

## CELSI POLICY BRIEF 2015 no.2

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# BARGAINING FOR SOCIAL RIGHTS AT THE SECTORAL LEVEL (BARSORIS)

## POLICY BRIEF FOR THE SLOVAK REPUBLIC

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- **Objectives of the research:** The study uncovers the challenges associated with the growth of precarious employment. It analyzes the actions that trade unions and employers have developed in addressing precarious employment in Slovakia. The analysis focuses on four economic sectors, including healthcare, construction, temporary agency work and industrial cleaning.
- **Scientific approach and methodology:** The report uses a qualitative and comparative approach to study various dimensions of institutionalized forms of precarious employment and the responses of social partners thereto. In particular, the study presents evidence along a two-dimensional approach to precarious employment. This approach allows mapping sectoral differences in the most important forms and trends in precarious employment and to identify and compare the focus of social partner responses to particular dimensions of precarious work.
- **New knowledge and added value:** In temporary agency work and in construction, precariousness has evolved around external flexibility of employment. Flexible hiring and firing, and related debates over the length of contracts, subsequent numbers of fixed-term contracts, or working conditions of the self-employed, dominated the recent initiatives in these two sectors. In healthcare and industrial cleaning, precariousness demonstrates itself through internal flexibility, including work re-organization, increasing workload, and changing work content often coupled with the issue of low pay.
- **Policy relevance:** Although industrial relations played an important role in addressing precarious work in some sectors, their relevance is closely dependent on legislative efforts. The majority of social partner initiatives and joint efforts to regulate and influence precarious work did not take place through sector-level industrial relations, but through targeting the legislative process at the national level. This suggests an excessive strength of the legal resources for the operation of industrial relations institutions and for the role of sector-level social partners in present and future initiatives over precarious work. The role of legislation as a key resource for governing employment conditions and influencing social partner actions regarding precarious work is likely to persist also in the future because of the relevance social partners ascribe thereto.

## Autors

**Marta Kahancová** is a Senior Researcher in Central European Labour Studies Institute with main focus on sociology of organization and work. She specializes on work practices and social interaction in multinational firms, industrial relations and work-related migration.

**Monika Martišková** performs as a Researcher and Journalist in Central European Labour Studies Institute as well as she is PhD. Candidate at the Institute of Economic Studies at Charles University in Prague. She primarily studies labour markets, active labour market policies, regional development and regional differences within the EU.

## OBJECTIVES OF THE RESEARCH

The objective of the research was to map the most recent developments in precarious employment and social partner responses thereto in four selected sectors in Slovakia. The study also addresses the drivers of precariousness and analyzes the effects that initiatives of sector-level social partners produced. The findings and arguments are framed around the following questions:

- What comparative conclusions can be drawn from the sectoral case studies?
- What can be learned in general about precariousness and industrial relations?
- What positive and negative experiences emerge from dealing with precariousness through industrial relations?
- What solutions, ideas and principles to deal with and reduce precariousness emerge from the analysis?

## SCIENTIFIC APPROACH AND METHODOLOGY

The report uses a qualitative and comparative approach to study various institutionalized forms of precarious employment and the responses of social partners thereto. In particular, the study presents evidence along a two-dimensional approach to precarious employment. This approach allows mapping sectoral differences in the most important forms and trends in precarious employment and to identify and compare the focus of social partner responses to particular dimensions of precarious work. For this purpose, the authors have collected original empirical evidence in 2013 and 2014. Evidence originates from 19 expert interviews with

social partner representatives in the studied sectors. Additional evidence has been available through a 2014 update to our earlier work on precarious work and trade union responses (BARSORI, project number VS/2010/811) and through a recent ILO study on legislative changes and their impact on industrial relations in Slovakia. The study also presents relevant statistical evidence on employment trends and forms in Slovakia, and incorporates evidence from the public discourse since 2010 on bogus self-employment, increasing exposure to precariousness in the healthcare sector, on-going discussions and legislative proposals in the temporary agency sector, and other relevant materials.

## NEW KNOWLEDGE AND ADDED VALUE

The long-term trend of Labour Code flexibilization allowed for the survival and institutionalization of a wide range of possibilities of flexible employment forms. This 'basket of choices' allowed employers in each sector to find the best tailor-made solution within the framework of existing legislation. Each sector found its own distinctive way in using the tailored employment forms, some of which are more precarious than others. The temporary agency work sector underwent many legislative changes, which made employment in this sector converge around a standard employment relationship, but opened new dimensions of precariousness related to contract length, termination notice and non-observance of rules by establishing a system of alternative payments. In the construction sector, self-employment became an inherent feature of supplier relationships, which intensified in the post-crisis years of declining construction activity. In

healthcare, standard employment relationships instead of flexible and precarious alternatives dominate in hospital work. However, recent trends in wage demands increased the exposure of particular occupational groups to work reorganization, non-observance of rules in terms of pay, and threats of dismissals. Finally, the cleaning sector in the post-crisis years has converged around standard employment relationships at the price of lowering the overall employment in the sector. In other words, the trade off came in form of stability for a smaller number of core 'insider' workers rather than a larger pool of flexible 'outsiders'.

Social partner strategies helping to shape the trends in precariousness proved important only in TAW and in healthcare. In the latter, social partners' sequential responses to government strategies played a significant role in increasing internal flexibility and thereby precariousness of nurses' working conditions. In the other sectors, social partners do engage in activities to govern precariousness and working conditions, but their actions are rather responsive than pro-active, leaving the final word of influence for the government and the legislation. Finally, the influence of EU-level policies did not directly turned out to be an important driver of precariousness or of social partner responses thereto.

## ARGUMENTS WITH POLICY RELEVANCE

The study provides evidence on both positive and negative experiences of addressing precarious work through industrial relations. The effect of the positive

examples has been the elaboration of demands for regulating precarious employment forms (but not reducing the institutionalized forms of non-standard employment), which contributed either to sustainability of existing industrial relations structures (construction) or helped laying the foundations of new industrial relations structures (temporary agency work). In contrast, the negative experience shows that despite trade union efforts to improve working conditions in the healthcare sector, the effect has been further precarization, cleavages among occupational groups, fragmentation of industrial relations, declining bargaining coverage, and crowding out of traditional industrial relations channels of influence through new forms of trade union action.

Although industrial relations played an important role in addressing precarious work in some sectors, their relevance is closely dependent on legislative efforts. The majority of social partner initiatives and joint efforts to regulate and influence precarious work did not take place through sector-level industrial relations, but through targeting the legislative process at the national level. This suggests an excessive strength of the legal resources for the operation of industrial relations institutions and for the role of sector-level social partners in present and future initiatives over precarious work. The role of legislation as a key resource for governing employment conditions and influencing social partner actions regarding precarious work is likely to persist also in the future because of the relevance social partners ascribe thereto.