

2015

Annual Review of Labour Relations and Social Dialogue Czech Republic

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March 2016

- In general the Czech economy showed significant growth in 2015 that was evenly distributed among all activities in the economy.
- After the tense relationship between trade unions and the right-wing government of Petr Nečas (ODS) from 2010 to 2013, social dialogue has improved rapidly under the new centre-left government of Bohuslav Sobotka (ČSSD) formed in January 2014. According to the President of the Czech-Moravian Confederation of the Czech Republic (ČMKOS), Josef Středula, the relationship between trade unions and the government are currently the best in 25 years.
- In 2015, the government announced the Year of Industry and Technical Education. ČMKOS decided to support the events with their own one-year “The End of Cheap Labour” campaign which was introduced in June 2015. ČMKOS demanded that industry create more high-profile positions and recommended that the unions should demand a 5 per cent pay increase in collective bargaining.
- At the end of the year, ČMKOS announced a new program declaring their Vision of the Economic Strategy Change in the Czech Republic.
- As the confederation states in a new analysis, industry requires an increase in labour productivity that would allow a reduction in working hours (which are among the highest within the European Union). In addition, the programme insists on a one to two per cent increase in taxation of corporate profits and introduction of progressive income taxes (income taxes in Czech Republic are levied at a flat rate of 15% on gross income). The long-term vision of ČMKOS includes an improvement in economic competitiveness based on no more cheap labour but on new professional occupations.



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1. SOCIO-ECONOMIC DEVELOPMENTS

In general, the Czech economy showed significant growth that was evenly distributed among all activities in the economy. It implies that the Czech population is gradually losing fears about the future and its demand for goods and services is on the rise.

The economic recovery after the downturn in the years following the global economic crisis in 2008 continued in 2015. The export-oriented economy had been heavily affected by dampened foreign demand and the economy only started to gradually improve in 2013.

Table 1: Key macroeconomics indicators 2007–2014

<i>Indicator</i>	2007	2008	2009	2010	2011	2012	2013	2014
GDP %, (y/y, real terms)	5.5	2.7	-4.8	2.3	2.0	-0.9	-0.5	2.0
Construction output (% , y/y, real terms)	7.1	0.0	- 0.9	- 7.4	- 3.6	-7.6	-6.7	4.3
Industry (sales, %, y/y, current prices)	14.1	- 0.3	- 15.9	9.5	7.6	1.7	1.5	8.9
Services (sales, %, y/y, real terms)	8.7	0.2	- 9.9	- 0.8	- 1.9	-0.4	-0.2	1.0
Agriculture (sales, %, y/y, real terms)	- 6.6	- 3.8	7.1	6.4	8.0	3.1	-2.1	11.0
Export of goods and services (% , y/y, real terms)	11.1	4.2	-9.8	15.0	9.3	4.2	0.1	8.8
CPI (% , y/y, average)	2.8	6.3	1.0	1.5	1.9	3.3	1.4	0.4
Aggregate labour productivity (% , y/y)	3.5	0.4	-3.1	3.2	2.1	-1.0	-0.6	1.3
Average gross nominal wages (% , y/y)	7.2	7.8	3.3	2.2	2.5	2.5	- 0.1	2.3

Source: Czech Statistical Office (Český statistický úřad, ČSÚ)

In 2014, the Czech economy moved out of the two years' recession and was expanding faster than EU and Eurozone countries. The renewed growth in gross fixed capital formation, that is investment, contributed the most to GDP growth in 2014. The income situation of Czech households improved in 2014, after three hard years. Changes in the labour market, such as continuing growth in the number of employees, lengthening of the real hours worked, growth in real wages in both the business and non-business sphere but also, for instance, the increase in the number of self-employed (especially entrepreneurs) had a positive effect on household income in 2014 and were consequently also transferred into higher consumption expenditure. Economic growth in the euro area together with a weaker

Czech currency (CZK) had a very favourable impact on the export volume of goods and services.

In the first three months of 2015 economic growth further accelerated. This economic growth was supported by a range of one-off factors – drawdown of EU funds from the programming period 2007–2013, fiscal stimulation, a positive supply shock in the form of the big year-on-year fall in the price of crude oil. Loose fiscal and monetary policy contributed to the improvement of the labour market, i.e. a fast drop of the unemployment rate and rising incomes, but also the strengthened investment activity. The Czech economy expanded by 4.2 per cent for Q1–Q2 2015. The growth was non-inflationary and – with respect to the

state finances and external relations development – also balanced.

The unemployment rate decreased in 2015 and the negative consequences of the recession have definitively vanished from the labour market. However, the improvement of the labour market has not yet been reflected in growth in real wages in the private sector and that is why wage increases are expected in 2016.

The Gini-coefficient on income and on assets slightly increased and it is at the same level as in 2009.

2. STATE POLICIES

When it came into office in January 2014 the Bohuslav Sobotka Government¹ stated that it would promote an economic programme based on support of entrepreneurship, efficient and transparent government, an efficient labour market, a sustainable pension system, social peace in society, and investment in education, science and research. In April 2014, the government established the National Reform Programme (NRP) of the Czech Republic 2014, as a strategic document consisting of important measures that should help in boosting economic growth and the competitiveness of the Czech economy. The NRP was appreciated by both trade unions and employers who cooperated on the preliminary version. Measures suggested in the NRP are derived from the coalition agreement and consist of priorities in using European structural funds, transparency of public finance, efficiency of institutions, an attractive business environment, crucial industrial infrastructure, a working labour market and educational system, social inclusion and growth based on research and innovations.²

In 2015 significant progress was achieved in social and family policies: affordable and quality childcare services were increased through

enactment of Act No. 247/2014 Coll., on Children's Group, which sets the parameters of childcare services delivered on a non-profit basis. Another element of the Government's family-friendly policies is an increase in the tax benefits for second and subsequent children. The government also approved a package of laws on fiscal responsibility to take effect from 2016. It includes the introduction of a so-called debt brake at the constitutional level and the establishment of a functionally independent institution with responsibility for assessing fiscal and budgetary performance. The Government has also approved an amendment to the Higher Education Act; its aim is to increase the quality of higher education through changes to its evaluation system. Both of these regulations are now awaiting debate in the Czech Parliament.

Reform measures are focused on supporting economic growth and employment, as well as tax collection. The state budget for 2015 therefore assumed growth in government investment, especially in the upgrade of public infrastructure, particularly roads and rail.

One of the most controversial legislative measures of the new government was the new Civil Service law (Act No. 234/2014) passed in October 2014 (despite the President's veto), effective from 1 January 2015. This act enabled concluding of the historically first higher-level collective agreement in the public sector. Until 2014, collective bargaining in the public sector took place only at the workplace level; there was no partner on the employer side for higher-level collective bargaining. The new legislation defines the Government as the partner for trade unions at the higher level. That is why a higher-level collective agreement valid between the Government and four public sector trade unions was concluded in December 2015.

The first modifications to the 2006 Labour Code by Labour Minister Michaela Marksová were meant to "social-democratize" the work

¹ Available at <http://www.vlada.cz/en/media-centrum/dulezite-dokumenty/policy-statement-of-the-government-of-the-czech-republic-116171/> (in English).

² Available at http://ec.europa.eu/europe2020/pdf/csr2014/nrp2014_czech_en.pdf (in English).



environment. Since 1 January 2015 a valorisation raised the minimum wage up to 332 €; about 100 000 employees could benefit from this increase. Another modification initiated by the Ministry of Labour and Social Affairs of the Czech Republic (*Ministerstvo práce a sociálních věcí České Republiky*) provided for taxation of managers' compensation payments which are above the previously legally required amount.

For the first time, the Czech Labour Code in 2015 enabled companies in financial difficulties to request the approval of short-time work from the state. The implementation, based on the German model of *Kurzarbeit*, entitles employees to 70 percent of pay of which the employer bears only one-fifth.

Furthermore the law on the Labour Inspectorate was amended. Besides new obligations for documentation that had become necessary as a result of a new wave of Ukrainian labour migrants, it included higher fines for discrimination and a stricter derogation of working time limits.

3. INDUSTRIAL RELATIONS

In the face of the popularity of contracts of work, the new 2014 civil code had to clarify the shape of this institution that was strongly influenced by its original design from 1964. During recent years employee representations have encountered new employer strategies to circumvent obligations of employment based on labour law, often by means of pseudo-recruitment agencies.

Concerning industrial conflicts, there is no legally defined reporting. Such activities by the social partners have not been centrally monitored since 1997 – the only sources telling the number of industrial actions are trade unions. According to the ČMKOS progress reports on higher-level and company-level collective bargaining in 2015, no strike took place in connection with collective bargaining and concluding collective agreements at the higher level (sectoral level) and two strikes took place in

terms of concluding a company-level collective agreement – one strike was held by the Czech Airlines Crew Union Organisation (Odborová organizace posádek letadel ČSA, OOPL); however, this strike was declared as illegal by a court. The second strike was organised by the trade union in IG Wateeuw ČR, s. r. o. These strikes were the first after 10 years (the last strike in terms of concluding a company level agreement occurred in 2005).

4. TRIPARTITE SOCIAL DIALOGUE

Industrial relations in the Czech Republic have been affected particularly by the level of communication of the government and social partners in the period from 2007 to 2015. Very good cooperation between social partners and the government at the tripartite level occurred during the caretaker government of Prime Minister Jan Fischer (May 2009-July 2010) who pledged to communicate with social partners and respect their views. However, relations of social partners during the right-wing government of Petr Nečas (July 2010-June 2013), due to the reforms planned, got worse especially with trade unions. In June 2013 both trade unions and employers welcomed the new caretaker's government of Jiří Rusnok (July 2013-January 2014). But after early elections held on 25 and 26 October 2013, actually seven months before the end of the four-year legislative term of the government, a centre-left government was formed with Prime Minister Bohuslav, and the relationship between social partners, especially trade unions and the government, improved rapidly. The President of the Czech-Moravian Confederation of Trade Unions (Českomoravská konfederace odborových svazů, ČMKOS) has said the relationship with the government is the best in 25 years.



5. FORECASTS

According to the Ministry of Finance's official Macroeconomic Forecast³, on average, the growth rate is expected to decelerate to 2.5% in 2016, as the one-off factors (drawdown of EU funds from the programming period 2007–2013, fiscal stimulation, positive supply shock in the fall in the price of crude oil, etc.), which supported GDP growth in 2015, fade away. Growth should be driven by domestic demand in 2016; not only by final consumption expenditure but also by investment in fixed capital. The negligible contribution of net exports to GDP growth reflects expected weak growth in the euro area (the principal trading partner

of the Czech Republic) and higher imports mirroring the relatively solid growth of domestic demand. The labour market situation should be gradually improving thanks to this economic growth. On average, the ministry's survey of forecasts indicates employment increasing by 0.7% in 2016.

In social dialogue, it is expected that trade unions will continue fighting hard for increases in wages. Employers will face a limited supply of labour, especially in technical branches so the Confederation of Industry of the Czech Republic (Svaz průmyslu a dopravy České republiky, SP ČR) plans to recruit new workers from abroad, especially from Ukraine.

³ See Ministry of Finance of the Czech Republic: Survey of Macroeconomic Forecasts – December 2015. Prague: Ministry of Finance of the Czech Republic, 10. 12. 2015. Available at

<http://www.mfcr.cz/assets/en/media/Survey-of-macroeconomic-forecasts-December-2015.pdf>

ANNEX OF DATA

- **Structure of the economy**

Company size	Total	0–49	50–249	250+
Number of employees (in 2011)	3,783,500	1,261,800	931,500	1,590,200

Source: Czech Statistical Office (Český statistický úřad, ČSÚ)

Sectors in % of national Economy	Primary	Secondary	Tertiary
2014	3.3 %	51.5 %	45.2 %

Source: Czech Statistical Office (Český statistický úřad, ČSÚ), Note: sector as a share of GDP in 2014 in current prices

- **Collective Bargaining System**

Collective bargaining is regulated by law, in terms of both the process and the content. Obligations arising from collective agreements are binding on the contractual parties and the fulfilment of such obligations is legally enforceable. Czech law distinguishes between company-level collective agreements (CLCAs), concluded between the relevant trade union body and an employer, and higher-level collective agreements (HLCAs), concluded for a greater number of employees by the relevant higher-level trade union body and an organisation or organisations of employers. The most prevalent level of collective bargaining in the Czech Republic is the company level; however, there is no central register of CLCAs. For collective bargaining at the company level, the legally binding minimum is – if an HLCA applies to the relevant employer – those obligations negotiated in the higher-level agreement.

Extension of the binding nature of HLCAs to another employer is possible under the conditions set by law. The Ministry of Labour and Social Affairs of the Czech Republic (*Ministerstvo práce a sociálních věcí ČR*, MPSV ČR) holds the relevant powers. Agreements are extended based on a proposal made by both contractual parties to the agreement, provided that the conditions determined by law are met.

- **System of tripartite social dialogue**

The tripartite forum at the national level, Council of Economic and Social Agreement (Rada hospodářské a sociální dohody, RHSD) is the country's main social dialogue institution. The work of the RHSD is strictly consultative. The aim of the tripartite organisation is to reach agreement via mutually respected forms of dialogue in fundamental areas of economic and social development. Above all it wants to maintain social consensus as a prerequisite for positive development of the economy as well as citizens' standard of living.

The top negotiating body of the tripartite organisation is the Plenary Meeting, where the government delegation is represented by 8 members, employer organisations by 7 representatives – namely from the Confederation of Industry of the Czech Republic (Svaz průmyslu a dopravy ČR, SP ČR) and the Confederation of Employer and Entrepreneur Associations of the Czech Republic (Konfederace zaměstnavatelských a podnikatelských svazů ČR, KZPS ČR) – and union confederations by 7 members – namely from the ČMKOS and – the Association of Independent Trade Unions (Asociace samostatných odborů ČR, ASO ČR). Criteria for participation are set

in the RHSD Statute. Conclusions of the tripartite meeting are approved by all participants of the talks. If consensus fails to be reached and common conclusions fail to be accepted, different opinions of the delegations on the issues at hand are published.

The areas on which the RHSD comments are defined by the RHSD Statute: economic policy, labour relations, collective bargaining and employment, social issues, public service wages and salaries, public administration, safety at work, development of human resources and education, and the Czech Republic's position within the EU. In particular, the first and the last areas are very broad and may encompass a range of various policies. In a European perspective, the Czech Republic is one of the countries in which tripartite concentration covers a wide array of activities.

- **Social security systems**

All Czech citizens (employees) are covered by health insurance.

Unemployment benefits are paid to job applicants. A job applicant is a natural person with residence in the Czech Republic who applies for a mediation of suitable employment and, while complying with legally-prescribed requirements, is included in the job applicant register maintained by the Labour Office. The job applicant can be only a natural person who is not in a labour-law relation/service, or self-employed, without foreign income, or a pupil or student preparing for a future occupation. A natural person cannot become a job applicant at the time when the person is recognized as being temporarily incapable to work, under jail sentence or in custody, drawing maternity benefits, or disabled. Eligible for an unemployment benefit are citizens with residence in the Czech Republic, who:

- a) In two years prior to their registration in the job applicant register had at least 12 months of pension insurance,
- b) Asked the regional office of the Labour Office where they are registered in the

register of job seekers to provide unemployment benefits

- c) Is not a beneficiary of an old-age pension to the day on which the unemployment benefit should be granted.

- **Education and vocational training**

Training of employees is regulated by Act No. 262/2006 Coll., Labour Code in Articles 227-235. Under this, the employer is obligated to take care of employees' professional (vocational) development. This includes: induction training and on-the-job training; professional practice for school graduates (internship); improvement of qualification; and qualification upgrading. If an employee starts employment with no skills or qualifications, his employer has to arrange for an induction or on-the-job training; this is considered as part of the employee's paid work. The employer also has to arrange induction training or on-the-job training as necessary for an employee who is transferred to a new workplace or to a new type of work due to a decision made by the employer.

During the economic recession companies reduced their own investments in staff training to decrease costs. However, a few public schemes and programmes supporting professional training have been created, in particular thanks to the resources from the European Social Fund. Awareness about the importance and benefits of employee education has been growing over the long term. The subsidy programs were thus of great interest of enterprises and many employees got a chance to expand their skills and knowledge in the time of crisis.

The in-company training system is better developed in big companies. Thanks to public support, professional education has likely expanded among smaller companies as well; they started pursuing this topic to a greater extent. More attention was paid to staff training in companies with foreign ownership (however, they are more often present in big companies). Professional training has likely expanded among the staff with lower education

as well, while in the past it was primarily a domain of highly-qualified workers. On the contrary, professional education was not likely to occur, for example among temporary agency workers who were not encouraged by public schemes. The issue of vocational training is traditionally a standard part of collective agreements, especially at the company level; however, universal regulations prevail. In

2015, general conditions for employees' professional development have been agreed in 33.0 per cent of CLCAs.

In their 2015 programme "Vision for Change in the Economic Strategy of the Czech Republic", ČMKOS insisted on more state-investment for technical training and research in order to establish the Czech Republic as a high-productivity country.

- **Unemployment rate**

Registered rate of unemployment according to ILO methodology (% , average of year)

2008	2009	2010	2011	2012	2013	2014
4.4	6.7	7.3	6.7	7.0	7.0	6.1

Source: Czech Statistical Office Source (Český statistický úřad, ČSÚ)

This source is usually used when dealing with data on the labour market in the Czech Republic. These data are measured by the Labour Force Sample Survey and has been fully harmonised with the standards of Eurostat and has corresponded to the contents of Council Regulation (EU) No. 577/98.

Youth unemployment rate (age group 15–29)

Year	2009	2010	2011	2012	2013	2014
Rate of unemployment (%)	11.6	13.0	11.8	13.1	12.3	10.7

Source: Eurostat

- **Employment rate (age group 15–64 years)**

Year	2008	2009	2010	2011	2012	2013	2014
Employment rate (%)	66.6	65.4	65.0	65.7	66.5	67.7	69.0
Employment rate – males (%)	75.4	73.8	73.5	74.0	74.6	75.7	77.0
Employment rate – females (%)	57.6	56.7	56.3	57.2	58.2	59.6	60.7

Source: Eurostat

Age group	Rate of unemployment – total (%)	Rate of unemployment – females (%)	Rate of unemployment – males (%)
15–19	36.8	38.5	35.8
20–24	13.6	14.9	12.8
25–29	7.4	8.5	6.7
30–34	6.6	9.4	4.9
35–39	5.5	7.8	3.8
40–44	4.4	6.3	2.7
45–49	5.0	5.9	4.2
50–54	5.0	5.8	4.2
55–59	5.5	6.1	4.9
60–64	3.7	2.9	4.1
65+	1.2	1.5	1.1

Source: Czech Statistical Office (Český statistický úřad, ČSÚ)

- **Net average monthly salaries**

Salaries	2008	2009	2010	2011	2012	2013	2014
Average nominal gross monthly wage (in EUR)	840	888	943	947	999	910	998
Median of gross monthly wages (in EUR)	830	841	894	849	882	817	853

Source: Czech Statistical Office Source (Český statistický úřad, ČSÚ)

For calculation in EUR exchange rates on <http://www.oanda.com> were used.

- **Gender pay gap (adjusted form)**

2008	2009	2010	2011	2012	2013
26.2	25.9	21.6	22.6	22.0	22.1

Source: Eurostat

- **Net monthly minimum wage (EUR/month)**

2008	2009	2010	2011	2012	2013	2014	2015
300	298	302	319	310	318	310	332

Source: Eurostat

The minimum wage is regulated by the Labour Code (Act No. 262/2006) and the Government Decree on the Minimum Wage (Act No. 567/2006). The minimum wage was frozen from 2007 (CZK 8,000 or EUR 309 (oanda.com) per month for a 40-hour week, the equivalent of CZK 46.10 an hour) till 1 August 2013, when the new monthly minimum wage was increased (CZK 8,500 or EUR 329 (oanda.com) per month for a 40-hour week, the equivalent of CZK 50.60 an hour). From 1 January 2015 the minimum wage was increased to CZK 9,200 or EUR 333 and from 1 January 2016 to CZK 9,900 or EUR 366.

- **Actual weekly working hours**

In 2014, there were 39.5 usual weekly hours worked on the main job on average⁴. The vast majority (93.8%⁵) of collective agreements deal with the issue of working hours. Average collectively agreed working hours have amounted to 39.5 hours a week in 2015⁶ and since 2001 when an amendment to the Labour Code introduced a maximum limit of 40 hours per week for weekly working hours.

- **Normal work / atypical work (2014)**

Type of job holders	Working full-time	Working part-time
Permanent job holders	4,346,500	211,200
Temporary job holders	309,800	104,900
Total	4,656,300	316,100

Source: Czech Statistical Office (Český statistický úřad, ČSÚ).

- **Migration flows 2008–2014**

External Migration	2008	2009	2010	2011	2012	2013	2014
Immigrants	77,817	38,199	39,973	22,590	30,298	29,579	41,625
Emigrants	6,027	11,629	14,867	5,701	20,005	30,876	19,964

Source: Czech Statistical Office (Český statistický úřad, ČSÚ)

- **Human Development Index (HDI)**

Index and Ranking	2008	2009	2010	2011	2012	2013	2014
Human Development Index	n. a.	0.841	0.841	0.865	0.873	0.861	0.870
International ranking	n. a.	28	28	27	28	28	28

Source: United Nations Development Programme

⁴ Source: OECD.

⁵ Working Conditions Information System (Informační systém o pracovních podmínkách, ISPP), table A22a, available at http://www.kolektivnismilouvy.cz/download/2015/IPP_2015

⁶ Dtto.

- **Gini-coefficient**

2008	2009	2010	2011	2012	2013	2014
24.7	25.1	24.9	25.2	24.9	24.6	25.1

Source: Eurostat

- **Collective agreement coverage⁷**

There is no register of company-level collective agreements concluded in the Czech Republic; however, higher-level collective agreements are monitored by the Ministry of Labour and Social Affairs of the Czech Republic (Ministerstvo práce a sociálních věcí České republiky, MPSV ČR)⁸. There were 21 higher-level collective agreements concluded in 2015, which is lower than in 2014 (24 HLCAs).

According to ČMKOS data⁹, 31.6 per cent of the employees in the Czech Republic are covered by company-level collective agreement (31.3 per cent of employees in 2014).

One reason for the domination of company-level collective agreements can be seen in the domination of a one-workplace-one-union principle in the Czech Republic that has been a legacy of decentralization after 1990.

- **On-going important Collective Bargaining Agreements**

There are no special or important collective agreements, even on the company or sector level. The economic recession had an impact on collective bargaining as late as in 2009. Impacts of the crisis on collective bargaining and

conditions agreed in collective agreements differ by sector, because different sectors have been/are affected by the crisis differently, or with a delay. Although the situation still differs by sector and company, according to ČMKOS, collective bargaining is more stable and trade unions are more ambitious. Stress at work is included in 0.4 per cent of CLCAs and harassment issues are included in 1.6 per cent of CLCAs in 2015. Arrangements relating to work-life balance tend to be relatively common.

Collective agreements, especially company level ones, address a wide range of issues related to labour law, such as the reduction of working hours without reducing wages and leave entitlement. The agreements also cover employment conditions, for example fixed-term work, part-time work and temporary agency work. Furthermore, the agreements consider social policy, such as employee recreation and transport, as well as continuous vocational training, and health and safety. Collective agreements usually also set principles for the cooperation of contractual partners. The content structure of collective agreements has remained unchanged for years and is seldom subject to change.

⁷ Separate data on public and private sector are not available.

⁸ MPSV ČR monitors higher-level collective agreements, however, it does not monitor the coverage of HLCAs. We cannot calculate the coverage by HLCAs based on the data of MPSV.

⁹ Data are available for ČMKOS members only.

- **Trade union density**

The overall and long-term trend, as in other EU countries, is decreasing membership of trade unions and this has not been markedly affected by the crisis. This continuing downward trend has affected the majority of trade unions in the country. Despite the fact that public trust in trade unions in the Czech Republic is increasing¹⁰, the number of union members has slightly decreased. Trade union density is estimated to be 13 per cent in 2014. It should be noted that this rate includes inactive members, such as pensioners. ČMKOS unions frequently retain a significant pensioner membership, ranging up to over 25 percent of the total¹¹, who stay with the union largely for social activities.

- **Employers' organizations density**

In 2013, the employer's organizations density was about 25 per cent.

- **Workplace representation**

Employee representatives – that is, trade unions, Works Councils, and safety at work and health protection stewards – are statutorily required to keep employees in all workplaces duly informed about their activities, and about the content and conclusions of all information and negotiations with the employers. Employee representatives must not be disadvantaged, advantaged or discriminated against

because of their membership in a Works Council.

Trade unions play by far the most significant role in employee representation by virtue of regulation in terms of competency, but also in practice from the perspective of occurrence, function in social dialogue and particularly collective bargaining. Only trade unions can represent employees in labour relations, in collective bargaining by concluding collective agreements and in tripartite negotiations. Regulation of the role and prerogatives of trade unions is codified by law.

In 2008 judgments in the constitutional court reinforced the position of the Works Councils at the expense of the trade unions. The court ruled against the provision that the Works Council had to be dissolved if a trade union was subsequently established. Employees may be represented by a Works Council, which, however, does not have legal subjectivity and only acts as a mediator between the employers and their employees in order to ease the flow of information and consultation within a company. However, Works Councils are still rare in the Czech Republic. Another institution deriving from European labour law, the European Works Council, has become more common since 2006. It has become one of the main channels for the handling situations where local managements were trying to impose tougher conditions than were normal in Western Europe (for example Deutsche Bahn AG or SAP SE).

¹⁰ See KYZLINKOVÁ, Renata. Czech Republic: Public's trust in trade unions increasing. Eurofound, 28. 5. 2015. Available at <http://www.eurofound.europa.eu/observatories/eurwork/articles/industrial-relations/czech-republic-publics-trust-in-trade-unions-increasing>

¹¹ See MYANT, Martin: Trade unions in the Czech Republic. Brussels, ETUI, 2010, p. 32. Available at <http://library.fes.de/pdf-files/gurn/00392.pdf>

• Trade union mapping

	in National Language	in English	
Name of TU Federation/ Confederation/Trade Union	Českomoravská konfederace odborových svazů	Czech-Moravian Confederation of Trade Unions	
Founding Year	1990		
Sector/Branch	All sectors in the national economy.		
Cycle of Congresses/ Last Congress	4 years/25.–26 April 2014		
Important Functionaries (Chairman, President, International Secretary, Youth Leader, etc.)	Name	Function	Homepage
	Josef Středula	Chairman	www.cmkos.cz
Number of Members (please comment on the official number applying a sensitive approach)	29 trade unions are members with approximately 286,768 members 2015 (according to ČMKOS which does not keep exact records on the number of members)		
Finance (major sources of finance, please comment on the official figures applying a sensitive approach)	Member fees, revenue from leased assets, services for members, projects supported by European Structural Funds.		
Cooperation in national committees	Member of the Czech tripartite body Council of Economic and Social Agreement of the Czech Republic (RHSD)		
Memberships	Regional Umbrella Associations		Global Umbrella Associations
	European Trade Union Confederation (ETUC)		International Trade Union Confederation (ITUC)
			Trade Union Advisory Committee to the OECD (TUAC)

	in National Language	in English	
Name of TU Federation/ Confederation/Trade Union	Asociace samostatných odborů	Association of Independent Trade Unions	
Founding Year	1995		
Sector/Branch	All sectors, but agriculture and transport prevail.		
Cycle of Congresses/ Last Congress	1 in 4 years min./21 October 2013		
Important Functionaries (Chairman, President, International Secretary, Youth Leader, etc.)	Name	Function	Homepage
	Bohumil Dufek	Chairman	www.asocr.cz
Number of Members (please comment on the official number applying a sensitive approach)	14 trade unions in 2015 (Source: ASO ČR), 80,000 members in 2015		
Finance (major sources of finance, please comment on the official figures applying a sensitive approach)	Membership fees.		

Cooperation in national committees	Member of the Czech tripartite body Council of Economic and Social Agreement of the Czech Republic (RHSD)	
Memberships	Regional Umbrella Associations	Global Umbrella Associations
	Not member of any regional umbrella association	

• **Employer Association Mapping**

	in National Language	in English	
Name of the association	Svaz průmyslu a dopravy České republiky (SP ČR)	Confederation of Industry of the Czech Republic	
Founding Year	1990		
Sector/Branch	Industry and transport in general		
Cycle of Congresses/ Last Congress	Twice a year min./20 October 2015		
Important Functionaries (Chairman, President, Director, etc.)	Name	Function	Homepage
	Jaroslav Hanák	President	http://www.spcr.cz/odvetvove-svazy/svaz-prumyslu-a-dopravy-cr
Number of Members	1.600 entities employing approximately 800.000 employees in 2014 (Source: SPČR)		
Finance (major sources of finance, please comment on the official figures applying a sensitive approach)	Member fees, services (technical consultancy, education etc.) for members and non-members, PR activities (fair presentation, etc.).		
Cooperation in national committees	Regional Umbrella Associations	Global Umbrella Associations	
Memberships	BUSINESSEUROPE	The Business and Industry Advisory Committee to the OECD	
		International Organisation of Employers	

	in National Language	in English	
Name of the association	Konfederace zaměstnavatelských a podnikatelských svazů České republiky (KZPS ČR)	Confederation of Employer and Entrepreneur Associations of the Czech Republic	
Founding Year	1990		
Sector/Branch	All sectors; public sector, construction and cooperatives prevail		
Cycle of Congresses/ Last Congress	Once a month/n. a.		
	Name	Function	Homepage



Important Functionaries (Chairman, President, Director, etc.)	Jan Wiesner	President	
Number of Members	7 employer and entrepreneur associations with 22,281 entities and 1,295,028 employees in November 2014 (Source: KZPS ČR website)		
Finance (major sources of finance, please comment on the official figures applying a sensitive approach)	Member fees, services (consultancy, education etc.) for members and non-members, PR activities (fair presentation, etc.).		
Cooperation in national committees	Member of the Czech tripartite body Council of Economic and Social Agreement of the Czech Republic (RHSD)		
Memberships	Regional Umbrella Associations	Global Umbrella Associations	
	BusinessEurope	Not member of any global association	

Acronym	Full Name
CDEFOP	European Centre for the Development of Vocational Training
EIRO	European Industrial Relations Observatory
ETUI	European Trade Union Institute
ES	Eurostat
IOM	International Organization for Migration
ML	Ministry of Labour
ND	National Data
OECD	Organisation for Economic Co-operation and Development (OECD)
UN	United Nations
U	Universities
WB	World Bank

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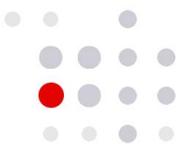


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Imprint

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Maróthyho 6 | 81106 Bratislava | Slovakia
www.fes-socialdialogue.org

Responsible:
Valeska Hesse

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