

Social Dialogue in the Baltic Sea Countries

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CONTENTS

1. Introduction	
1.1 Social dialogue and social partners	3
1.2 Preconditions for an efficient social dialogue	4
1.3 The report's focus, structure and method	5
1.4 The list of interviewees	7
2. Social dialogue at national level	
2.1 The general picture	8
2.2 National characteristics	13
2.3 The future of social dialogue at national level	16
3. Social dialogue at regional and local level	
3.1 Regional and local social dialogue in Kaliningrad, Leningrad and Sct. Petersburg	18
3.2 Regional and local social dialogue in Poland	20
3.3 Regional and local social dialogue in Estonia, Latvia and Lithuania	21
3.4 The future of the regional and local social dialogue	22
4. Social dialogue at sectoral level	
4.1 The general picture	23
4.2 National characteristics	26
4.3 The future of the sectoral dialogue and organisations	28
5. Social dialogue at company level	
5.1 The general picture	31
5.2 National characteristics	34
5.3 The future of the social dialogue at company level	37
6. Conclusions	39
References	43
Tables	44

1. Introduction

Since the 1980s, the term “Social Dialogue” has increasingly been applied to describe a process of negotiation and consultation between the key social partners: the State, employers' organisations and trade unions. Though the dialogue can encompass all sorts of issues across a broad socio-economic spectrum, the main focus is often on issues related to the labour market and social policy. Social dialogue must be perceived as contrasting with forms of regulation where the government assumes the sole right to regulate, or where regulation is left to the market forces. The use of the term is often associated with a belief or hope that dialogue can be used as a tool to prevent and solve disputes.

In the Baltic Sea countries – which for the purpose of this report are defined as Estonia, Latvia, Lithuania, Poland and the Russian Baltic Sea regions (Kaliningrad, Leningrad and Sct. Petersburg) – social dialogue has played an important part in the economic and social process of transition which the countries have been undergoing.

1.1 Social dialogue and social partners

Even though the government in the Baltic Sea countries have assumed the main responsibility for the transition process, they have sought to share the responsibility with different socio-economic interest groups by involving them in the political decision-making processes. The most important of those interest groups included the new trade unions, the reformed trade unions and employers' confederations. Employers' organisations existed in very few countries in the region during the earlier plan-economy period.

The dialogue between the government, trade union confederations and employers' confederations, which is one of many possible forms of social dialogue, is referred to as tripartism. Tripartite co-operation can consist of negotiations that are, in fact, binding, insofar as the parties undertake a commitment to comply with the decisions reached; or it can consist of less binding consultations where the social partners are being consulted by the government. Tripartite co-operation can be conducted at national, sectoral, regional or local level.

The parties involved in tripartism - the social partners - have, of course, different interests in the dialogue. For national governments, the main purpose of tripartite arrangements is to obtain information on - and balance the interests of - major social partners to ensure that they support government policies. Once such support is secured, the government can formulate effective socio-economic policies reflecting the social partners' views and concerns. An important spin-off of tripartite consultative arrangements is a reduction of social tensions, which, of course, benefits all the parties involved.

For social partners, the purpose of tripartism is to influence social and labour-market policies, and provide service to their members. As the same time, tripartite arrangements allow organisations to consolidate themselves and define their own roles vis-à-vis their members and society at large.

The social dialogue can also assume the form of bipartism. Bipartite co-operation between the government and trade unions has been practised in the Baltic Sea countries in cases in which there has been no employer party that could be involved in the negotiations. But the term bipartite co-operation also covers the dialogue in the form of collective bargaining and consultation between employees and employers, both at the workplace and between their respective organisations at national, sectoral or regional level.

In its bipartite form, the social dialogue is often related to negotiations on pay and working conditions. From a purely economic point of view, the interest of employers in these negotiations, both individually and collectively, is to minimise wages and improve performance, while the interest of employees is to maximise wages and secure optimum working conditions. However, even though this understanding of interests is sufficient for some situations, it is too narrow in others. Firstly, employers and employees can also use the collective bargaining process to make workplace changes aimed at improving competitiveness and increasing the productivity "cake". Employers must then see employees as a resource to be developed and motivated, while employees recognise that, under certain circumstances, short-term wage restraint can result in higher wages and better working conditions in the long run. Secondly, the purely economic considerations may not be the sole issue; other aspects, e.g. social or human, may also require consideration. In the Baltic Sea countries this has led, for example, to situations in which the management of large privatised enterprises was very reluctant to dismiss employees, even though a purely economic assessment indicated that this was the only appropriate solution.

1.2 Preconditions for an efficient social dialogue

The social partners can participate effectively in the social dialogue only if certain preconditions are met:

First, it is essential that all the parties involved, i.e. governments, employers' organisations and trade unions, have the capacity and legitimacy to act on behalf of those they represent. If this is not the case, there is a real risk that the agreements will not be respected or will trigger tensions within and between the individual interest groups.

Second, it is important that the division of power between the negotiating partners is balanced. In bipartite or tripartite co-operation, the negotiating partners will seldom be fully equal in terms of power. But if the imbalance is great, this can lead to situations in which the weakest parties (or party) will enter into compromises that run counter to their interests and undermine their legitimacy. An imbalance can also result in a refusal by the strongest party to accept any compromise or feel under no obligation to respect the compromises reached.

Third, the parties involved must be in agreement as to the overall national goals, even though they represent conflicting interests.

Fourth, it is important that the parties involved have a positive attitude to co-operation and recognise the legitimate interests of the other negotiating partners. If this requirement is not met, bipartite or tripartite co-operation can often turn itself into a charade; the parties meet, but it is either difficult or impossible to conclude any agreements.

This report will attempt to determine the extent to which the social dialogue in the Baltic Sea countries meets these four preconditions for a smoothly functioning dialogue. It will, therefore, focus on compliance with these preconditions rather than on compliance with ILO's recommendations and conventions, or with the EU requirements with regard to the social dialogue as a precondition for accession to the Union.

1.3 The report's focus, structure and method

The report will deal with social dialogue in the form of both tripartite and bipartite co-operation in the Baltic Sea countries, though the main emphasis will – in compliance with the terms of reference laid out by Denmark's Ministry of Labour – be on tripartism. Moreover, tripartite co-operation at national level will receive more detailed attention since it is deemed to be the most important, but the report will also analyse tripartite co-operation at regional and local level. It will present analyses of bipartite co-operation, mainly in the form of collective bargaining, the focus being on the company level rather than on the national level since this form of co-operation is most widespread at individual companies.

The following structure has been adopted for the report: Chapter 1 contains Introduction. Chapter 2 presents an analysis of tripartite co-operation at national level, both as practised in the countries' key national tripartite bodies and in the more specialised national tripartite bodies, focusing on specific areas of policy, e.g. employment, education/training, social security or the working environment. This part of the analysis does not address national tripartite co-operation in the Russian Federation since only three of Russia's administrative regions are covered by this analysis. In Chapter 3, the focus is on tripartite co-operation at regional and local levels, covering all seven countries and regions. Chapter 4 deals with the social dialogue at sectoral level, i.e. agreements concluded at sectoral level between trade unions and employers' organisations. In Chapter 5, the theme is bipartite co-operation at company level. Chapter 6 presents the main conclusions challenges facing the social dialogue.

In each chapter, in addition to presenting the status of the social dialogue, the aim is to offer ideas – based on the national representatives' (interviewees') own statements – on how the challenges confronted by the social dialogue can be tackled, thus promoting further development of the dialogue.

Unless otherwise stated, the report is based on a questionnaire survey and a round of interviews conducted by the Research Centre for Employment Relations (FAOS), Department of Sociology, University of Copenhagen, during the period May-July 2000. The interviewees were high-ranking representatives of the labour-market authorities (Ministries of Labour), main organisations (trade unions and employers) and labour-market researchers in the seven countries and regions concerned. The said interviewees completed questionnaires and were subsequently interviewed for 1½-2 hours. In each country or region, 4-7 interviewees (a total of 35) participated in the survey.

The results of the survey are subject to certain reservations. First, some elements of the social dialogue have not been dealt with because of constraints on space. These include industrial action and the dialogue related to conciliation, mediation and arbitration (for a survey of these factors, see Casale 1999). Second, there was only a limited amount of time available for compilation of data. It has thus proved impossible to involve more than the 4-7 representatives from each country or region referred to above. This results in a report that tends to be of a general and interim nature. Third, the societies covered by the study are very different. There are three small countries (Estonia, Latvia and Lithuania), three regions (Kaliningrad, Leningrad and St. Petersburg) with populations the same size as those of the three small countries, and finally one large country (Poland). The difference in the size and status of the above societies makes it difficult to make comparisons across countries and regions (see Table 1).

1.4 The list of interviewees

Country/Region	First name	Second name	Organisation
Estonia	Eve	Parendson	Adviser on International Relations, Estonian Confederation of Employers and Industry
	Tonu	Vare	Secretary of Press, Confederation of Estonian Trade Unions
	Krista	Loogma	Project Director, Estonian Institute for Future Studies
	Eike	Hindov	Head of ILO Bureau, Ministry of Social Affairs
Kaliningrad	Alexandr	Miljko	Executive Director, Union of Industrialists and Businessmen, Kaliningrad
	Alexandr	Frolenko	Vice-chairman, Federation of trade Unions in Kaliningrad region
	Anatolij	Chuikin	Director, Faculty of Economy, Kaliningrad University
	Olga	Babinovskaya	Chief, Committee for Labour and Social Affairs
	Vladimir	Shirokov	Vice-director, Employment Service

Latvia	Vladimirs	Lapshins	Deputy director-general, Latvian Employers Confederation
	Peteris	Krigers	Vice-president, Latvian Federation of Free Trade Unions
	Aivars	Tabuns	Researcher, Latvian Academy of Science
	Sarmite	Catlaka	Secretary, National Tripartite Council
	Janina	Kusnere	Head of Division, Ministry of Welfare
Leningrad	Garri	Lysjuk	Vice-president, Confederation of Trade Unions, Leningrad and Saint Petersburg
		Glebov	President, Association of Leningrad Business
	Olga	Hizhuk	Chief, Committee for Labour and Social Affairs
	Pavel	Chugunov	Vice-director, Employment Service
Lithuania	Zenonas	Kaminskas	President, Lithuanian Business Employers Confederation
	Kazimieras	Kuzminskas	Lithuanian Labour Federation
	Mindaugas	Kuraitis	Head of the Tripartite Body Secretariat
Poland	Wojciech	Kornowski	President, Polish Employers Confederation
	Barbara	Klakovska	Director, Polish Private Employers Confederation
	Richard	Lepik	President, OPZZ
	Andrej	Adamchik	International Secretary, Solidarnosc
	Maria	Matey	Professor, Academy of Science
	Marek	Pliszkiwicz	Adviser to the Minister of Labour and Social Policy
	Barbara	Skulimowska	Director, Ministry of Labour and Social Policy
Saint Petersburg	Vladimir	Koveshnikov	President, Saint Petersburg Employers Association
	Vladimir	Pererest	Director, Centre for Strategic Analysis
	Andrej	Gromov	Head of Division, Committee for Labour and Social Affairs
	Alexander	Krotov	Vice-director, Employment Service

2. Social dialogue at national level

In most countries in Eastern and Central Europe – including the Baltic Sea countries – tripartite co-operation at national level has, perhaps, been the most important component in the social dialogue. Tripartite co-operation – as it will usually be called in the following, even though that term often includes social partners other than just government, employer and employee representatives – assumes different forms. On the one hand, there is tripartite co-operation at national level covering general social and economic issues across the various policy areas. This co-operation can be conducted either as ad hoc negotiations/consultations or in permanent bodies; the latter is the most widespread form. Parallel with the tripartite co-operation at national level, there is also a pattern of specialised co-operation limited to different policy areas. This co-operation is – almost without exception – practised in permanent tripartite bodies.

Even though both tripartite co-operation at national level and the more specialised tripartite co-operation are dealt with in this chapter, the main emphasis is on the former.

2.1 The general picture

Establishing tripartite bodies

Tripartite co-operation at national level commenced in the first half of the 1990s, although permanent bodies were not immediately set up in all the countries in question; in some of those countries, the first step was to hold meetings between the government and the social partners on an ad hoc basis. Since mid-1990s, countries that had not already established permanent national tripartite bodies finally did so – Lithuania in 1995 and, most recently, Estonia in 1999.

There were many reasons for establishing such bodies. Some of the countries were experiencing extensive industrial action (strikes), and the governments needed someone with whom to share the responsibility for privatisations and social reforms. Another reason for setting up these bodies was that the social partners – especially employers – were so weakly organised during the early stages of the reform process that the government could not delegate responsibility for a reform of the regulation of pay and working conditions to the social partners, but was itself compelled to assume the main role in tackling this issue. Another factor that played a role was the fact that the countries have had a tradition of centralised governance. The government, the party and the state-dependent trade unions and managers of state monopolies have – during the plan-economy period – conducted a dialogue on production targets and pay and working conditions which gave the management and trade unions formal (but not actual) power (Petersen & Ronit 1994, p. 33). Finally, the inspiration from certain parts of Western Europe and the requirements laid down by the EU and ILO played a part, too. Where tripartite co-operation in the West has functioned at its best, it has facilitated implementation of government measures and reduced the level of disputes between the social partners.

The governments have emerged as the official initiators of the moves to establish tripartite co-operation at national level, but in many cases the driving force was urging or pressure from the trade union movement which saw tripartite co-operation as a tool to gain influence and achieve results that could not be achieved via direct negotiations with the employers. The employers have been either too weakly organised or have been incapable of seeing the advantages of establishing such co-operation structures.

Content

In the new millennium, the tripartite bodies continue to focus on many of the same essential issues addressed from the earliest stages: reforms of labour-market legislation, social reforms, employment, pensions and – in particular –

the minimum wage. Vocational education and training are, however, among the new areas to be assigned a high priority, whereas privatisation is a subject that is now seldom emphasised as one of the main issues to be addressed within the framework of tripartite co-operation. This may be due to the fact that the privatisation process has now been completed in most of the countries covered by this study.

Participants

The number of representatives varies from 14 to 21, allocated by applying the parity principle. The government is represented by ministers or civil servants. Representatives of employers and trade unions usually come from the confederations; if there are several confederations, all (or several) of them will be represented. In some cases, independent (non-affiliated) trade unions are also represented.

There are two types of trade union confederations. One is the reformed grouping of trade unions that existed during the plan-economy period. For example, the reformed trade union confederation in Poland faces competition from an independent trade union movement established in the 1980s in opposition to the then regime.

Prior to the 1990s, employers' organisations were virtually non-existent, except for a small employers' association in Poland. In the early 1990s, employers' confederations were established in all the countries in question. The government and/or trade unions in several of the countries have been pressing ahead with – or become actively involved in – the formation of employers' confederations. The establishment of employers' organisations has served the interests of the government and trade unions insofar as they needed a negotiating partner to gain influence over pay and working conditions. Initially, these organisations were dominated by large privatised enterprises but private firms that have never been state-owned have come to play an increasingly important part. In 1998, a special employers' association was established in Poland for small and medium-sized enterprises.

In some cases, other social partners than the main three play a part. In Estonia where the overall national tripartite co-operation is divided into a tripartite council and tripartite negotiations, a number of experts and a representative of the banking sector are members of the tripartite council. However, they are not involved in the negotiations but participate in an advisory capacity.

Legal basis and powers

The legal basis of the tripartite bodies is an issue frequently debated in most of the countries in question. The first point of controversy is that the tripartite bodies do not usually have any direct statutory authority (i.e. they are not authorised by an Act); their legal basis consists of governmental decisions. This raises the question of the legitimacy of the tripartite bodies.

Moreover, the powers of the tripartite bodies are not always clearly defined. In some cases, there is a lack of clarity with regard to a) the extent to which the parties are bound by the decisions made or b) the issues that the body concerned can deal with. This can lead to disputes between the government and the other members of the tripartite body. In the countries in which the legal basis of the tripartite bodies is regarded as being inadequate, steps are being taken to revise and develop that basis with a view to solving these problems.

The tripartite bodies at national level usually work with the government in an advisory capacity. This means that most of the decisions made by a tripartite body are only indicative for the government. However, when the decisions are to be followed up by legislative process in parliament, in most cases the governments feel bound by the decisions made by the tripartite body.

The role of the tripartite bodies is not, however, restricted in all policy areas to making recommendations. In some cases, legislation or government decisions confer real decision-making powers on the tripartite bodies. This is the case in Poland, for example, with regard to fixing the minimum wage, which is determined by the tripartite body if agreement can be reached.

The decision-making processes

The meetings – which are held either once a month or once every three months – are subject to a consensus requirement: if agreement cannot be reached, consideration of the item is usually postponed until a later date. During the intervening period, the issue may be dealt with in sub-committees or working groups. An item is seldom totally abandoned when agreement cannot be reached; if it proves difficult to reach a consensus, the usual practice is to consider the case for more than a year.

Even though very few interviewees regard the tripartite bodies as being torn by conflicts (only in Poland the level of dispute has obstructed the decision-making processes for a longer period), there is no doubt that it is often very difficult to establish a consensus in the key national tripartite bodies.

In particular, it is difficult to reach agreement on such “economic” issues as the minimum wage, taxes and pensions. The revision of labour codes and other labour-market legislation is also a contentious issue. Employers are often interested in extensive legislative reforms resulting in less regulation and greater flexibility, whereas trade unions believe that extensive statutory legislation is still required to ensure decent pay and working conditions.

In the survey, the representatives from the key national tripartite bodies find it easier to identify issues on which it is easy to reach an agreement, e.g. decisions related to tax fraud.

In general, employers and trade unions find it easiest to reach agreement with each other, mainly because the tripartite council to a large extent deals with public expenditure which involves intense pressure from the social partners, while the government representatives argue for restraint with a view to meeting budgetary requirements.

The parliamentary situation also plays a part in determining which social partners find it easiest to reach agreement with one another. The policy preferences of the government in office obviously influence the situation indicating the side – employers or trade unions – with which it is most likely to reach agreement.

Formerly, internal disagreement – especially among the social partners – was more common than it is today. The interviewees regard this disagreement mainly as a “teething problem,” i.e. as a problem that the tripartite bodies will gradually overcome. Internal differences are now often settled prior to the meetings – or they are simply not made public. Nonetheless, some of the key national tripartite bodies – including Poland’s – still experience the problem of internal disagreement.

The interviewees were not unanimous in their overall evaluation of the decision-making processes. Some of them – though by no means all – thus regard these processes as being too slow and lacking in efficiency.

The social partners' power and influence

The balance of power between the social partners obviously influences the outcome of the decision-making process, but it also plays a part in determining whether tripartite co-operation can at all function. The balance of power will seldom be equal, but if the imbalance is *too* great, it can undermine the co-operation and cripple the decision-making process.

The power of the social partners is derived from many factors: 1) their general position in society, 2) their resources – economic and organisational, and 3) factors pertaining to the decision-making processes, e.g. the consequences in cases in which the actors fail to reach agreement and no decision can be made.

The interviewees do not agree as to who has the most power and influence, indicating that this is a complex question and that the emphasis can be placed on different factors. But – in general – the government representatives are named as the strongest party, i.e. as the party that exerts the greatest influence on the decision-making. This is partly because they often have the best organisational resources and thereby easy access to analyses etc., and partly because in the vast majority of cases the government is in a position to make unilateral decisions if agreement cannot be reached in the tripartite body. E.g., this

is the case with the minimum wage and other issues to be incorporated in the national budget which cannot be postponed in the event of failure to reach agreement.

Another factor making the State the strongest of the three parties is the fact that on most issues the tripartite bodies are limited to a consultative role.

The question of the internal balance of power between the two social partners is less clear although a small majority of the interviewees consider trade unions to be the strongest partner. The relative strength of the trade unions can be attributed to the fact that – although they have suffered a decline in membership – they have considerable organisational resources. Moreover, they – even the new trade unions – have had more time for consolidating their position than the employers whose organisations have in some cases been established only a few years ago. Another factor that gives trade unions more influence than employers is that the former more often take the initiative to have issues considered in the tripartite bodies; they are much more involved in setting the agenda. Nonetheless, some of the interviewees emphasise that the employers, despite their weaker organisation, still get better secretarial services for their representatives, have more resources for analyses, etc. Furthermore, employer representatives have fewer problems than trade union representatives in dealing with internal divisions.

Acting on decisions and recommendations

As mentioned earlier, the key national tripartite bodies usually have a consultative function in relation to the political system, and their decisions normally have the status of recommendations. Most of the interviewees agree, however, that in most cases the governments adopt the recommendations made by the tripartite bodies. But this does not in all cases constitute a guarantee for implementation of what has been decided, as parliament must often be involved in the process.

In all the countries covered by the survey, however, in some cases the social partners are of the opinion that 1) the government has made major decisions without consulting the tripartite body, 2) the government has ignored its recommendations, 3) the government has not been able to await agreement in the tripartite body and has itself made a decision, 4) the decisions of the tripartite body have not been followed up. When this has happened, in some cases it has led to major disputes between the government and social partners.

It is not just the government, but also in some situations the social partners that experience difficulty in acting on the decisions reached in the key national tripartite bodies. But the social partners' problem in acting on the decisions made differs from the government's problem. For the social partners the greatest problem is the low affiliation rate. This means that even if the member organisations and individual members succeed in implementing the decisions of the tripartite bodies, the majority of enterprises and employees are not members

of employers' confederations/trade unions, and it is thus more difficult to gain their support for the decisions reached in the tripartite bodies.

Despite the many problems, there is broad agreement among the interviewees that the co-operation in the key national tripartite bodies represents a necessary and important part of the decision-making process. Tripartite co-operation resolves disputes between the social partners in a "civilised" manner, eases the social tensions in society and gives influence to the key socio-economic interest groups. Some interviewees, however, are of the opinion that the overall tripartite co-operation is of very limited value. They justify this assessment by stating that this form of co-operation is too ineffective, that the social partners are too weak, or that the government is not really interested in the views/decisions of the social partners. But even among these most critical interviewees, the criticism is seldom levelled against tripartite co-operation as such; what they question is the value of this particular *form* of co-operation.

Specialised national tripartite bodies

In addition to the key national tripartite bodies dealing with economic and social issues of relevance to all sectors, in all the countries in question there is a number of tripartite bodies covering more specialised areas, e.g. employment policy, working environment, social security, education/training, employment services (matching workers with vacancies) and, in the candidate countries, accession to the European Union.

The diversity of these councils and their different features make it difficult to apply a general description. Nonetheless, it is possible to refer to a few common characteristics and differences in relation to the key national tripartite bodies. First, the specialised bodies are more likely (than the key national tripartite bodies) to have more than just three participants. For example, local authorities and a number of NGOs are represented. Second, the specialised tripartite bodies are seldom authorised to make binding decisions; usually, they are purely consultative bodies. Third, the specialised tripartite bodies are often less prone to disputes than the key national tripartite bodies. This can, perhaps, be attributed to the fact that it is easier to identify common interests when addressing well-defined issues, but the explanation may also be that the councils are purely consultative so that the negotiations involve a lesser degree of commitment. In the specialised bodies, there are also examples of tensions reflecting the tensions between the government and the tripartite bodies (for example, this is the case in Poland where some tripartite representatives feel they are ignored by the government).

2.2 National characteristics

There are wide variations in the general picture of national tripartite co-operation in Poland, Estonia, Latvia and Lithuania. The following is an

attempt to identify some of the most important national differences in relation to the social dialogue.

Lithuania

Of the three Baltic republics, Lithuania appears to have the largest number of tripartite bodies. The main body at national level – *the Tripartite Council of the Republic of Lithuania* - was established in 1995. Its membership included representatives from the four national trade union confederations and two employers' confederations. The two largest trade union confederations are currently discussing the possibility of a merger while the two employers' confederations cooperate on a formalised basis.

During the period covered by the survey, a debate was being conducted on drawing up a legal basis for the key national tripartite bodies (today, there is no such legal basis). The tripartite body is authorised to produce draft legislation (Dovydeniene & Casale 1999, p. 238).

In addition to its key national tripartite body, Lithuania has numerous specialised tripartite bodies, including the *Tripartite Occupational Council* (employment policy), the *Tripartite Council of Experts* (adult education and continued training), and the *Council of State Social Insurance Fund* (employment services and social security).

Latvia

Latvia has had a key national tripartite body since 1993. Until 1998, it was called the *Tripartite National Council of Employers, State and Trade Unions*; subsequently it was designated the *National Tripartite Co-operation Council*. In 1998, the council was given a higher status; instead of serving as a purely consultative body, it was now a decision-making body, while representation in the tripartite body was at the same time authorised by a government decision. However, several interviewees point out that not much has changed since the decisions made by the tripartite body are still only indicative for the government. The tripartite body participates in the legislative process by harmonising draft laws and drafting laws.

In contrast to the other Baltic Sea countries, Latvia has only one trade union confederation and one employers' confederation. These two dominant organisations do not have serious competitors and are the only labour-market organisations represented in the key national tripartite body.

Three of the specialised national tripartite bodies should be mentioned in this context: *Labour Issues Tripartite Co-operation Subcouncil* (labour protection, regulation of labour legislation and equal opportunities), *Social Security Subcouncil* (social insurance) and a newly established *Professional Education and Employment Tripartite Co-operation Subcouncil* (adult education and continued training).

Estonia

Apart from a tripartite body established in 1992 to deal with the implementation of ILO conventions, until recently there was no permanent overall tripartite body in Estonia. Since 1992, tripartite negotiations have been conducted on an ad hoc basis. The key national tripartite body – the *Social Economic Council* – was established in 1999. Estonia has thereby developed a dual structure for its overall tripartite co-operation, consisting of a) the *Social Economic Council*, where preliminary and less binding discussions are held, and b) what is simply termed the *Tripartite Negotiations*, where the actual negotiations are conducted. There is, however, some doubt as to how different this structure is from that found in the other Baltic Sea countries since the work carried out in the *Social Economic Council* corresponds, to a certain extent, to the work done in the working groups attached to the key national tripartite bodies in the other countries.

Estonia's only employers' confederation and its two trade union confederations are represented in both the council and the negotiations. A number of experts and researchers and a representative from Estonia's national bank also have seats on the council.

Among the specialised bodies are the *Estonian Education Forum* (education/training policy) and a tripartite body that deals with issues related to accession to the EU. The latter body is designated a working group.

Poland

Poland is one of the four countries with the most developed tripartite co-operation, i.e. in quantitative terms, with a very large number of specialised national tripartite and multilateral bodies. The key national tripartite body – the *Tripartite Commission for Social and Economic Affairs* – was established in 1993 as a direct outcome of tripartite negotiations on a pact covering state-owned enterprises which was concluded in 1992. The members of the tripartite body are the same as those who were involved in the tripartite negotiations in 1992: the two large trade union confederations (OPZZ and Soolidarity), seven smaller trade unions which are independent of the large confederations, and - finally - the largest and oldest of the two employers' confederations (KPP).

The key national tripartite body is solely a consultative forum with two exceptions. First, the Tripartite Commission, according to Act of 16 December 1994 on the System of Negotiated Determination of Mean Wage Rises in Enterprises, is authorised to negotiate and set wage rise indexes accounted for as costs in state-owned companies with more than 50 employees. Second, the Tripartite Commission negotiates every year the forecast mean wage in the budgetary sector as well as inter-departmental relations of this wage (Act of 23 December 1994 on Determining Financial Means for Wages in the Budgetary Sector).

The level of disputes in Poland's key national tripartite body is higher than in the three Baltic republics, and also a closer interweaving of politics and trade union movement since the trade union movement has many representatives in parliament. The tripartite body has proved incapable of reaching an agreement on decisions for the past three years and, in 1999, OPZZ has taken a sovereign decision to suspend its activities within the Tripartite Commission – a step that none of the tripartite bodies in the three Baltic republics has taken. OPZZ itself cites three reasons for the suspension: 1) the government granted Solidarity some rights that it failed to grant to OPZZ; 2) OPZZ was of the opinion that the government had no real intention of involving the tripartite body in the formulation of government policies, and 3) OPZZ was of the opinion that the government failed to take adequate steps to solve the country's social problems.

Moreover, there is a lack of clarity with regard to representation in the tripartite body where the monopoly of the oldest employers' conederation (*KPP*) is being challenged by a smaller – but rapidly growing – federation (*PKPP*) which focuses in particular on small and medium-sized enterprises (SMEs).

Among the specialised tripartite bodies are the following: the *General Employment Council* (employment policy), the *Committee for Cooperation with the ILO* (implementation of ILO conventions), the *Commission for Collective Labour Agreements* and the *Social Assistance Council*.

2.3 The future of social dialogue at national level

For a number of years, the social dialogue in the key national and specialised tripartite bodies has been a reality in Estonia, Latvia, Lithuania and Poland. But there is a certain difference in the stages of development that the social dialogue in those countries has reached.

In Estonia, the national social dialogue is in what may be termed the consolidation stage since the new dual structure is only one year old. In Poland, on the other hand, tripartite co-operation has existed for a number of years, and – especially in the early 1990s – it has played a very important role. Having reached a critical stage, it is now – perhaps – in an evolutionary stage since negotiations are currently being held on a new framework for tripartite co-operation. Discussions have covered the possibility of expanding the circle of social partners to include regional and local administrative authorities, and increasing/reducing the representation of the social partners which has hitherto been limited to the organisations that were co-signatories of the first tripartite agreement in 1992. Finally, there have been discussions on limiting the role of the government in the key national tripartite body to that of mediator between the

parties, thus placing less emphasis on its role as negotiator. A new design of Poland's national tripartite body is currently being prepared.

It is not only in Poland that tripartite co-operation is undergoing change; new specialised tripartite bodies are being set up in all the countries covered by this study and the legal basis of such bodies is being developed or revised. Changes in the legal basis are among the changes most often referred to by the interviewees as capable of improving tripartite co-operation. The desirability of such changes is often justified by the claim that they would clarify the powers of the tripartite bodies and thus make decision-making easier. But the interviewees also point out that membership of the tripartite bodies would be more attractive if the right of the social partners to play a part in the formulation of the countries' most important political issues had authority in the Act.

A development of secretarial services is another idea that is often put forward with a view to improving the functioning of tripartite co-operation. The social partners themselves seldom have the resources required to conduct comprehensive analyses, and are thus dependent on the secretarial services provided by the ministries. But these services are not in all cases well-developed; in some cases, there is only one full-time employee to do the work. The problem of developing secretarial services for the tripartite bodies is, of course, due to the budgetary constraints to which the ministries are subject.

Some of the interviewees were also of the opinion that an upgrading of the representatives' skills in negotiating techniques could improve the decision-making processes, making them more efficient.

Apart from these concrete factors which are directly related to the tripartite bodies, the interviewees also pointed to the need for changes in the environment in which those bodies operate. In most cases, the interviewees called for more consistent follow-up on the tripartite decisions by the government and parliament, and for a higher level of commitment on the part of the government with regard to the agreements concluded in the tripartite bodies. But they also pointed out that the representatives of the social partners should be capable of gaining a higher degree of commitment to the decisions of the tripartite bodies both from their own members and from other trade unions and employers. The latter capability will require an increase in the affiliation rate (this point is discussed under 4.3).

3. Social dialogue at regional and local level

In this chapter, as in the previous chapter, the focus is on tripartite co-operation which will be referred to as such even in cases where there are more than three stakeholders. The scope of this study is now extended to include Russia, or – more precisely – the Kaliningrad, Leningrad and St. Petersburg regions.

Whereas it proved difficult – but nonetheless possible – to make some general observations on tripartite co-operation at national level in the countries covered by this study, it is quite impossible to generalise with regard to regional and local tripartite co-operation since the differences are simply too wide. But it is possible if we consider the countries concerned under three (geographical) headings: 1) the Russian regions, where tripartite co-operation is well developed, concentrated in a single overall tripartite body and in many respects comparable to the national tripartite co-operation in the other four countries; 2) Poland, where regional and local co-operation is also well developed, but distributed over several specialised tripartite bodies; and 3) the three Baltic republics where regional and local tripartite co-operation is currently just being established.

3.1 Regional social dialogue in Kaliningrad, Leningrad and Sct. Petersburg

Tripartite dialogue in the three Russian regions was established at an early stage of the transition process. One of the factors that led to this early development was that – during the Soviet period – the Russian administrative system had a tradition of practising overall co-ordination of different interests, including those of the administration, enterprise managements and trade unions.

Establishment, legal basis and powers of the tripartite bodies

In the Russian regions, the most important tripartite body is the Tripartite Commission for the Regulation of Social and Labour-Market Affairs. The regional labour-market and social policy authority – the Committee (sometimes referred to as the department) for the Treatment of Labour-Market and Social Issues – serves as a secretariat for the regional tripartite body, but the tripartite body is otherwise independent of the Committee.

There are also tripartite bodies attached to the employment services which employment services consult on issues pertaining to employment and education/training.

The following review focuses on the Tripartite Commission for the Regulation of Labour-Market and Social Affairs.

The basis for the establishment of the regional tripartite bodies was created in the early 1990s following the adoption of a law authorising the setting up of such tripartite commissions. All the tripartite bodies in the three regions were established around 1992. In addition to the regional authorities, the regional trade union confederation and the regional employers' confederation also have seats on the body. The number of representatives is very high – between 27 and 33. Meetings are usually held once every three months, but during the intervals between meetings the issues are dealt with in working groups.

The core of the work carried out by the tripartite bodies is the adoption of an annual plan which – in Sct. Petersburg and Leningrad – is implemented within the framework of a 4-year agreement. The debate covers a very wide range of social and labour-market issues: the minimum wage, failure to pay salaries in the public sector, working environment, working conditions, employment policy, public transportation, energy prices, etc. The minimum wage is cited as one of the most important issues. It is also one that can produce the longest discussions. The actual minimum wage is fixed by the Russian Federation's central tripartite body, but the regional tripartite bodies are authorised to increase that wage. This power is used by some of the regional tripartite bodies.

Another high-priority issue is the fixing of prices for public services. Until a few years ago, failure to pay salaries to public-sector employees was also a major issue but now that the financial crisis is receding the problem has come under control.

The decisions made have the status of recommendations. This means that neither the regional authorities nor the social partners are under a legal obligation to implement the decisions. The agreements are concluded within a framework given by the Russian Federation's tripartite bodies for labour-market and social issues. Some interviewees pointed out that there is no clear division of responsibilities between the federal and regional tripartite bodies.

The decision-making processes – power and influence of the stakeholders

By and large, the decision-making processes in the Russian regional tripartite bodies are the same as those in the other countries' national tripartite bodies, apart from the fact that the Russian bodies operate with annual plans and hold fewer meetings. The biggest source of disagreement are economic issues, such as the minimum wage, taxes and energy prices.

The replies provided by the interviewees do not paint any unambiguous picture of the balance of power between the parties. Apart from the familiar problem of low rates of affiliation, the employers suffered from their inability to recruit qualified representatives – according to a point made by one employer representative.

Acting on the decisions

The agreements are very detailed documents, specifying, for example, which of the three parties is to assume responsibility for a particular decision and stating the deadlines for implementing the goals. All three social partners often find it difficult to comply with the recommendations issued by the tripartite bodies, but failure to do so rarely leads to heavy criticism or serious disputes. This state of affairs can be attributed primarily to the harsh economic conditions affecting both the authorities and private-sector employers.

3.2 Regional and local social dialogue in Poland

Poland has a number of regional and local tripartite bodies, covering issues such as working environment, labour-market policy, etc. However, the most important regional and local tripartite bodies are the regional and local employment councils. There are 16 regional and 356 local employment councils. They should, perhaps, be designated multilateral bodies since for both types the circle of representatives covers more than three parties. The regional tripartite councils have, in addition to the social partners, representatives from the government administration, local administration and agricultural organisations. In the local councils, the representation is the same, apart from the absence of the government representatives.

Both the regional and the local employment councils are attached to the employment service, and deal mainly with issues such as local and regional employment and education/training policy, economic restructuring etc. The councils issue recommendations on the work to be carried out by the employment services and on regional and local employment and education/training policies, but they have not been granted the powers to make decisions with a binding effect on the employment services or other parties.

In 1999, the local administration assumed partial responsibility for the employment service in connection with a comprehensive administrative reform which involved certain changes in the regional and local tripartite bodies. Some interviewees are of the opinion that the transfer of the overall responsibility for the employment services to the local administration means that the tripartite bodies will have less influence on the activities of the employment services since a local body will be less interested in involving the social partners. It has not, however, proved possible – within the scope of this study – to confirm or rebut this assertion.

3.3 Regional and local social dialogue in Estonia, Latvia and Lithuania

The regional and local social dialogue in the three Baltic republics is – as mentioned earlier – still not as developed as it is in the Russian regions and Poland. It is also important to note that, in the case of the three Baltic republics, the geographical and administrative units are much smaller than those in Poland and Russia, and that this precludes any comparison of the regions across national borders.

It is only now that regional and local tripartite bodies – such as those in the Russian regions and Poland – are being established. In some cases, they have been established by the regional and local social partners on their own initiative as is the case in Latvia where in the spring of 2000 only four such councils existed in the country's 26 local districts. Some of the data compiled during

the survey suggests that the setting up of these bodies will require support from the national level in the form of a government grant via the national budget but this does not appear to be an item on the current agenda.

Similarly, in Estonia, the regional and local social partners have taken the initiative to set up regional bodies designated *Tripartite Employment Councils*, but here the government has played a larger role in this process than in Latvia. Moreover, the government in Estonia has made the setting up of these bodies compulsory so that the employment services must have established tripartite bodies in all regions by the end of 2000. In June 2000, however, only three had been established in the country's 15 regions and 5 cities. The powers of those councils are/will include submitting proposals a) on regional employment plans, b) on achieving a balance between the supply and demand of labour, and c) on the best approach to the implementation of active labour-market policy measures. The adoption of the annual employment plan is/will be the main function of the tripartite body.

In Lithuania, regional and local tripartite bodies have been operating for a longer time than in the other two Baltic republics. Already in 1991, 46 local tripartite bodies had been set up at the employment services. Most of the interviewees ascribe their establishment to pressures from the regional and local trade unions. The activities of the employment services and regional/local employment policies are the main issues on the agenda. In addition to the local tripartite bodies attached to the employment services, there is a corresponding number of local tripartite bodies covering social security.

Our data on the regional and local tripartite bodies in Lithuania is not sufficiently comprehensive to make a more detailed assessment of these bodies. Both in Lithuania and in the other countries it is still too early to predict how these tripartite bodies will function – and whether they will, in fact, function. But it can be stated that all the parties support this work. The trade unions regard the tripartite bodies as a means of boosting their influence regionally and locally, while the employers have an interest in the establishment of a smoothly functioning employment service and the training and retraining of workers – especially in the regions and districts where there is a shortage of qualified labour.

But all three Baltic republics suffer from a lack of the resources and expertise required to establish a qualified social dialogue. In particular, the social partners generally have a weak regional and local structure; in some cases there are simply no regional or local organisations capable of providing representatives for the tripartite bodies.

3.4 The future of the regional and local social dialogue

If we compare the regional social dialogue across national boundaries, the wide differences emerge with even greater clarity than in the case of the social dialogue conducted at national level. Similarly, there are wide differences in the problems confronted by regional tripartite bodies.

Two basic approaches can be identified. The first one involves the political establishment encouraging the social partners to establish regional tripartite bodies and leaving their design/structure to the regional and local social partners; this approach has been adopted in Latvia. The second approach involves the political establishment imposing an obligation on the regional and local social partners to establish regional tripartite bodies, and possibly providing financial support for this phase. This approach has been adopted in Estonia.

The weak presence of the social partners at regional and local level in the three Baltic republics poses a problem. Thus, in some regions, the social partners have no premises, and no regional or local branch offices that can send representatives to the tripartite bodies. It is, thus, important for the social dialogue that the social partners respond to the challenge of establishing – with limited resources - regional and/or local branch offices. This has already been done in some of the countries in question.

Some interviews indicate that, in the Russian regions, there is no clear division of responsibilities between the federal tripartite council and the regional tripartite councils. The legal powers of the councils and their legal basis need to be clarified.

4. Social dialogue at sectoral level

This chapter on the social dialogue at sector level focuses primarily on the bipartite co-operation between employers' organisations and trade unions on concluding collective agreements at sectoral level. The term *sector* designates sub-areas in both the public and private sectors, e.g. education sector, energy sector, food-processing sector, transportation sector etc.

The seven countries and regions covered by this study have a common feature: relatively little use is made of collective agreements at sectoral level, and the role of collective agreements in determining pay and working conditions is less important than the part played by the social dialogue in the national tripartite bodies and at company level.

4.1 The general picture

There are certain advantages to be derived from concluding collective agreements at sectoral level rather than at company level. Sectoral agreements can draw macro-economic considerations into the negotiations, thus drawing the attention of both employees and employers to other companies in the same sector and creating a sort of solidarity across the sector concerned (Casale 1999, p. 19). Moreover, a case has been made for negotiations at levels higher than the company level on the grounds that such negotiations keep the individual company free of industrial disputes, or in any case minimise such disputes. This is an argument that has been applied with specific reference to employer interests

in the collective bargaining process (Sisson 1987), but it can also be maintained that it serves employee interests. Finally, it can be argued that sectoral agreements – as a supplement or alternative to agreements concluded at company level – create greater equality for the employees and counteract social dumping at the individual company by reducing the number of factors generating inter-company competition.

The main advantage of collective agreements – including sectoral agreements – as compared with legislation is that they offer those parties directly involved the possibility of regulating their own relations. This can be regarded as an advantage, because the parties directly involved often have the best information available, and are, thus, best placed to conclude functional agreements.

The legal basis

Sectoral agreements – like other parts of the social dialogue – must be conducted within the framework stipulated in the labour-market legislation and labour codes. In most Baltic Sea countries, the parties are also under an obligation to have the agreements approved and registered by the government authorities. All employers who are members of an employers' confederation in a given sector are under an obligation to comply with the terms of the sectoral agreements.

Content

The content of the agreements concluded at sectoral level vary. In some cases, they are purely pay agreements, restricted to the fixing of the minimum wage. In other cases, the agreements are more comprehensive, also regulating different aspects of working conditions, e.g. working hours, continued training, extra vacations, etc. But - in general - most aspects of the working conditions are covered by labour-market legislation and labour codes. This applies to the length of the vacation period, terms of notice, normal working hours and many other aspects – including the working environment.

The provisions of the sectoral agreements are minimum standards. The parties at the individual company can reach agreement on higher levels than those laid down in the sectoral agreements.

Social partners

Obviously, sectoral agreements are concluded between sectoral organisations, but in some cases also by the main employers' and trade union confederations. A serious problem – especially in the private sector – is the very weak organisation on the employer side. Table 4 shows the estimates of membership density on the employer side of between 20% and 40% - measured as the percentage of employees working at companies that are members of an employers' organisa-

tion. If the membership density is measured in relation to the number of companies, the figure is much lower. The obvious explanation is that companies with a low number of employees are seldom members of employers' confederations.

In some sectors, trade unions have no counterpart with which they can conduct negotiations. There are cases where trade unions – simply to create such a counterpart – have helped to establish employers' organisations.

The lack of employees' organisations is, of course, also a problem for the social dialogue at sectoral level. The low unionisation rate is evident from Table 5. With the exception of the St. Petersburg and Leningrad regions, the estimated figure is between 6% and 30%. This represents a steep decline from the figure of about 90% reported for around 1990 – although the decline appears to have ceased, or the rate of decline has decreased, in some of the countries.

The decline in membership must be viewed in the context of the privatisation processes, the growth in the number of SMEs and in sectors without a tradition of unionisation, the lack of popularity (because of joint responsibility for the reform processes), voluntary membership and the availability today of more realistic estimates.

Coverage

Information on the number of sectoral agreements is available in the countries and regions where registration is compulsory. A more interesting figure, however, is the coverage of the collective agreements, i.e. the percentage of employees covered by sectoral agreements in relation to the total number of employees. Coverage estimates for all the countries in question with the exception of the Leningrad and St. Petersburg regions are in the range of 8%-30% (cf. Table 3). But here again it should be noted that the estimates are unreliable and fluctuating. A further complication is the fact that some of collective agreements date back to the 1970s and 1980s because the parties have not succeeded in reaching new agreements.

Sectoral agreements are clearly most widespread in the public sector – especially in education, health-care sector, public administration and in parts of the production sector. The fact that the coverage is higher in the public sector than in the private sector can be put down to the following factors: 1) in the public sector, there are fewer cases in which the trade unions have no negotiating partner since public-sector employers (the government and regional/local administrations) are better organised than private-sector employers; 2) the trade union movement generally has a stronger organisation in the public sector than in the private sector; 3) more sectoral agreements concluded before 1990 have survived in the public sector than in the private sector; 4) salaries in the private sector are often higher than those in the public sector, and private-sector em-

employers are more opposed to unionisation. The dividing line between the public and private sector is difficult to identify since some sectors and enterprises have been only partially privatised.

In the private sector, the coverage of sectoral agreements varies considerably from sector to sector. The coverage is relatively high in sectors with many large privatised companies (e.g. energy, transportation, chemicals, foodstuffs, mining and fisheries), while in sectors dominated by SMEs (private-sector production and service industries) sectoral agreements are rarely concluded.

Obviously, most of the sectoral agreements have been concluded in sectors with large more or less privatised companies who have a years-long tradition of concluding such agreements. Thus, such sectors have relatively strong trade unions which exert the necessary pressure on the public or private employers to conclude collective agreements. SMEs – many of them established recently – lack this tradition, and neither the employers' confederations nor trade unions have succeeded in persuading them to join organisations.

Another category seldom covered by sectoral agreements consists of foreign-owned companies. Western multinational companies in many cases decide to place their production in the Baltic Sea countries because of the relatively low wages, but for some of these companies an environment free of trade unions is a compelling reason for the choice of a location for their production facilities. This is one of the main reasons why foreign-owned companies seldom conclude sectoral agreements or join sectoral organisations.

4.2 National characteristics

As is the case with tripartite co-operation, there are also variations in the general picture of sectoral agreements. At least in quantitative terms, the Russian regions have the most comprehensive dialogue at sectoral level since these regions have a relatively high number of sectoral agreements, whereas the number – and probably also the coverage – of sectoral agreements is somewhat lower in Poland and the three Baltic republics, especially in Lithuania.

Kaliningrad, Leningrad and Sct. Petersburg regions

In the three Russian regions, there are two types of sectoral agreements: national and regional. We found it impossible to determine the precise number of national sectoral agreements but, according to the interviewees' own estimates, there are between 40 and 60 covering between 25% and 40% of the employees, with the lowest coverage in the Kaliningrad region. Most sectoral agreements are concluded in the public sector where the trade unions are strongly organised and find it easier to identify a negotiating partner. Regrettably, this study did not succeed in finding an explanation of why the sectoral agreements apparently

have a higher degree of coverage in the Leningrad region and Sct. Petersburg than in Kaliningrad, Poland and the three Baltic republics.

The regional sectoral agreements can contain improvements on or more detailed wording of the national sectoral agreements. The regional agreements are less common than the national agreements. One example of a regional agreement is Kaliningrad's collective agreement for the Baltic fleet.

Poland

In Poland, there is compulsory registration of the agreements at the Ministry of Social and Labour Policy. In the spring of 2000, there were 15 sectoral agreements covering the steel, mining and chemicals industries and forestry, along with parts of the public sector. But some of the agreements date as far back as the 1970s because they are automatically renegotiated and – in legal terms – do not expire. These old agreements are regarded by many of the interviewees as being out of touch with today's reality.

As in the other countries and regions, the degree of coverage of the sectoral agreements is unknown, but estimates of about 20% (of all employees) were mentioned.

Estonia, Latvia and Lithuania

In the three Baltic republics, only relatively few sectoral agreements have been concluded (26 in Latvia and 13 in Estonia). The estimates of the coverage range from 10% to 17% (of the total number of employees) but as in all the other cases the estimates are unreliable. The sectoral agreements cover all companies that are members of the relevant sectoral organisation.

Latvia has sectoral agreements covering sectors such as the energy sector, the nursing and health-care sector, the construction industry, education, culture, forestry, food industry, commerce and fishing. As in the other countries and regions, most of the sectoral agreements have been concluded in the public sector.

Lithuania is probably the Baltic republic with the least developed sector dialogue. There are, however, a few sectoral agreements, e.g. in the telecommunications industry. Unlike in the other countries, collective agreements are not concluded in the public sector, although similar agreements, referred to as *General Agreements*, are negotiated on either a bipartite or tripartite basis (Dovydeniene & Casale, 1999, pp. 234-36).

4.3 The future of the sectoral dialogue and organisations

The first requirement for further development of the social dialogue at sectoral level, i.e. making it more capable of assuming the role of – or supplementing –

statutory regulation of the labour market, is consolidation of the sectoral organisations.

Both trade unions and employers' confederations face a very serious challenge of having to break the vicious circle in which a shortage of organisational resources results in inadequate services for the members. The organisations' environment also poses a number of challenges which might be tackled by changes in structure and strategies.

For the trade unions it is primarily a case of persuading non-union employees to join a trade union: the growing number of temporary employees, employees at SMEs and employees at foreign-owned companies are all examples of groups that lack the tradition of unionisation. In some cases, their employers are directly hostile to the trade unions.

Another group that poses a challenge for the trade unions is the category designated young workers. The trade union movement generally lacks support among the population. One of the reasons is, perhaps, that many still perceive the trade unions as part of the old system. Another reason may be that some of the trade unions have assumed joint responsibility for the reform processes and the ensuing reduction of living standards – especially, this is the case with Solidarity in Poland. A third reason can be that many citizens blame the trade unions for failure to ensure decent pay and working conditions, as well as for failure to provide employees with adequate support if problems arise in relation to their employers.

These above factors apply to most segments of the population, not just to young workers, although these are more likely than their elders to adopt an individualist approach and in some cases do not even know of the existence of the trade unions and the opportunities they represent.

Some observers have focused on the trade unions with a view to determining what they can do to tackle the various challenges. Some of these observers have suggested a need for a reevaluation of the trade unions' overall strategies because there is no longer a need – as there was in the early stages of the transition process – for trade unions that are highly co-operation-oriented. Instead, the trade unions should place greater demands on the government and employers with a view to achieving improved pay and working conditions (e.g. Gábor 2000, p. 18). This argument can be countered by pointing out that the trade unions lack the resources and power to pursue such a strategy, and that if it were implemented it could block the social dialogue. There are also interviewees who point out that a greater – and not a lesser – emphasis on co-operation on the part of some of the trade union confederations would benefit the social dialogue.

Other internal factors might also be considered for revisions. Only in Latvia has it proved possible to establish a unified trade union movement under a single umbrella organisation. In all the other countries and regions, the trade union

movement is split, primarily into reformed trade unions and independent unions established in the 1980s or early 1990s. There are different levels of rivalry between the different parts of the trade union movement. The rivalry in some cases places them in a weaker position vis-à-vis the government and employers. But mergers or a higher degree of co-ordination between the different parts of the trade union movement are, obviously, difficult tasks.

Unlike the trade unions, the employers' organisations have had to establish their structures from scratch rather than refine them. During the early stages, the employers' organisations were – to a very large extent – dominated by the chief executives of the old state-owned companies, but gradually managers of SMEs have also begun to play a role, and in some of the countries in question SME organisations have been established.

Like the trade unions, the employers' organisations are facing the problem of demonstrating their value vis-à-vis members and potential members. In some of the countries, there are even reports of cancellation of membership or failure to pay subscriptions on a large scale, and there are few SME members. The problem is that many companies – especially the smaller firms for which the subscription is a heavy expense – fail to see the benefits of the membership of employers' organisations whose services are generally tailored to meet the needs of the large companies. At the same time, many large companies have themselves such satisfactory relations with the political establishment that they opt for individual lobbying rather than collective representation of interests via organisations. Finally, many companies are unaware of the existence and functions of the employers' organisations.

It is difficult to identify strategies for a consolidation of the employers' organisations. The SMEs' own organisations, some of which are expanding rapidly, may prove to be a solution.

Some interviewees also pointed out that there is a lack of specific legislation on employers' confederations comparable to the legislation for the trade unions. Such laws, stipulating not only requirements but also rights, could be used as a sales argument when recruiting members. The government could provide further assistance for consolidation by making contributions to the employers' organisations tax-deductible as is the case in most countries in Western Europe (Blasun 1999, p. 112). The same tax relief could be applied to employees' union dues.

But the most important factor in achieving an increase in membership is probably the exertion of pressure by employees or trade unions on the employers to conclude collective agreements or to participate in some other form of social dialogue. Without this pressure, it is difficult to see how the employers' organisations can achieve any real increase in membership/coverage.

5. Social dialogue at company level

Company level is a very important level for the overall social dialogue because this is the level at which pay and working conditions are decided within the framework of the relevant legislation and the social dialogue at the other levels. Further, social dialogue at the companies between employers and employee representatives can help to ensure compliance with the legislation and sectoral agreements.

The social dialogue at company level can assume many forms, but two of the most important are negotiations on pay and working conditions, and employee participation in other matters pertaining to their company's production and development. The focus in the following is on these two forms of social dialogue, with particular emphasis on negotiations on pay and working conditions.

5.1 The general picture

Despite the wide variations between countries and regions, the social dialogue at company level has a number of common features.

Legal basis and dividing lines in relation to legislation

In all the Baltic Sea countries, both the social dialogue and social partners' organisations have authority in labour codes and other labour-market legislation. In addition to laying down guidelines for the collective bargaining/agreement process and for the organisations that conclude collective agreements, the legislation contains – as mentioned above – comprehensive provisions regulating pay and working conditions. These provisions cover the minimum wage, wage-indexing, vacations, dismissal procedures, working environment, maternity leave, etc. In relation to the collective agreements, these rules represent minimum requirements. The collective agreements at company level cannot – nor can the agreements concluded at sectoral level – stipulate lower standards than those laid down in the legislative provisions, and in some cases the legislation explicitly forbids collective bargaining on certain subjects.

Partners and initiators

In the countries covered by this study, when negotiating with employers, the employee side is today represented by trade union representatives and not by independent employee representatives. In some of the countries, legislation grants the trade unions a monopoly on negotiating/concluding collective agreements. In virtually every case, it is these trade union representatives who take the initiative to conclude a collective agreement. The attitudes of employers to collective agreements range from acceptance to direct opposition, but the employers and their organisations do not initiate the bargaining process. They must

be subjected to direct pressure to conclude an agreement or to indirect pressure via high levels of disputes at the company.

In several of the countries - including Lithuania and Poland – there are moves to re-establish works councils, granting them a role in the involvement of employees in a number of issues.

The employers are normally under legal obligation to conclude collective agreements in response to the wishes of the employees, but disputes and labour-court cases in which employers attempt to avoid signing collective agreements are a frequent phenomenon in most of the countries. The employers' organisations usually adopt a passive stance with regard to the collective agreements concluded at company level. They do not urge the companies to conclude such agreements, but nor do they try to dissuade them. If the companies need assistance or legal expertise, the employers' organisations do what they can to provide it.

Nor does the government normally take any direct steps to promote the conclusion of collective agreements. There are, however, isolated cases where the public authorities – in addition to carrying out the function of the Health and Safety Executive – also make resources and personnel available at the companies, encouraging them to conclude collective agreements, e.g. in the Kaliningrad region.

Content and coverage

Parallel with the sectoral agreements, the company (collective) agreements can be either narrow, covering pay only, or broader in scope, covering – in addition to pay – a number of items related to working conditions, e.g. working hours, extra vacation, continued training, etc.

It is typically in the public sector and at large state-owned or privatised companies that collective agreements are most widespread, whereas collective agreements are seldom concluded at SMEs and foreign-owned companies. This is partly due to the absence of trade unions and to the fact that Western companies have decided to place their facilities in the Baltic Sea countries not just on account of the low levels of pay but also to avoid environments with strong trade unions.

The fact that the density of coverage is higher in the public sector than it is in the private sector can be attributed to a) the generally stronger organisation of the trade union movement in the public sector, b) (in many cases) higher pay in the private sector and c) greater opposition of private-sector employers than public-sector employers to membership of organisations.

Compliance with collective agreements

Obviously, breaches of the collective agreements do occur, but not all countries have procedures for conciliation and arbitration or a labour-court system (for a description of these in the Baltic countries see (Casale 1999)).

In some of the countries – including Latvia and the Russian regions – the Health and Safety Executive does not restrict its activities to the working environment; it also addresses breaches of collective agreements and labour-market laws. Breaches of collective agreements are, however, less of a problem than failure to comply with the provisions of the legislation, partly because the conclusion of collective agreements presupposes the presence of trade union representatives at the companies, thus ensuring some form of control over the employers, and partly because legislation, in view of the low density of coverage (in quantitative terms) of the collective agreements, is a more important form of regulation.

In the assessment of the interviewees in all countries, there is widespread failure to comply with the provisions of the legislation (the problem is most prevalent in small companies with fewer than 50 employees). This is mainly due to the fact that the companies and their employers are not organised, and that the State Health and Safety Executive must concentrate its limited resources and personnel on the large companies. But the very detailed and – in the opinion of many of the interviewees – obsolete legislation discriminates against small companies, primarily because it was devised for the regulation of large production plants.

Equal opportunities

This study has not included analyses of the impact of legislation and agreements concluded within the framework of the social dialogue on different groups, apart from the issue of equal rights for men and women and different ethnic groups.

All the countries covered by this study have legislation that forbids discrimination between men and women, and direct gender discrimination on the part of the employers is not – according to the interviewees – an everyday occurrence. Nonetheless, advertisements of job vacancies are often aimed at a specific sex – e.g. in the Leningrad region an estimate suggests that 50% of job ads are aimed at men, while only 20% are aimed at women. This practice of gender-specific job advertising is not illegal.

But despite the fact that direct gender discrimination is not widespread, women and men do not have equal opportunities on the labour market. This is reflected in the higher rates of unemployment among women. The Russian interviewees are, thus, of the opinion that 60-70% of the unemployed are women. The Estonian interviewees indicate that women's pay is only 60-70% of men's pay. These figures correspond to the figures contained in a comparative analysis of living conditions in the three Baltic republics where in Estonia women's pay amounted to 63% of men's pay, with figures of 70% and 77% for, respectively, Latvia and Lithuania (Antilä & Ylöstalo 1999, pp. 85-88).

An additional problem in Estonia and Latvia is the fact that the Russian-speaking part of the population either experiences a higher rate of unemploy-

ment than the rest of the population or has difficulty in gaining employment in some areas of the labour market, e.g. the public sector. But the over-representation of the Russian-speaking population groups in regions and sectors with low rates of growth also raises the question of whether the language issue is the sole explanation of their less favourable position on the labour market. The present structure of the labour market could be addressed by encouraging the Russian-speaking part of the population to learn to speak the Estonian or Latvian language during the course of their education. This would create new job opportunities in the public sector and private service sector where the Russian minority has hitherto found it more difficult to gain employment on account of the language barrier. There are already signs that the younger generation is increasingly acquiring a knowledge of the Baltic languages in the education system.

5.2 National characteristics

The general picture reveals no essential national differences.

Kaliningrad, Leningrad and Sct. Petersburg regions

Even though in the three Russian regions there is compulsory registration of all collective agreements, not all of them are actually registered. Estimates of the density of coverage of the collective agreements are – as for the sectoral agreements – high in the Leningrad region and Sct. Petersburg (between 25 and 58%), whereas the estimates for Kaliningrad vary from 27% to 40% (Table 3). The estimates for the unionisation rate are also highest in the Leningrad region and Sct. Petersburg (between 50% and 70%, and 20% and 30%, respectively) (Table 5). This study has not succeeded in determining whether these estimates reflect a real difference in the density of coverage and – if so – what are the possible causes of such wide differences.

But the higher estimates of the coverage of the collective agreements need not necessarily be regarded as indicating more stable conditions on the labour market than in the other regions and countries. Thus, some of the interviewees point out that failure to pay salaries and illegal dismissals are widespread, and that here too there is a lack of compliance with both labour-market legislation and collective agreements.

Estonia, Latvia and Lithuania

In Estonia, collective bargaining is based on the *Collective Agreement Law* from 1993. It stipulates that only trade union representatives can negotiate a collective agreement with the employers. It is, thus, necessary to establish a trade union at the company before a sectoral trade union can assist shop stewards in concluding a collective agreement at that company (Kaadu 1999, p. 164). Despite the high number of sectoral agreements, estimates of the density of cover-

age at company level are as low as 6% -14% of all employees, whereas the interviewees' own estimates of the trade unions' unionisation rates are between 12% and 30 % (Table 5) – and another source reports a figure of 12% (Antilä & Ylöstalo 1999, p. 51). The employers are not subject to any great pressure to conclude collective agreements, and there is no established practice for further employee participation apart from the collective bargaining process (Kaadu 1999, p. 171).

In Latvia, the process must be conducted in accordance with the provisions of the *Law on Collective Bargaining* from 1991 and the *Labour Code* from 1992. The Act authorises the employees to elect representatives independent of the trade unions if there are no trade unions at the company concerned (Blasum 1999, p. 220). The interviewees' estimates of the density of coverage of the collective agreements range from 10% to 30%. The interviewees' estimates of the rate of unionisation vary from 10% to 40%, while other sources indicate that Latvia is the Baltic country with the highest rate of unionisation – 25% (Antilä & Ylöstalo 1999, p. 51). There are no works councils in Latvia, but the Act confers on trade union representatives or on other employee representatives the right to co-determination in a number of cases (Blasum 1999, p. 220).

In Lithuania, the company level is virtually the only level at which collective agreements are negotiated. Sectoral agreements are almost unknown.

In contradistinction to the other countries, collective agreements cannot be concluded in the public sector. Instead, pay and working conditions for employees in this sector are regulated via *General Agreements* negotiated on either a bipartite or tripartite basis at national level (Dovydeniere & Casale 1999, p. 234).

Lithuania's *Collective Agreement Law* was adopted in 1991. It was amended in 1994 so that it is no longer possible for others than trade union representatives to conclude collective agreements. The amendment to the Act was the result of vigorous pressure from the trade unions which argued that non-union representatives would be too weak to conclude collective agreements offering adequate protection of employee interests (Dovydeniere & Casale 1999, pp. 234-35). The interviewees estimate the coverage of company agreements at between 10% and 30% of all employees. Finland's Ministry of Labour reports that Lithuania is the country with the greatest number of collective agreements, estimating the rate of unionisation to be 15% (Antilä & Ylöstalo 1999, p. 51).

Poland

In Poland, the collective bargaining must follow the guidelines laid down in the *Labour Code*, most recently amended in 1996 (Kozek 1999, p. 5). The code forbids the inclusion of certain items in the collective agreements, e.g. dismissal procedures and child-care leave. Most of the interviewees, however, are of the opinion that 20%-35% of all employees are covered by collective agreements, but some estimates were as high as 90%.

According to the labour code, on the employee side the collective agreement can be concluded only by trade union representatives, and at least 50% of the company's employees must be registered members of the trade union before the union can qualify as “representative” and can enter into negotiations (Sewerynski 1999, p. 164).

In 1981, employee participation was guaranteed via the establishment of the *Polish Enterprise Councils* which ensured workers' voice at company level for employees in a number of areas. However, once the privatisation process at a company is completed, the legal basis for the existence of the councils expires and, therefore, during the 1990s, the councils were marginalised (Thirkell et al. 1995, p. 22). The possibility of establishing new bodies for employee participation in the form of works councils is being debated but the issue is controversial since works councils may constitute a competitor for the trade unions. When Poland and the other applicant countries are admitted to the European Union, they must in any case accept works councils in the form of European Works Councils which must be established at all multinational companies in the EU.

A special – and highly controversial - form of labour-market regulation at company level is associated with the privatisation process: *Social Packets* (also referred to as *Social Pacts*). Social Packets are actually not a part of the social dialogue since they are agreed not between employers and employees but between buyer and seller (i.e. between the new owner of a company and the government). Social Packets typically cover measures to ensure (continued) employment at a specific company, e.g. obliging the buyer to undertake a commitment not to dismiss employees for two or three years. An estimate suggests that such social packets have been signed by 5%-8% of the companies (Kozek 1999, p. 5). Many of the social packets are currently reaching their expiry date, and the trade unions are urging the government to prolong them.

5.3 The future of the social dialogue at company level

Just as is the case with the social dialogue at sectoral level, a consolidation of the organisations on both sides (employers/employees) will play a decisive role in the future of the social dialogue at company level. At companies with trade union representation there will normally also be a collective agreement.

It is, thus, of vital importance for the social dialogue at company level that the trade unions recruit as members the young and temporary employees taken on by the SMEs and foreign-owned companies and – on the whole – demonstrate that they can act as guarantors of pay and working conditions. For the employers' organisations, it is similarly of vital importance that they succeed in demonstrating that they can provide a service that is of use to the SMEs.

In addition to the general issues outlined above, there is a number of issues more specifically related to the company level. Some interviewees have pointed out that the trade union movements have concentrated their efforts on

the national level, for which reason they have not devoted sufficient attention to the development of strategies to cope with the transformation which the companies are undergoing (Gábor 2000, pp. 16-17). More vigorous company-oriented strategies and additional resources for the training of shop stewards might pave the way for more collective agreements and a more proactive trade union movement.

Another important question in relation to the social dialogue at company level is how the trade unions – in the future – are to tackle alternative approaches to the organising of employees, e.g. in works councils, in-house unions or the like. Can these solutions play a positive role in the social dialogue at companies, or will they just become tools to be exploited by the management?

The employers' organisations could derive an advantage from abandoning their passive and neutral attitude to collective agreements and the social dialogue and adopting an active approach to promoting the social dialogue, including the conclusion of collective agreements by their members.

6. Conclusions

As pointed out in the introduction, the main preconditions for a well-functioning social dialogue are as follows: 1) the social partners must have the requisite organisational capacity; 2) the balance of power between the social partners must not be too unequal; 3) the social partners must agree on the overall social and economic goals; and 4) the social partners must have a positive attitude to co-operation and recognise the legitimate interests of the other partners.

The analysis presented above clearly shows that the employees and – in particular – the employers – have difficulty establishing the necessary organisational capacity. The low membership figures are both a legitimacy problem, in relation to granting the organisations a monopoly of representation in the tripartite bodies, and a problem in relation to ensuring implementation of bipartite and tripartite agreements. Even though the parties can bind their members, there are still large groups of potential members on whom no obligation can be imposed by the organisations. But it can also be argued that the government too has capacity problems, though less serious ones. This is evident in the difficulty it experiences in providing the necessary secretarial services for the tripartite bodies.

Since the social partners lack organisational capacity, the balance of power cannot be said to be sufficiently equal. In the tripartite co-operation, the social partners are too weak to be capable of pressing the government which, consequently, can – without incurring major sanctions – ignore the wishes of the social partners in certain situations. Also, since the trade unions lack organisational capacity at company level, they cannot press the individual employers to conclude agreements.

The third requirement – the acceptance of a common goal – has to a great extent been met in the Baltic Sea countries. In the three Baltic republics and Poland, all the parties agree on the desirability of accession to the EU, and are prepared to comply with social and labour-market policy requirements laid down by the EU as a condition for admission. On the other hand, failure by the employers' organisations to encourage their members to conclude collective agreements shows that the desire for more social dialogue may not be shared by all the parties.

The fourth requirement – a positive attitude to co-operation and recognition of the other partners' legitimate interests – has also on the whole been met in the Baltic Sea region. Tripartite co-operation is widespread, and it continues to spread, at least in quantitative terms. This in itself can be interpreted as indicating that the government and trade unions, which normally take the initiative, are prepared to co-operate. The employers attend meetings and participate in a constructive manner when they are invited. But the generally difficult negotiations on most issues and the occasional high incidence of disputes in relations in some of the tripartite bodies show that the willingness to co-operate does not always outweigh the conflict of interests. Other examples include the rejection by the employers of the social dialogue at company level and the fear of competition from alternative employee representation on the part of certain trade unions.

Even though not all the preconditions for a smoothly functioning social dialogue have been met, the social dialogue is not without value. It has helped to generate a mutual recognition between all the stakeholders; it has helped to resolve disputes between the social partners in a "civilised" manner; it has raised the level of information and it has helped to reduce social tensions in society. Furthermore, it can be held that the social dialogue has made the parties more mature, partly by giving them an opportunity to define their own roles and partly by granting them – via the tripartite co-operation – influence in a large number of policy areas. So, even though the stakeholders may not have the necessary strength for optimal participation in the social dialogue, they themselves are strengthened by this participation.

The most important challenges facing the social dialogue in the Baltic Sea region

With a view to addressing some of the problems faced by the social dialogue, the stakeholders have considered a number of steps. Based on the statements made by the interviewees, we present the following list of some of the factors and strategies that might be considered in this context.

For the *social dialogue at national level*, the possible steps are:

- to strengthen the legal basis and clarify the powers of the tripartite bodies, with a view to increasing their legitimacy, facilitating the decision-making process and making membership of the organisations more attractive;
- to develop the secretarial services and analytical capacity, so as to strengthen and facilitate the decision-making processes and provide the stakeholders with a better basis for formulating policies;
- to upgrade the negotiating skills of stakeholders' representatives, thereby making the decision-making processes more effective;
- to extend the circle of stakeholders by including representatives of other interest organisations since matters discussed in the tripartite bodies have significance for more than just three social partners;
- to encourage governments and parliaments to be more consistent in acting on the decisions made by the tripartite bodies, and urge the governments to have a higher level of commitment to the decisions made; and
- to encourage the social partners to make the decisions made by the tripartite bodies more binding on their members.

For the *social dialogue at regional and local level*, the possible steps are:

- to strengthen the social partners' organisations regionally and locally (in the three Baltic republics);
- to strengthen and support the establishment of regional and local tripartite bodies (as in Estonia) or to allow the regional and local social partners to establish tripartite bodies on their own initiative (as in Latvia); and
- to strengthen the legal basis of the tripartite bodies.

Further development of the *social dialogue at sectoral and company level*, but also at all the *other levels*, requires an increase in the membership of the social partners' organisations. According to the interviewees, this could be achieved by, for example:

- development – to a greater extent – by the trade unions of strategies for recruiting the non-unionised groups (employees at SMEs and foreign-owned companies, young workers, temporary employees etc.);
- a tightening of the demands imposed by the trade unions on the government and employers with a view to ensuring pay and working conditions for their members (or the reverse strategy, i.e. a display of greater willingness to negotiate on the part of the trade unions);
- a greater concentration of trade unions in a single, unified trade union confederation in each country, or closer co-operation between the trade union groupings;

- clarification by the trade unions of their attitudes towards alternative ways of organising employees (e.g. works councils, in-house unions and the like);
- development – to a greater extent - by the employers' confederations of strategies for recruiting groups that have not yet joined organisations (SMEs, foreign-owned companies etc.);
- further promotion by the employers' confederations of the social dialogue at all levels, including the conclusion of collective agreements;
- the adoption of legislation specifically covering employers' confederations, capable of serving as a sales argument for employers' organisations when recruiting new members; and
- the introduction of measures that make membership subscriptions tax-deductible both for enterprises and employees, as is the case in several countries in the EU.

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FURTHER READING

For further reading, please contact FAOS, Linnésgade 22, 1361 Copenhagen K, Denmark.

Table 1: General Economic Data						
Region/Country	Inhabitants, 1000	Work force, 1000	Average monthly wage [†] (\$)	Unemploy- ment %	GDP per cap- ita (\$) PPP [†]	GDP real growth in %
Russia			44.0	12,3	6,812*	3.2*
Kaliningrad	943.3	568.1***	-	0.6 ¹⁾	-	-
S. Petersburg	4,7515.7** *	2,5087.0	-	0.7 ¹⁾	-	-
Leningrad	1,674.0	777.0	-	1.6 ¹⁾	-	-
Estonia	1,439.0	604.4	279.6	5.3	5,456**	1.9*
Latvia	2,424.2	1,038.0	243.0*	9.0	4,136**	0.1*
Lithuania	3,698.5	1,799.9*	280.6*	11.2	4,425**	-4.4*
Poland	38,654	18,076	460.0	13.6	8,910**	4.1*

Country data attained from *Business Central Europe Magazine*, www.bcemag.com and the national statistical offices, data on the Russian regions provided by the regional labour market authorities.

[†] Purchasing Power Parity

¹⁾ Officially registered unemployed persons

* 1999 ** 1998 *** 1997

Table 2 : General national/regional tripartite bodies	
REGION/COUNTRY	YEAR OF FOUNDATION
Kaliningrad Region	
Kaliningrad Region Tripartite Commission for Regulation of Social and Labour Relations	1992
Saint Petersburg	
Saint Petersburg Tripartite Commission for Regulation of Social and Labour Relations	1992
Leningrad Region	
Leningrad Region Tripartite Commission for Regulation of Social and Labour Relations	1992
Estonia	
Tripartite Negotiations/Social Economic Council	1991-1993
Latvia	
Latvian National Tripartite Co-operation Council	1993
Lithuania	
National Tripartite Council of the Republic of Lithuania	1995
Poland	
The Tripartite Commission for Social and Economic Affairs	1994

Table 3: Collective agreements coverage*		
REGION/COUNTRY	HIGHEST ESTIMATE	LOWEST ESTIMATE
Kaliningrad Region	40 %	27 %
Saint Petersburg	58 %	27 %
Leningrad Region	58 %	25 %
Estonia	14 %	6 %
Latvia	30%	10%
Lithuania	30 %	10%
Poland	(90%)35%	20%

* = employees covered by collective agreements, in per cents of all employees

Table 4: Employers' Organizations and their membership density*		
REGION/COUNTRY	HIGHEST ESTIMATE	LOWEST ESTIMATE
Kaliningrad Region		
Association of Kaliningrad Region Industry and Business		
Total	20%	20%
Saint Petersburg		
Saint Petersburg Industrial and Business (Employers) Association		
Total	?	?
Leningrad Region		
Association of Leningrad Region Industry and Business		
Total	?	?
Estonia		
Estonian Confederation of Employers and Industry (ETTK)		
Total	30 %	10 %
Latvia		
Latvian Employers' Confederation (LDDK)		
Total	50 % **	35 %
Lithuania		
Confederation of Lithuanian Industrialists (LPK)		
Lithuanian Business Employers' Confederation (LVDK)		
Total	90 %	70 %
Poland		
Polish Confederation of Employers (KPP)		
Polish Confederation of Private Employers (PKPP)		
Total	80 %	20 %

* = the ratio of employees in member companies to employees in all companies

Table 5: Trade unions and their membership density *		
REGION/COUNTRY	HIGHEST ESTIMATE	LOWEST ESTIMATE
Kaliningrad Region		
Federation of Trade Unions in Kaliningrad region		
Total	30%	20%
Saint Petersburg		
Federation of Trade Unions in Saint Petersburg and Leningrad region		
Union of Labour		
Total	70 %	50 %
Leningrad Region		
Federation of Trade Unions in Saint Petersburg and Leningrad region		
Total	70 %	50 %
Estonia		
Estonian Central Union of Trade Unions (EAKL)		
Professional Union of Civil Servants (TALO)		
Total	30 %	12 %
Latvia		
Latvian Free Trade Union Association (LBAS)		
Total	40 %	10 %
Lithuania		
Lithuanian Centre of Trade Unions (LPSC)		
The Unification of Trade Unions (LPSS)		
Union of Lithuanian Workers (LDS)		
Lithuanian Labour Federation (LDF)		
Total	15 %	10%
Poland		
OPZZ		
NSZZ Solidarnosz		
Total	43 %	6 %

* = the ratio of workforce organised in trade unions to total workforce