

Does tripartite dialogue pay? For society, workers, employers?

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Who are we: KS and NUMGE

KS: Norwegian Association of Local and Regional Authorities

- Largest employers organisation for the public sector
- Represents **all municipalities/counties** + 500 enterprises

NUMGE: Norwegian Union of municipal and general employees

- Largest trade union
- Represents 340 000 workers from 100 professions
- Mainly public sector – **80% of workers in the public sector are members of trade unions**

What is tripartite dialogue?

- Social dialogue: a broad concept, may include the whole dialogue between groups in a society
- Tripartite dialogue: a narrow concept including three parties, the employers, the employees, the state/government. Takes part at different levels – formally and informally
- Differences between countries due to historic reasons – and the strength of the three parties



1. For society: Less unemployment

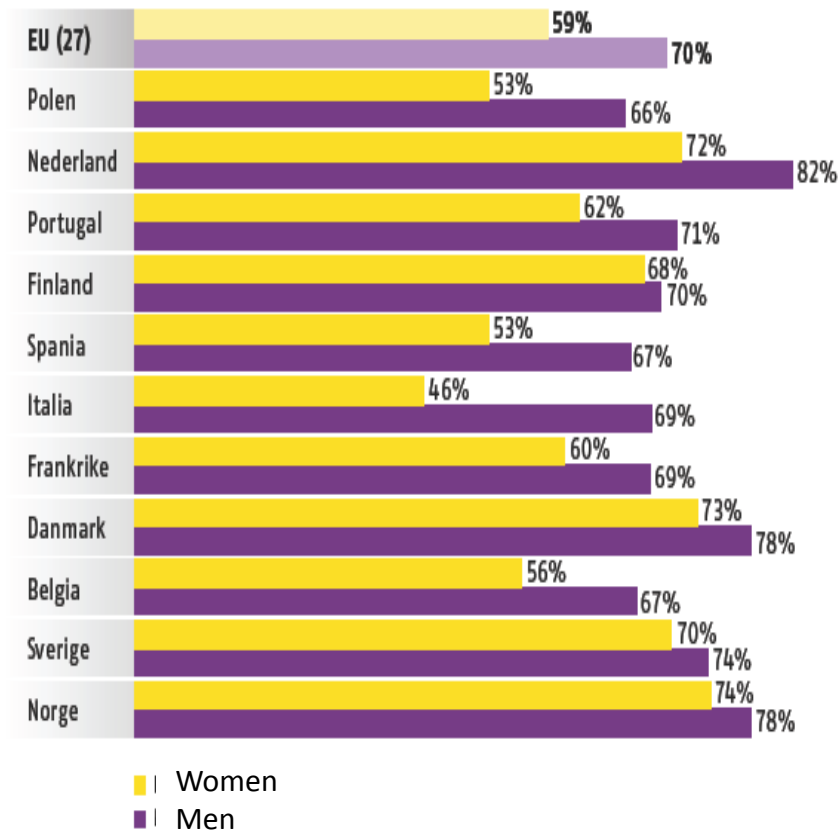
- EU 2013: 10-30% unemployment for adults
- 15- 60% for people 16-25
- An endless line of individual and family disasters
- Long term negative effects
- Not only economic crisis – also social and political
- Norway: 3%



Higher employment rate

- Positive link between employment rate and Gross Nat. Prod.
- Portugal: Employment rate women 62%, men 71%
- Norway: Employment rate 74/78%
- High emp.rate means more to Norwegian economy than oil

Employment rate for men and women 15-65 yrs. in selected countries.
Eurostat 2010.



More taxes: better public services

- Higher employment rate means more taxes
- Taxes are the basis for all public services: schools, hospitals, kindergartens, transport, social security
- Progressive taxation promotes equality
- Taxes are the basis for all jobs in the public sector

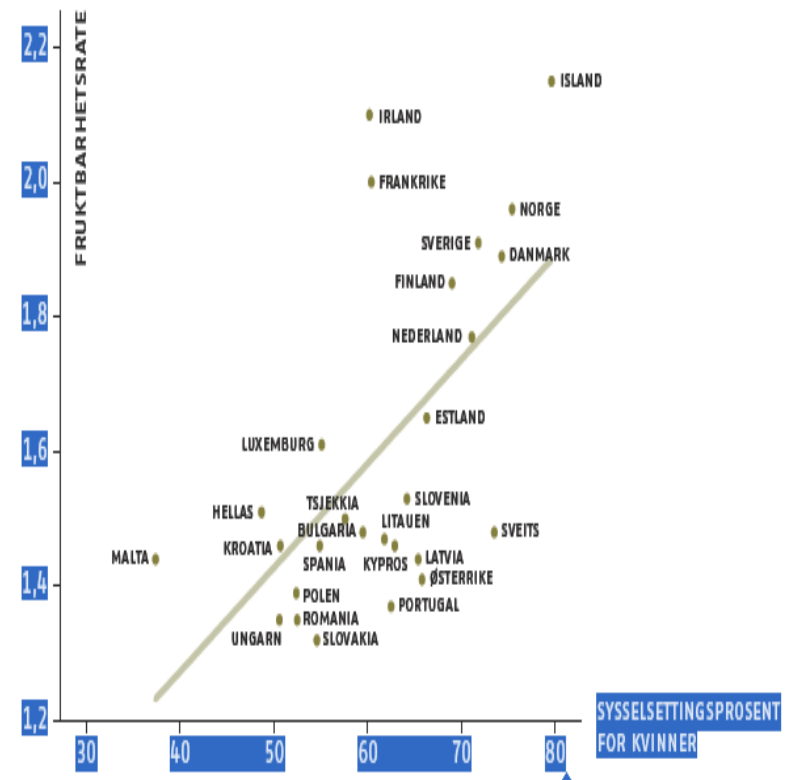


Higher birth rates and employment rates for women

- Sustainable birth rate is 2.1.
- The rates in Europe vary between 1.2 and 2.2.
- Low birth rate means economic problems in next generation: few productive adults - many elderly
- Portugal 1.2, Norway 1.9.

Birth rate and female employment rate in Europe.
Eurostat 2010

Kilde: Eurostat 2010



FIGUR 2.7

More democracy – less conflict

- Democracy is a question of expressing and balancing different interests.
- Tripartite dialogue is an important part of democracy– reduces the risk of conflicts in a society
- Dialogue builds social capital, trust, voluntarism
- Participation takes time...



2. For workers: Higher and compressed salaries

- Higher salaries (but compressed wage structure) mean higher purchasing power and higher consumption
- Private consume is the basis for private sector: shops, factories, services, restaurants
- Private consume is the basis for jobs in the private sector



Better working conditions – more decent work

- Collective bargaining, collective wages = predictability
- Legislation ensures work environment
- High migration and mobility in Europe – risk of social dumping
- Handling of sexual/moral harassment at work place?



More influence for workers



- Close to production
- Close to clients
- Knowledge
- Silent knowledge / "Dienstwissen"
- Flexicurity a fundament for restructuring/reengineering
- Empowerment is engagement
- Engaged employees make good decisions
- Engaged employees act for the common good
- We're not only in it for the money

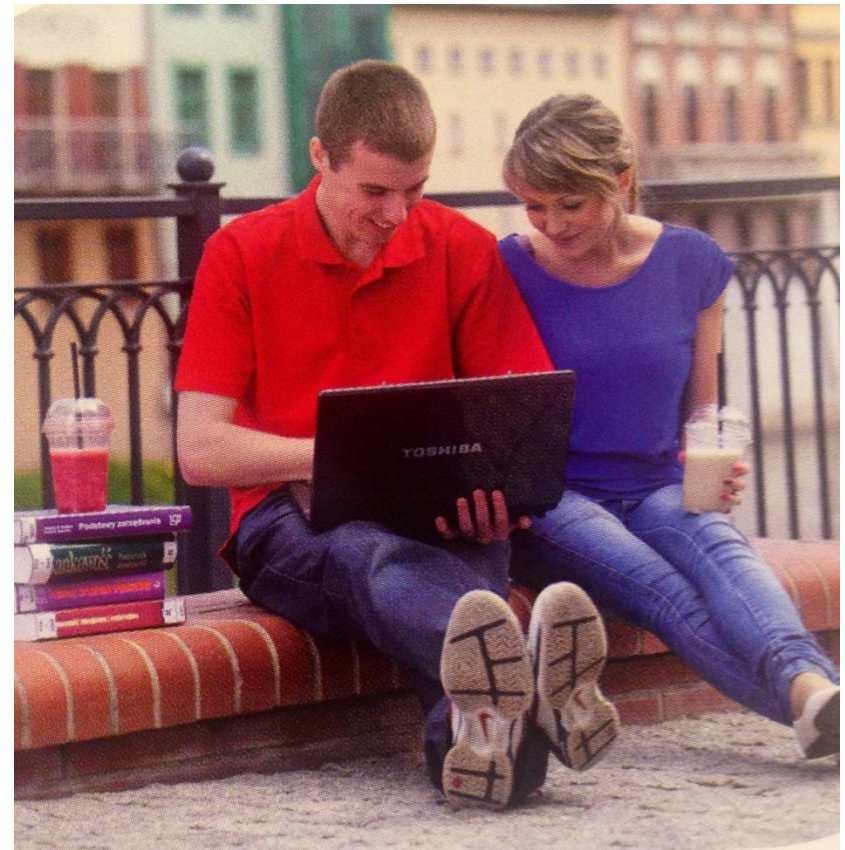
3. For employers: increased productivity

- Workers: most valuable resource for employers
- Decent work and salaries mean more satisfied workers
- Satisfied workers may mean increased productivity
- New roles for employers: empowering and motivating highly qualified workers – not mainly controlling
- Change of employers' attitude



Easier adjustment to new challenges

- LGs face new challenges:
globalization, demography,
technology + individualisation
- Tripartite dialogue makes
adjustments and changes easier
- Opole/Poland: some schools have
50% less pupils since 1999, need
to merge schools, move teachers
- Dialogue with school directors –
teachers + parents and community
- Took a long time
- Result 1: satisfied inhabitants
- Result 2: education budget down
from 49 to 30% of mun. budget



Summary: main messages

- Tripartite dialogue is not
 - An unnecessary (and wasted) exercise
 - A luxury for rich countries, only
 - Irrelevant in a situation with financial crisis
- Tripartite dialogue represents substantial economic advantages:
 - For workers: more jobs, influence and higher salary
 - For employers: higher productivity, better public services
 - For society: higher employment, tax incomes, birth rates, less conflicts