

***International Association of Economic and Social Councils***

***and Similar Institutions***

**(AICESIS)**

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**NOTE ON SOCIAL DIALOGUE IN THE CZECH REPUBLIC**

Describing social dialogue in the Czech Republic it is necessary to divide it into two groups – institutionalized tripartite social dialogue and bipartite dialogue of social partners, collective bargaining. The collective bargaining is a key instrument used by social partners to negotiate about issues of common interest. This process is fully in hands of social partners in the Czech Republic and there is no institutionalized platform for collective bargaining. On the other hand a tripartite social dialogue is realized by the Council of Economic and Social Agreement, which plays the role of Economic and Social Council in the Czech Republic.

From historical perspective there is a real social dialogue in the Czech Republic for a short time. Before 1989 social dialogue was made on a single platform directed from one political center. The form of a dialogue and collective bargaining was determined strictly by legislation without any alternatives. Only the partial problems such as working conditions and free time activities of workers were discussed. The process of negotiation between social partners could be started after the political changes in 1989.

Creation of appropriate functional structures of the social dialogue was one of the first steps of the democratic government in 1990. Creation of these structures was inspired by different models of the functioning tripartite bodies in western European countries. But it was necessary to take into account Czech reality, in particular quality and structure of representative organizations of social partners. Finally, the consensus upon a suitable system was achieved, a tripartite system was agreed and the Council of Economic and Social Agreement was created in 1990 as a common voluntary conciliation and initiative body of the government, trade unions and employers. The creation of the Council contributed significantly to relatively peaceful economic transformation processes during early 90s.

The key players in the field of bipartite social dialogue are employees´ representatives (trade unions) and employers´ organizations. Tripartite social dialogue represented by the Council of Economic and Social Agreement comprises apart from the above mentioned organizations the government representatives.

**THE COUNCIL OF ECONOMIC AND SOCIAL AGREEMENT:**

**INTRODUCTION**

The Council of Economic and Social Agreement of the Czech Republic is a collective voluntary negotiating and initiative body of trade unions, employers and the government of the Czech Republic with the aim of reaching agreement on fundamental economic and social development matters. The Council discusses selected problems, which are the subject of common interest of social partners.

**HISTORY**

The Council of Economic and Social Agreement was established as an institutionalized platform for social dialogue among the government, trade unions and employers (tripartite body) in 1990. Its original name "Council of Social Agreement" was changed several times, reflecting development of preconditions for applying serious and systematic social dialogue within society.

After the 1992 elections communication between the government and social partners got worse so much that the Council activity was almost interrupted from 1994 till 1997, when Czech Republic was affected by economic crises.

The conditions for renewal of full social dialogue were defined by adoption of Statute and Rules of Procedure on 13th November 1997 at the 1st Plenary Session of new Council. Following this initiation the economic issues were included again into the sphere of common interest in negotiating and initiative process.

Today the Council of Economic and Social Agreement represents joint voluntary negotiating and initiative body of the government, trade unions and employers for achieving an agreement in essential issues of economic and social development.

**STRUCTURE**

The Council of Economic and Social Agreement of the Czech Republic is a tripartite body which consists of three delegations – the government, trade unions and employers´ organizations.

Bodies:

1. President
2. Plenary Session
3. Presidium
4. Working Teams
5. Secretariat

The President is the head of the Council and this post is related to the post of prime minister. There are also 3 vice – presidents, one for each delegation.

The Plenary Session is the supreme negotiating body. These sessions discuss selected draft laws, basic development orientation and trends, where fundamental disputes between partners are negotiated. The Plenary Session consists of 7 representatives of the government, 7 representatives of trade unions and 7 representatives of employers and takes place usually once in 5 or 6 weeks.

Membership:

Government:

* Prime minister
* Minister of Labour and Social Affairs
* Minister of Finance
* Minister of Industry and Trade
* Minister of Regional Development
* Minister of Transport
* Minister of Agriculture

Trade Unions:

* Czech Confederation of Trade Unions
* Association of Autonomous Trade Unions

Employers´ Organizations:

* Confederation of Industry and Transport
* Confederation of Employers' and Entrepreneurs' Associations

The Presidium is the executive body which prepares meetings of the Plenary Sessions, program and general aim of activities of the Council. The Presidium discusses the strategic documents, debates principal differences which occurred at Plenary Session, considers and assesses the development of social partnership, solves situations endangering social peace. It informs Plenary Session on results of its negotiations. There are three members of each delegation as members of the Presidium.

The Working Teams are the permanent expert bodies for dealing with the matters of its Statutes. Working Teams pre-discuss the submitted materials, prepare and provide expert opinions to them and other background documents for other bodies of the Council. The experts and other specialists of all three delegations are members of each Working Team.

List of current working teams:

* Working team for Public Services and Public Administration
* Working team for Education and Human Resources
* Working team for Social Issues
* Working team for Work Safety and Health at Work Protection
* Working team for the EU
* Working team for Economic Policy
* Working team for Employees Rights, Collective Bargaining and Employment
* Working team for Taxation and Insurance
* Working team for Concept of Pension Reform
* Working team for Cultural Matters
* Working team for Regional Development and EU Funds
* Working team for Health Care
* Working team for the Internal Market
* Working team for Cooperation with the International Labour Organization
* Working team for Non-profit Organizations
* Working team for Agriculture and Environment

The Secretariat ensures the preparation of draft agenda of the Council´s bodies and provides technical and organizational support for meetings of the Council. It is also responsible for communication between the government and social partners. The Secretariat is directed by the Secretary General who is appointed by the government. By organization is the Secretariat incorporated into a structure of the Office of the Government as an independent unit.

**WORK**

The Council of Economic and Social Agreement is a joint voluntary negotiating and initiative body of the government, trade unions and employers for achieving an agreement in essential issues of economic and social development. It is based on tripartite structure as a consultative body. Usually documents prepared by the government or ministries are discussed upon request of social partners. Sometimes there is a governmental request for discussion to be familiar with the social partners´ opinions as well. All documents submitted to the Council are subject of debate firstly in the working teams and then in the Plenary Session. During this process the ideas crystallize to the final opinion given to the Plenary Session.

Related to specific areas discussed the Council deals mainly with the main issues of economic and social development, employment, health and safety conditions at work, entrepreneurship conditions, health care, living costs, environment, education, research, industry development and usage of the EU funds.

Discussion within the Council is not obligatory and there is no legal basis for the Council’s activity. There is no legal obligation for the government or for the Parliament to ask the Council’s advice. The full cooperation is based on voluntary basis. In most cases social partners require discussing some specific problems or government proposals and this discussion depends on the political culture and the government’s will to accept it. All the activities of the Council are based on good will, cooperation and agreement between social partners and the government. On the other hand, the influence of the Council is very strong – support of the social partners in the key questions is very useful for the government.

The Council does not produce any advises or any other binding documents. The conclusions of the Plenary Sessions are not binding and the acceptation of the opinions of the social partners depends just on the will of the government.

There is no special budget of the Council. The salary costs for the secretariat staff and other related costs are covered by the Office of the Government.

**THE FUTURE OF THE SOCIAL DIALOGUE IN THE COUNTRY**

Since the institutionalized social dialogue within the Council is mainly based on voluntary basis and need of the government and social partners to discuss main topics and issues of common interest, the future of this dialogue depends primarily on attitude of all its sides and partners and a government´s will to discuss. Since 2014 a significant progress in this field was observed, all the matters are subjects of really profound debates and co-operation between social partners and government has permanently strengthening tendencies. This co-operation still has a very strong potential with visible interest of all partners represented within the Council. Also an extensive engagement of social partners into the legislation making process and other issues raises hopes of a further development and positive future of social dialogue in the Czech Republic.