

SOCIAL DIALOGUE – WAY TO INCREASE THE EFFECTIVENESS OF LABOR MARKET

Mihaela-Andreea Năstasie
Romanian Academy
Institute of World Economy
Bucharest, Romania
Claudiu Valentin Șerban
University of Craiova
Faculty of Economics and Business Administration
Craiova, Romania

Abstract: Social dialogue is the expression of a democratic society based on free enterprise, encouraging employees to organize trade unions and to collectively participate in the negotiations, thus contributing to economic and social performance high.

The concept of social dialogue is a relatively new concept that developed in perfect sync with the process of democratization and modernization of society.

Social dialogue has an important role in the search for optimal solutions that allow employees to contribute to the economic development of each entity and the economy as a whole. Therefore, the main goal of social dialogue is achieving economic and social peace within the economic entity.

JEL classification: M21, M41

Key words: social dialogue, free enterprise, economic entity, efficiency, negotiation.

1. DEFINE THE CONCEPT OF SOCIAL DIALOGUE

Currently, in Romania it is absolutely necessary to analyze the functioning of social dialogue, because it is lacking. Moreover, the functionality of social dialogue was intimately linked in recent years Romania has found the answer to financial and economic crisis ongoing since 2009. From this point of view it is important to analyze the innovations legislative introduced by Law No. 62/2011 on social dialogue and the effects that they have produced real plan, the actors involved in the process of social dialogue.

The concept of social dialogue is a relatively new concept, the European Union having a role in disseminating and promoting the concept. Social dialogue has made its presence felt in the mid-1980s, early 1990s.

According to Junko Ishikawa, International Labour Organization believes that social dialogue *"includes all types of negotiation, consultation or simply exchange of information between government representatives, employers and employees on matters of mutual interest relating to economic and social policies."*¹

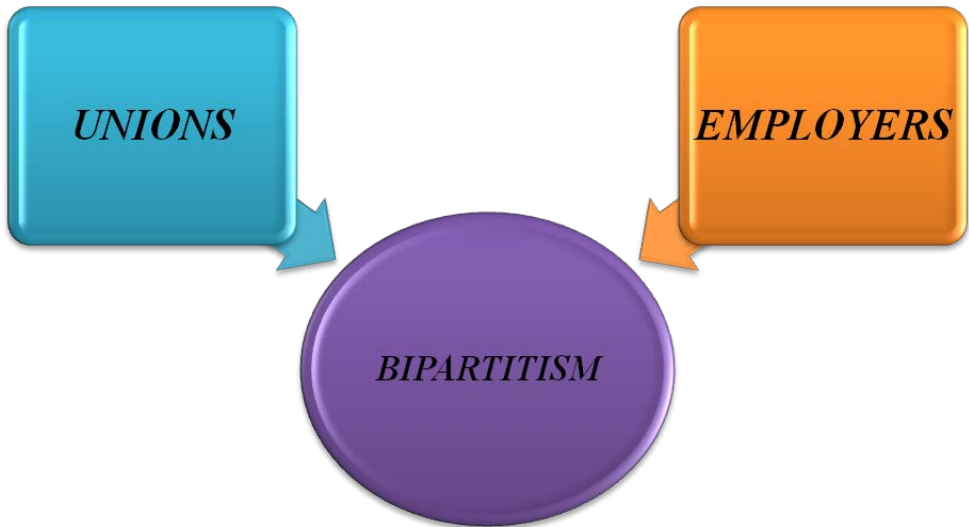
Some authors state that there are two manifestations of social dialogue:

✚ bipartitism;

¹ Ishikawa, J. - *Key Figures of National Social Dialogue: a Social Dialogue Resource Book*, ILO, 2003, Pag. 3

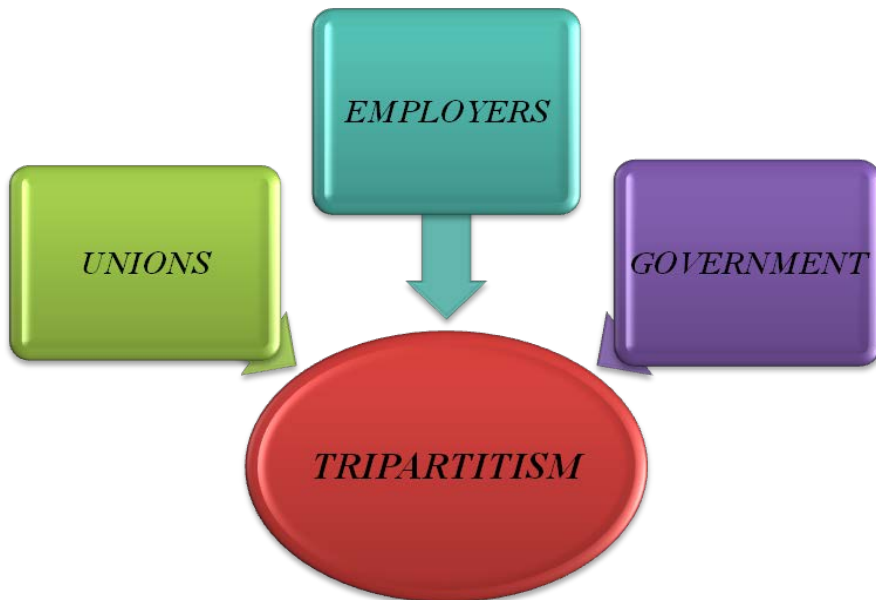
✚ tripartism.

These two manifestations and actors involved in this process are shown in *Figure no. 1* and *Figure no. 2*.



Source: own interpretation

Figure no. 1. Manifestations of social dialogue – bipartitism



Source: own interpretation

Figure no. 2. Manifestations of social dialogue – tripartitism

Bipartite social dialogue requires macroeconomic dialogue, a dialogue on employment or a dialogue on social protection.

Tripartite dialogue requires a social dialogue "Val Duchesse" meetings resulted in negotiation and social dialogue summits.

2. MANIFESTATION OF SOCIAL DIALOGUE

European social dialogue is met since 1985, has as its legal basis *Single European Act*, and aims at associating the various social partners to build a European internal market.

European integration is based on certain treaties, of which the most important milestones considered European social dialogue, are shown in **Figure no. 3**.



Source: own interpretation

Figure no. 3. Treaties of the European Union

Below we provide an overview of European Union treaties social dialogue.

1. *The Treaty of Paris in 1951*

This treaty establishes the *European Coal and Steel Community* (**European Coal and Steel Community - ECSC**) was signed on 18 April 1951 in Paris, entered into force on 23 July 1952 and expired on 23 July 2002. The Treaty of Paris was the first instrument and founder of the European Union and the European Union Constitution.

2. *Treaties of Rome in 1957*

- Treaty establishes the *European Economic Community* (**European Economic Community - EEC**);

- Treaty establishes the *European Atomic Energy Community* (**European Atomic Energy Community - Euratom**) and signed (with the EEC Treaty) in Rome on 25 March 1957 and entered into force on 1 January 1958. These treaties are often called "Treaties of Rome". When used, however, the term "Treaty of Rome" is not just about the European Economic Community.

3. The Maastricht Treaty in 1992

This treaty was signed in Maastricht on 7 February 1992 and entered into force on 1 November 1993. The Maastricht Treaty changed the name of European Economic Community „*European Community*”. The Maastricht Treaty also introduced new forms of cooperation between Member State governments - for example on defense, and the area of "justice and home affairs". Adding to the already existing intergovernmental cooperation system „*community*”, the Maastricht Treaty created the European Union, a new structure with three pillars and so is both a political and economic structure.

Maastricht Treaty adopted the Protocol on social policy, stipulating that compulsory social partners are consulted on social issues and negotiate framework agreements between them. Annexed to the Treaty, signed by the twelve member states except Britain, this commitment marks the beginning of a social Europe. It allows the social partners to resort to institutions, procedures and mechanisms of the Treaty, to apply, to the extent that they are interested, the acts and decisions necessary for the implementation of this text. Social protocol brings two key innovations: the appeal procedure qualified for a number of materials and organization of community social dialogue giving the social partners the opportunity to negotiate agreements that can do so subject to European Union directives.

4. The Treaty of Amsterdam in 1997

The Treaty of Amsterdam paved the way for closer cooperation between Member States in the field of social policy, but failed to resolve the institutional problems created by the European Union enlargement. The Amsterdam Treaty was signed on 2 October 1997, entered into force on 1 May 1999 amending and renumbering European Union Treaties and the European Commission, having attached also consolidated versions of European Union and European Community Treaties. The Amsterdam Treaty changed the articles of the Treaty of the European Union, nominating them from A to S and renumberotându them.

Treaty Agreement on social policy integrates the text of the Treaty of Maastricht and defines social policy objectives of the Union refers to the Community Charter of Fundamental Social Rights of Workers, and devotes a title employment with an important goal of development at Union for employment strategy that takes into account developments in the labor market. Also treated creation of employment committees (senior national officials and members of the Commission) to consult the social partners.

Treaty states social matters covered by qualified majority decision adding thereto social exclusion. Also defined the conditions for intervention of the social partners in the decision of the Commission.

5. The Treaty of Nice in 2001

Treaty dealt mainly institutional adjustments required with the expansion of the European Union to 25 Member States. These issues remain unresolved with the Treaty of Amsterdam and were the subject of some of the most difficult negotiations in the history of

the European Union. The treaty was signed on 26 February 2001 and entered into force on 1 February 2003. The Treaty of Nice, the old Treaty of the European Union and the Treaty of the European Commission were merged into one consolidated version.

Social Policy Agenda of the Treaty of Nice proposes a reversible relationship established between the legislation, the open method of coordination and social dialogue social partners in the decision of the Commission.

In Romania, the social partners macroeconomic intervention is achieved by:

- ✚ consultation prior to the Government's social partner representatives when initiated projects of laws on labor relations;
- ✚ creation of special bodies with representatives of employers and employees in the form of advisory committees.

The effectiveness of the entity depends largely on how it manages to organize leadership and maintain a permanent dialogue within the economic entity.

Under the legislation in our country, the rights and obligations regarding labor relations between employers and employees shall be determined by negotiations under collective agreements and individual employment contracts. The employment contracts are established both rights and obligations of employees and employer rights and obligations.

On the legislative front, the legal basis for social dialogue is configured by a large number of acts, of which the most important are:

- ✚ *Law 62/2011 - Social Dialogue Law;*
- ✚ *Law 53/2003 - Labour Code;*
- ✚ *Law 217/2005 - European Works Councils Act;*
- ✚ *Law 112/1992 - the ratification of the ILO Convention on Collective Bargaining;*
- ✚ *Law 90/1996 (republished) - employment protection;*
- ✚ *Law 130/1996 (republished) - the collective agreement;*
- ✚ *Law 109/1997 - the organization and functioning of the Economic and Social Council;*
- ✚ *Law 145/1998 - the organization and functioning of the National Employment Agency Employment;*
- ✚ *Law 74/1999 - on ratification of the European Social Charter;*
- ✚ *Law 168/1999 - the settlement of labor disputes;*
- ✚ *Law 356/2001 - Law employers;*
- ✚ *Law 54/2003 - Law unions;*
- ✚ *Government Decision 1260/2011 on sectors established under Law no. 62/2011.*
- ✚ *Government Decision 314/2001 (as amended by GD 569/2002) on the organization and functioning of social dialogue committees in ministries and prefectures;*
- ✚ *Government Decision 1086/2001 on the organization and functioning of parity committees within the public administration.*

Despite the existing legal framework, social dialogue process could not prevent conflicts and escalations work has contributed to the improvement of working conditions of employees. Possible causes of this are presented graphically in **Figure no. 4**.



Source: own interpretation

Figure no. 4. Causes triggers of labor disputes

For a better representation and efficiency, regardless of the situations occurred, the union representative must prove certain qualities:

- ✚ loyalty to the union organization they work;
- ✚ loyalty and responsibility towards persons belonging to the trade union and they represent the provision of his business;
- ✚ respect for the principles and rules governing trade union;
- ✚ continuous and effective communication with the trade union affiliates;
- ✚ reliability in the performance of professional duties;
- ✚ accountability in decisions affecting trade union.

3. CONCLUSIONS

A very important condition for the settlement of Romanian society along the lines of European integration and sustainable development is to develop an effective social dialogue. The reality of recent years shows that trade union organizations have played and continue to play an active role both in process of social dialogue and in the improvement of social dialogue structures.

In this regard, trade unions and organizations have focused their efforts on training human resources with enhanced skills in negotiation and communication skills and efforts made in this direction must be in a perfect agreement with the existing reality.

In our opinion, given the context of continuous change that characterizes society, training in social dialogue should be a process continuous in line with economic and social reality. Following their individualized goals, trade union organizations should be involved

in social dialogue and firm to invest in training their members in social dialogue and partnership.

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