

Social dialogue articulation in Estonia – country report for EESDA

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Abbreviations

CSR	country-specific recommendations
EAA	Estonian Association of Architects
EAA	Estonian Association of Architects
EACE	Estonian Association of Construction Entrepreneurs
EACE	Estonian Association of Construction Entrepreneurs
EAKL	Estonian Trade Union Confederation
EAL	Estonian Medical Association
EC	European Commission
ECCE	European Council of Civil Engineers
EEL	Estonian Association of Civil Engineers
EEL	Estonian Association of Civil Engineers
EEPU	Estonian Educational Personnel Union
EFEE	European Federation of Education Employers
EHIF	Estonian Health Insurance Fund
EHL	Estonian Hospital Association
EIS	national Draft Information System
EKJÜ	Association of School Principals
ELVL	Association of Estonian Cities and Municipalities
EÕL	Estonian Nurses Union
EQA	Estonian Qualification Authority
ETKA	Estonian Trade Union of Commercial and Servicing Employees
ETTA	Estonian Transport and Road Workers Trade Union
ETTK	Estonian Employers' Confederation
ETUCE	European Trade Union Committee for Education
EU	European Union
EUIF	Estonian Unemployment Insurance Fund
FIEC	European Construction Industry Federation
GEP	good engagement practices
HTM	Ministry of Education and Research
LI	Estonian Labour Inspectorate
MoSA	Ministry of Social Affairs

PGS	law of the Basic Schools and Upper Secondary Schools Act
ROTAL	Federation of Trade Unions of Workers of State and Local Authorities
SD	social dialogue
SME	small and medium-sized enterprises
SSD	sectoral social dialogue
TALO	Estonian Employees' Unions' Confederation
TCB	Tax and Customs Board

1 Introduction

This report was created by researchers of the University of Tartu within the framework of the project “Enhancing the Effectiveness of Social Dialogue Articulation in Europe (EESDA)” funded by the European Commission (EC). The objective of the project was to improve expertise on the articulation of social dialogue (SD) in Europe.

Social dialogue articulation, as discussed in this report, stand for “*the ways in which social dialogue between public and private actors at different levels functions and the channels through which EU level social dialogue influences decisions, outcomes and positions of actors at the national and sub-national levels and vice-versa*”. The current paper delivers a comprehensive analysis of the stakeholders’ views in Estonia, focusing on social dialogue at the national level and in four key sectors: healthcare (focusing on nurses), education (focusing on teachers), construction (focusing on construction workers) and commerce (focusing on sales agents).

The report is one of the six country reports that describe and analyse the structure of national and European social dialogue as experienced and perceived by the state and social partners – organisations of the employers and employees. There are country reports on Estonia, France, Ireland, Portugal, Slovakia and Sweden in the project.

This country report relies on semi-structured interviews with representatives for trade unions, employer organisations, larger employers and government (see table 1), supplemented with desk research, including union documents and media reports, and information from websites and previous research.

Table 1. Number of respondents interviewed for the different part of the report

	Part I	Part II			
	National level	Education	Healthcare	Commerce	Construction
Government organisation	4	1	1		1
Employer organisation	1	1*	1	3**	1
Trade Union	5	1	2	1	2
Total	10	3	4	4	4

*This organisation is participating in social dialogue as observer, **Interviews with larger employers rather than employer organisations.

The interviews were conducted between January and May 2019. The interviews were semi-structured and lasted for around 1.5–2 hours. Since there are only few employer and employee organisations in the chosen sectors, we promised to keep their answers anonymous and confidential, thus there are no quotes from the interviews and in second part of the report, the interviewees are referred to only as social partners without further specification.

It should be noted that there were some data collection issues that limit the insights that can be gained from this research. The national research team was not able to reach out to all social partners (e.g.,

some of them declined to participate due to lack of time and interest in the topic). Thus, the sectoral reports' analysis relies mainly on those people who agreed to talk to the national research team. For example, some sectors and employees, such as the educational and healthcare personnel are often, the subject and target group for research and studies. Because of the latter they have to decide in which studies, surveys, interviews, etc. to participate and which ones to discard (also, possibly a sign of survey fatigue). In addition, it is relevant to highlight that most of the interviewees admitted that their experience is limited with their personal participation and does not include the experience of other representatives or participants. In the commerce sector, some important trade unions declined, and the authors replaced them with some larger employers who have experience from sectoral or company level social dialogue. However, it is relevant to keep in mind that the views of larger employers (who participated in interviews) may not coincide with the views of trade union representatives (who did not participate in interviews).

Thus, while the interviews can offer a valuable insight into the nature of social dialogue in Estonia, results should be interpreted with caution. Furthermore, while the aim of the research was to obtain information on articulation of social dialogue between the European, national and sectoral level, representatives interviewed could not always offer insights on European level social dialogue, and as a result, this topic can only be addressed with regard to some of the sectors.

The first part of the report covers the general national structure of industrial relations and social dialogue in Estonia. The second part covers experiences and reflections regarding the articulation between national level and European sectoral level social dialogue in the four selected sectors. The third part provides comparative perspective of the findings and concluding remarks of the study.

2 National level

2.1 Legitimacy

Present-day **Estonia's industrial relations are characterised by low union density, limited employer coordination, decentralised collective bargaining, low collective bargaining coverage** (most widespread are company-level collective bargaining and agreements), and weak but perceivably improving social dialogue, also **dependence on coalition government** and ruling parties and whether they value social dialogue or not (Kall, 2017).

Members of the national trade union confederations represent trade unions in various economic sectors. **Not all workers are part of a trade union and trade unions are not equally present in all areas of economic activity.** The factual trade union membership in Estonia is small, around 7 per cent and approximately 38 000 employees in 2015 and it has decreased by 3 percentage points during 2009–2015 (Statistics Estonia, 2015a). The Statistics Estonia data shows that unions are generally absent in small and medium-sized enterprises (SME) and present in 39 per cent of all organisations employing 250 employees or more, which means that significant parts of the economy and most small and medium-sized companies remain union-free (Statistics Estonia, 2015a and 2015b).

There have not been significant changes regarding trade union and employers' organisations in Estonia during the recent years (Eurofound 2016, Kadarik and Masso 2018). **Estonian Trade Union Confederation (EAKL) is the largest Estonian organisation representing workers** with approximately 21 000 members in 2016 (Kadarik and Masso, 2018). Member unions of EAKL, such as Federation of Trade Unions of Workers of State and Local Authorities (ROTAL) and Estonian Transport and Road Workers Trade Union (ETTA) have respectively 1 800 and 2 500 members. Estonian Employees' Unions' Confederation (TALO) has about 3 000 members. Some trade unions in Estonia do not belong to any association or central body and act autonomously, for example, Estonian Medical Association (with 3 000 members, covers 62% of all the doctors in Estonia). There

were also some sectors without any trade union present until recently. In 2013, the first Estonian union in financial sector (the Union of Estonian Financial Sector Employees) was created, with 335 members and other trade unions were established in the commerce and hotel sectors (Kall, 2017). One of EAKL's affiliates, the Estonian Metalworkers Trade Union Federation now represents construction workers as well (Varblane *et al.* 2016).

According to the EAKL representative, about five or six of their affiliates out of 17 are active in EU social dialogue; they participate in different organisations and working groups. Other members are not so active at EU level; some also struggling with social dialogue at national or sectoral level.

The only employer organisation recognised as a national-level social partner is the Estonian Employers' Confederation (ETTK), which overall represents around 25 per cent of all employers in Estonia (Eurofound, 2016). ETTK unites employers from all kinds of economic fields, both the industrial and tertiary sectors, incl. associations. Still, the majority of micro and small enterprises are not involved in employers' associations.

2.2 Actors' interaction

The Collective Agreements Act¹ designates the official social dialogue partners (EAKL, ETTK and ministries). Unofficial social dialogue or cooperation involves more parties, including sectoral trade unions, employers, non-profit organisations, civil society actors, educational institutions and government agencies. **Some interviewees expressed the opinion that during recent years the share and volume of asking feedback and the volume of national SD have increased, others felt that it has remained more or less the same.** Trade union confederations have generally declared themselves as apolitical organisations, representing members with different worldviews and cooperating with all political parties that are willing to work together. Cooperation with civil society actors takes place mostly when unions consult different actors before formulating their opinions on planned policy changes. Trade union confederations have regular meetings with employers, where they have reached some agreements (e.g. minimum wage, teleworking) and communication with employers have recently become better, more meaningful and more effective.

The EU employees' and employers' representatives noted that social dialogue has moved from contrasting discussion to cooperation negotiations (ETUI ReformsWatch, 2018). During the interviews, the social partners pointed out that the range of questions discussed on the national level had widened and the administrative capacity of the social partners had increased thanks to the help of structural funds. The biggest problem at the national level is the lack of acknowledgement of the importance of industrial relations, the lack of political interest, and partially the state's strategy of avoiding tension and conflict (Varblane *et al.* 2016).

The design and culture of social dialogue structure at the company and sectoral level influences its manifestation at the national level. **The content and extent of social partners' involvement differs in Estonia across the economic sectors.** This in turn influences the content, procedure and enforcement side of social dialogue debates. The most widespread are company-level collective bargaining and agreements; there are only three sectoral level collective agreements (in transport, education and healthcare) in Estonia, because they need more time, effort and negotiations. Social partners negotiate minimum wages at the national level. Also, there is a national minimum wage agreement for cultural workers negotiated between TALO and the Ministry of Culture. According to the most recent agreement signed in 2018, the minimum wage of a cultural worker will rise to 1,300 euros per month from 2019. A nationwide agreement concerns cultural workers who receive wages from the Ministry of Culture's budget, with a total of 4,000 cultural workers. **Most trade unions and employer organisations participate in SD articulation through national trade union and employer union confederation.** Usually, the trade unions take the initiative to bargain whereas

¹ Collective Agreements Act in English is available at <https://www.riigiteataja.ee/en/eli/518062018002/consolide>

employers are not that interested in concluding collective agreements. National level collective agreements (minimum wage agreement) apply to all employees; sectoral level agreements apply to all employees working in these sectors, company level agreements apply to employees working in the company. Thus, a sectoral level agreement may cover the company that has its collective agreement as well.

In general, participants described that the negotiations` culture is cooperative, although **there have been some examples where negotiations have been conflicting, contrasting or fictive**. The latter is describing a situation where a decision has already been made, and the meeting with social partners is organised to show cooperation and not actually to discuss and cooperate. Some respondents described an example where at the political level the decision has been made, but social partners are invited together to seemingly discuss matters and even to silence early potential resistance. Nevertheless, the share of fictive meetings („putting on a show“) is low. A usual interaction is a genuine one aimed at reaching consensus or a compromise. **There are only a few strong trade unions in any particular sector, and the competition or rivalry in SD is rare.**

2.3 Resources for SD involvement

The two major obstacles for national actors to be engaged at EU level SD are the lack of human and financial resources. Some social partners also perceived **low foreign language competencies** as an obstacle. The capacity of a person representing the interest of an organisation at EU level SD is determined by the person`s knowledge about the sector and topics tackled, continuity in participation, knowledge of EU SD process, a mandate to speak for an organisation, and English language skills (Bechter *et al.*, 2018). The social partners participate in SD structures when they have enough organisational resources, and they benefit from the participation. They are motivated to be involved in SD by the access to information on ongoing and upcoming EC initiatives, expertise, logistical and financial support, information exchange and lobbying, as well as access to EU institutions (Bechter *et al.*, 2018).

According to the interviewed social partners, **Estonia`s representation at the EU level is rather good**. Most of the national actors participate in several international organisations and several EC working groups. The sectoral trade unions participate in organisations and structures at EU level according to their field. At the level of ministries, governmental agencies and institutions, various specialists with the expertise of the relevant topic or field participate in the EC working groups. Some trade union representatives expressed their concern about the modest participation of some ministries, governmental agencies and employer organisations at the EU level. They feel that more resources should be invested and more interest shown towards it – so that equal representation of both employee and employer side are provided. The government representative stressed in the interviews that their participation at EU level SD was more intense during the Estonian Presidency of the Council of the European Union, but it has slightly decreased after that, related to fewer human resources being provided for the EU level SD since then. Still, the government representatives cover the same working groups at the EC as before.

The frequency of the meetings is related to the specific working groups or organisations; some take place every month and others meet after a few months (e.g. quarterly) or annually. The regularity of the meetings is not as relevant as the overall representation at the EU level social dialogue. The main question is how to be represented as well as possible with the limited financial and human resources and how to cover all the necessary fields and topics.

Most of the social partners admitted that they face serious problems regarding their capacities to participate appropriately and effectively in day-to-day policymaking. **Trade unions concur about the lack of staff and resources** to cover the social dialogue challenges due to low and declining membership constraining the finances (membership fees) and the ability to hire experts. They claim to have no staff or the means to acquire expertise to closely follow all major economic, employment

and social policy developments, produce contributions on all related issues, or provoke meaningful discussions within the possible framework for consultation. **Employer organisations have sometimes chosen affiliate organisations to cover some themes or working groups at the EU level.** The government representative brought out in the interview that **the ministries also have limited human resources**, which makes it impossible to replace people in the EC working groups (as others may not know the topics as well).

The annual fees of the EU level organisations and participation costs (travel and accommodation costs) somewhat limit trade union's possibilities to participate in the EU level social dialogue. Some unions prefer to give feedback or submit proposals electronically to reduce participation costs. However, it is not always possible, as some countries do not use electronic communication. On the other hand, some the trade union representatives stated in the interviews that personal meetings provide better opportunities to debate, ask and argue. Face to face encounters create more trust and bondages. Written communication requires more effort and time, is much shorter and can lead to multiple understandings due to language barriers.

Social partners choose to be part of the organisations and discussions that cover most of the relevant topics in their field or sector, or ensure sufficient access to the EU level social dialogue and with that the opportunity to influence decisions and outcome. If an organisation estimates the topic and involvement important, they will find the necessary resources to take part in various SD structures. If the topics at the EU level do not coincide with the interests of the (local, national) organisation, then participation may be more modest. In addition, the European Commission (EC) has set some limitation on the number of social partner representatives in some working groups. The social partners also mentioned that they could not keep track of the progress of the various topics in social dialogue and to what extent their proposals are taken into account both on a national and on EU level.

Participating at the EU level social dialogue is sometimes complicated, as most of the materials are in a foreign language or contain complicated legal terms. Reading these materials and making proposals is time-consuming and requires good foreign language skills. Participating at the national level social dialogue in Estonia is sometimes hampered by complicated legal terms and ambiguous or vague terms in legislation. As a result, different stakeholders interpret the law in ways that suit them. Several trade unions' and employers' representatives saw this as one problematic issue in articulating SD effectively.

Trade union representatives brought out in the interviews that the extent of consultations in EU level social dialogue has grown rapidly and many countries, including Estonia, cannot provide substantive feedback on the materials. Employers' and workers' organisations are also worried about their limited capacity to keep track of and analyse the various policy developments that affect directly (or indirectly) their activities.

The state has not regulated the system of tripartite concertation in Estonia. Social partners are active in making proposals and promoting their ideas, whether in consultations or through their initiatives. Social partners are members of the supervisory boards of the Estonian Health Insurance Fund (EHIF), the Estonian Unemployment Insurance Fund (EUIF) and the Estonia Qualification Authority (EQA) (Kadarik and Masso, 2018).

The Estonian government and social partners restored the tripartite talks during 2018, with the government seeking to involve workers' and employers' representatives in discussions on a more regular basis. The government and social partners agreed to discuss topics related to labour and social policy. The last time such a meeting took place was more than a decade ago in 2002.

Tripartite concertation aims to come to an agreement that satisfies all the parties. The government representatives brought out in the interviews that at the national level SD they do not make changes unless everyone agrees. The social partners need to develop the skill to compromise to achieve better results in SD. Still, in recent years, social partners have quite often expressed their dissatisfaction, as they are not included in the political decision-making process as often as they would like, or they are included only in the later stages of the process, or with the extent to which their proposals are taken into account. **There have also been cases where parties have reached a tripartite agreement, but the state has later changed the agreement unilaterally** (for example regarding unemployment benefit rules, unemployment insurance premiums, etc.). The government representatives mentioned in the interviews that sometimes trade unions or employer organisations are unable to provide feedback in time. Also in many sectors, there is no trade union or employer organisations to engage in the SD.

2.4 Topics

From national level interviews, it is not possible to highlight the more frequent topics at EU level social dialogue, as interviewees often described only those topics that they discussed in the committees and working groups in which they participated. The relevance of the different types of topics tackled at EU-level varied between the working groups, commissions and the sectoral interests of the organisations. The topics mentioned in the interviews are as follows (not listed in order of importance or frequency):

- Posted Workers Directive
- Transparent and predictable working conditions directive
- Active labour market policies, changing and updating Estonian Labour Law
- Collective labour relations for new forms of work (teleworking, platform-based working, atypical employment relations)
- New and changing forms of employment and how to include social rights, social insurance and protection in them, rental workers' rights and protection
- People working in public administrations (civil servants) and their right to have information and consultation rights similarly to people working in private sector
- Active ageing, lifelong learning, retraining and future skills, the development of OSKA²
- Youth employment
- Work-life balance directive
- Gender Equality
- Equal wages
- Labour mobility and migration
- Digitalisation
- Health and Safety at work, general working conditions, including dealing with and managing work stress, violence and harassment at work
- European Pillar of Social Rights
- Public procurement system

In general, **the national SD issues overlapped with the topics addressed at EU-level SSD committees** (EESDA Analytical Framework, Figure 1). Usually, the national level social dialogue topics arise from practical needs (e.g. developments on the labour market or sectoral developments) or changes in the legislation. As discussed in the interviews, EU level engagement and cooperation is

² The development of OSKA, a system of labour market monitoring and future skills forecasting, is supported under the Operational Programme for Cohesion Policy Funding 2014-2020, Priority Axis 1: Qualifications and skills meeting the needs of society and the labour market, using the EU financial resources designated for thematic objective 5: Reducing the mismatch between labour market needs and skills provided by vocational and higher education.

more likely when social partners are affected by similar challenges and when topics tackled in SD are of high relevance to social partners in the member states. Usually, the social partners have a chance to discuss the topics beforehand or come to an agreement before these topics are discussed at the EU level. The process of selecting themes is quite long and may take several years. When the EC commissions finally choose the topics, it is quite clear whether the aim of the discussions is a directive, regulation or a non-binding agreement. The latter is more frequent in the field of employment than in the field of industrial relations.

Social partners' representatives find that initiating social dialogue topics that are important for their organisation or Estonia at the EU level is possible through the organisations whose working groups or meetings they attend. Social partners discussed many important topics before and during the Estonian Presidency of the Council of the European Union in 2016–2017. In autumn 2016 the European Economic and Social Committee, the Ministry of Social Affairs (MoSA), and the European Commission Representation in Estonia held a debate about the European Pillar of Social Rights. The most discussed topics during the debate were the labour market relevance of education and skills, the need for intensified social dialogue in finding new solutions for effective social policy measures, and sustainability of social security systems in the light of ageing and declining population. **Estonian employees', employers' and government representatives have initiated only a few topics in EU social dialogue** since many issues are relevant for the several Member States (e.g. lifelong learning, future skills, and automation) and it is usually a joint initiation. Also, social partners do not have enough human resources or time that can be devoted to this work and the attendance in the EU level organisations requires financial resources. However, it is important to represent the interests of the state to exclude parts of EU directives or regulations that conflict with Estonian legislation while drafting the directive. Some topics are country-specific or moving to the opposite direction for European trends, e.g. increasing part-time working possibilities in Estonia while in the Netherlands the trade unions want to achieve better full-time working rates; see also Masso et al. (2018). During the years 2015–2018 there have been some topics that are not important at the national level, and few directives in certain fields (e.g. directive concerning the organisations of working time in inland waterway transport) influence very few workers, so their impact at the national level is minimal. Sometimes the transposition of EU directives at the national level is unnecessary because we do not have workers whose working conditions these directives regulate.

2.5 SD outcomes

Participating in EU organisations enables social partners to influence the agenda and present their own or state views; also it provides information about the new initiatives or topics at the earliest possible stage and helps to prepare the implementation at a national level later. Such bilateral communication helps to understand the position of other countries and to find opportunities for liaising and cooperation. Trade union representatives use international agreements or trends in the social and work field with their interaction at the national level fostering exchange and making interaction less conflictual. **Estonian social partners noted several times in interviews that social dialogue at EU level has improved significantly in recent years**; meaning that the topics discussed were more relevant to the social partners and EC supported information sharing and consultations. These changes were associated with the EC's initiative 'new start for social dialogue' from 2015. The results from the action have led to more joint discussions, agreements and better cooperation at EU level. The government representative, on the other hand, did not notice any significant changes in the form or in the frequency of the SD during that period. The government representatives said in the interviews that initiating topics or influencing other actors at EU level was more complex during the Estonian Presidency of the Council of the EU.

All public consultation procedures in Estonia stem from good engagement practices (GEP): when developing drafts, the government authority has to consult with interest groups and the public at the earliest possible stage of the proceeding and during the whole process. In this way, social partners

have opportunities to participate and express their opinion about all significant reforms. However, the state does not always follow the GEP. If there has been an extraordinary change of government, or the state wants to implement some changes quickly, then the trade unions confederations have to work hard to be proactive to avoid some of the unfavourable decisions and direct the government on the right track.

There are signs that practices of social dialogue (also collective negotiations and bargaining), albeit exercised by trade unions, other organisations and the public, often do not have the desired impact and effect on the policymaking process as policy-makers and legislators can easily disregard them. Taking into account the opinion of trade unions in social dialogue depends on day-to-day politics and parties. Still, the trade unions believe that they can use the national-level social dialogue more effectively to achieve their goals. The trade union confederations plan to start regular discussions with the employers' confederation and conclude prior agreements on several topics before involving the state.

For the social partners, it is not essential whether social dialogue topics are linked to some directive or regulation. They will select the subjects that matter to them the most and contribute to those discussions. SD outcomes have to be in the interest of both the trade union and the employer side. They have to be useful for national affiliates, and this is not bound to a certain type of outcome – the preferred and needed outcome depends on the situation (context) and the topic being discussed. The trade union confederations emphasised in interviews that social dialogue at EU-level does not always have to end with the binding results, but agreements with non-binding results (more of a soft approach with “softer” consequences) are also appropriate. For example, the social partners at EU-level have concluded two framework agreements; one is about teleworking, and another is on active ageing. Still, national trade union respondents refer more often to the legally binding outcomes, and employer respondents emphasise other types of outcome (e.g. sharing good practices, mutual learning, and joint lobbying). Nevertheless, both of them agree that we should use EU-level measures only then when they are needed and more effective compared to national level measures.

Some examples about binding outcomes remembered and emphasised by interviewed stakeholders are related with changes in the EU Posted Workers' directive including the addition of fines for breaches into the national legislation of Estonia. Also, there were discussions about increasing the rights and social guarantees of rental workers, some changes were made in the EU directives, after that again, national legislation of Estonia was amended. During 2015–2017 changing the legal acts regulating health and safety at work were also under active discussion. Some examples about non-binding outcomes remembered and marked by interviewed stakeholders are related with the agreement of good intentions regarding teleworking. Following the example of the EU, the Estonian social partners showed initiative and agreed on a soft agreement on remote work, as the legislation regulating it in Estonia is seen as primitive and non-helpful. Regarding taxation of digital services the European Economic and Social Committee in cooperation with social partners formed an opinion, which is relevant for future activities. One interviewed social partner saw this as an important development and a landmark for actually making changes in the EU directives in the future. Still several respondents admitted that they could not remember any examples about agreements with binding nor non-binding results from the EU social dialogue.

On the national level, some topics have not reached the agreement (e.g., foreign workforce, sectoral differences in working time) and there are still ongoing discussions (e.g., new forms of work, changing the Estonian Labour Law, posted workers directive, and transparent and predictable working conditions directive). **Economic reasoning of the employers and sectoral competitiveness currently prevail over the social rights and guarantees of employees.** Another example where there has been progress during recent years is procurement and favouring cheaper tenderers at the national level. Although heated discussions have occurred between governmental, employers and

employee representatives, this system has remained intact. Another example of a topic that did not have the expected outcome because the European Commission denied it is the information and consultation rights for people working in public administrations. Although social partners achieved an agreement and formed a joint request, the European Commission refused to propose EU legislation on these rights for millions of employees and civil servants. Regarding people working in public administrations and managing their work stress is another example, where at the national and ministry level negotiations came to a halt. Lack of joint interest and change in power (government) pulled the brakes on progress. There are also two International Labour Organization (ILO) conventions (C151 and C154) where again discussions have been held, but no ratification occurred at the ministry and national level. The former concerns the right to organise and protecting the procedures for determining conditions of employment in the public service. The latter is about the right to collective bargaining (the right that should be fully applicable to all people everywhere).

In recent years, the most relevant platform for discussion within tripartite social dialogue at EU level is the European Semester; its country-specific recommendations (CSR) and their implementation at the national level. Different ministries prepare most of the reforms related to CSR in Estonia, and the social partners have difficulties identifying which of the various engagement events they participate in are directly involved with reforms related to CSRs. Participation in the European Semester activities is voluntary, and smaller trade unions take part in those events if the issues are directly related to their sector or members. Still, the process of the European Semester is somewhat unclear for the primary social partners, as they do not know when they have to participate and what is the result of their involvement. Due to the confusion, the trade union confederations have not provided enough detailed information to their affiliates, which explains why the sectoral trade unions or trade union confederation affiliates do not know much about the European Semester and its process. The smaller trade unions stated that their organisations are too small and their capacity to participate in all relevant developments is limited. The ministries and other government agencies' representatives agreed to the previous statement in their interviews. Ideally, **the social partners would like to see the creation of a suitable platform that would allow for discussion and negotiation on different reforms**, also understanding what changes and initiatives are necessary, and how they influence each other.

Trade union organisations feel that the government has involved employers' organisations more directly to the activities of the European Semester and that the involvement of social partners has not been consistent. According to the trade union confederations, the state should inform the smaller trade unions about the European Semester, its activities and outcomes. Often, ministries and government agencies do not explain that they need the social partner's input for the European Semester and the partners perceive that as a part of the general consultation and information.

According to the government representative, social partners are involved in the European Semester activities mainly through the working groups in different ministries. The ministries and government agencies cannot always approve social partners' proposals for political reasons, and then partners may get the impression that they are only formally involved and their opinions are not considered.

2.6 Perceived effectiveness of SD

The national representatives have a broad understanding of what makes SD successful. They referred that good and trustful relationships are fostering effective SD. They also expressed in the interviews that SD does not always have to lead to formal outputs; dialogue and trust between the participants and the respect for differences between social partners are just as meaningful.

The process of EU level social dialogue has been more efficient during recent years. There have been many training programmes and events to raise the institutional capacity of social partners. Improving the communication and cooperation between social partners is one way to achieve better results not only in politics but elsewhere, including education, culture and society as a whole. If

ministries or employers are not interested in specific topics, it is difficult to achieve any results. Sometimes the frequent changes in ministerial staff or the minister of social affairs or prime minister also hamper the social dialogue results. To gather information and to present their ideas better the trade union confederations cooperate with sectoral trade unions, other non-profit organisations and government agencies.

In Estonia very often the same people meet in various working groups and councils during the social dialogue. Being in contact with the same people gives some insight into their views and motives and will most likely benefit the social dialogue outcome. In a tighter circle of social partners, cooperation is better, and they do not allow partners to withdraw from the agreements. Several interviewees referred that the continuity in persons and their thorough knowledge of both the sector and SD help to increase the effectiveness of SD.

Some factors constraining the active involvement of the social partners in Estonia are linked to the lack of appropriate settings and procedures to conduct a social dialogue. The employers' and workers' trade unions brought out in the interviews that quite often the ministries ask their input right before or during the holiday period in June and July. At that time, they cannot mobilise their forces enough to provide the necessary feedback or input. They have repeatedly told the ministries that this period is not suitable for social dialogue, but there are no significant changes yet.

An important factor fostering effective SD is continuity of participation (Bechter *et al.*, 2018). Estonian social partners have gained a lot of experience at the EU level SD process and have learned to stand up for their rights. In the early days, it was certainly harder to participate in SD than now. Thanks to this development, Estonia is seen as an equal partner at the EU level SD. The possible room for improving the effectiveness of SD is related to the resources (human and financial) dedicated to SD.

According to the interviewees, another aspect that may influence the effectiveness of SD is the quality – meaning the variety and breadth (coverage) – of representatives, whether a narrow or a wide range of stakeholder interests are represented. The latter, in turn, is related to the transparency of representatives and representative organisations, e.g., who is involved, what is their agenda. One governmental representative described the importance of the leader/manager, the background and contacts of the leader/manager. Previous experience in politics and lobbying may also prove to be beneficial for representative organisations when conducting and articulating social dialogue at the national and EU level.

Regarding binding versus non-binding outcomes and the efficiency of SD, then reaching a non-binding outcome is more flexible, takes less time and is more quickly applicable in real-life cases. To make changes in national or EU level legislation takes much more time and effort. It may also take more time to inform the public about changes and actually implement activities according to the law, as affiliates, citizens, etc., may not acknowledge or be aware of changes in the law, as it is taking place far away from them.

Also, the situation when one important side of stakeholders is missing from SD influences the perceived efficiency of SD, e.g., when employers are present and are organised into a union, confederation, etc., but there is no sectoral or company level union for representing the interests of the employees. Described situation is characteristic to the Estonian construction sector, where SD is hampered by missing employee union. Short-term and temporary contracts characterize the construction sector in Estonia. Also, often employers use civil law contracts instead of employment contracts which increase the vulnerability of employees.

2.7 Suggestions for improvements towards a more effective SD

The expectation among social partners is to increase social dialogue further, that more social partners could be involved in SD. The representatives were not specific about in what ways, for example, what kind of forms, formats, etc. should be used to increase their participation. The social partners should work together to raise citizen's awareness of social dialogue and its relevance, including stress the importance of social dialogue and collective bargaining in policy development and implementation.

The benefits of increased involvement are empowerment, common language and understanding and joint implementation. Only some interviewees agreed that the level and volume of social dialogue is sufficient. There is a contradiction here, although the expectation is to increase social dialogue and its structures etc. then in reality Estonian social partners do not have enough resources (human and financial) to participate fully in the EU social dialogue, thus they have to select and set priorities on the subjects that they are involved. Some strategic focus and selection would help to prioritize matters. It is not easy but sometimes possible to create working groups at the sectoral level to develop themes and collect inputs from other organizations.

It is essential to have active social partners to improve social dialogue effectiveness, but on the other hand, they become stronger through social dialogue. The government representatives mentioned that the continuous support to the social partners at the national level is important. Also, the trade union confederations themselves can enhance the capacity of their organisation. The EU offers several training opportunities to improve affiliates' capabilities. The members get actual benefits of training when using this knowledge in the SD process. For the effective social dialogue, it is necessary that employers' and employees' organisations talk and agree on the policy beforehand. The government representatives mentioned that the social partners should communicate with each other more often and achieve some results or agreements without involving the state. According to the state representatives, the SD between the partners is getting better; they have found common topics to address to the government. The effectiveness of social dialogue also depends on the interest of the government. If the government involves social partners in the development of plans, actions and laws, they will be more easily adapted and implemented.

Social partners admitted in the interviews that the consultation on EU level social dialogue takes place after the initial draft is ready. For a more efficient process, there could be a longer perspective of topics available, which could allow the social partners to be involved already in the preparation phase and discuss the principles of the draft. The same applies to the European Semester country reports. According to the trade unions, they have commented on the first version of the country report but never had a chance to participate in the preparatory process.

The rapidly changing nature of work due to the ICT and technological developments will have an impact on social policy systems, which need to be adjusted to meet future needs. Representatives from both employers and trade unions agree that the social system needs to be modernised and adjusted to meet the changing needs of working life to ensure efficient and financially sustainable support for people. The partners at the EU level have discussed that the social dialogue has a more relevant role to fill for the new working forms, but often the social partners have not even organised in those sectors, for example, the ICT sector at the national level.

The expectation among social partners for the future is to update the Estonian Labour Law as there is room for discussion about its updatedness and ambiguity. In the opinion of some interviewed trade union and employer organisation representatives, the current law is not concordant with the actual needs and expectations of the labour market, including new and emerging forms of work. Language skills could be seen as a barrier for some national affiliates and improving the language skills may result in more effective SD at EU level. History or the size of the country has not hampered the possibilities to initiate topics at EU level. Instead, it is related to the ability of the Estonian social

partners to participate in the EU social dialogue and to contribute meaningfully to the development of the topics.

3 Case studies: understanding social dialogue articulation within four sectors

3.1 Construction sector

The construction sector covers many different business activities such as residential housing building, construction of civil engineering projects (e.g., roads, railways, utility projects of various kinds), as well as plumbing, plastering, painting and other activities. These activities thus span both the public and the private sector (Eurofound, 2015). The construction sector provides jobs for almost nine per cent of the employed population in Estonia (Statistics Estonia Database³).

3.1.1 Actors

The construction sector is the EU's biggest industrial employer. **In Estonia, there is only one sector-related employers' organisation.** In addition, there is a lack of trade unions in the construction sector to have a meaningful social dialogue. Many of the social dialogue issues are not debated because **there is no SD partner on the part of the employees representing construction workers.** As a result, entrepreneurs do not feel the need to unite in a common union, and that weakens the SD even more.

In the construction sector, **the Ministry of Economic Affairs and Communications is representing the state** in the SD. In 2017, the post of Deputy Secretary-General for Construction was established in the ministry. The Construction and Housing Department is developing and implementing national development plans in the area of construction and housing; coordinates standardisation, conformity assessment and market surveillance in the construction sector and national supervision of construction; manages and develops the activity of the building register and prepares draft legislation on housing. The delegates of the ministry represent Estonia in European Commission working groups according to their field of expertise (e.g., EU BIM Group).

The Estonian Association of Construction Entrepreneurs (EACE) is a voluntary association of construction enterprises created to support and coordinate its member's actions in industry-related economic issues and relations with employee unions. EACE is not involved in the collective bargaining and therefore may regard itself as a trade association rather than as industrial relations actor (Eurofound, 2015).

The members of the EACE have a representation in the Estonian Qualifications Authority (EQA), in the Foundation for Construction Information, in labour dispute commissions and of the state provisions among arbiters. EACE is a member of the Estonian Chamber of Commerce and Industry and in the Estonian Confederation of the Employers and Industry. The EACE is a member of the European Construction Industry Federation (FIEC). EACE is receiving a lot of information from FIEC, but there is no active dialogue between them at the moment.

The Estonian Association of Civil Engineers (EEL) is a voluntary association. EEL is participating in the development of laws and regulations, norms and instructions in the constructions industry; is developing standards of professional competence for civil engineers and is issuing professional certificates in the field. EEL is the member of Estonian Association of Engineers (EIL) and the European Council of Civil Engineers (ECCE)⁴.

The Estonian Association of Architects (EAA) organises architects, landscape architects and architecture researchers. EEA is actively participating in drawing up legislative documents, is offering architecture expertise, is granting professional qualifications, is nominating candidates for

³ Employed persons by economic activity (ML02001). Available in online database: http://pub.stat.ee/px-web.2001/I_Databas/Social_life/09Labour_market/04Employed_persons/02Annual_statistics/02Annual_statistics.asp

⁴ There are no employees' trade union for construction workers in Estonia (see also the first paragraph in section 3.1.2) that is why we interviewed other trade unions from this sector

annual architecture prizes, etc. EAA is a member of the Architects' Council of Europe (ACE) and the International Union of Architects (UIA). EAA is more active in ACE than in UIA.

3.1.2 Legitimacy

In Estonia, the membership of workers in unions is considerably lower than the EU average. **One reason why construction workers have not joined the union is that 90% of the enterprises are small** and have less than nine employees, **and the work in the sector is mainly project-based or outsourced**. That makes it difficult for the employees to form a union.

EACE unites approximately 100 active companies in Estonia whose overall turnover comprises more than 50% of the construction turnover of the entire country. Still, there are more than 7,000 small and medium-sized enterprises that do not belong to the EACE.

In 2017, EEL had four collective members (Estonian Heating and Ventilation Engineering Association, Estonian Geotechnical Society, Estonian Association of Water Supply and Wastewater Engineers, and Estonian Association of Water Engineers) and 517 individual members. Together with the collective members, EEL represents more than 1000 civil engineers.

The Estonian Association of Architects has approximately 400 individual members.

Industrial relations in construction are fragmented to the lowest level. It is hard for the employers to see the benefit of joint agreements above the level of the individual company; a high level of unemployment in the past provided opportunities to negotiate with every individual worker. If social dialogue does not take place in the shade of law, partners themselves must have sufficient reasons for conducting discussions (Cremers, 2005).

3.1.3 Actors' interaction

Industrial relations in construction can be characterised as mutually shared worries or concerns that may lead to cooperation as well as to potential conflict (Cremers, 2005). The construction sector is conservative, and countries have set different standards and requirements, which makes it difficult for companies to operate in the other countries. According to the interviewed state representative, the cooperation or discussing common issues at the EU level is difficult, as every country protects its market. **The social dialogue begins to emerge as the construction sector is taking the first steps in finding common ground and topics at the EU level**, for example, in the area of digital construction⁵, nearly zero-energy building technologies. Still, several working groups are informal.

The state representatives stated that the inclusion of the national level SD has increased. They form working groups and involve trade unions, companies, higher education institutions and other experts in them (e.g., the Digital Construction Cluster). They want to create a development plan for the construction sector to boost productivity growth in the sector. **The interaction with national level SD partners is improving**, although the parties that influence the development of the sector are fragmented (buildings, roads, planning) and divided between different ministries. Promoting the sector requires the cooperation of many parties, including different ministries. According to the social partners, the cooperation between the ministries, officials and social partners could be better. To improve cooperation, they need more common issues to discuss and a common goal to strive for.

Several interviewed representatives had not noticed changes in the form or frequency of the EU level SD during recent years. The EU organisations expect more frequent and detailed input from

⁵ Digital construction is the use and application of digital tools to improve the process of delivering and operating the built environment.

the members, but the lack of resources at the national level limits the amount of input given and range of topics in which the trade unions are involved.

EACE has social dialogue meetings with other trade unions, and they cooperate with educational institutions, the Estonian Qualifications Authority (EQA), the Estonian Unemployment Insurance Fund (EUIF), Tax and Customs Board (TCB), Labour Inspectorate (LI). EACE is not involved in collective bargaining in Estonia. According to the Wage Dynamics Network Survey carried out by Bank of Estonia, 2.3% of the companies in the construction sector had the collective bargaining agreement at the firm level, and 2.7% of the companies had collective agreement on the higher (e.g., occupational, or sectoral) level. Overall, 2.7% of the construction sector workers were covered by collective bargaining agreements in 2014 (Malk, 2015).

3.1.4 Resources for SD involvement

While other large umbrella organisations can contribute to the EU level SD, the small countries' union federations do not have the necessary resources to do so, and so their contribution remains modest. EACE is not actively participating in the FIEC meetings nor give regular feedback. The main reason for that is **the lack of time and human resources** at the national level. The amount of information coming from FIEC is massive, and working through it would require several full-time employees. It is rather time-consuming to read all the materials sent from the FIEC and select the important topics, as all the materials are in a foreign language. Instead of participating at the EU level SD, most of the human resources are spent at the national level SD and solving other issues at the sectoral level. The main activities of the EACE at the national level are related to the transposition and harmonisation of EU directives, but the input in the earlier phase when drafting the directives is missing. The latter implies that in conditions of limited resources, **national level SD is of higher priority for the social partners as compared to the EU level SD.**

It seems to the social partners that the state also does not have sufficient resources to participate in the EU level SD fully. In the construction sector, the partners have discovered on several occasions that there are new EU directives which transposition into the national level legal system has been delayed and the state has not informed the social partners about them in sufficient time. Sometimes even the state is not aware of the mandatory changes or new EU regulations, which makes the national level SD longer and more complex. Here we can see clearly room for state to improve its activities.

The state representatives brought out in the interviews that they are showing some initiative at the EU level SD; they meet with other parties quarterly and exchange information via e-mails monthly. They are starting some smaller cooperation initiatives also with the Nordic countries (e.g., creation of the common classification system for the construction)⁶. **The main obstacle preventing the EU level SD is the lack of common topics and protection of the local markets.**

3.1.5 Topics

In the construction sector, the central issues of the industrial relations are discontinuity, the loss of skilled labour and a poor image of the industry. Topics that are more peaceful are health and safety, vocational training, the image of the industry social provision and social funds. Items that are more controversial are job security, the organisation of work, working time, social liability, subcontracting practices, wages and other primary labour conditions. New topics in the field are the introduction and use of new technologies, lifelong learning, environmental issues and the globalisation of the market (Cremers, 2005). Based on interviews, the previous topics are still relevant today. In the low resource situation, the social partners select the topics and issues that they are involved in and give an estimate of how many members this topic concerns. Other topics get social partners' attention only when there

⁶ They are trying to establish a common classification system for construction, as they call it themselves the classification system for the life cycle of the building.

is enough time. The relevant topics to discuss at the national level SD usually rise from the everyday practice or changes in the legislation.

The main concern of the trade unions in the construction sector at the national level are **education, the tax regulation for the enterprises, and the rapidly changing legislation**. Other topics that the trade unions' representatives mentioned in the interviews were:

- public procurement issues,
- EU directive on the energy performance of buildings,
- Building Code,
- Planning Act,
- Davos declaration,
- cooperation with Tax and Customs Board (i.e. how to reduce envelope salary in the sector, how to ensure fair competition, how to raise quality in construction).

3.1.6 SD outcomes

Participating in the EU or national level SD enables social partners to be informed about the new initiatives or topics at the earliest possible stage and helps to implement the legislative changes at a national level later. The social partners mentioned in the interviews that keeping good and productive relationships with partners from other countries through SD is also important to them. However, **SD topics at the EU level are often too general for the construction sector trade unions**. They receive different data requests from the EU, but local issues are rarely discussed at the EU level. Starting new topics at the EU level requires support from other members of the EU organisation and more resources. Although few social partners have launched new initiatives at the EU level SD, in a market protection situation, it is difficult to achieve joint results. Smaller trade unions in the sector hope that the state will cover the relevant areas and topics at the EU level; that way trade unions can give their input at the national level.

The social partners reproached the states' involvement practices, as the EU legislation drafts and documents are sent to the partners in full format and without translation. This way, all the involved partners have to find the specific issues that are related to them and translate the materials themselves. However, **the state could translate the documents before asking the social partners for feedback**. It is one of the reasons that the national level associations are quite passive at the EU level SD. It is suggested for the state to consider that issue seriously.

The social partners in the construction sector were not aware of the activities of the European Semester, but they are involved in the SD with ministries and discuss different outcomes and CSRs in other working groups or through the EAKL or ETTK.

Due to the low participation of an EU-level organisation in EU social dialogue, the members no longer find it useful to participate in a central organisation. According to the EEL representative, ECCE is doing more lobbying at the EU level and is less involved in legislation. Therefore, some members have left the council, and no significant results in SD have been achieved. EEL also estimates that participation in ECCE is not beneficial.

The main EU social dialogue results in the construction sector are binding (e.g., directive, law, and act). However, maybe the non-binding outcomes have received less attention, as their implementation is not mandatory. One interviewee mentioned a recent non-binding outcome in the form of the handbook "Handbook for the Introduction of Building Information Modelling by the European Public Sector".

The social partners mentioned in the interviews that due to their activeness, the national level SD seemed more frequent during recent years. They felt that the ministries involved trade unions and other parties more frequently while taking over the EU directives. Still, there was some confusion about how much the ministries considered their feedback. The input to the national level SD is collected on a thematic basis from smaller trade unions, as every small association focuses on its subjects and wants to represent its members independently. Smaller trade unions who are active in a very narrow area are often excluded from the SD, as they do not have enough time or resources to participate in the SD. There are also some examples where policy-makers and legislators have disregarded the partners' proposals and added unfavourable paragraphs to the law (e.g., paragraph 122 in the Public Procurement Act regulating sub-contracting⁷).

3.1.7 Perceived effectiveness

Social partners felt that the **national level SD is rather thin**, as the same people meet in various working groups and councils during the SD. The social partners mentioned in the interviews that there is no coordination of SD at the level of ministries, as the same topics are often discussed in different working groups, which makes it difficult to achieve joint results. In addition, the political agreements affect the achievement of goals (i.e. whether the topic is relevant for the political parties). In some cases, the ministries try to collect trade unions' feedback and opinions in a short timeframe. The unions are not able to work through all the materials in short notice so they cannot provide any opinions. In addition, **it is not clear whether and to what extent the unions' feedback in the legislative process is taken into account**. Associations and trade unions do not have the resources to monitor whether their input is considered or not. Overall, it is confusing and burdensome for the social partners to be effectively involved in the SD.

The social partners perceived **eye-to-eye meetings as the most effective** when people are familiar with the materials. Personal sessions help to start discussions and clarify positions. In theory, the social partners may use a picket or strike to influence SD outcomes, but lately, they use articles or reviews in media as leverage. Overall, the process of SD is necessary to achieve the desired results. Still, the process can be long and may take several years.

3.1.8 Suggestions for effective SD

There is a lack of trade unions in the construction sector to have a meaningful social dialogue. Recently, one of the EAKL's affiliates, the Estonian Metalworkers Trade Union Federations, started to represent construction workers as well, but according to them, they have only few members from construction sector. There is also a little enthusiasm and support for starting new trade unions.

The state, in cooperation with social partners, should actively promote the need for effective social dialogue among citizens and entrepreneurs. Existing electronic environments (e.g., the Register of Economic activities⁸) can be used to share information about what is happening in the sector, or what are the main changes in the legislation, reaching as many companies as possible, also small companies that do not belong to the central union.

In conclusion, the **SD effectiveness in the construction sector is low due to the lack of human resources and short deadlines**. If the unions had more resources and broader membership, they could participate in the SD more actively, and contribute to important issues. Unfortunately, there is no such power and resources. The smaller trade unions and associations should join and share resources to participate in the national level SD more effectively, their actions would be consistent, and they would be able to monitor the use of input. By acting separately, their influence and possibilities in SD are limited.

⁷ Public Procurement Act available in English at <https://www.riigiteataja.ee/en/eli/525032019011/consolide>

⁸ The Register of the Economic activities (<https://mtr.mkm.ee>)

3.2 Healthcare sector

Estonia's health care system is built on the principle of compulsory solidarity-based insurance and the general availability of services provided by private providers. The management and supervision of the health care system and development of health policy is under the scope of the Ministry of Social Affairs (MoSA) and its agencies.

MoSA representatives could not find a suitable time for an interview on SD topics.

3.2.1 Actors and legitimacy

Estonian Hospital Association (EHL) is a voluntary union established for representing the united interests in healthcare matters and arranging cooperation of hospitals. EHL has 25 member organisations, including hospitals, medical and rehabilitation centres. Almost all the biggest employers in the sector are members of EHL. EHL is a member of ETTK, HOPE (European Hospital and Healthcare Federation) and was a member of HOSPEEM (the European Hospital and Healthcare Employers' Association) until the end of 2018.

Estonian Nurses Union (EÕL) has two important roles. As a professional organisation, the EÕL is developing nursing as a profession at all levels. As a trade union, the EÕL is standing for the working conditions of nurses and the sustainability of the healthcare system. EÕL is a member of the International Council of Nurses (ICN) and the European Federation of Nurses Associations (EFN). EÕL is not a member of trade union confederation EAKL.

Estonian Medical Association (EAL) is not a member of trade union confederation (EAKL) and acts autonomously. EAL is a member of the Standing Committee of European Doctors (CPME) and the European Union of Medical Specialists (UEMS). With approximately 3,000 members, EAL covers 62% of all the doctors in Estonia.

Estonian Health Insurance Fund (EHIF) is an institution responsible for funding decisions in the healthcare sector. EHIF has a representative in the EC Audit Board, and Electronic Exchange of Social Security Information (EESSI) working group, and is a Member of the Expert Group on Health System Performance Assessment.

The total number of persons working in Estonian health care in 2018, according to data from the National Institute for Health Development, reached 24,026 persons. The Union of Estonian Healthcare Professionals has approximately 3,500 members, the Estonian Nurses Union has ca 4,000 members and the Estonian Medical Association has approximately 3,000 members. Current collective agreement of health care professionals applies to all establishments and companies providing health care services under the Health Board activity license and whose activities are financed according to the treatment financing agreement concluded with the EHIF or from the state budget, and to employees working in the aforementioned establishments and companies.

3.2.2 Actors' interaction

In Estonia, **the social partners in the healthcare sector have competitive inter-union relationships**. Many trade unions have specialised on certain groups or specific professions (doctors, nurses, family doctors, etc.). The trade unions and associations may partake in public policy in three ways: authorities consult with them in matters affecting their members, they are represented in committees or boards of policy concertation, or the top-level association, which has participatory rights, represents them.

There are many smaller trade unions in the Estonian healthcare sector. Some of them are stronger and represent their members in social dialogue themselves; others seek representation in SD through the confederation (EAKL). The strength of the trade unions depends on their historical background, legitimacy, or other factors.

Most of the interviewed social partners had not seen any significant change in the EU level SD in recent years. Participating in EU organisation meetings will give national trade unions updated information about the new issues and activities launched in Europe. The active members also have an opportunity to express their opinions and views on many relevant topics. The social partners marked in the interviews that EU organisations treat their representatives as equal partners. Even though there are many electronic options for communications, the best way to discuss topics is personal meetings.

Traditionally education and healthcare sectors are more active in negotiating wages at the national level. EHL and trade unions have collective agreement negotiations after every two years. The last sectoral collective agreement was signed in 2018 by EHL, the Union of Estonian Medical Emergency, the Estonian Medical Association, the Union of Estonian Healthcare Professionals, the Estonian Nurses Union, and the Estonian Society of Family Doctors. In addition, sometimes the representatives of EHIF and MoSA participate in the negotiations as the possibilities of raising the salaries of healthcare workers depend on the EHIF budget, which in turn is intertwined with the state budget. EHIF and MoSA do not sign the collective agreement, as they are not formally recognised as the parties to collective bargaining. The collective agreement conditions are compulsory to all the sectoral enterprises (incl. hospitals, healthcare institutions) who have a service contract with the EHIF. In addition to the collective agreement, an additional protocol is signed with MoSA and EHIF representatives to guarantee to fund the expenses of the collective agreement.

The MoSA is initiating the national level SD on an ongoing basis. There are few regular working groups where the main social partners are involved, e.g., the Advisory Committee of the EHIF Council (a sector-specific tripartite body) and other thematic working groups. Still, some interviewed social partners pointed out in the interview that during the last few years, there were less personal contacts with MoSA, and more information was asked by phone or e-mail. According to some social partners that did not influence the SD, but sometimes it is necessary to meet and discuss matters in person. EHIF has also convened several working groups and is consulting with several trade unions from the healthcare sector.

3.2.3 Resources

The interviewed **social partners considered participation in the EU level organisations necessary and useful.** It is important for the social partners to exchange ideas at the EU level, as it will make it easier to find arguments later at the national level SD. They get a lot of updated information and can influence the legislative process. One interviewee mentioned that within the EU organisations, they had affected the legislative changes; for example, together with other countries, they managed to prevent the approval of an unfit directive. They made several proposals on how to change the directive and make it more suitable for hospital workers.

Participating in the SD, especially at the EU level, requires **human resources** that are scarce for Estonian trade unions. Usually, there are only one or two paid representatives in every union; other leaders of the organisation are engaged in professional work. Usually, the trade unions cover the participation costs themselves, and some EU organisations have annual fees for members. So far, the membership costs have not hindered the trade unions from participating in EU level SD.

Collaboration with partners depends on how strong or competent they are on the topic. There has been less rivalry between the social partners in Estonia, as they are now working towards the common goal – fiscal sustainability and improvement of healthcare funding. Even though there are often the same people around the table for SD or during collective bargaining, the **long-term relationships and informal contacts contribute positively to achieving SD results.**

3.2.4 Topics

The main topics the social partners discussed at the EU level SD were:

- Patient safety
- Health and safety at the workplace (e.g., needle stick injuries)
- Ageing population and workforce
- Labour mobility and labour shortages (nurses and doctors)
- General Data Protection Rules (GDPR)
- Provision of emergency assistance and medical treatment to nationals of other Member States
- Healthcare fiscal sustainability and patient insurance at the national level

Interviewed social partners mentioned that the MoSA has representatives in different working groups at the EU level, and they have better opportunities to initiate new topics and forward the state opinion. Interviewees believe that bringing up new topics is possible for all the members of EU organisations. For example, the EÕL started data collection from all the countries to compare the nurses' hourly wages in EU member states. Some social partners do not have enough time and resources to raise new topics at the EU level themselves. Since there are many countries represented at the EU level, starting a new issue is not always easy, as the larger countries are more aware and bolder in implementing their ideas. Still, participating in the EU level organisations enables Estonian trade unions to be informed and make proposals. In sum, the opinions on whether the small size of the country affects the ability of the partners to participate in EU level SD differed; while some respondents did not consider the size of the country relevant, then some others indicated that due to its small size Estonia is not able to initiate or manage topics as large countries.

The social partners discuss relevant topics from EU level at the national level SD. Some issues are adopted more easily at the national level than others. That depends on the priorities of the state. In most cases, reaching the results in SD is a long process. The social partners mentioned in the interviews that in SD, they want to achieve binding outcomes, as one party may easily withdraw the agreement (e.g., when a minister is changing) if it is not confirmed by law or regulation.

3.2.5 SD outcomes

The outcomes from the EU and national level SD in healthcare sector are mostly binding. Sometimes there is already legislation in place in the country with stricter restrictions before it is agreed at EU level. Still, there are some examples of non-binding SD outcomes from the EU and national level SD. In 2016, HOSPEEM and EPSU conducted a joint declaration⁹ about health workers professional development and life-long learning for the European Commission. Discussions on those subjects are still on the agenda of HOSPEEM meetings. Thus, the process of EU level SD can be long before the commonly agreed results are reached. At the national level, the employer and employee organisations have SD with MoSA and EHIF. In 2016, the social partners with healthcare colleges, MoSA, the Ministry of Education and Research, EHA, EÕL, and the Estonian Association of Midwives signed a consensus agreement on training nurses and midwives¹⁰. In 2017, the main social partners and other smaller trade unions with the state signed a protocol of common intentions¹¹ in the healthcare sector. An example of a cross-sector SD is the Emergency Act, which combines several sectors and law enforcement issues, where the main partner is the Ministry of the Interior.

The social partners in the healthcare sector were not aware of the activities of the European Semester, but they are involved in the SD with ministries and discuss different outcomes and CSRs in other

⁹ HOSPEEM-EPSU Joint Declaration on Continuing Professional Development (CDP) and Life-Long Learning (LLL) for All Health Workers in the EU, available <https://www.epsu.org/sites/default/files/article/files/Final-Joint-Declaration-CPD&LLL-08.11.2016-EN.pdf>

¹⁰ Consensus Agreement for Nurses and Midwives in 2017–2020, available in Estonian: https://www.sm.ee/sites/default/files/content-editors/Tervishoid/konsensuslepe_allkirjastatud_11.2016.pdf

¹¹ Protocol of Common Intentions (2017), available in Estonian https://arstideleit.ee/wp-content/uploads/2017/01/%C3%9Chiste-kavatsuste-protokoll_23.01.pdf

working groups or through the EAKL or ETTK. Other independent trade unions (e.g. EAL and EÖL) mentioned in the interviews that they are often left out of the European Semester discussions.

3.2.6 Perceived effectiveness

One social partner emphasised in the interview that the national level SD has improved during recent years. Others felt that on the national level, only the trade union confederations are involved in SD and independent trade unions are often left out or consulted only on specific subjects, even though they represent the majority of professional workers. **During the period 2015–2017, most of the social partners in healthcare sector did not observe remarkable changes in the form or recurrence of the national level SD.**

Some social partners have noticed that the Ministry of Social Affairs sometimes does not follow good engagement practices (GEP), meaning that they ask the trade union's input with short notice (e.g., few days before Midsummer Holiday or Christmas Holiday), which makes it impossible to give meaningful feedback. The organisation's feedback is not the opinion of one person, but it also requires the organisation to involve its members and discuss topics. Thus, to improve the situation, the ministry should give the parties at least two weeks to provide feedback. One respondent mentioned that the state involves third-sector organisations rather when it is mandatory not on voluntary bases. Several interviewees noted that the state involves other parties at the last moment and that there is no action plan for legislative changes. One obstacle in national SD that trade union representatives mentioned in interviews are the frequent changes in key persons in MoSA (e.g., minister, adviser). Thus, the social dialogue engagement process in MoSA could be better.

Some social partners believe that the state should have a different attitude towards SD. When something is wrong, then everyone should try to make it better, not to hide behind the inadequate laws or expect someone else to do it. Meaning that other state agencies can make proposals to initiate and amend laws besides ministries as well. Trade union members mostly do their daily work and do not have the resources to initiate legislative changes at the national level. Therefore, the main trade union representatives must participate in many working groups, seminars, and workshops that may become a burden when discussing the same topics at different meetings. Social partners believe that ministries along with social partners should coordinate the SD process and topics to make better use of existing resources. Compared to the situation ten years ago, social dialogue at the national level has improved significantly.

Overall, the social partners considered the process of SD necessary to achieve joint results. Still, the process can be long and may take several years, and the outcome is not always predictable. Discussing some topics sometimes fade or the state loses interest in them. For example, the social partners disagree on the matter of cross-border recruiting, which is why the parties have not reached a common solution.

3.2.7 Suggestions

The social partners brought out in the interviews that for more effective SD, the local unions and confederations must be stronger and more active. Then they would be a force to consider. As there are only a few paid workers in the unions, their actions are limited. Sometimes it takes only one strong speaker or partner to get the result. For example, the social partners debated the social tax on pensions for more than ten years, and when there was a change in the government and minister, the parties finally concluded. That demonstrates that sometimes achieving the result is just the matter of the political will.

The national level SD would be more effective and consistent if the state's representatives were stable and did not change so often. According to the interviewed social partners, for a more effective SD, the parties (e.g., trade unions, state representatives) need to develop better listening and communication skills and be able to make compromises. All the interviewed parties wish that their

partners had a long plan and the ability to see a bigger picture in SD. Ministries should inform and involve their partners more efficiently to have more continuous, effective, and faster SD. The same applies to the EU level SD. If the national representatives could be more active, then Estonia could be a stronger partner in the SD.

3.3 Education sector

The national research team was not able to reach out to all social partners (e.g., some of them declined to participate due to lack of time and interest in the topic). Thus, the sectoral reports` analysis relies mainly on those people who agreed to talk to the national research team. The educational personnel are often, the subject and target group for research and studies. Because of the latter, they have to decide in which studies, surveys, interviews, etc. to participate and which ones to discard. In addition, it is relevant to highlight that most of the interviewees admitted that their experience is limited with their participation and does not include the personal experience of other representatives, participants.

3.3.1 Actors

The **Estonian Educational Personnel Union – EEPU** - (*Eesti Haridustöötajate Liit*, EHL) unites all educational personnel associations and unions working in the educational sector. EEPU was founded on 3rd April 1990 by Estonian educational personnel unions in towns and regions to organise co-operation between the unions. The EEPU participates in concluding contracts between schools and local authorities in terms of salary, working, and living conditions. The EEPU participates in the negotiations with the Estonian Government and the tripartite negotiations over social guarantees etc. between the Government, trade unions and employers. One of the main tasks of the EEPU is to promote, through collective bargaining, the working and salary conditions of members, instruct, and direct the local trade union organisations.

Internationally, the EEPU is a member of Education International (EI) and the European Trade Union Committee for Education (ETUCE)¹² and is involved in the following projects:

- European Sectoral Social Dialogue in Education (ESSDE)
- European Semester
- Central and East European Network (CEENET)
- Social Partners Promoting Decent Workplaces in the Education Sector

In Estonia, only two trade unions belong into ETUCE – the EEPU and the Federation of the Estonian Universities, Institutions of Science, Research and Development (UNIVERSITAS).

Also, the EEPU works very closely with the Trade Union of Education in Finland (OAJ), with the Swedish organisation *Läraryrket*, with the trade unions of educators in Latvia and Lithuania and other teachers` trade union organisations.

The corresponding social partner from the teachers` side for the EEPU and the government is **the Estonian Teachers` Association** (*Eesti Õpetajate Liit*, EÕL)¹³. The Teachers` Association¹⁴ is an independent and voluntary trade union organisation. Its historic origin reaches back to the period 1917-1940 during which its predecessor already operated. The main tasks of the association are to value the role of teachers in the society, to enhance national education and culture, to represent the professional vocation of teachers, to train and upskill teachers, to participate in the legislation process and to give feedback to relevant strategy and policy documents. Among its tasks are also to cooperate

¹² The European Trade Union Committee for Education (ETUCE) is the teachers' social partner at European level and a defender of teachers' interests to the European Commission. ETUCE was established in 1977. ETUCE is composed of national trade unions of teachers and other staff in general education - early childhood education, primary education, secondary education, vocational education and training as well as higher education and research. ETUCE is also a European Trade Union Federation of the European Trade Union Confederation (ETUC): <https://csee-etuice.org/en/about-us/about-etuice>

¹³ The Estonian Teachers` Association did not participate in the interview. Relevant information is obtained through desk research and national interviews.

¹⁴ Eesti Õpetajate Liit (Estonian Teachers` Union): http://www.opetajateliit.ee/?page_id=2

with similar and other related associations and unions at the national but also at the EU level and in neighbouring countries.

The corresponding social partner from the school leaders` side for the EEPU and the government is **the Association of School Principals** (Eesti Koolijuhtide Ühendus, EKJÜ)¹⁵¹⁶. The objective of the EKJÜ is to unite Estonian school leaders (principals, managers), assist members in their professional development, protect their professional rights, and represent Estonian school leaders in international organizations.

The Ministry of Education and Research (*Haridus- ja Teadusministeerium*, HTM) is the government representative of the industrial, educational relations in Estonia. The HTM deals with the educational policy in general by preparing draft legislation for the implementation and development of the educational, research, youth, language, etc., policies and cooperating with social partners. The delegates of the ministry represent Estonia in the European Commission and the EU Council working groups. The main topics are related to education, science, youth, and language.

The corresponding employer and regional side representative for the EEPU and the ministry are **the Association of Estonian Cities and Municipalities** (*Eesti Linnade ja Valdade Liit*, ELVL). The ELVL at the national level does not act in the role of an employer organisation as its members have not accepted it due to lack of financial support from the central government. In addition, at the EU-level, the ELVL has not joined the European Federation of Education Employers (EFEE)¹⁷. Nevertheless, in recent years there have been SD meetings where the ELVL has took part in as an observer. The ELVL¹⁸ is a voluntary union established for representing the common interests and arranging co-operation between cities and rural municipalities. Ensuring the development of local governments through joint activities is the main goal of the ELVL. The ELVL was established on 19 September 1920 as the Association of Estonian Cities. On February 27, 2018, the Association Status changed, and it became the Association of Estonian Cities and Municipalities. At present, 74 municipalities out of 79 are the members of the association. The local governments belonging to the association cover 99% of the population of Estonia and all Estonian regions are represented. The ELVL is funded from the membership fees, the amount of which depends on the revenues of a member.

Among the previously mentioned organisations only the EEPU and the ministry actively participate in SD at the EU level. The ELVL today has the observer status and is preparing to be more engaged at the EU level. All described organisations are active at the national and sectoral level through participating in relevant working groups, committees, etc. Although, again, the ELVL at the national level does not act in the role of an employer organisation as its members have not accepted it due to lack of financial support from the central government.

Varblane et al. (2016)¹⁹ describe the development of **industrial relations in the education sector** as rather **smooth**. The wages of teachers have gradually increased, and the tensions, which resulted in

¹⁵ Eesti Koolijuhtide Ühendus: <http://ekjy.ee/>

¹⁶ The Estonian Association of School Principals did not participate in the interview. Relevant information is obtained through desk research and national interviews.

¹⁷ The European Federation of Education Employers (EFEE) is a dynamic organisation established in 2009 to represent the interests of employers in the strategic and highly diverse European education sector. They represent 31 education employer organisations from 16 European countries in all levels of education, from pre-school to higher education and research. This includes different national organisations, such as education councils and ministries of education, associations of VET colleges and universities and local and regional authority employers' organisations: <https://educationemployers.eu/contact-us/>

¹⁸ Eesti Linnade ja Valdade Liit: <https://www.elvl.ee/tutvustus>

¹⁹ Varblane, U., Espenberg, K., Nedožogina, O., Pruks, P. Industrial Relations in Central and Eastern Europe: Challenges Ahead of Economic Recovery (2016-2017): https://skytte.ut.ee/sites/default/files/skytte/industrial_relations_in_estonia_0.pdf

the teachers' strike in 2012, have decreased. The nature of relations today can be characterised as regular, business-like, and intense.

With recent years, collective agreements have become more comprehensive, according to some sectoral trade union representatives. Furthermore, social partners have flexibly resolved some issues (e.g., well-intentions agreement).

In the education sector, the central industrial relations` issues (topics) are

- aging teacher population,
- working time and hours,
- working conditions and environment (reducing psychosocial risks),
- low wages,
- a poor and unattractive image of the industry and the profession of a teacher
- difficulties in keeping young skilled labour in the industry (labour turnover), in the education sector
- the availability of student support specialists,
- supporting the needs of children with special needs.

New topics in the field are the introduction and use of new technologies in teaching and learning, development of digital skills (digital literacy), smart youth work, environmental and sustainability issues, changes in the philosophy of teaching and changed approach to learning (learner-centred approach).

3.3.2 Legitimacy

General trade union membership and collective bargaining coverage have continuously decreased in Estonia. These trends – **decreasing trade union membership** (except some sectors like medicine and maritime transportation), **low collective bargaining coverage and the small number of collective agreements** – is perhaps the most important characteristics of industrial relations in Estonia²⁰.

The factual trade union membership in Estonia is small, around 7 percent and approximately 38 000 employees in 2015²¹. There is no exact data about the number of educational employees in the education sector and their coverage with collective agreements and membership into educational trade unions.

3.3.3 Actors' interaction

The main benefit of participating in SD comes from **information sharing, also learning by sharing and becoming more aware of what is going on** in the other sectors, at the national level, and in other countries. The most substantial and visible recent change (also highlighted in national and other sectoral interviews) is that the Estonian government and social partners restored **the tripartite talks** during 2018, with the government seeking to involve workers' and employers' representatives in discussions on a more regular basis. The government and social partners agreed to discuss topics related to labour and social policy. There were no tripartite bodies or agreements during the 2015–2017. This change is regarded as a positive development in SD by the interviewed stakeholders. As a result, the interviewed stakeholders, in general, feel that they are more engaged, more involved in SD with the state.

²⁰ Varblane, U., Espenberg, K., Nedožogina, O., Pruks, P. Industrial Relations in Central and Eastern Europe: Challenges Ahead of Economic Recovery (2016-2017):

https://skytte.ut.ee/sites/default/files/skytte/industrial_relations_in_estonia_0.pdf

²¹ Statistics Estonia: <http://andmebaas.stat.ee/Index.aspx?lang=et&DataSetCode=TKU96>

Numerous legislative and regulative changes to which the state asks feedback (and this is quite frequent in the education sector, as changes are daily), amplify the feeling of being more engaged and involved in SD and its structures. **In the education sector, SD is perhaps most visible and intense as compared to all other sectors.** All bigger stakeholders have their representation and interests expressed through unions (e.g., teachers, principals, educational personnel, and local governments). When in the past professional associations, unions and federations themselves had to show interest and give their feedback to the state, then today the state actively seeks and asks for their feedback and opinion.

The Association of Estonian Cities and Municipalities – ELVL – represents local governments and local authorities. All matters of local life are organised and resolved by local authorities, which operate independently based on the law²². Local governments have independent budgets. The law²³ regulates and determines the procedures for local budgets. Local authorities comprise a significant part of general government finance. Their consolidated share in total general government expenditure is 25%. The Ministry of Finance develops the financing (incl. equalisation and support fund division) and financial management principles of local authorities. The main form of cooperation between local authorities and the central government is the annual budget negotiation workgroups of the government committee established by the government and the delegation of the Local Government Associations Cooperation Assembly. The financial and tax policy workgroup formed by the Ministry of Finance discusses the support allocated to local authorities, their cost base, and matters concerning tax policy. To conclude, most of the work at the national level takes place in workgroups established by the government. The ELVL engages with various sectors-topics at the same time; education is only one of them.

One interviewed representative of a professional association mentioned as a weakness that at the EU level, the ELVL does not formally belong to the EFEE. Due to financial issues, the ELVL is not able to carry its expected obligations in the educational sector as an employer organization. The members of the ELVL have not approved and accepted their role and tasks as an employer organisation (they have not agreed on the mandate as an employer organisation). In sum, the participation in the EU level social dialogue of the employers` representatives is hereby negatively affected by their somewhat **unclear role and mandate at the national level.**

Another interviewed representative of a professional association admitted as a positive trend that nowadays there are different and **numerous ways to give feedback** and share their opinion (e.g., by participating in a meeting, providing written feedback by email, providing feedback through the national Draft Information System - EIS²⁴). Firstly, professional associations hold discussions inside their organisation, then a joint opinion forms, and the representative gives feedback to the state through the relevant channel.

At the national level and according to the law of the Basic Schools and Upper Secondary Schools Act (PGS)²⁵ the government, the representative of local governments (traditionally the ELVL) and the authorized representatives of teachers` professional associations set the minimum wage level for

²² Rahandusministeerium. Local Governments: <https://www.rahandusministeerium.ee/en/local-governments-and-administrative-territorial-reform>

²³ Local Government Financial Management Act: <https://www.riigiteataja.ee/en/eli/505072016001/consolide>

²⁴ The national Draft Information System (Eelnõude infosüsteem, EIS) is a virtual working environment where documents, draft legislation are shared and coordinated between various public and professional institutions. Through the system documents are submitted to the Government and Riigikogu (Parliament) and also to public consultation. In addition to national documents, the system has access to draft European Union legislation and other documents related to the European Union`s decision making process. Through the EIS, everyone can follow the processing of drafts, find documents in the information system, participate in public consultations etc. <http://eelroud.valitsus.ee/main#x0KkkewT>

²⁵ Basic Schools and Upper Secondary Schools Act: <https://www.riigiteataja.ee/en/eli/ee/Riigikogu/act/503062019007/consolide>

teachers. When participating stakeholders cannot reach an agreement, then the government finally decides the minimum wage level. After discussions, the government formally enforces the minimum rates for teachers. As the government has the final word in the process, the stakeholders may feel powerless. Feeling powerless may reduce their satisfaction with SD at the national level.

The cooperation and SD between the Estonian **Educational Personnel Union (EPU)**, the Estonian Teachers` Union and the local governments have not progressed as well as expected by the EPU. There is only one collective agreement signed with a local government (with the city of Tartu). Before the Estonian administrative reform, there were more than 200 local governments; today, there are 79 local governments. According to one interviewed representative of a professional association, the administrative reform may enhance social dialogue at the national and regional level in the future, as after the reform, one local government has to manage the interests of several educational institutions. Previously, as local governments were smaller, often one local government had to manage only one educational institution. For the local government to take into account the needs and expectations of all educational personnel in the region, building communication on social dialogue may be the solution. The need to engage more institutions may give impetus to SD and its structures.

Potential hindrances to increased cooperation between local governments may be **personal reluctance** and **lack of interest to cooperate** and build social dialogue, also when stakeholders are not accustomed to SD and when they do not know how to build social dialogue (they lack the experience).

The interviewed stakeholders admitted that overall, they are **satisfied with the volume of SD and the work of their representative associations in the education sector**. One interviewed stakeholder (professional association) admitted feeling that in recent years, the volume of SD and participation in various committees, networks, and working groups has increased. Obviously, in SD meetings, professional associations feel the size and power of the state apparatus – the size of the office is much bigger, and the number of workers is much higher. One representative described it as a challenge to be a worthy social partner for the state. Therefore, professional associations have to **choose and prioritise the topics** they wish to tackle, as their apparatus is limited and voluntary. One interviewed stakeholder found that the negotiation workgroups of the government committee established by the government together with the national Draft Information System (EIS) function quite well. The working culture is very active and mutually respectful.

The EPU also actively consults with the Estonian Trade Union Confederation (EAKL), specifically in matters, regarding, for example changing the Estonian Labour Law. Today, at the national level, there are still ongoing discussions about new and changing forms of employment, such as platform-based working and rental workers, which raise questions of how to include social rights, social insurance, and protection in them, also regarding generational differences and changes in expectations towards work. Younger generations prefer flexibility, temporary arrangements, and diversity to traditional, long-term, stable, and monotone work relationships. Nowadays, it is quite common to have several jobs and several work relationships under multiple employers.

The interviewed stakeholders admitted that **in general, state-level relations and negotiation culture between social partners have improved and there is perhaps less confrontation and more discussion and cooperation**. One interviewed stakeholder found that the negotiations` culture has become looser. One interviewed ministry representative described it as constructive and oriented towards resolving problems and finding solutions. One interviewed representative of a professional association admitted that SD must be practised – more personal experience with SD brings more and better results. One ministry representative raised the question about how well professional associations represent the variety of interests in their field, especially what interests they represent well, and what kind of people, organisations and opinions are left out because they do not belong to the union.

3.3.4 Resources for SD involvement

While other countries' large umbrella organisations can contribute to the EU level SD, the small countries' union federations and associations do not have the necessary resources – people and money – to do so, and so their contribution as leaders or initiators remains modest. They can express their support to other countries in matters where they have common interest and needs.

Interviewed stakeholders admitted **a lack of time and short notices as important hindrances to participation both at the EU and national level, also lack funding**. When the state gives too little time for providing feedback, then stakeholders choose not to participate. They also choose not to participate when they see no value from it or when involvement is not coherent with the organization's values and current or long-term priorities. One representative of a professional association highlighted that the state has to provide resources and funding with the obligations, tasks, etc. it gives to its social partners.

3.3.5 Topics

Some interviewed stakeholders in the education sector remembered initiating topics in the EU social dialogue. For the ministry representative, the **issue of digital skills and developing digital youth work** was among initiated topics. The interviewed representatives of professional associations have not themselves initiated topics at the EU level during the researched period 2015–2017.

The interviewed ministry representative explained that the relevant topics that can be discussed at the EU level SD are rather restricted. Therefore, the point of SD at the EU level should be sharing best practises. There are other means and forms of leverage for changing and amending the EU legislation (for example, lobbying).

One relevant topic at the EU and national level have been **new developments in the philosophy of teaching and changed approach to learning**. Both aim to support the comprehensive development of the learner. That, in turn, has led the change in viewing the role and tasks of a teacher. At the national level, the Basic Schools and Upper Secondary Schools Act (PGS)²⁶ has been amended, and these amendments were discussed in SD.

As a member of the ETUCE, during 2015–2017, the EEPU has tackled topics such as **healthy and safe working environment**, reducing and preventing psychosocial risks at work, including for example reducing the stress load **of teachers**. Also, among its topics has been strengthening the involvement (participation) and engagement of teacher unions, associations in the European Semester in the field of education and training, how to enhance the capacity of educational and teacher unions to better represent the professional needs and interests of teachers in SD and its structures. As one representative of a professional association described the topics in ETUCE are not a classical wage-hours dilemma anymore but take on a much broader view of the sector. At the EU level, the working hours of a teacher have also been under discussion to share experiences and views from different member states. As the financial situation of member states in the field of education is very different, then it is difficult to jointly discuss wage matters, as it is a topic that is of no importance in some EU member states but of extreme importance in others. Another example of divergent interests at the EU level is related to teaching and integrating refugees to local cultures, languages, and societies. As some countries do not have large numbers of refugees to tackle, but other countries do, then this topic is not interesting to all EU member states.

According to the ministry representative, one large topic that the EU tackled in 2015, 2016, and 2017 was to do with **youth**. During this period, ministry representatives and youth specialists, workers met

²⁶ Põhikooli- ja gümnaasiumiseadus: <https://www.riigiteataja.ee/akt/13332410>

regularly to openly discuss matters concerning youth (e.g., education and employment, dropouts, etc.).

Two interviewed representatives of professional associations mentioned the topic of increasing the number of **student support specialists** in educational institutions and supporting **children with special needs**. These were also relevant at the EU level.

The relevant topics to be discussed at the national level SD rise from the **everyday practice or changes in the legislation**. The unions select topics by their relevance. The support and interest of other unions, ministries, and governmental agencies, previous positive cooperation also affect the selection of topics. In the low resource situation, the social partners select the topics and issues where they have been most active and involved or topics and issues that they prioritise. Other topics get social partners attention only when there is enough time.

One interviewed stakeholder described as a positive example of recent cooperation with the Ministry of Culture and sporting related professional associations to support more and following an upgraded methodology and uniform approach the primary school swimming lessons. In 2018, the Ministry of Culture allocated additional funding to the counties and the city of Tallinn that will reach local governments through the Ministry of Finance and its Support and Equalization Fund²⁷.

Another positive development relates to supporting children`s school lunches. As one interviewed stakeholder described, “an increase in the sum of school lunch was achieved, although equality in funding was wanted”. Today, the monetary support differs between state and municipal schools; the latter receive less funding.

In recent years, SD has been intense in debating over the amount of funding science. There is joint recognition that science needs extra resources, but what activities specifically should be preferred at the expense of others is debatable.

On the other hand, there are also **some sectoral specific issues**, such as **the unequal share of female and male labour, with female labour exceeding male labour, low, unattractive wages, the aging teacher population**, the still (although it has improved in time) **unattractive image about teacher profession**, etc.

The employer and regional side representative highlighted the importance to change how central government finances local and regional governments to support educational activities. Today, the ELVL is not able to carry out its expected obligations in the educational sector as an employer organization as local and regional governments do not receive finance directly from the central government to their income base but through the support fund and its educational provision. The bigger social partners in the educational sector have not settled it yet. Today, the role and tasks of the ELVL as an employer concerning educational activities and obligations are undefined and vague. As long as the financial scheme does not change, the members of the ELVL are not interested in taking up the full role of an employer. The financial wellbeing, size, and needs of local governments vary strongly from one local government to another. In 2019, the state comprises of 79 heterogeneous local governments that comprise of 15 cities and 64 parishes²⁸.

Another **sectoral specific issue** that all the interviewed social partners mentioned is about the **unattractive image of the teaching profession** and the perceived low value for the role of teachers

²⁷ Kultuuriministeerium toetab ujumise algõpet koolides. 14. mai 2019: <https://www.kul.ee/et/eesmargid-tegevused/sport/kultuuriministeerium-toetab-ujumise-algopet-koolides>

²⁸ Rahandusministeerium: <https://www.rahandusministeerium.ee/et/eesmargidtegevused/kohalikud-omavalitsused-jahaldusreform/eesti-kohalike-omavalitsuste-loetelu>

in the society. The perceived high workload and limited rights in the working environment towards principals and learners together with a low wage undermine the value of working as a teacher.

3.3.6 SD outcomes

The social partners had **different opinions on social dialogue outcomes**. Some were in favour of binding results (e.g., a new or amended law or regulation, collective agreement at the national, regional or sectoral level) while others thought that employers and employees should agree on some issues and nuances without formal regulation. Non-binding outcomes are equally important to binding outcomes enabling flexibility and diversity. These characteristics are relevant in taking into account the context of each case.

One interviewed ministry representative mentioned as a successful outcome the creation of the European Solidarity Corps, which is the European Union initiative that creates opportunities for young people to volunteer or work in projects in their own country, or abroad that benefits communities and people around Europe²⁹. Regarding youth and smart youth work, the Council of the EU included these issues in its conclusions³⁰, although the conclusions of the Council of the EU are not legally binding, but they do express a political standpoint on a topic.

Several interviewees highlighted the positive example about signing **the good intentions agreement in 2015** in the education sector between the Ministry of Education and Research, the Estonian Education Personnel Union, the Estonian Teachers' Union, and the Association of School Principals. Among other and more general matters, the agreement stipulated that a full-time working teacher with a workload of 35 hours a week should teach a maximum of 24 one-hour-long classes a week in case he/she receives the statutory minimum wage set for teachers. Only the ELVL did not participate in the SD process to the end and did not sign the agreement because of differences in opinions regarding fixing the exact number of working hours. As a result, the agreement received only four signatures and approvals.

One interviewed stakeholder described as a positive outcome additional funding and attention to primary school swimming lessons. Cooperation with the Ministry of Culture and sporting related professional associations resulted in an upgraded methodology and uniform approach to primary school swimming lessons. As a result, in 2018, the Ministry of Culture allocated additional funding to the counties and the city of Tallinn, which will reach local governments through the Ministry of Finance and its Support and Equalization Fund³¹.

In addition, the routine and procedures, amount, and outcome of SD depend on the priorities and interests of the coalition government and ruling parties. Political changes affect SD and its structures. The importance of politics was mentioned both in sectoral and national interviews. During 2015–2017, Estonia held the Presidency of the Council of the European Union from 1 July to 31 December 2017, this also made a positive effect on the volume and quality of SD, new contacts and relationships were formed between various governmental institutions and professional associations at both the national and the EU level.

One important outcome mentioned in the interviews by the trade union and other interviewed stakeholders (also confirmed by desk research) was **a rise in the teachers' minimum wages**. The average wage level in the education sector is, in general, considered as unattractive compared to for example, private-sector wages and to the national average wage. Thus, changes at the national level wages have a strong impact on the sectoral level (in the case of the educational sector). Another

²⁹ European Solidarity Corps: https://europa.eu/youth/solidarity_en

³⁰ The preliminary results of the Estonian Presidency of the Council of the European Union as of 21 December 2017 : https://www.riigikantselei.ee/sites/default/files/content-editors/Failid/EL/preliminary_results.pdf

³¹ Kultuuriministeerium. Kultuuriministeerium toetab ujumise algõpet koolides. 14. mai 2019: <https://www.kul.ee/et/eesmargid-tegevused/sport/kultuuriministeerium-toetab-ujumise-algopet-koolides>

positive example of impact is **improvements in the working conditions**, security, and social guarantees for the teacher. For example, draft legislation has been prepared to give teachers the right to search through students, also the right to isolate a violent student and how to do it.

On the negative side, draft legislation was prepared to increase the number of student support specialists in educational institutions, specifically for children with special needs. Although the requested number of support specialists increased, and amendments were made in the Basic Schools and Upper Secondary Schools Act (PGS)³², the state did not provide the necessary funding for local governments. As a result, the system did not work as expected. Today, a new challenge has emerged – although now the state (central government) has extracted necessary resources then the labour market has changed, and there is lack of support specialists on the labour market and in training.

Some interviewed stakeholders admitted that although there have been attempts, also serious and several discussions about how to rectify the unattractive image of the teaching profession and improve the perceived low value for the role of teachers in the society, there is no visible outcome. Various surveys still highlight it as a problem. However, on the positive side, policymakers and politicians have realised the importance of it.

The speed of pushing changes and getting results (binding or non-binding) depends on the topic, its sensitivity and relevance in time and the width (coverage) of engaged social partners and their power. **Social partners describe a good outcome as an agreement that (at least partially) satisfies all parties.** One interviewed stakeholder described as a good outcome when the state creates a balanced legal act, and the required obligations and extracted resources are in accordance. Another interviewed stakeholder found that a good outcome is also the whole process of SD when all relevant social partners are engaged from start to finish, regardless of varying opinions. One stakeholder emphasized the positive result of SD as the whole process of learning by participating in SD, meaning that at the end of SD there does not always have to be a tangible outcome (ministry representative). Learning by discussing and sharing may sometimes be the most valuable, although intangible outcome. To conclude, for some interviewed stakeholders (based on their experience) a good SD outcome comes with resources, for others, the intangible benefits of SD prevail over palpable resources.

The surveyed social partners in the educational sector were not well aware of the activities of the European Semester. Only, the ministry representative was familiar with it. The Ministry of Education and Research is involved with the bureaucratic procedures of the European Semester (e.g., filling out some reports). One interviewed stakeholder (representative of a professional association) shared the opinion that it seems that the European Semester has not yet reached unions and professional associations but is present at the level of ministries and governmental agencies. Regarding the implementation of the recommendations of the European Semester, the ministry representative explained that if recommendations require changing national legal acts, regulations, etc. then these are discussed through with social partners. One representative of a professional association did not remember providing feedback or input regarding the European Semester during the researched period 2015–2017.

3.3.7 Perceived effectiveness

Both sectoral and national level interviews` findings highlight the dependence of SD on coalition government and ruling parties, and whether they value social dialogue or not. Shortly, taking into account the opinion and engagement of trade unions in social dialogue depends on election cycles, day-to-day politics, and parties.

³² Põhikooli- ja gümnaasiumiseadus: <https://www.riigiteataja.ee/akt/13332410>

Estonian social partners noted in interviews that **social dialogue at the sectoral and national level has slightly improved in recent years**. Expectedly, the perceived effectiveness of SD among interviewed stakeholders is greater, faster, and more convenient at the national level; SD takes more time and is more bureaucratic at the EU level.

The interviewed respondents were rather hesitant and uncertain in answering **how informal ties, friendship, informal discussions, etc. influence SD and its outcome**. The general feeling is that they do influence SD and their outcome, but **these linkages are not linear or direct**. It is not possible to guarantee a specific outcome. The importance of informal ties and friendship is more evident in raising issues, in being heard and in lobbying, also in communicating through social media. One interviewed ministry representative found that informal ties and friendship influence long-term activities and development plans. Informal ties and friendship play a role in SD and its structures, but it is not clear how strong and where exactly they influence the process and outcome. One interviewed stakeholder believed that life and work experience, specialty, and other characteristics all influence the process of SD. When participants have similar life and work experience or specialty, then it is easier to share one's views and find like-minded colleagues and form a coalition. **Informal ties and friendship have a stronger impact on the process (in initiating matters, topics) than on the outcome of SD (which may be unpredictable)**. In the case of Estonia, as a small country, you might say that everybody knows everybody, and usually, very often the same people meet in various working groups, panels and councils during the social dialogue. In a tighter circle of social partners, cooperation is better in the sense that this does not allow partners to withdraw from the agreements easily. In addition, it is difficult to replace people in the case of Estonia as a small country.

The interviewed stakeholders use social media to market outcomes and to notify the public, social media followers about new developments, problems, news, etc. Social media is not a good means to develop and draft legislation – the Draft Information System (EIS) was created to satisfy this need. One interviewed stakeholder raised the issue of conflict of interests and how to distinguish between personal and public interests. For the interviewed representative of a professional association, it seemed that the ministry officials today are quite well informed about conflict of interests and take measures to avoid it.

In general, since 2015, interviewed stakeholders did not notice any significant changes in the role of informal ties and friendships. Expectedly, they believe that in the case of Estonia, slight dependence on it will also remain in the future.

The findings of both sectoral and national interviews showed that sometimes **the frequent changes in ministerial staff** were seen as one factor that influences the efficiency of SD. The interviewed stakeholders highlighted several times that the outcomes and their efficiency depending on the specific people engaged in the process (and their background, experience, interest, etc.).

It is common practise that the state asks trade unions, local governments, and employer organisations or bigger employers to give feedback and comment changes in legislation (acts, decrees), regulation, policy documents, etc. Complex or outdated legal terms and ambiguous legal language hamper the efficiency of the feedback process. However, the interviewed stakeholders in the education sector found that the legal language in the case of the education sector is clear. In addition, the efficiency of SD suffers, when state and governmental officials give professional associations, unions etc. a **very short time to provide feedback**, which is something that influences the activity and initiative of their organisations.

The characteristics of negotiations also influence the perceived effectiveness of the SD. If there is too much focus on diverging issues and not enough on common ground, then negotiation becomes more confrontational and limited with no potential positive outcomes. In addition to the general culture of negotiations, **individual traits** have an impact. Stereotypes and prejudice towards some

stakeholders, confronting and stigmatizing stakeholder groups (school principals vs. teachers, central government vs. local and regional governments, and state vs. municipal schools) or some outcome restrict discussion and hamper SD.

Usually, **the sectoral and national level social dialogue topics arise from practical needs and everyday challenges or changes in the legislation.** Topics arise inside the EEPU when members propose them. Some topics are constantly on the table, e.g., work conditions, wages; other issues may emerge from the environment and legislation, practical needs, etc.

The effectiveness of a selected strategy depends on the topic and is case-specific. SD is appropriate with some topics. When negotiation does not work, then other strategies become relevant, e.g., media and opinion articles, social media, cooperation with other trade unions, strikes, etc. Variety of channels and communication formats help to build and share messages quickly and conveniently. There is less face-to-face communication and more online, virtual communication. **The social dialogue as a form of cooperation takes more time and effort.** One interviewed representative of a professional association found that the most important strategy is to participate in drafting legislation; this is followed by participating in social dialogue and its structures; other means are less important. Social dialogue is an essential means to influence and give feedback into the creation and development process of legislation. On the contrary, a ministry representative saw that the point of SD at the EU level should be sharing best practises and there are other means and forms of leverage for changing and amending the EU legislation (for example lobbying). The ministry representative found SD to be a softer way, means to do things together and to learn from each other.

The ministry representative emphasised that social dialogue at the national level does not always have to end with the binding results, but agreements with non-binding results (more of a soft approach with “softer” consequences) are also appropriate. For the interviewed social partners, a good example of it was the signing of the good intentions agreement in 2015 in the education sector between the Ministry of Education and Research, the Estonian Education Personnel Union, the Estonian Teachers’ Union, and the Association of School Principals regarding the working hours of the teacher. The good intentions agreements give the general framework without limiting the individuality and flexible behaviour of involved stakeholders. In tougher times, e.g., during an economic recession or societal or political turmoil, social partners tend to prefer strict outcomes, e.g., changes in legislation, acts, or regulations. In economically, politically, and socially stable conditions, social partners trust social dialogue and can settle matters through social dialogue and its softer outcomes, e.g., good intentions agreements, joint recommendations, declarations, etc.

On the positive, SD as a soft and flexible way to settle matters enhances commitment, and after reaching some agreement, it is clear who participated in the process and who reached an understanding or signed an agreement. After, there is a joint commitment to implement debated matters accordingly. With preparing and collecting feedback to draft legislation, as it may be a long-term process, lasting, for example, several years, it is not always clear who participated in the process from start to finish (ministry representative). Often, the names of all those participants who at some point took part in the process and gave their feedback are added to the outcome, although many of them may have backed out of the process at some point for whatever reasons. Consequently, they may find their names under final official documents to which they have a weak correlation.

On the other hand, several other interviewed stakeholders (also in national interviews) praised the national Draft Information System (SEI), which gives a clear overview of who contributed to the process of drafting legislation and a clear overview about legal outcome. One interviewed representative of a professional association strongly preferred an agreement with a binding result, a signed collective agreement or a change in legislation, as this sends a clear message to all and has consequences. For him, local governments are most afraid to make and sign collective agreements in the education field in Estonia.

The **marketing of SD outcome** has an impact on the perceived effectiveness of the SD. If the results and outcome of SD are spread among all relevant stakeholders, then the impact of SD is strengthened. Positive experience with SD and its structures creates more opportunities for the future. Another aspect that influences the perceived effectiveness of the SD is the **activity and visibility of the management**, board of a professional association, union, federation, etc.

3.3.8 Suggestions for effective SD

One issue to be resolved in the future is about changing **the role of the ELVL** and broadening its tasks together with extracting relevant financial resources to embrace the role of an employer organisation in the field of education. There are expectations for the ELVL to expand its role as an employer organisation, but the actual tasks and financial support are currently inconsistent. Ideally, the ELVL, together with the ministry and other sectoral associations, should discuss and agree on teachers' minimum wages each year. Today discussion takes place, but the Ministry of Education and Research determines teachers' minimum wages.

As the outcome of SD depends on **the priorities and interests of the coalition government and ruling parties**, then the trade unions and professional associations should continue to be visible and continue lobbying together.

Another aspect is to improve **the marketing of SD outcomes**, whether binding or non-binding results. All target groups and involved stakeholder groups should be aware of relevant developments to support their implementation and to propose new developments for the future. Besides, it may be fruitful to share best practices in one sector with the employers and employees in other sectors, so that mutual learning occurs.

There is no easy solution to the question about **how well professional associations represent the variety of interests in their field**, including those interests that differ from the mainstream or the interests of people, organisations that do not belong to the union. As an internal matter, this may give something to think about to professional associations how to improve the efficiency of communication and work tasks to include in a better way (transparently, comprehensively) all the opinions of their members.

Some interviewed stakeholders **admitted a lack of time and short notices as important hindrances to participation** at both the EU and national level. When the state, governmental agencies and ministries give too little time for providing feedback, then professional associations choose not to participate. Thus, the government and governmental agencies should plan and avoid short notices; SD time schedules, both face-to-face meetings and when written feedback is collected should be known in advance (for example at the start of the year).

3.4 The commercial sector

The national research team was not able to reach out to all social partners (e.g., some of them declined to participate due to lack of time and interest in the topic). Thus, the sectoral reports' analysis relies mainly on those people who agreed to talk to the national research team. In addition, some important trade unions declined, and the authors replaced them with some larger employers who have experience from sectoral or company level social dialogue. However, it is relevant to keep in mind that the views of larger employers (who participated in interviews) may not coincide with the views of trade union representatives (who did not participate in interviews). In addition, the interviewed stakeholders did not specifically distinguish (or highlight the differences) between retail and wholesale trade issues although all the employer side interviewees were more retail trade oriented.

3.4.1 Actors

The Estonian Trade Union of Commercial and Servicing Employees (*Eesti Teenindus- ja Kaubandustöötajate Ametiühing*, ETKA) unites all people working in the commercial sector and their associations, unions and learners obtaining their qualification in the commercial sector. The ETKA takes part in the activities of the Estonian Trade Union Confederation (EAKL), which is the largest Estonian organisation representing workers with approximately 21 000 members in 2016 (Kadarik and Masso, 2018). The ETKA is involved in the EU-level SD and the European Semester mostly through the central body EAKL. Not all topics discussed at the EU reach back to the ETKA – the ETKA is primarily interested in topics relevant to its sector and the working life in general.

The corresponding employer side social partner for the ETKA is the **Estonian Traders` Association** (Eesti Kaupmeeste Liit, EKL)³³. The Traders` Association³⁴ was established in April 1996 to bring together retailers with common interests, to solve different problems and represent members in various institutions in Estonia and abroad. The association has 58 members – retail and wholesale enterprises. The main tasks of the association are to represent the common interests of the members and sector via government institutions, promoting fair and balanced trade traditions, and establishing contacts with other associations in Estonia and abroad. The Estonian Traders` Association is a member of the Estonian Confederation of Employers (Eesti Töandjate Keskliit, ETK) and the Estonian Chamber of Commerce (Eesti Kaubandus-Tööstuskoda). The Estonian Traders` Association is a member of EuroCommerce³⁵.

Selected **larger employers** in the Estonian commercial sector do not participate in SD at the EU level. They are most active at the sectoral level SD and also present at the national level through participating in selected working groups or through participation and representation in the ETK and also in the Estonian Traders` Association. Whether an employer participates in SD at the EU level depends partly on the strategic decisions and preferences of the management. When social dialogue works well inside the company, between the employers and workers, then there is no need to reach out to the EU level and settling matters at the national or regional level is good enough. The interviewed employers mentioned the most important cooperation partners as the Estonian Traders` Association (*Eesti Kaupmeeste Liit*), also the Estonian Confederation of Employers (Eesti Töandjate Keskliit, ETK) and the Estonian Labour Inspectorate (*Tööinspektsioon*). Some interviewed employers also mentioned various ministries and their officials as important cooperation partners.

The members of the ETKA and the Estonian Traders` Association have representation in the Estonian Qualifications Authority (EQA) and the boards of educational institutions. Larger employers are also present in the boards of educational institutions.

Industrial relations in commerce can be characterised as mutually shared concerns that may lead to discussion and cooperation as well as to potential disagreement. Most widespread are company-level collective bargaining and agreements. In addition, sectoral level collective bargaining takes place, and there are sectoral level collective agreements. In the commercial sector, the central industrial relations` issues are general changes in the working life, working time and night work, low wages, poor and unattractive image of the industry and jobs, difficulties in keeping skilled labour and high labour flows, low value for obtained education (short and practical on the job training is often considered more valuable). New topics in the field are the introduction and use of new

³³ The Estonian Traders` Association did not participate in the interview. Relevant information is obtained through desk research and national interviews.

³⁴ Eesti Kaupmeeste Liit: <https://kaupmeesteliit.ee/liidust/english-summary/>

³⁵ <https://www.eurocommerce.eu/>

technologies (e.g., self-service, online sale), changes in required skills, automation and digitalisation, the potential and developments in e-commerce, environmental and sustainability issues.

3.4.2 Legitimacy

The Statistics Estonia data³⁶ shows that the number of employees by economic activity in the wholesale and retail trade together with the repair of motor vehicles and motorcycles have changed from about 72 200 in 2015 to 76 800 in 2017, and fallen slightly to 76 300 in 2018. That is accounting for 12% from all the employees in 2015 and for roughly 13% in 2017. The factual trade union membership in Estonia is small, around 7 percent and approximately 38 000 employees in 2015³⁷. Within these numbers, in 2015, about 3900 service and sales workers belonged to a union, and 54 400 did not belong to a union³⁸. Also, in 2015, about 10 400 service and sales workers admitted being covered with a collective agreement and 30 600 did not³⁹.

From the employers` side, the Estonian Traders` Association has 58 members, both retail and wholesale enterprises and as of 2018, members of the association employ about one third of all people in the trading sector. Today, for example, retailers who belong to the association hold about 80% of the Estonian food and grocery market share.⁴⁰

The Statistics Estonia data⁴¹ shows that unions are generally absent in small and medium-sized enterprises (SME) and present in 39 percent of all organisations employing 250 employees or more, which means that significant parts of the economy and most small and medium-sized companies remain union-free.

3.4.3 Actors` interaction

The most substantial and visible recent change (also highlighted in national interviews) is that the Estonian government and social partners restored the tripartite talks during 2018, with the government seeking to involve workers` and employers` representatives in discussions on a more regular basis. The government and social partners agreed to discuss topics related to labour and social policy. There were no tripartite bodies or agreements during the 2015–2017. This change is regarded as a positive development in SD by the interviewed stakeholders. As a result, the interviewed stakeholders, in general, feel that they are more engaged, more involved in SD with the state.

Numerous legislative and regulative changes to which the state asks feedback, **amplify the feeling of being more engaged and involved in SD and its structures**. One interviewed employer even described it as overregulation that gives too much work to employers and employer organisations. Another interviewed employer admitted as a positive tendency that nowadays there are different and numerous ways to give feedback and share their opinion (e.g., by participating in a meeting, providing written feedback by email).

Regarding larger representative organizations, the ETKA has social dialogue meetings with the national trade union confederation – the Estonian Trade Union Confederation (EAKL), also other relevant and interested trade unions, and they cooperate with educational institutions, the Estonian Qualifications Authority (EQA), Labour Inspectorate (LI) and the Estonian Employees` Unions` Confederation (TALO).

³⁶ <http://andmebaas.stat.ee/Index.aspx?lang=en&SubSessionId=34e134a6-c8c6-45db-a5d5-37e2f778ae68&themetreeid=6#>

³⁷ <http://andmebaas.stat.ee/Index.aspx?lang=et&DataSetCode=TKU96>

³⁸ <http://andmebaas.stat.ee/Index.aspx?lang=et&DataSetCode=TKU96>

³⁹ <http://andmebaas.stat.ee/Index.aspx?lang=et&DataSetCode=TKU96#>

⁴⁰ Eesti Kaupmeeste Liit: <https://kaupmeesteliit.ee/liikmed/>

⁴¹ <http://andmebaas.stat.ee/Index.aspx?lang=et&DataSetCode=TKU96>

The **main benefit of participating in SD comes from information sharing, also learning by sharing and becoming more aware of what is going on** in other sectors, at the national level, and in other countries. The experience from recent years' shows for some interviewed trade union representatives that changes are slow to come and take time. In addition, one interviewee pointed out that stakeholders should not take issues, topics, decisions, legislation, etc., over automatically, but the Estonian context should be more taken into account thereby.

The cooperation and SD between the ETKA and the Estonian Traders' Association have not progressed as well as expected by the ETKA. No agreements have made regarding, for example, working time or health and security at work. Reasons for it are lack of interest and willingness from the employers' side, including low representation in the Estonian Traders' Association and low representation among employees. The interviewed employers admitted that overall, they are satisfied with the work of their representative associations, the Estonian Traders' Association and the Estonian Employers' Confederation (ETTK).

The interviewed stakeholders admitted that in general, **state-level relations and negotiation culture between social partners have improved** and there is perhaps less confrontation and more discussion and cooperation. One interviewed employer sensed that there is more confrontation at the level of public servants, and there are more cooperation and less confrontation at the management and governmental level. In addition, in some enterprises, enterprise-level relations and negotiation culture have gone for the better. One interviewed employer admitted that after appointing the worker's trustee, more discussion and cooperation is taking place inside the enterprise regarding the future (and future changes) and current state of affairs. As a result, there seems to be less confrontation. It is less clear how SD has evolved at the sectoral level between specifically the ETKA and the Estonian Traders' Association (there were mixed feelings about the goodness of their cooperation).

One interviewed trade union representative admitted that it is still difficult to push through changes and that often people look at the trade union as an obstacle and menace than an equal discussion partner. Regarding, for example changing the Estonian Labour Law one interviewed trade union representative expressed the opinion that he still sees that some governmental agencies and ministries try to exploit their power and push through wanted changes more quickly without engaging social partners. Sometimes, the state prefers a quick and favourable result at the expense of engaged and satisfied social partners.

In the commercial sector, there are some examples where an employer (enterprise) has refused to cooperate and to engage in discussion with the sectoral trade union for a collective agreement. The employer has refused because it finds that the trade union cannot provide any extra value for their workers. Also, the employer may interpret signing a collective agreement as meddling with the employer's internal affairs (management and culture).

One interviewed employer described that **the culture of social dialogue** and the need to belong to a trade union and jointly fight for common issues **might change due to generational differences**, e.g., millennials (also generation Y) and the new generation Z, where expectations to work and life are different from older generations. As a result, it is difficult to forecast whether the volume of SD will increase but the topics and formats or forms of SD may change because of generational differences.

The culture of social dialogue between the sectoral trade union and the company improves in times when regular meetings between the employer and workers' representatives and employee trustee are held, and matters are jointly discussed. The preliminary confronting culture changes into a cooperative culture. There are examples, where sectoral trade union representatives, together with employer and employee representatives, have jointly discussed the companies' financial reports and stakeholders' vision for the future.

3.4.4 Resources for SD involvement

While other large umbrella organisations can contribute to the EU level SD, the small countries' union federations do not have the necessary resources to do so, and so their contribution remains modest. The ETKA is not actively participating in the SD meetings at the EU level nor give regular feedback. The main reason for that is first that the national trade union confederation EAKL is performing this task, secondly, the **lack of time and human resources** to engage in various SD meetings and networks at the EU and national level. Instead of participating at the EU level SD, trade union federation spends most of the human resources at the sectoral and national level SD, thus **prioritising SD more at the national level**.

Larger employers admitted **lack of time and short notices** as important hindrances to participation at both the EU and national level. When too little time is given for providing feedback, then employers choose not to participate. They also choose not to participate when they see no value from it or when involvement is not coherent with the organization's values and current or long-term priorities.

3.4.5 Topics

The interviewed stakeholders in the commercial sector **have not themselves initiated topics in the EU social dialogue**. The interviewed trade union representatives proposed that the relevant topics to discuss at the EU level SD should be **working time**, as in some countries workers in the commerce sector work during the weekends or national holidays or even during nights; thus actual practices are rather different from country to country. Another acute and universal topic in the commerce sector is **work flexibility** (including, for example, teleworking and related framework agreements on teleworking) and security. **Health and safety at work** are as important in the commercial sector as in the other sectors. The last report by the Labour Inspectorate highlighted problems with health and safety at work (including rise in work accidents) in the commercial sector⁴². Perhaps a more united and shared approach should be preferred by the EU in the commercial sector to protect sectoral employees. One interviewee (trade union representative) suggested looking more deeply into the commercial sector as it has worrying characteristics from the viewpoint of the state. For example, the **share of female labour exceeds male workers in the commercial sector**; also, expectedly the share of single parents is greater among female workers. As a result, long working hours, working during national holidays and weekends and evenings but also 24/7 influences these families (disproportionately) more than others. Another issue to consider is that often employers use **civil law contracts** instead of employment contracts that increases the vulnerability of employees working in the commercial sector.

Similarly, to other sectors, **retraining, skills**, and the workers' ability to compete for current and future jobs are among the topics of discussion. An ongoing discussion is about how to match education and labour market needs better, what skills and jobs should be taught on the workplace, and what in schools, the importance of workplace-based studies, etc.

The relevant topics to discuss at the national level SD rise from the everyday practice or changes in the legislation. The trade unions select topics by their relevance. In the limited resource situation, the social partners are selective as to the topics and issues where they are involved. Other topics get social partners attention only when there is enough time. In general, **topics at the national level overlap with matters at the sectoral level** (e.g., flexibility regarding work, security, and health at work, good working conditions, working hours and flexibility in working time, working and rest time, education, retraining, and skills). On the other hand, there are also **some sectoral specific issues**, such as the unequal share of female and male labour and low, unattractive wages, the vulnerability of

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single-parent families in these circumstances, the specifics of working hours concerning national holidays and some stores being open 24/7, also long shifts and hours in general.

The ETKA tackles these topics in the commercial sector, mostly through collective agreements. With **new and changing forms of employment**, such as platform-based working and rental workers, raise questions of how to include social rights, social insurance, and protection in them.

Regarding the amendment of the Estonian Labour Law, public discussions have been held, but as politically this is not a pressing („hot“) issue (other issues are more important), then no updates have been decided yet. The **nature of work is changing due to ICT and technological developments**, also due to **perceptual differences in work across different generations**. Younger generations prefer flexibility, temporary arrangements, and diversity to traditional, stable, and monotone work relationships. Nowadays, it is quite common to have several jobs and several work relationships under multiple employers. There are people on the labour market who do not know how many hours they want to work and for how long (especially characteristic to younger generations), some people prefer to work only on calls (when a job comes) or with a very low workload. The question is how emerging risks in these changing, tricky, and complex circumstances are settled. The Estonian Labour Law does not cover these aspects flexibly. The taxing environment today (taxing capital, labour, and/or benefits) is also unfavorable in these circumstances (relatively high social taxes with the low and/or partial workload). Labor-related legislation should be updated to support and meet the changing needs of working life and to favor solutions that enable flexible individual decision-making (e.g., to prefer being active and working to being inactive and not working). These topics are significant to both trade unions and employer associations.

Based on desktop research the Estonian Traders` Association has visibly contributed into education, curricula building, current and future skills development and training but also into designing and sharing good practices, building responsible entrepreneurship in the commercial sector during the researched period.

One interviewed employer remembered participating in a working group tackling collective agreements and broadening their scope through sharing best practices; in addition, raising issues such as what is and should be the role of collective agreements and trade unions today and in the future. Another employer described participation in a working group that tackles **diversity in the commercial sector**. As the labour force in the commercial sector is becoming more diverse with different racial and cultural (including minority) origin, also more disabled people have entered the labour market and the commercial sector, then equally noticing and valuing their participation has evolved into an important discussion topic.

Some interviewed employers pointed out that instead of regulating everything to detail, more attention should receive the effects of regulation and its impact on labour and sectoral workers. When the state heavily regulates the business environment and the employer`s activities, then some of the burden and negative consequences are also worn by workers.

Another sectoral specific issue that the employers and their confederation together with the Estonian Traders` Association have tackled is about the **unattractive image of the industry and jobs**, which results in high labour flows. During the researched period, there were some joint projects involving both employer and employee representatives to improve the reputation and image of the commercial sector and its jobs.

3.4.6 SD outcomes

The social partners had **different opinions on social dialogue outcomes**. Some were in favour of binding results (e.g., law or regulation, collective agreement) while others thought that employers and employees should agree on some issues and nuances without law. One interviewed trade union

representative emphasised that in aiming for an outcome through SD the general context of the society, the economy and potential improvements in them should be taken into account. The SD outcomes should be flexible and be applicable in both economic recession and growth. During an economic recession, the employee needs stability and security, but everything that is not written in collective agreements the employer can one-sidedly change. In these circumstances, matters should be discussed jointly by employers and employees to reach a compromise.

On the contrary, one employer valued the readiness to openly discuss matters to reaching whatever compromise as a result of SD. Another employer emphasized the importance to settle details and nuances through joint discussion. Laws should not be overburdened with details – details should be left for individuals to decide. Non-binding outcomes are equally important to binding outcomes enabling flexibility and diversity. These characteristics are relevant in taking into account the context of each case.

On the national level, **some topics have not reached the agreement** (e.g., creating a work accidents` insurance system, sectoral differences in working time) and there are still ongoing discussions (e.g., new forms of work and changing/amending the Estonian Labour Law). Some interviewees admitted that although there were several meetings and the state collected feedback from employers and their confederation, then developments, and further proceeding of the bill (regarding the amendment of the Estonian Labour Law) have come to a halt. Some interviewees shared the opinion that economic reasoning of the employers and sectoral competitiveness currently prevail over the social rights and guarantees of employees. In addition, **the outcome of SD depends on the priorities and interests of the coalition government and ruling parties.**

One important outcome mentioned by the interviewed stakeholder (non-ministry representative) was a rise in the national minimum wage, although the sectoral trade union did not take part in the agreements, the result influenced sectoral wages. The tripartite talks between the Estonian government and social partners were restored during 2018. Among its discussion topics was rising the national minimum wage. Although comparing the outcome to previous years, the rise in the national minimum wage was not overly substantial but the process relied on SD. Several interviewed stakeholders marked **the restoration of the tripartite talks as an essential outcome for ongoing and future developments through SD and its structures.** One interviewed employer viewed the whole process as quite sensible with rational and clear demands, arguments, and positive negotiations` culture. The average wage level in the commercial sector is generally considered as unattractive⁴³. Thus, changes at the national level have a strong impact on the sectoral level (in the case of the commercial sector). Another positive example of impact is improvements in working conditions and the working environment in the commercial sector, which were achieved in cooperation with the Estonian Labour Inspectorate.

On the negative side, one employer described that it is not always clear what happens (or should happen) after tripartite talks (although talk is also good, the first step), meaning what concrete steps and by whom should follow. The linkages between discussions and steps-to-be-followed (implementation) are not always visible. Another employer admitted that there is not any visible outcome, but on the positive side, policymakers and politicians have realised the importance of some labour related topics.

⁴³ In 2019, the quarterly average gross wage was 1341 euros, in wholesale and retail trade 1266 euros, in 2015 the numbers were accordingly 1010 euros and in wholesale and retail trade 939. Thus, on average, wages in the wholesale and retail trade are lower than the average gross wage across the economy: <http://andmebaas.stat.ee/Index.aspx?lang=en&SubSessionId=fdfc5227-ba2d-4328-a30e-482da91b96d4&themetreeid=3#>

The speed of pushing changes and getting results (binding or non-binding) depends on the topic and the width (coverage) of engaged social partners and their power. Social partners describe a good outcome as an agreement that (at least partially) satisfies all parties. Some stakeholders find that a good outcome is also the whole process of being heard – where all stakeholders receive the opportunity to be listened to. After that, a joint compromise, decision, etc. is designed.

The **social partners** in the commercial sector **were not aware of the activities of the European Semester**.

3.4.7 Perceived effectiveness

Both sectoral and national level interviews` findings highlight the **dependence of SD on coalition government** and ruling parties, and whether they value social dialogue or not. Shortly, taking into account the opinion and engagement of trade unions in social dialogue depends on election cycles, day-to-day politics, and parties. As one interviewed employer described it, some topics that are not of interest to politicians may become the interest and work of public servants. Towards some topics, politicians have an elevated interest, and these in turns are left out of the temper of public servants.

Informal ties, friendship, informal discussions also influence SD and their outcome, but these linkages are not linear or direct. It is not possible to guarantee a specific outcome. The importance of informal ties and friendship is more evident in raising issues, in being heard and in lobbying, also in communicating through social media. Informal ties and friendship play a role in SD and its structures, but it is not clear how strong and where exactly they influence the process and outcome. One interviewed employer believed that informal ties and friendship have a stronger impact on the process (in initiating matters, topics) than on the outcome of SD (which may be unpredictable). In the case of Estonia, as a small country, one might say that everybody knows everybody, and usually, very often the same people meet in various working groups, panels and councils during the social dialogue. In a tighter circle of social partners, cooperation is better in the sense that this does not allow partners to withdraw from the agreements easily. On the negative side, it may be difficult to replace people and this may serve as a threat to the diversity and continuity of SD in the short run.

In general, since 2015, interviewed stakeholders did not notice any significant changes in the role of informal ties and friendships. Expectedly, they believe that in the case of Estonia, slight dependence on these will also remain in the future.

Estonian social partners noted in interviews that **social dialogue at the sectoral and national level has slightly improved in recent years**, although there are also examples of meetings with no detectable outcome. What ministries and governmental agencies are present in SD and its structures influences the perceived effectiveness of SD. If for example, with matters regarding changing the Estonian Labour Law or discussing issues related to foreign labour, relevant ministries should all be present. Only then is a discussion in the eyes of social partners fruitful and effective.

Regarding ministries and governmental agencies and their officials (public servants), some interviewed employers marked that the outcomes also depend on **the experience, competence, and skills and will of public servants**. Some officials may lack work experience other than working as a public servant. One interviewed employer described it as a threat – being distant (unaware) from the actual developments in the labour market. The findings of national interviews showed that sometimes the **frequent changes in ministerial staff** were seen as one factor that influences the efficiency of SD. The interviewed stakeholders highlighted several times that the outcomes and their efficiency depending on the specific people engaged in the process.

It is common practise that the state asks trade unions and employer organisations or bigger employers to give feedback and comment changes in legislation (acts, decrees), regulation, etc. Complex or outdated legal terms and ambiguous legal language hamper the efficiency of the feedback process

both from the employers` and employees` side. In addition, the efficiency of SD suffers, when state and governmental officials give employers **very short time to provide feedback**, which is something that influences the activity and initiative of employers, and their willingness to even engage in topics raised through SD and its structures.

The **characteristics of negotiations** also influence the perceived effectiveness of the SD. If stakeholders are visibly open for discussion, as one interviewed employer observed, then anything is possible. If there is too much focus on diverging issues and not enough on common ground, then negotiation becomes more confrontational and limited with no potential positive outcomes. In addition to the **general culture of negotiations**, individual traits of people engaged in negotiations have an impact. Stereotypes and prejudice towards some stakeholders, confronting and stigmatizing stakeholder groups (employers vs. employees, greedy and selfish employers vs. weak and incompetent employees) or some outcome restrict discussion and hamper SD.

The **sectoral competitive market situation** has an impact on the perceived effectiveness of the SD. If a collective agreement harms the competitiveness of an employer, then other, softer options are preferred. In addition, in the case where one employer has a collective agreement, and other employers in the sector do not, negotiations to increase wages and benefits for employees may be economically detrimental for that one employer. Then, during negotiations, as one employer representative highlighted, the competitive situation of the market and employers should be taken into account, or a joint sectoral collective agreement should be preferred in these circumstances.

Usually, the sectoral and national level social dialogue **topics arise from practical needs or changes in the legislation**. Topics arise inside the ETKA when members propose them. Some topics are so important that the ETKA management pushes them for discussion in the national trade union confederation. When issues are problematic and specific to the commercial sector, then these are settled directly by the ETKA. For bigger employers, topics arise through regular internal risk assessment. One interviewed employer described that in their company, everything related to labour is considered among priority risks. Through internal risk assessment topics emerge which may be of interest to other employers in the commercial sector and also to stakeholders active at the national level. Another employer described that topics arise from internal matters, also problems and internal discussions with their employees, and these may be of interest to other sectoral employers. One interviewed employer described a situation where language requirement stated in the law dictates who they can hire, e.g., the requirement to speak and understand Estonian restricts their choices severely.

According to one interviewed employer, sectoral issues may become national and vice versa through labour disputes and labour dispute committees. Some interviewed employers had little, and some had no experience with these committees during the studied period (2015–2017). Commonly, the state asks trade unions and employer organisations or larger employers to give feedback and comment changes in legislation, strategic policy documents, etc.

Other strategies besides social dialogue include engaging the **National Conciliator** (*Riiklik lepitaja*) or **organising pickets**. Social dialogue is enhanced through good representation in various panels, councils and working groups in educational institutions (for example to give feedback to curricula) and also in the Estonian Qualifications Authority and other labour, skills, etc., related institutions.

The **effectiveness of a selected strategy depends on the topic and is case-specific**. Some topics can be resolved with SD. When negotiation does not work, then other strategies become relevant, e.g., media and opinion articles, cooperation with other trade unions, strikes, etc. The **social dialogue takes more time**. Furthermore, the opinion and voice of one employer are weaker than the opinion and voice of the Confederation of employers or sectoral trade unions and employers.

One employer described that relevant information also comes directly from employees using social media, sharing their views, experiences, and opinion about work. This information helps the employer

to understand what is going on with employees and labour in general, and how their expectations are changing.

3.4.8 Suggestions for effective SD

The interviewed social partners (both employer and employee representatives) saw that the **attitudes** of workers should **change**. Workers themselves should be more active and orient more to problem-solving than escaping (meaning leaving and changing the employer when some problems emerge). Workers should also try to come together and discuss matters jointly with employer and trade union representatives if necessary. Male and female labour have **different readiness** to strike and stand for themselves. This readiness varies from sector to sector and is also dependant on whether the sector is more public or private oriented. Female workers in the commercial sector, which has more private interests and lead by economic reasoning, are more reluctant to voice out. The economic situation today also enhances escaping and finding another employer than to sit down and talk matters through with the current employer (both employee and employer representatives). Another topic is to improve the **skills and knowledge of middle managers** so that they would know how to build relationships, lead social dialogue inside the enterprise and its units (employee representative view). Perhaps workers and middle managers today do not see that well yet the benefits of social dialogue.

As the outcome of SD depends on the **priorities and interests of the coalition government and ruling parties**, then it is vital that trade unions and employer confederations are visible and continue lobbying together.

One employer proposed to design a **clear framework to SD** so that each SD meeting or its structure has a clear aim, all stakeholders know their role, there is a list of topics that will be discussed and an understanding what topics are left out, and there is a joint goal towards which all participating stakeholders are aiming for.

Interviewed larger employers admitted a **lack of time and short notices** as important hindrances to participation at both the EU and national level. When too little time is given for providing feedback, then employers choose not to participate. Thus, the government and governmental agencies should plan in advance and avoid short notices; SD time schedules, both face-to-face meetings and when written feedback is collected should be known in advance (for example at the start of the year).

Another aspect is to improve the **marketing of SD outcomes**, whether binding or non-binding results. All target groups and involved stakeholder groups should be aware of relevant developments to support their implementation and to propose new developments for the future. Besides, it may be fruitful to share best practices in one sector with the employers and employees in other sectors, so that mutual learning occurs.

What **ministries and governmental agencies** are present in SD and its structures influences the perceived effectiveness of SD. For example, with matters regarding changing the Estonian Labour Law or discussing issues related to foreign labour, all relevant ministries should be present. Only then is a discussion in the eyes of social partners fruitful and effective. With **prioritizing topics and participation**, and selecting where to spend resources, it is not possible to be present everywhere. Although prioritization saves resources, then one threat may be that some topics and involvement are discarded. As a result, the efficiency of SD in these matters may suffer.

4 Conclusions

The general situation with the structure of the national in Estonia sets some of the general features and effectiveness of the SD. Given the low union density and collective bargaining coverage in Estonia, in many sectors (e.g. construction) the more active SD would assume in the 1st place higher membership in unions and employer organizations. From the positive side, as there are only a few

strong unions in any particular sector, the competition or rivalry in SD is rare. Social partners become stronger through more effective SD (self-reinforcing process, kind of a vicious circle). The sectoral level SD in Estonia being limited only to a very small number of sectors is not good for an effective SD as not insuring level playing field for the companies.

Despite of that, SD seems to have improved over the time in Estonia (e.g. during the last 10 years), expressed by people in all of the interviewed sectors (construction, education, health, commerce). One need not to be able to see that necessarily in the later period of 2015-2017, though some respondents saw positive effect of the Estonian presidency of the EU in the 2nd half of the 2017 on the volume and the quality of the SD. Restoration of tripartite talks in 2018 has been seen as an important development. Social partners saw improvements both in the level of state-level relations and negotiation culture as well in some cases in the enterprise-level relations and the negotiation culture. The marketing of SD outcomes is important to make it more effective. The social partners pointed out that the range of questions discussed on the national level has widened and the administrative capacity of the social partners has increased thanks to the help of the EU structural funds; yet, it was warned that in some cases over-regulation might mistakenly amplify the feeling of an inclusive SD. The biggest problem at the national level is the lack of acknowledgement of the importance of industrial relations, the lack of political interest, and partially the state's strategy of avoiding tension and conflict (Varblane et al. 2016). There have been in the past some bad examples at the national level, where the state unilaterally changed the agreements reached (as regards e.g. the unemployment benefit rules). It seems current good times in economy and tight labour market are not necessarily the best for SD as workers may find it easier to change employer than solving problems at the place. Economic reasoning dominates over social issues.

Similarly, to the national level SD, EU level SD has improved recently according to the opinion of Estonian social partners. The EU level SD has been more effective in the recent years probably also thanks to the different training programs and events targeted at raising the institutional capacity of the social partners. Smaller number of organizations participate at the EU level SD compared to the national level SD. Sometimes instead of the EU level, the cooperation between the social partners occurs at level of the Baltic Sea area and Scandinavian region. Engagement in EU level SD differs across the sectors, it is only emerging in construction but more developed in health. However, the same for the national level SD, where in the education sector SD is perhaps the most visible and intense compared to the other sectors. In the conditions of the limited time and human resources social partners prioritize national level SD over the EU level SD. In case of a well-functioning SD at the company level there is also seen no importance in going to the higher EU level. In health, attitude towards participating at EU level SD is quite positive, e.g. the EU level SD helps social partners in finding arguments to be used at the national level SD.

The two major obstacles for national actors to be engaged at the EU level SD are the lack of human and financial resources. In addition to language issues, complicated legal terms inhibit the effective participation at the EU level SD. Unclear role and mandate for the SD at national level may reduce the ability to participate at the EU level SD (the case of ELVL in education). Numerous ways of giving feedback are seen as positive trend in SD (education). Generally, the interviewed social partners seemed not to be well aware with the activities of the European semester (applying to both construction, health, education). Smaller trade unions are selective as to the participation in the European semester activities. One opinion was that activities of European Semester have not yet reached the level of the unions and the professional associations. Despite of that, according to the interviewed social partners, Estonia's representation at the EU level is rather good. Estonian social partners have initiated only a few topics at the EU level as many of these are relevant for all EU member states.

There are several suggestions for state for more efficient SD. While these concern rather the national level SD, its effectiveness may also release additional resources and interest towards the EU level SD. One problem is that state is very often not considering the limited apparatus of the union and employer organizations. Here one can identify several things that state good do –longer deadlines given for feedback (and following more the good engagement practices), translate some documents before asking feedback to them from the social partners (e.g. important for health sector partners) etc. The list of institutions participating in SD matters, e.g. all ministries and state agencies relevant for a particular matter should participate to make the SD effective. There are some opportunities for more effective SD as to recent reforms in the Estonian public sector, like the Estonian local government reform.

SD effectiveness was also mentioned in being conditional on the coalition government and the ruling parties. The clear organization of the SD for that purpose matters. Sometimes even the state is not aware of the changes in the EU level regulations complicating the national level SD (construction). In some sectors (construction), the lack of common topics and protection of local markets prevents EU level SD. To make EU level SD more effective, social partners prefer to be involved in some earlier stage rather than only after the preparation of the initial draft. Better coordination of the SD at the level of the ministries is needed to make it more effective (at least in the opinion of the health sector social partners). Sometimes the lack of appropriate settings and procedures inhibits the effectiveness of the SD in Estonia. Several interviewed partners indicated the Estonia's Draft Information System as a good example of how social partners are involved to the drafting of legislation. Some similar platform at the EU level where different reforms can be discussed and negotiated would be also beneficial; still, there can be also found currently positive examples at the EU level SD (like the European solidarity corps in education). Varying degrees of importance certain topics across the member states inhibits the EU level social dialogue, like that of the importance of wages in the education sector.

The preference for binding versus non-binding SD outcomes varies across the partners and sections. According to national social partners, the preferred and needed SD outcome depends on the situation and topics, i.e. EU level SD does not have to end always with binding outcomes. Many of the interviewees agreed that the SD outcomes do not have to always binding, and a good outcome good be thus all the process of good SD (education). One advantage of non-binding outcomes is that these could be reached faster. On the other hand, binding SD outcomes are more prevalent in health and construction sector, both at the EU and national level. In addition, the state of the economy matters and there is higher preference for more binding agreements in tougher times (education).

Different partners emphasized the importance of personal contacts, long-term relationships and informal contacts for SD. Yet, these are probably more important for the process than the outcome of the SD. While no general change in the importance of that was perceived since 2015, it is also true that the effectiveness of SD is dependent on specific people and thus frequent changes in ministerial staff might not be supportive to an effective SD. Stereotypes towards some stakeholders inhibit effective SD. In tighter framework of social partners it is more difficult to withdraw from the agreements. Another important characteristic of a good agreement is that it should satisfy different partners.

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