy, employment, economic policy, wages, labour law, OSH, social protection, gender, education, privatisation.	No sub-committees	– Permanent secretariat: linked to the Ministry of Labour and Social Welfare (1 person) – Budget: Ministry of Labour and Social Welfare
Montenegro	Economic and Social Council, created in 2001	Government regulation	38 members – G: 7 – W: 7 – E: 7 – Others: 17	Consultative	/	/	/
Moldova	Republican Commission for Collective Negotiations, created in 1999	Government regulation	30 members – G: 10 – W: 10 – E: 10	Consultative and negotiation of tripartite agreements	/	No sub-committees	– No permanent secretariat – Budget: ??
Romania	Economic and Social Council, created in 1997	Law	27 members – G: 9 – W: 9 – E: 9	Consultative	Social policy, employment, economic policy, wages, labour law, OSH, social protection, gender, education, privatisation.	10 sub-committees Separate tripartite body on employment promotion	– Autonomous permanent secretariat (30 people) – Budget: state budget

Notes: G: Government; W: Workers' organisations; E: Employers' organisations; OSH: Occupational Safety and Health.

Table 7b Central tripartite bodies in SEE countries: composition, chairing and systems of operation

	Ministries represented	Workers' organisations (In brackets: number of representatives)	Employers' organisations (In brackets: number of representatives)	Independent experts	NGOs	Chair of the Central Tripartite Body	Setting of the agenda	Number of meetings per year
Albania	Labour and Social Affairs, Finance, Justice, Education, Health	* Albanian Trade Union Confederation (5) * Union of Independent Trade Unions of Albania (4) * Albanian Union of Workers (1)	* Employers' Organisations Council (4) * Albanian Union of Business Organisations (3) * Albanian Constructors' Association (1) * Investors' & Industrialists' Association (1) * Agro-Business Association (1)	Yes (ad hoc)	No	Minister of Labour and Social Affairs	Chairperson after consultation with social partners	4
Bulgaria	Labour and Social Policy	* Confederation of Independent Trade Unions in Bulgaria – CITUB (2) * Confederation of Labour "PODKREPA" (2)	* Bulgarian Industrial Association (2) * Union for Private Economic Enterprises (2) * Union of Private Bulgarian Entrepreneurs (2) * Bulgarian Chamber of Commerce and Industry (2)	Yes (ad hoc)	No	Minister of Labour and Social Policy	Chairperson	More than 5
Croatia	Labour and Social Welfare, Economy, Finance	* Independent Trade Unions' Confederation of Croatia (1) * Public Servants' Trade Unions of Croatia (1) * Independent Croatian Trade Unions (1) * Croatian Association of Trade Unions (1) * Association of Workers' Unions of Croatia (1)	Croatian Employers' Association (5)	Yes (ad hoc)	No	Rotating system	Chairperson in consultation with the other members	More than 5
Federation of Bosnia and Herzegovina	Labour, Finance, Energy, Mining and Industry, Trade, Traffic and Communications	Confederation of Independent Trade Unions of Bosnia and Herzegovina (5)	Employers' Association in the Federation of Bosnia and Herzegovina (5)	Yes	No	Independent expert	Chairperson	More than 5

Republika Srpska	Labour, Economy, Finance	Confederation of Trade Unions of the Republika Srpska (3)	* Board of Employers within Chamber of the Economy of the Republika Srpska(2) * Employers' Confedera- tion of the Republika Srpska (1)	No	No	Elected by the ESC' members	Chairperson	More than 5
FYR Macedonia	Labour and Social Policy, Economy, Finance	Confederation of Trade Unions of Macedonia (3)	Chamber of Economy (3)	Yes	No	Minister of Labour and Social Affairs		
Moldova	Labour and Social Protection, Industry, Construction and De- velopment of Territory, Health, Agriculture and Food Industry, Justice, Economy, Transport and Telecommunications	* Trade Unions' Confederation of the Republic of Moldova (5) * Free Trade Unions' Confederation "Solidarity" (5)	National Confederation of Employers' Organisations (10)			Deputy Prime Minister	Chairperson	More than 5
Romania	Labour and Social Solidarity, Finance, SMEs, Education and Research, Health and Family, Transport, Public Works and Housing, Agriculture	* National Free Trade Union Confederation of Romania – FRATIA (2) * Trade Union Confedera- tion – Meridian (1) * Democratic Trade Union Confederation of Romania – CSDR (2) * Trade Union National. Bloc – BNS (2) * National Trade Union Confederation – Cartel Alfa (2)	* National Council of Ro- manian Employers – CONPR (1) * Romanian National Employers – PNR (1) * General Union of Indus- trialists of Romania 1903 – UGIR 03 (1) * National Council for Pri- vate SMEs of Romania (2) * Employers' Confedera- tion of Romanian Industry (2) * General Union of Indus- trialists of Romania – UGIR (1)	No	No	Rotating System	Tripartite Consulta- tion	More than 5

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	Ministries represented	Workers' organisations (In brackets: number of representatives)	Employers' organisations (In brackets: number of representatives)	Independent experts	NGOs	Chair of the Central Tripartite Body	Setting of the agenda	Number of meetings per year
Republic of Serbia	Labour and Employment, Economy and Privatisation, Social Affairs	* Confederation of Autonomous Trade Unions of Serbia (2) * Trade Union Confederation "Nezavisnost" (2) * Association of Free and Independent Trade Unions (2)	Union of Employers' of Serbia (6)	Yes	No	Rotating system	Chairperson in consultation with the SEC members	More than 5
Kosovo	Labour and Social Welfare, Trade and Industry, Finance and Economy, Ministry of Science and Technology	Independent Trade Union of Kosovo (5)	Chamber of Commerce (5)	Yes	No	Rotating system	Tripartite consultation	3-4 meetings
Montenegro	/			/	/	/	/	/

Table 7c SEE Countries and the European Social Charter (situation as of 23 June 2003)

Member states	Signatures	Ratifications	Acceptance of the collective complaints procedure
Albania	21/09/98	14/11/02	
Bosnia and Herzegovina			
Bulgaria	21/09/98	07/06/00	07/06/00
Croatia	08/03/99	26/02/03	26/02/03
Former Yugoslav Republic of Macedonia	05/05/98		
Moldova	03/11/98	08/11/01	
Romania	14/05/97	07/05/99	
Serbia and Montenegro			

Note: The **dates in bold** correspond to the dates of signing or ratification of the 1961 Charter; the other dates correspond to the signing or ratification of the 1996 revised charter.

Source: Council of Europe.

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