Czech Republike

Report of Czech Trade Union Federations

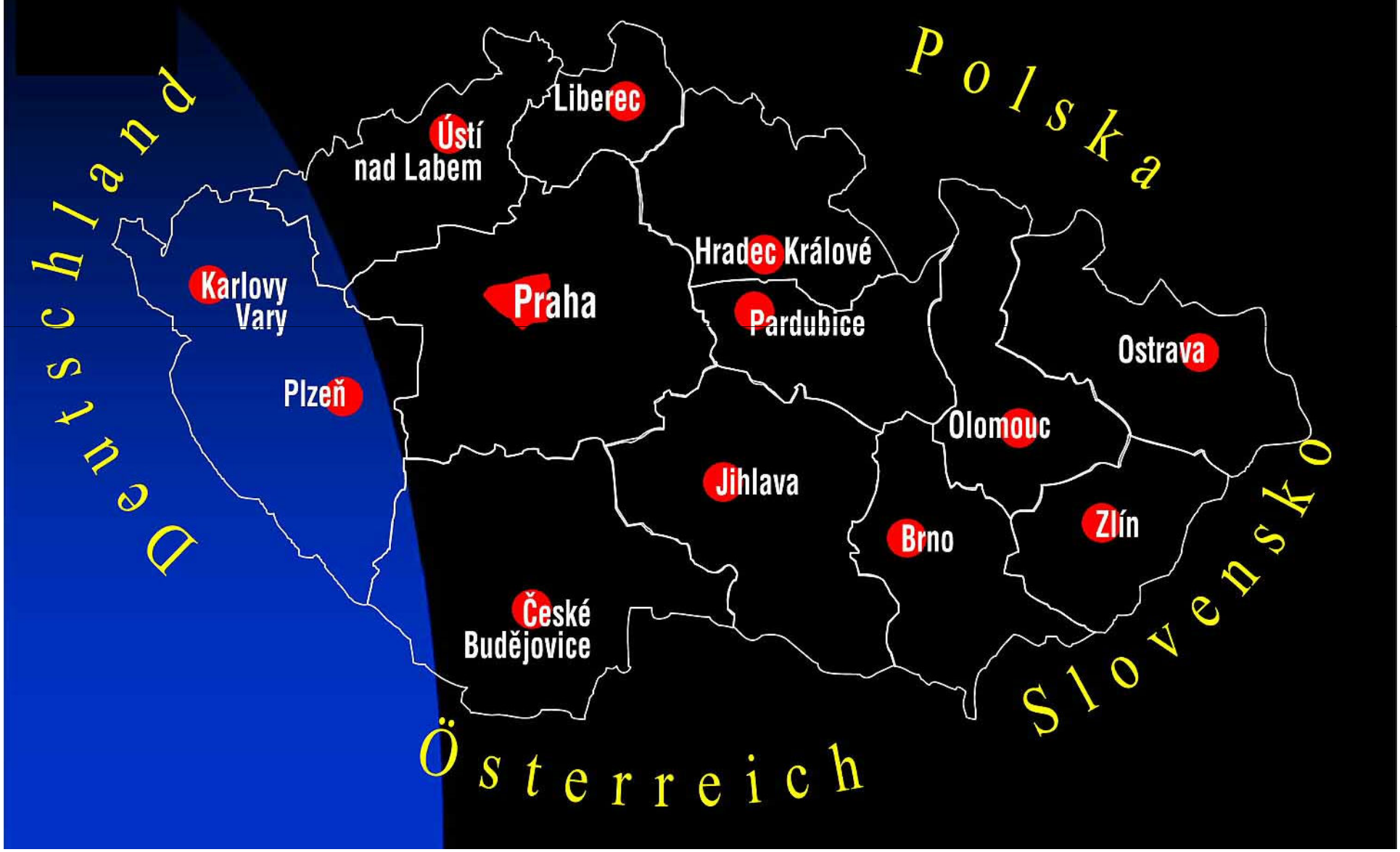
Slovenia – Zreče

25.-27.9.2012

Report is submitted by following trade union federations

- OS KOVO – Odborový svaz KOVO
- OS ECHO – Odborový svaz ECHO
- OS TOK – Odborový svaz pracovníků textilního, oděvního a kožedělného průmyslu Čech a Moravy
- OS SKBP – Odborový svaz zaměstnanců sklářského, keramického, bižuterního průmyslu a porcelánu

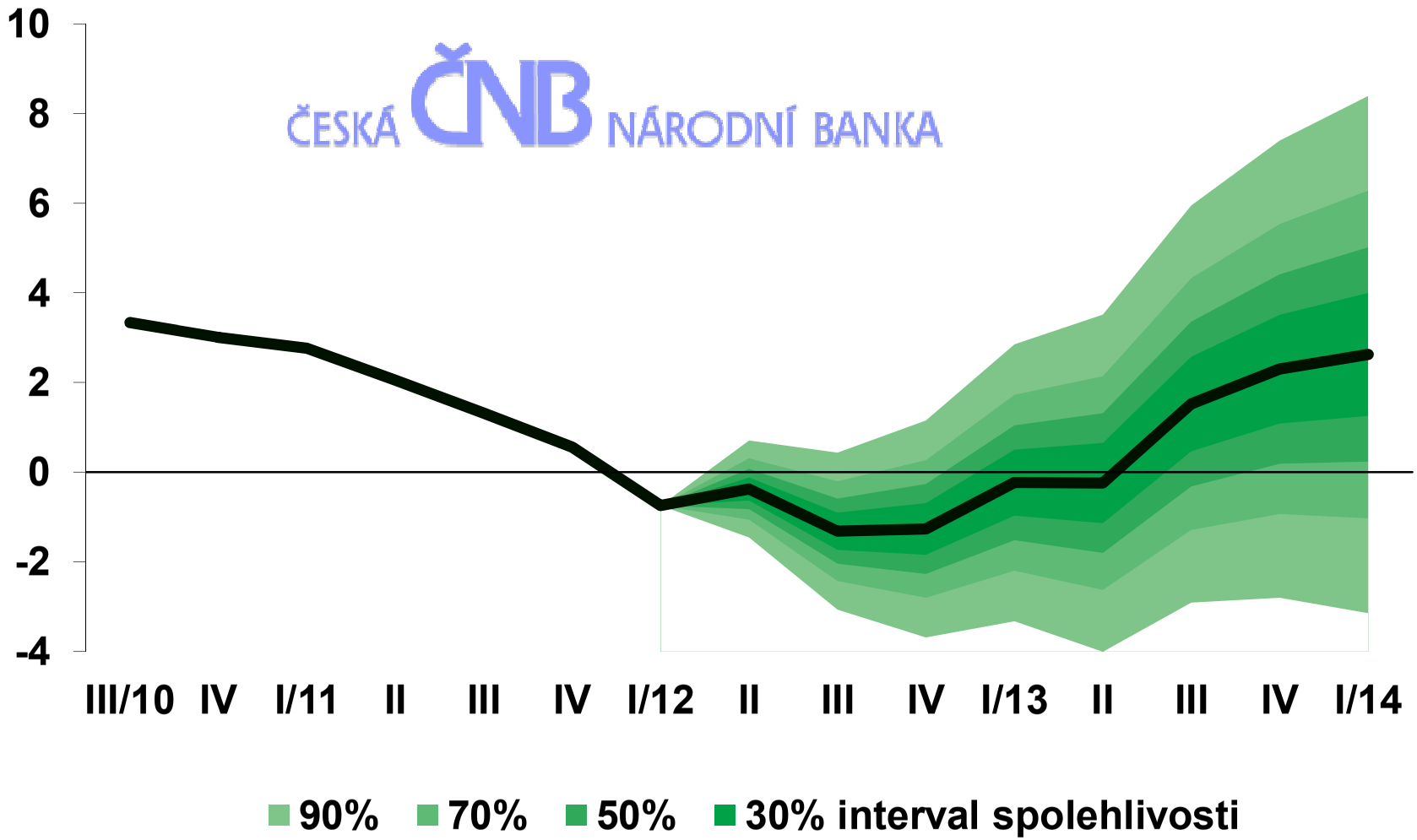
Czech Republic



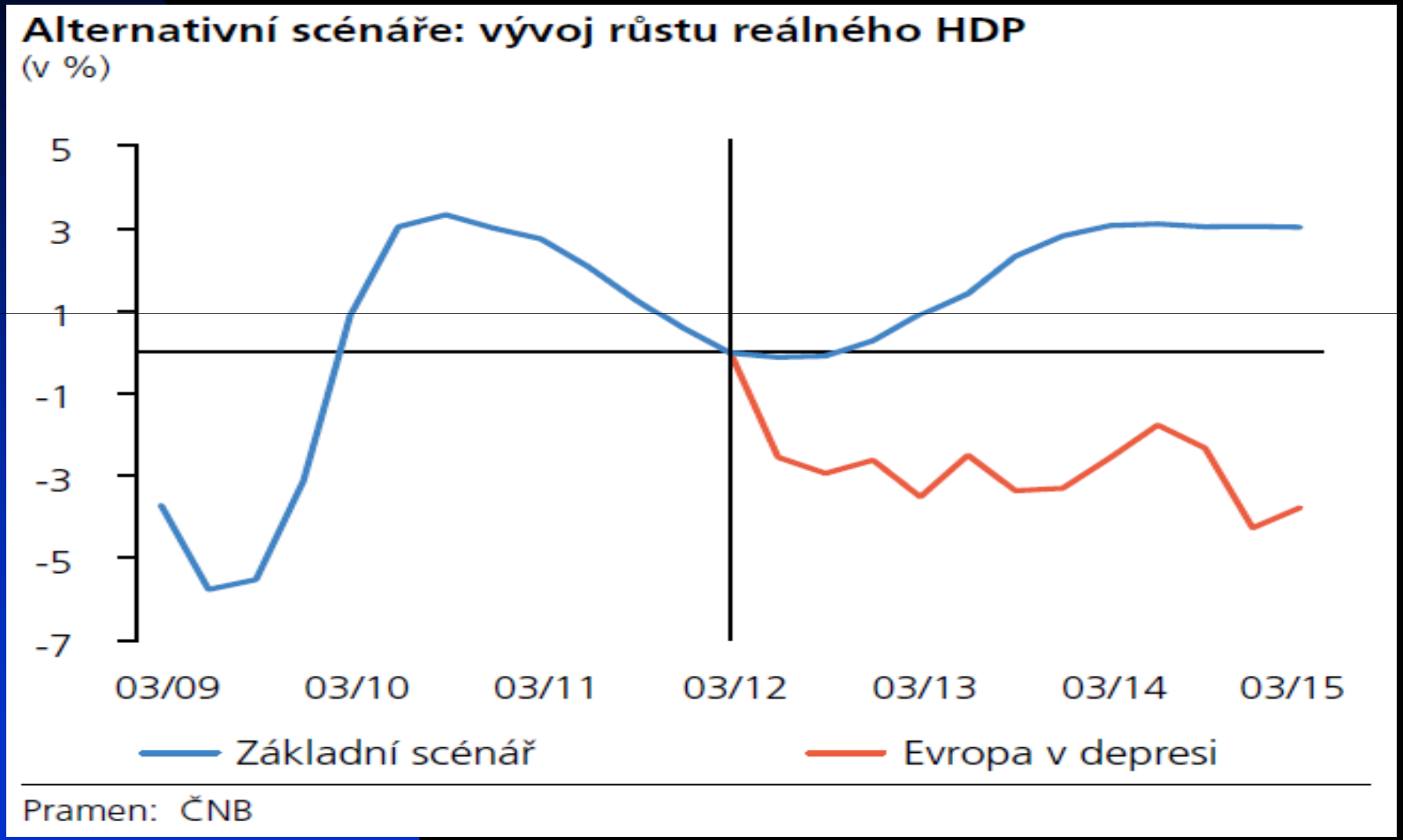
Czech Republic – General information

- Population: 10 507 566
- Area: 78 864 km^2
- Administrative division: 14 Regions (including capital of Prague)
- Currency: CZK (25 CZK = app. 1 EUR)
- Gross wage: 24 626 CZK (ca 1000 EUR)
- Right-wing Government
- Unionisation Rate 25-30%

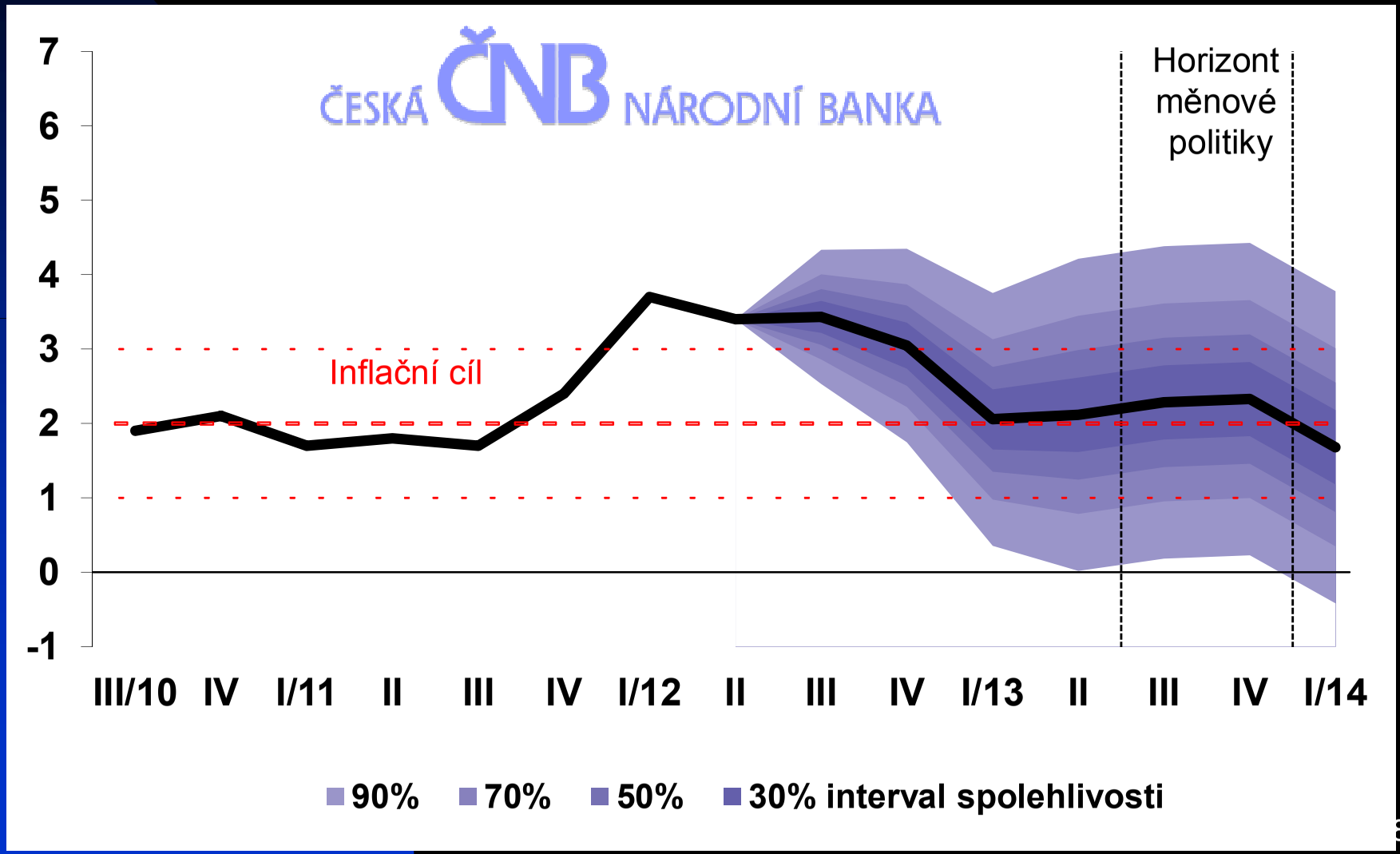
Economic situation – GDP Development



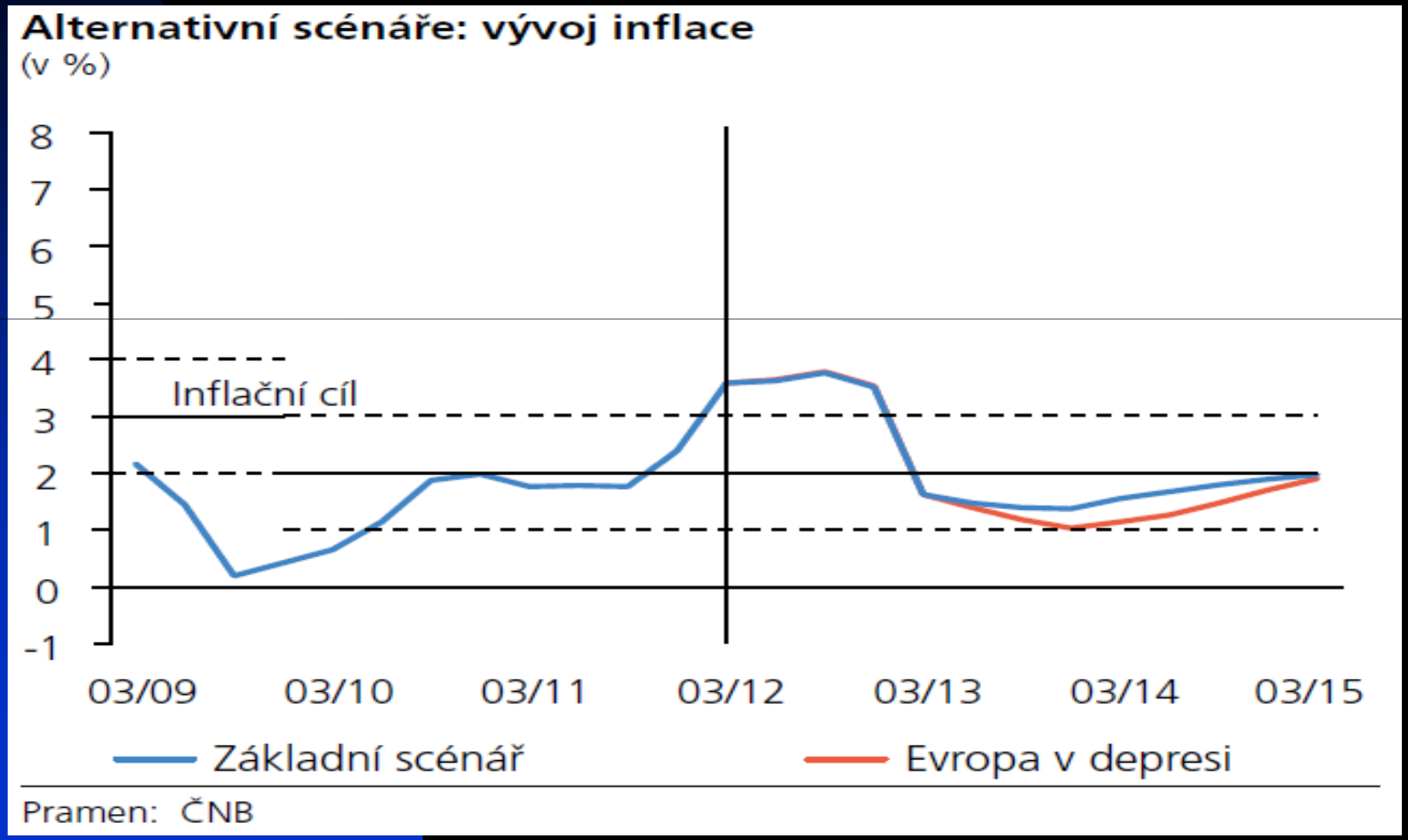
GDP Development – Alternative Scenario



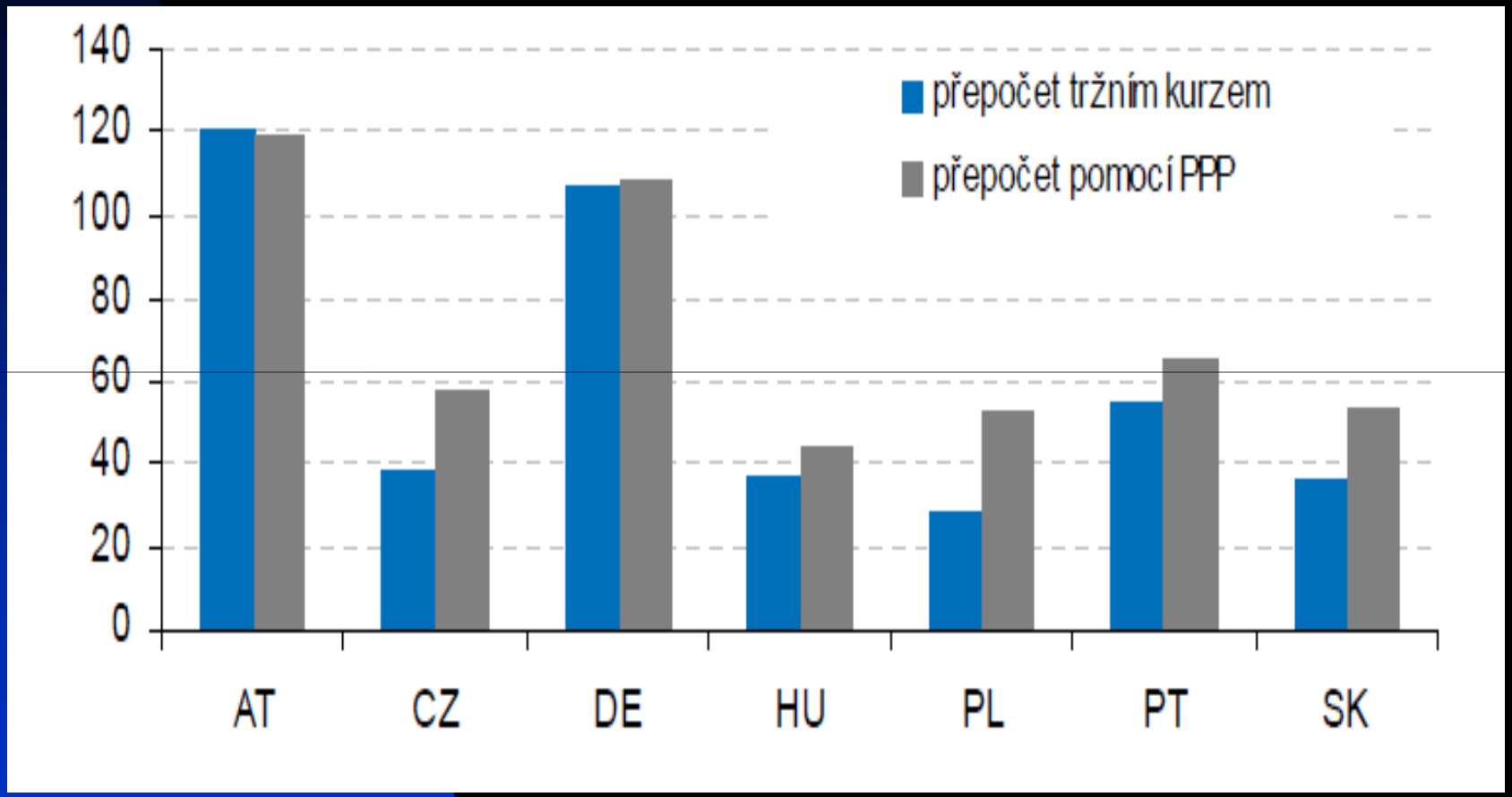
Economic Situation – Inflation Development



Inflation Development – Alternative Scenario

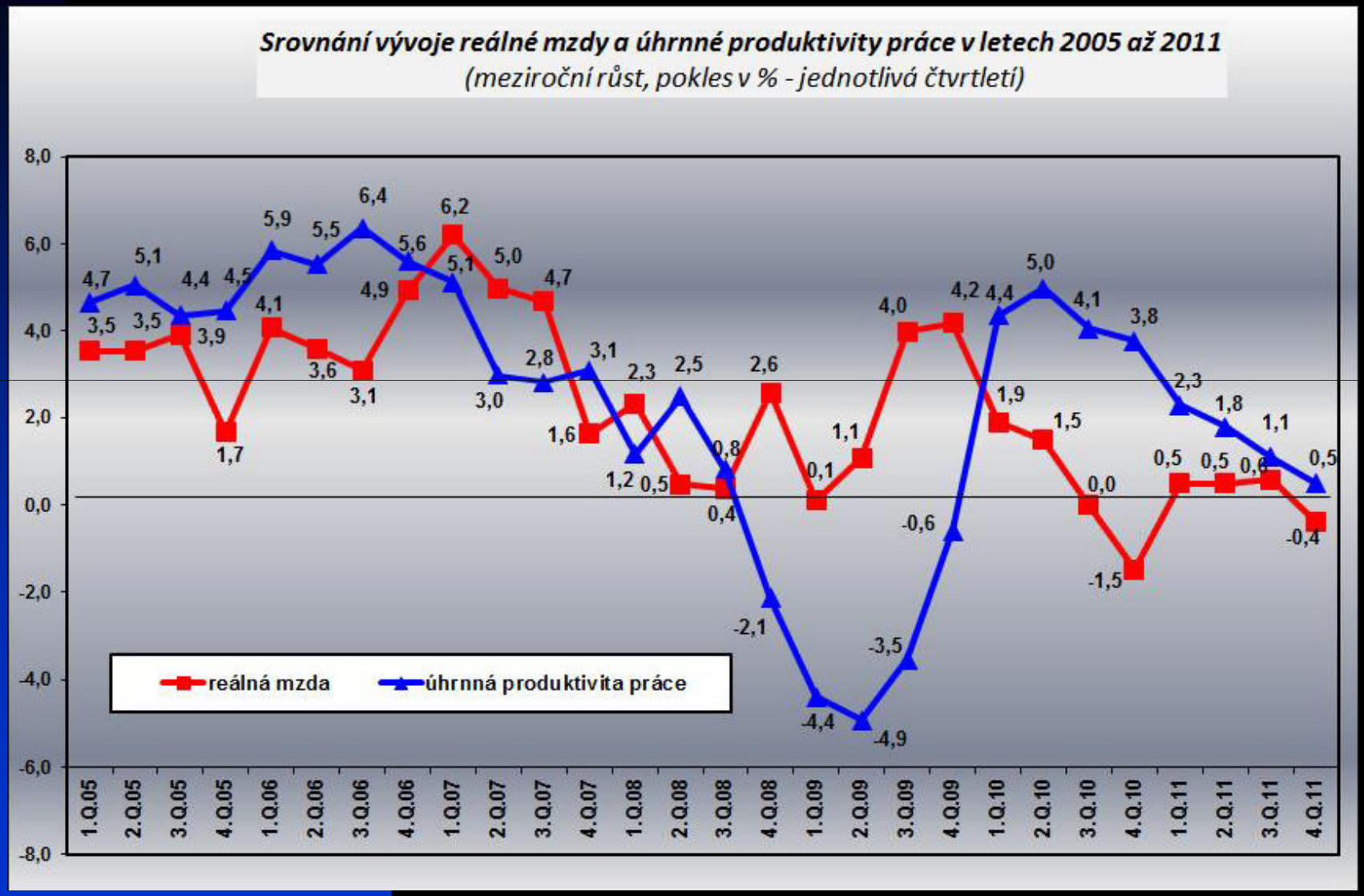


Average yearly wage in 2010 (EA=100)



Note: Data on behalf of the whole economy calculated to full yearly jobs. Data for Eurozone are imbalanced average of EU-15 countries, e.g. without Cyprus and Malta, for which the data are not available. Source: OECD. Stat, ČNB calculation

Real Wage Development and Labour Productivity in Czech Republic 2005-2011



Source: http://www.mpsv.cz/files/clanky/12925/Text_2011.pdf

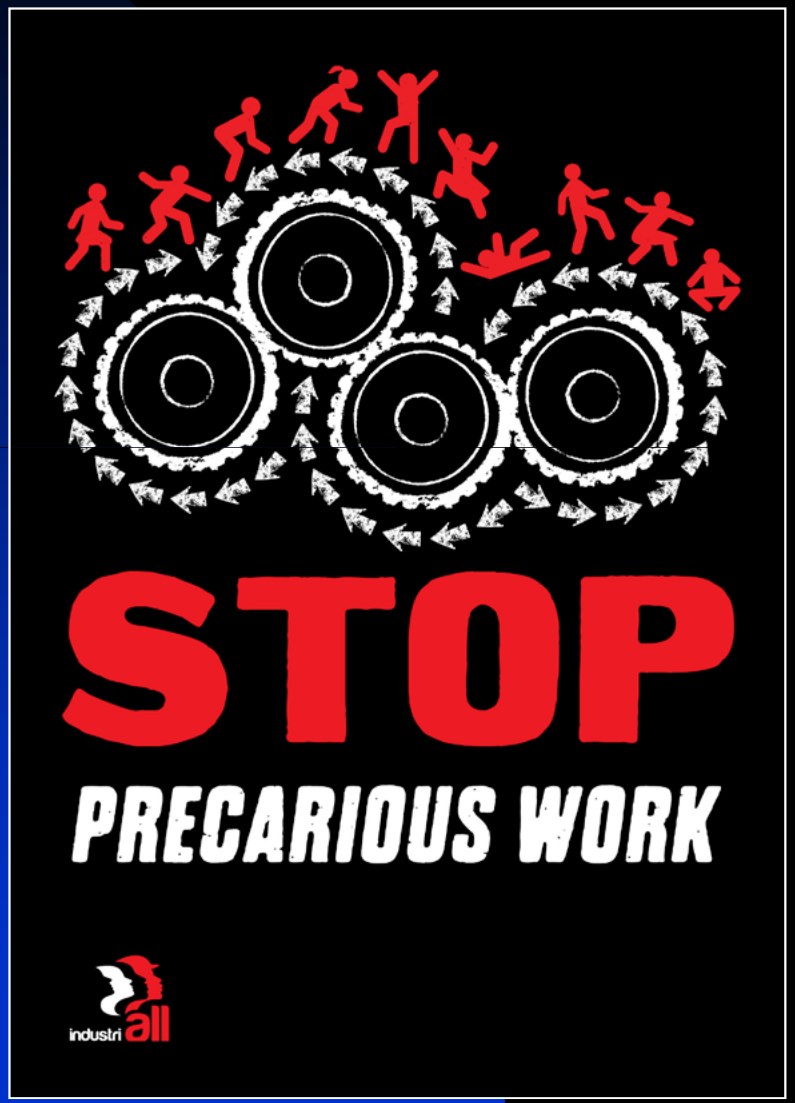
ČMKOS Position to the draft of the Law about Strike

- Strictly refuses the reformulated draft of the Law about Strike due to the fact that the wording is in contradiction with the Czech Constitution and is aimed to weaken the democratic character of social dialogue functioning, collective bargaining and rights of citizens, which at the end leads to weakening of the democratic management of public matters in Czech Republic

7. 10.2012 Day of the Fight against Precarious Work

- We are involved in the fight against precarious work in Czech Republic
- Topic to be discussed at the ČMKOS Assembly 2.-3.10.2012

7. 10.2012 World Day of the Fight against Precarious Work



Work is changing

Global capital is driving fundamental changes to the way that people are employed. Secure jobs are becoming more and more rare, while agency work, contract work and temporary work are taking over. For young people, there is practically no other option – the only jobs on offer are insecure. Workers in precarious jobs have little chance to join a union or to bargain collectively. Pay and conditions are being driven ever lower by companies that rely on precarious work to reduce their labour costs and pass all the risks of employment onto workers.

Unions are fighting back

Unions are pushing against this tide by organizing precarious workers, fighting laws that expand precarious work and mobilizing in support of secure employment with good pay and working conditions.

This is a battle that must be won.

On 7 October 2012, the **World Day for Decent Work**, IndustriALL Global Union is calling on all its affiliates to mobilize their members and join the global fight against precarious work.

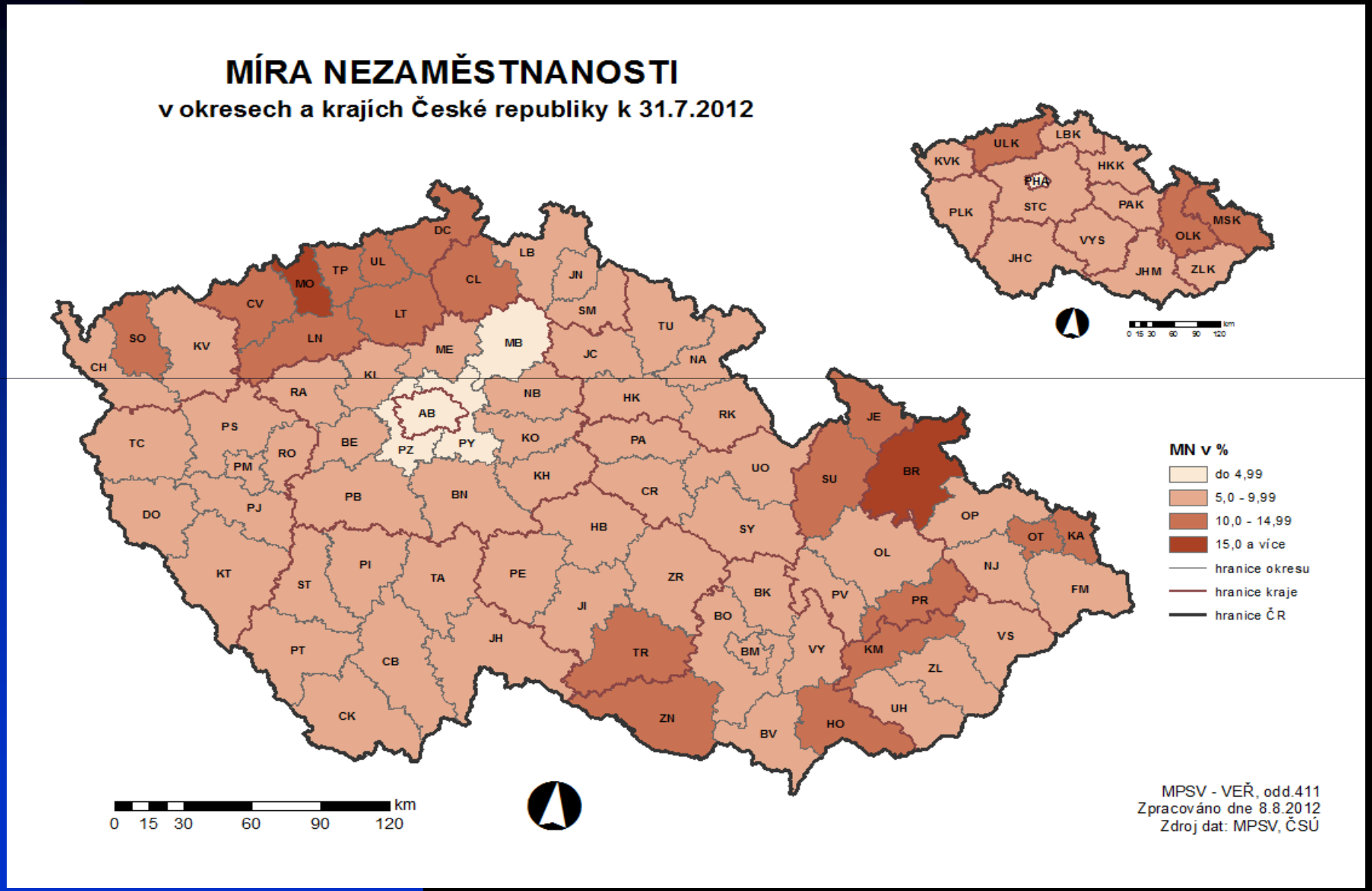
Join us on 7 October and together we can

STOP PRECARIOUS WORK

www.industriALL-union.org/STOP-precarious-work

http://www.industriall-union.org/issues/social-justice-and-globalization/stop-precarious-work

Unemployment in Czech Republic



Share of the Industry in Czech Republic Division according Sectors

13+14 +15 Garment, textile, leather

23- Other non-metal mineral products

24 – Basic Metals

28 - Machinery

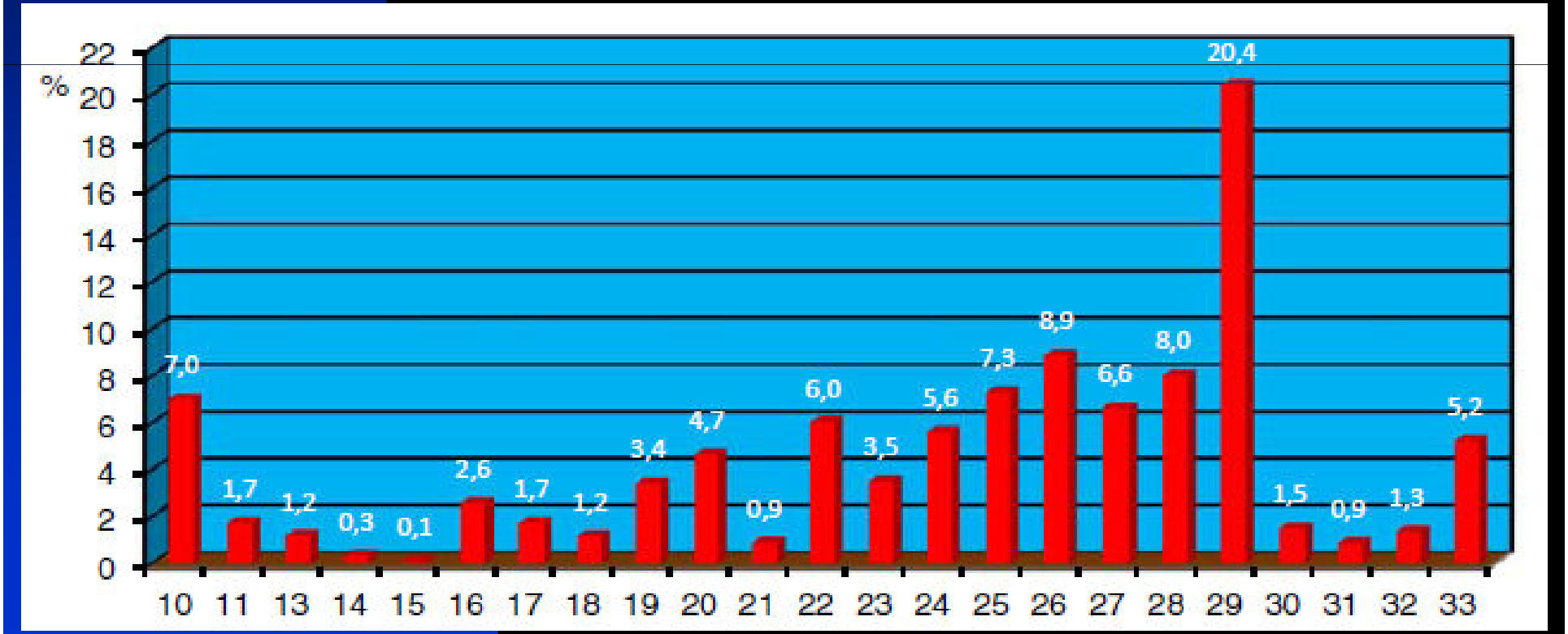
20 - Chemistry

26 - Electronics

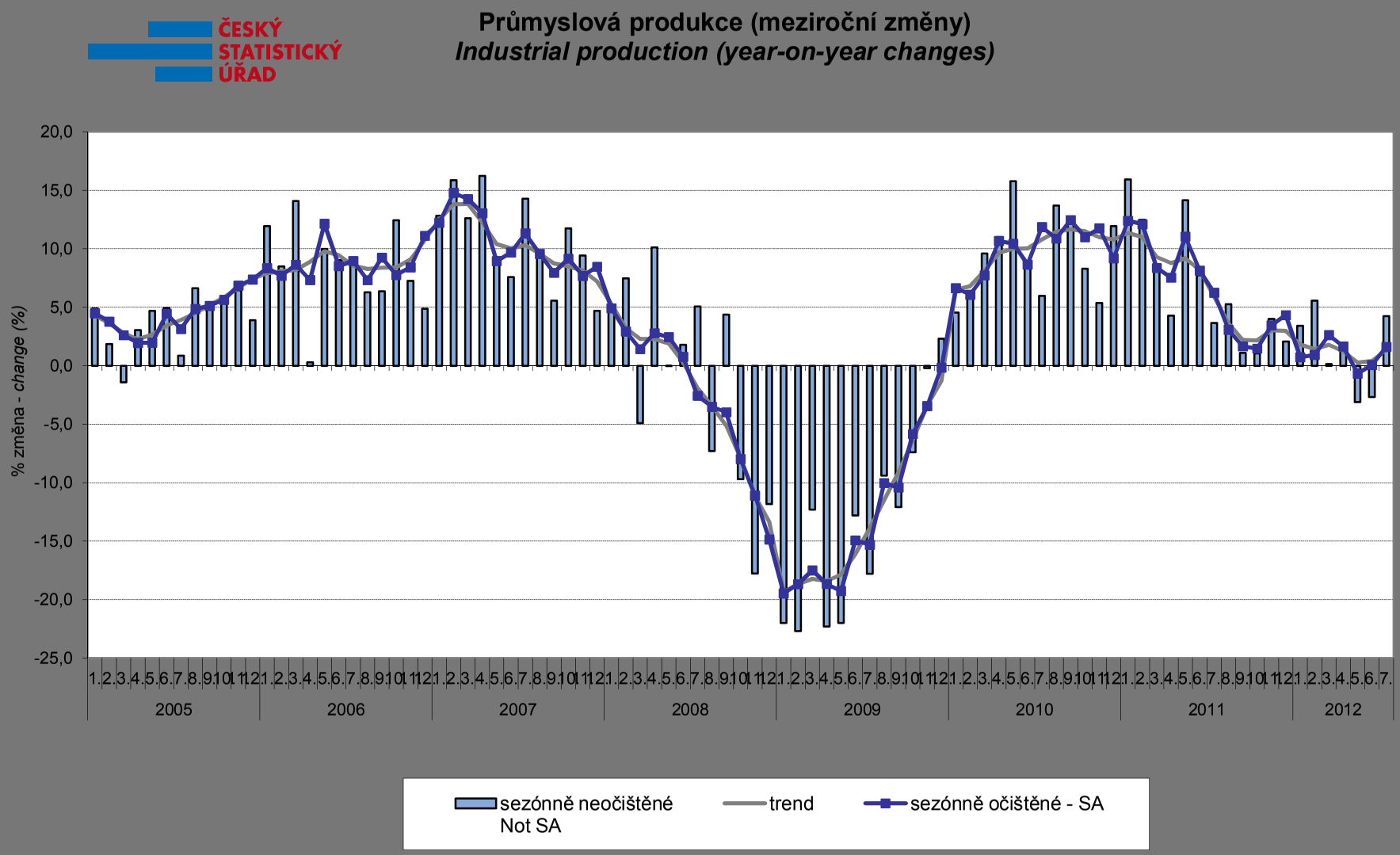
27 – Electric Equipment

25 – Metal Constructions

29 - Automotive

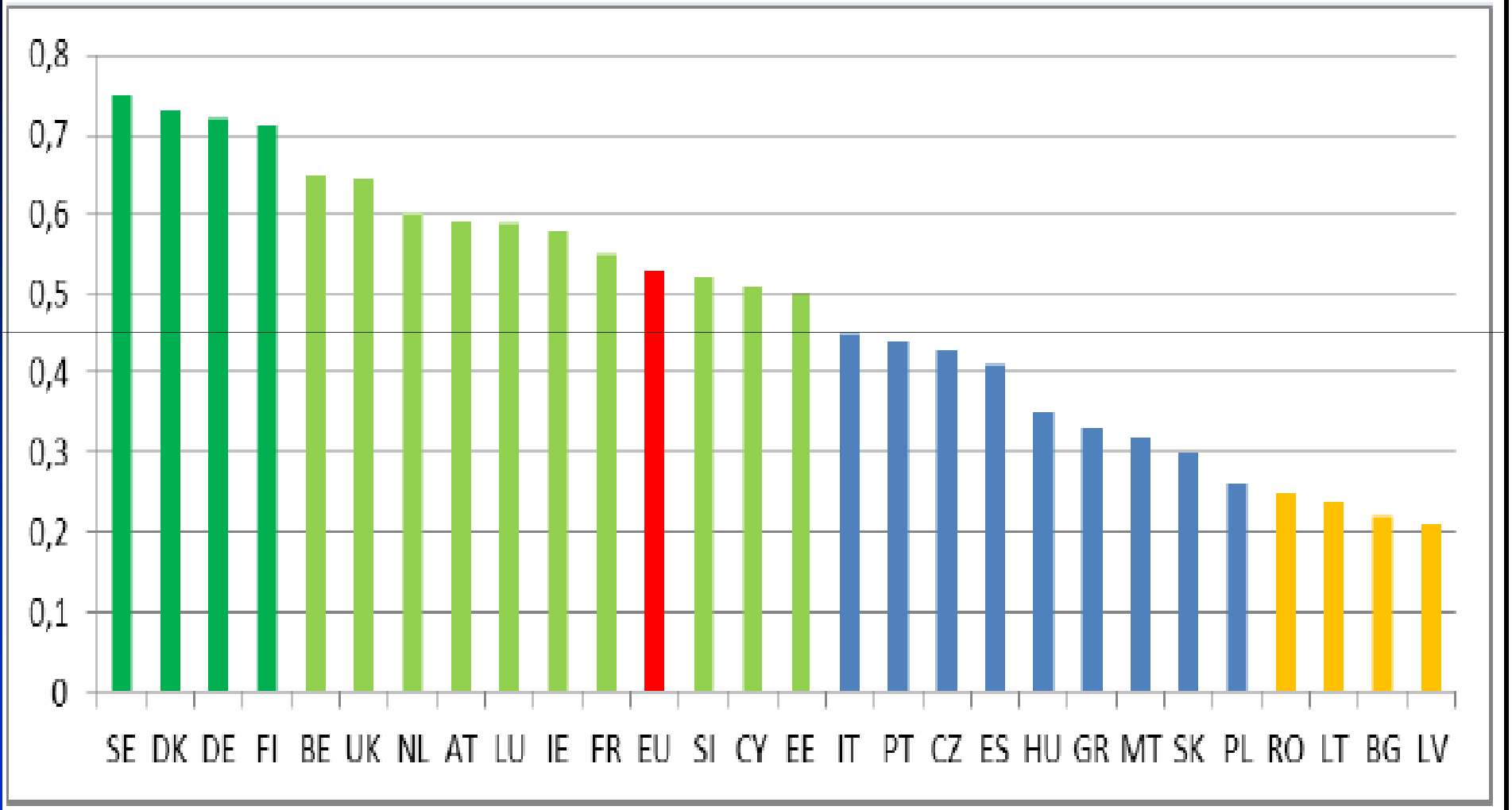


Industrial Production Development 2005-2012



Source: http://www.czso.cz/csu/csu.nsf/informace/cpru090612.doc

Comparison of EU Countries from the point of view of Innovations



Pramen: Innovation Union Scoreboard 2011, graf MPO

Problems of Czech Economic Development from the Trade Union Point of View

- Economy is stagnating, GDP level from the year 2008 was not yet overcome
- We „harvest the fruits“ of governmental policy failures from the nineties (coupon privatisation and destruction of production capacities)
- Recently it is about competition for lowest taxation
- Government is not able to estimate the perspectives of economic development (failures in crisis impacts estimation in 2009)

Demonstration 21st April 2012
Prague, Václavské náměstí

Social Dialogue in Czech Republic

- Levels:
  - National – Tripartite
  - Branch – Sectoral Level
  - Regional – bipartite/tripartite (social partners + municipalities)
  - Company level (most important)

Collective Bargaining in Czech Republic

- Basic principle mentioned in Labour Code: „What is not forbidden is allowed“
- Collective Agreements (CA):
  - Company
  - Higher Level (Branch)

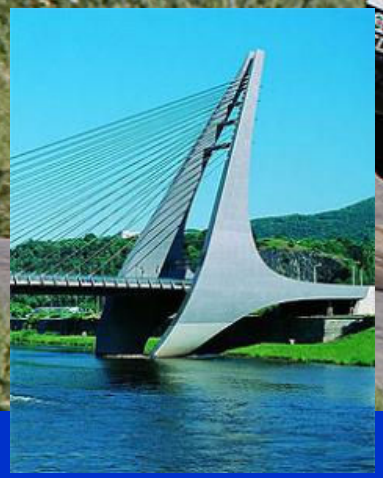
Collective Bargaining in Czech Republic 1

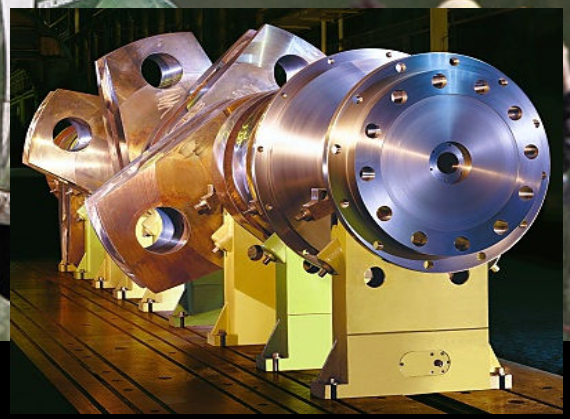
- It is possible to conclude the CA for limited/unlimited period; wage part could be concluded for example for 1 year
- CA notice period is 6 months
- CA covers all workers in the company

Priorities of Trade Unions in Czech Republic in 2012

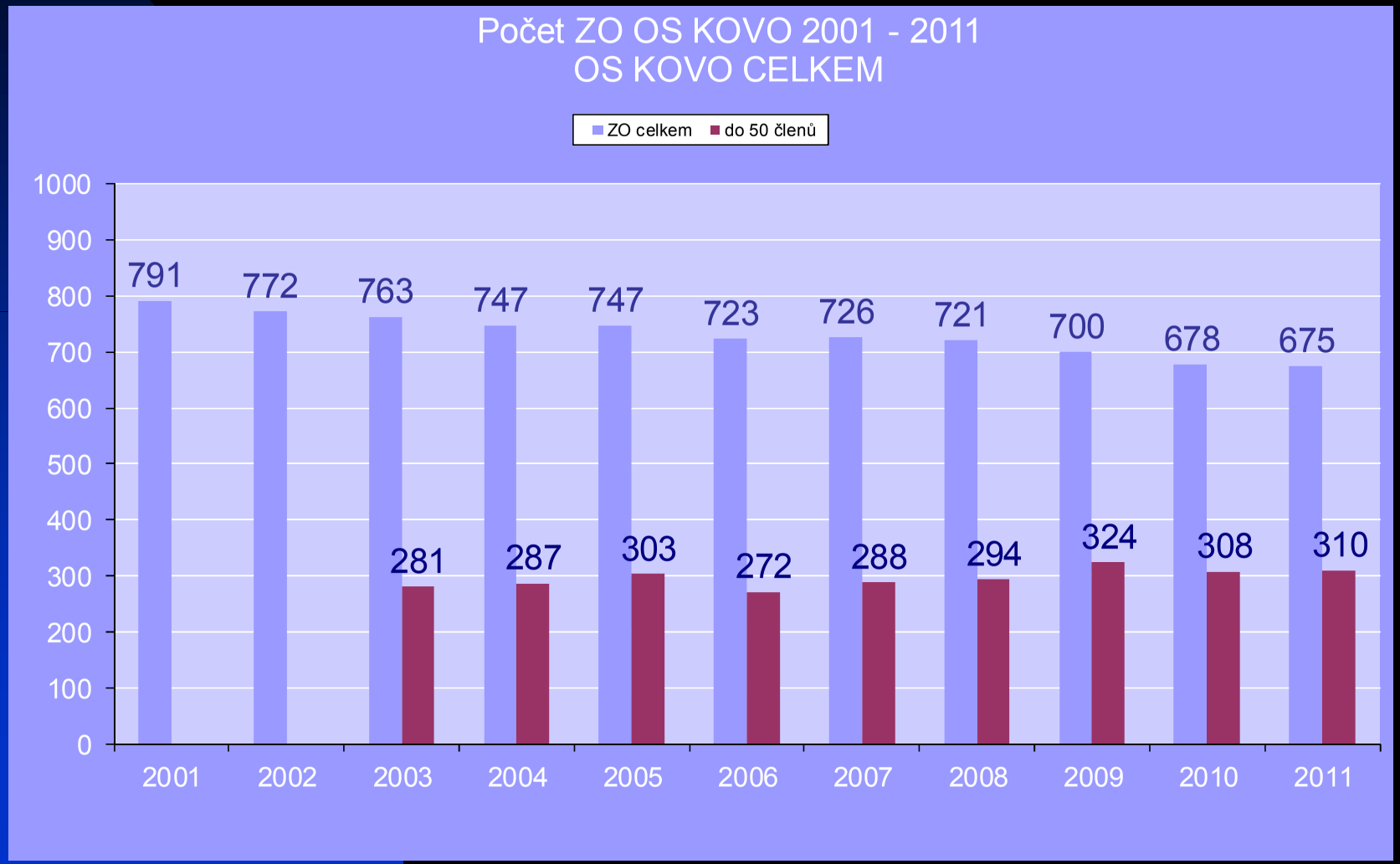
- Representation of interests of workers and members
- Employment and tools to preserve employment
- Support in pressure towards the Government in the area of anti-crisis measures preparation
- Increase of wages as a result of collective bargaining, support of company collective bargaining
- Preserving all Health and Safety standards

Metal Industry

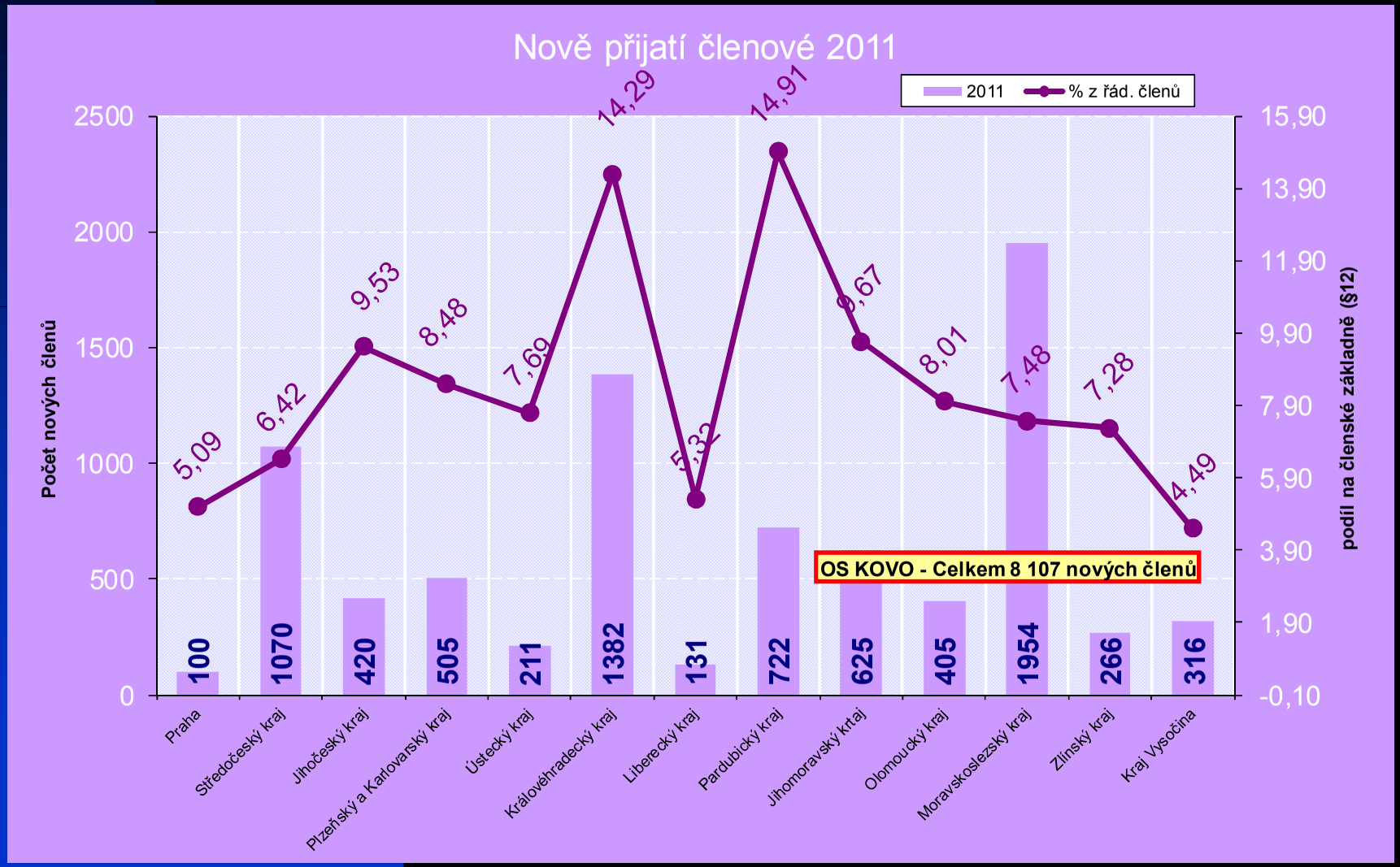




Membership Development



New Members


Nově přijatí členové 2011
2011
% z řád. členů
Počet nových členů
podíl na členské základně (§12)
2500
2000
1500
1000
500
0
15,90
13,90
11,90
9,90
7,90
5,90
3,90
1,90
-0,10
5,09
6,42
9,53
8,48
7,69
14,29
5,32
14,91
9,67
8,01
7,48
7,28
4,49
100
1070
420
505
211
1382
131
722
625
405
1954
266
316
OS KOVO - Celkem 8 107 nových členů
Praha
Středočeský kraj
Jihočeský kraj
Plzeňský a Karlovarský kraj
Ústecký kraj
Královéhradecký kraj
Liberecký kraj
Pardubický kraj
Jihomoravský krtaj
Olomoucký kraj
Moravskoslezský kraj
Zlínský kraj
Kraj Vysočina

Trade Union ECHO

- **2004 merger Chemistry and Energy TU**

- **Development of members**

	energy section	: chemical section	Total
2010:	10 000	13 000	**22 906**
2011:	9 400	12 600	**22 032**
2012:	9 000	12 600	**21 670**

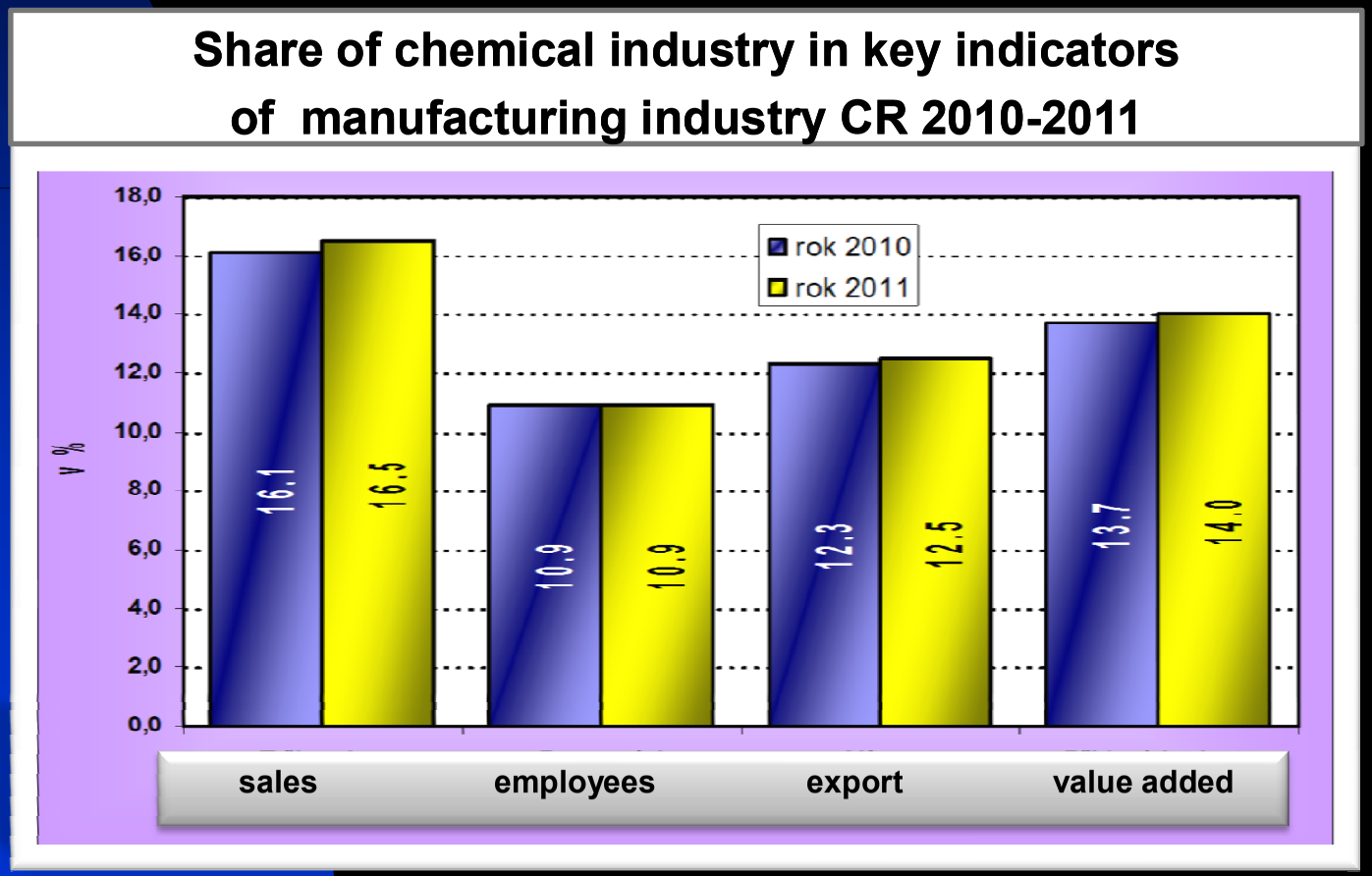
- **Total 216 organisation**

Trade Union ECHO

- 13 Employees and officials
- Closes 2 higher level collective agreements with Association of Chemical Industry of the CR and Association of Employers in the energy sector.
- Provides members with advice on labour law, social, wage, health and safety areas.
- Supportive fund.

Chemical Industry

- 16.5% significant share of the chemical industry in the Czech industry.



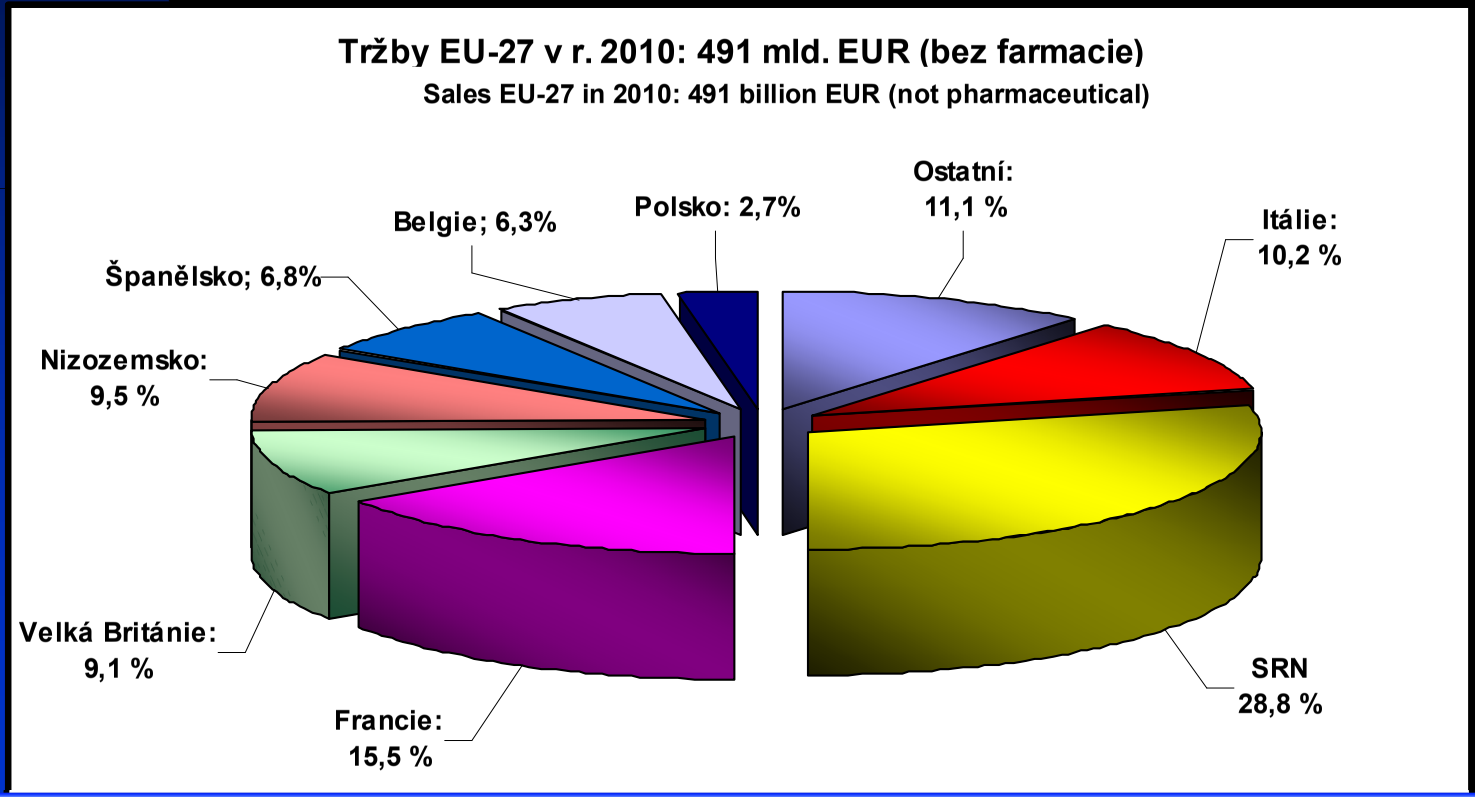
Chemical Industry

- Exports from the chemical sector increased compared to 2010 by more than 15%, which is slower than the increased imports (17%)

Indicator	unit	2010	2011	index 11/10%	
				chemical industry	manufacturing industry Total
Sales current prices	mld. CZK	548,2	602,4	109,9	106,7
Number employees	thousands people	112,9	116,0	102,7	102,7
Export	mld. CZK	291,0	335,8	115,4	113,3
Import	mld. CZK	388,5	451,2	116,1	106,7
Added Value	mld. CZK	104,5	112,0	107,2	104,3

Chemical Industry

- The position of the Czech chemical industry in the EU 27
- Czech chemical sensitivity to external influences.



In the EU 27, the Czech chemistry with its share 1.1% behind arc in "**other**".

Chemical Industry

- Development of the balance of the chemical industry is getting worse
- The overall deficit is worsening year-on-year by CZK 17,921 million in comparison with 2010, the trade balance adversely developed mainly in the following product groups:

Product group	Change in balance mil. CZK
Chemical industry	-10 234
Refined petroleum	-7 102
Pharmaceutical industry	-2 800
Total selected	**-20 136**

- Favourable trade balance only in the rubber and plastics industry:

Product group	Change in balance mil. CZK
Rubber and plastic products	+2 215
Total selected	**+2 215**

Chemical Industry

Major trading partners of the Czech Republic (neighboring countries) in chemical industry products in 2011 by turnover

No.	Country	turnover billion CZK			
		Refined petroleum	Chemical Pharmaceutical	Ruber Plastic	Total
1.	Germany	20,0	117,4	92,7	230,1
2.	Slovak Republic	27,6	33,2	18,3	79,1
3.	Poland	6,6	35,9	19,8	62,3
4.	Austria	13,5	15,1	9,5	38,1
5.	Hungary	1,6	19,7	7,6	28,9
6.	Slovenia	0,1	4,8	1,3	6,2
	Total significant	**69,4**	**226,1**	**149,2**	**444,7**
	Total World	**77,3**	**448,5**	**260,2**	**786,0**
	proportion importance%	**90**	**50**	**57**	**57**
	EU-27	**72,7**	**361,1**	**217,6**	**651,4**
	share EU-27 %	**94**	**81**	**84**	**83**

Chemical Industry

Employment, labor productivity, average wages in the chemical industry in 2011

Product group	Number Employees		Labour productivity				Average monthly wage	
			from sales		value added			
	people	Index 11/10	thousand CZK/ month	Index 11/10	thousand CZK/ month	Index 11/10	CZK	Index 11/10 %
Refined petroleum	1 458	97,7	9 124	122,7	134	63,8	36 986	109,5
Chemical and Pharma	37 083	100,7	588	105,9	123	102,2	28 100	103,3
Rubber and Plastic	77 486	103,9	324	103,9	83	108,8	23 594	102,2
Chemical Total	**116 027**	**102,8**	**519**	**106,9**	**97**	**104,3**	**24 105**	**102,8**
Manufacturing ind. CR Total	1 063 952	102,7	342	103,9	75	101,5	25 032	103,4

- Employment in the chemical industry in 2011 increased from 2010 by 2.8 percent (+3 146 people)
- Different development in the groups

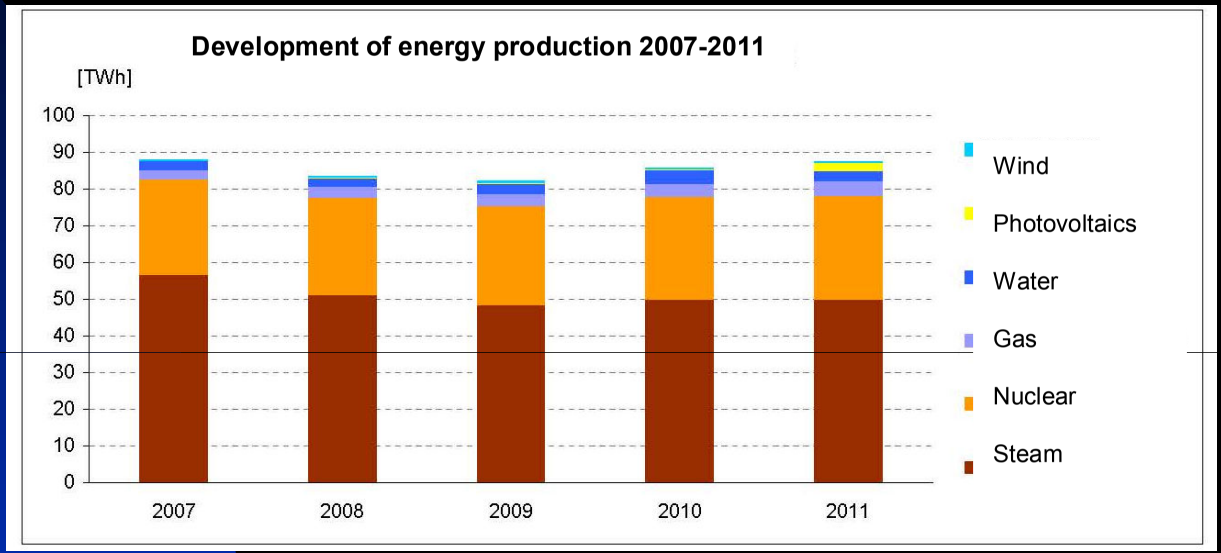
Chemical Industry

Responsible Care - Responsible business in Chemistry

- The Responsible Care program signed by 68 member SCHP CR.
- The right to use the RC logo has a total of 42 member companies SCHP CR
- Three non-manufacturing firms are entered in the list of RC members.

Energy Industry

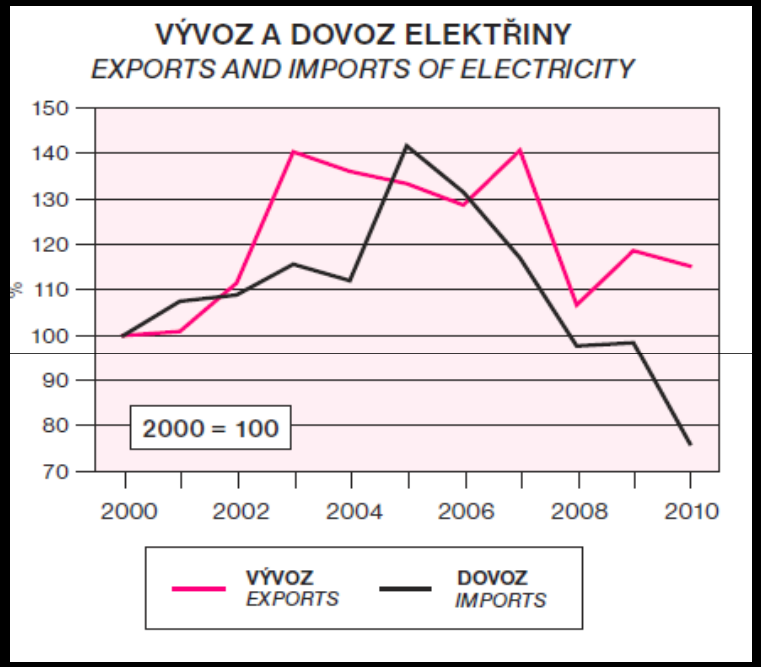
Production



Type of plant	2007	2008	2009	2010	2011
Steam	56 728,2	51 218,8	48 457,4	49 979,7	49 973,0
Nuclear	26 172,1	26 551,0	27 207,8	27 988,2	28 282,6
Gas	2 472,9	3 112,7	3 225,2	3 600,4	3 955,1
Water	2 523,7	2 376,3	2 982,7	3 380,6	2 835,0
Photovoltaics	1,8	12,9	88,8	615,7	2 118,0
Wind	125,1	244,7	288,1	335,5	396,8
Total [GWh]	**88 023,8**	**83 516,4**	**82 250,0**	**85 900,1**	**87 560,6**

Energy Industry

Import - Export

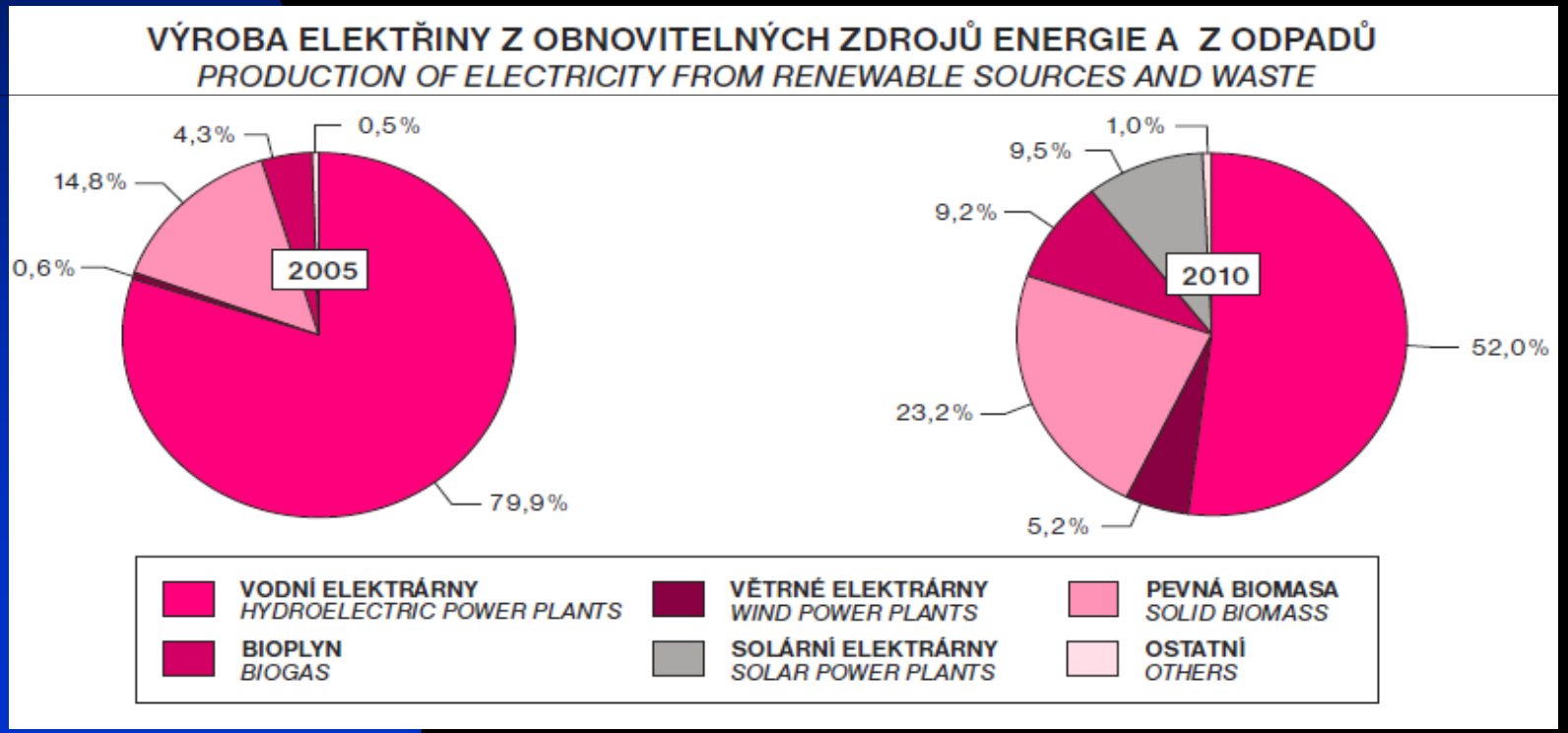


TWh	2003	2004	2005	2006	2007	2008	2009	2010	2011
Export 110, 220 a 400 kV	-19,7	-18,5	-21,0	-19,5	-25,6	-21,9	-24,2	-26,0	-31,1
Import 220 a 400 kV	3,1	1,9	7,1	5,6	8,2	9,4	9,3	10,6	13,3
Import 110 kV	1,0	0,9	1,2	1,3	1,3	1,0	1,2	0,5	0,8
Saldo	**-16,2**	**-15,7**	**-12,6**	**-12,6**	**-16,2**	**-11,5**	**-13,6**	**-14,9**	**-17,0**

Energy Industry

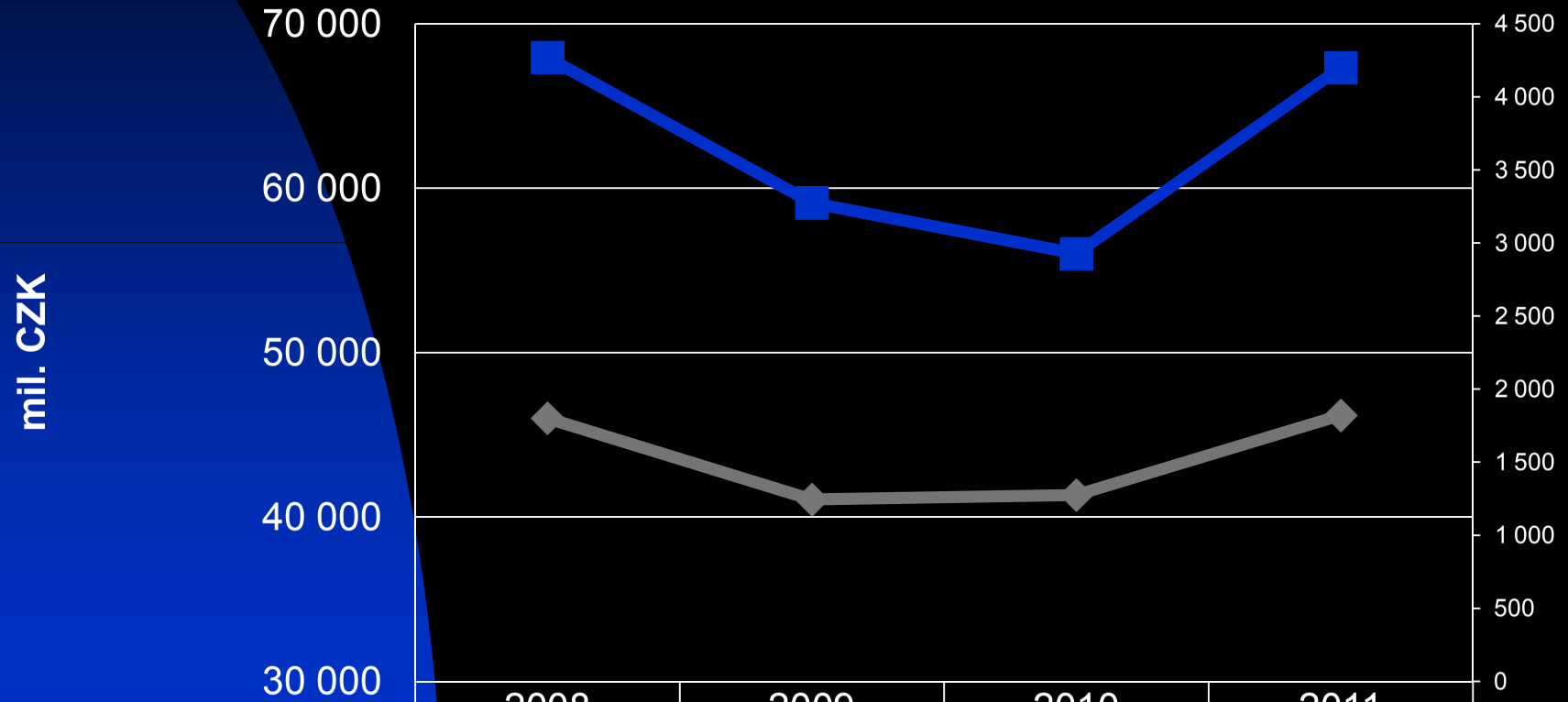
Renewable

- Gross electricity consumption CR was 70,52 TWh in 2011
- The share of renewable resources was 7,25 TWh – **10,28%** in 2011



Textile Industry

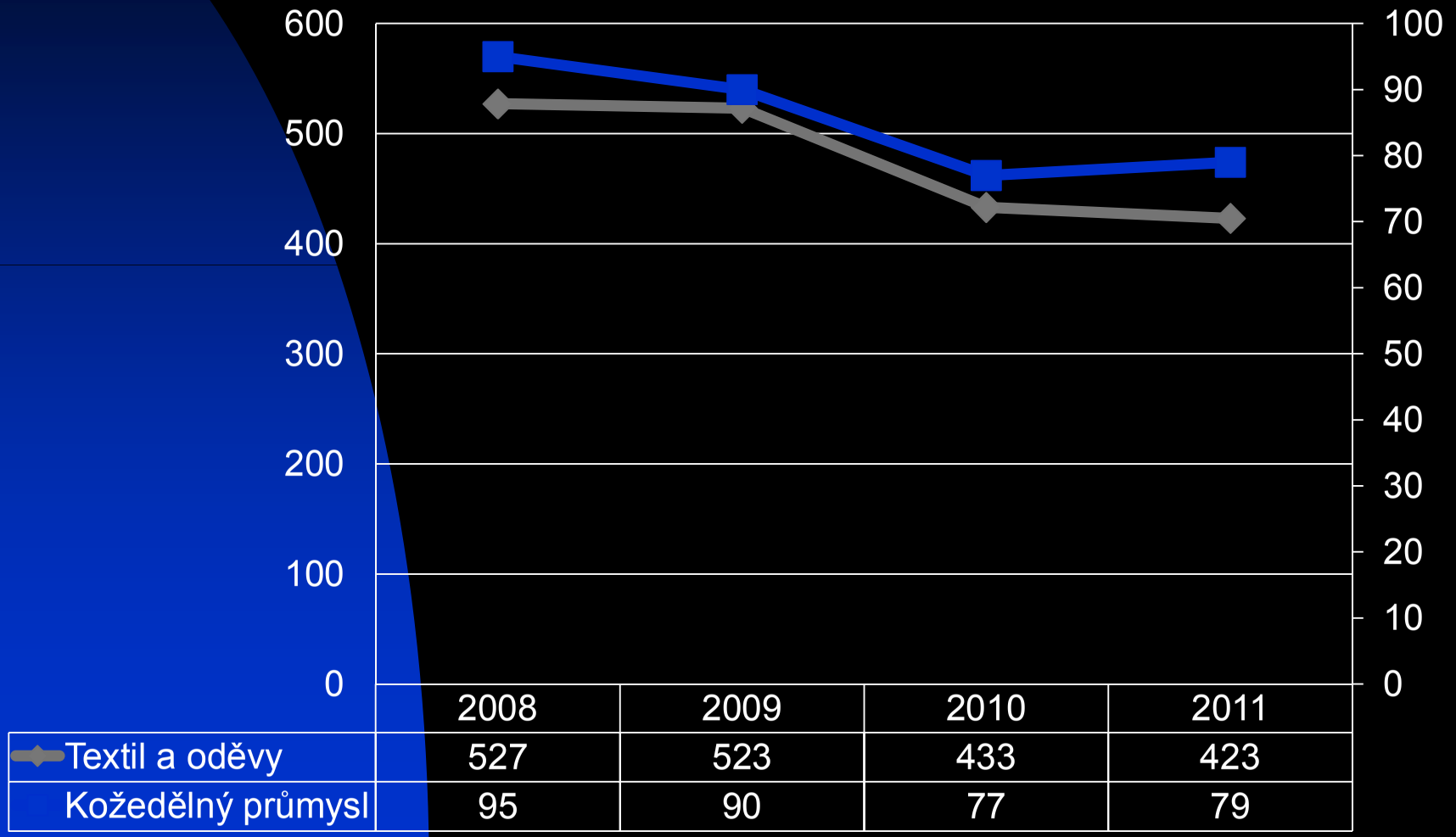
Sales of own products and services (current prices, mil. CZK)



	2008	2009	2010	2011
Textil a oděvy	46 009	41 065	41 336	46 184
Kožedělný průmysl	4 269	3 275	2 926	4 199

Textile Industry

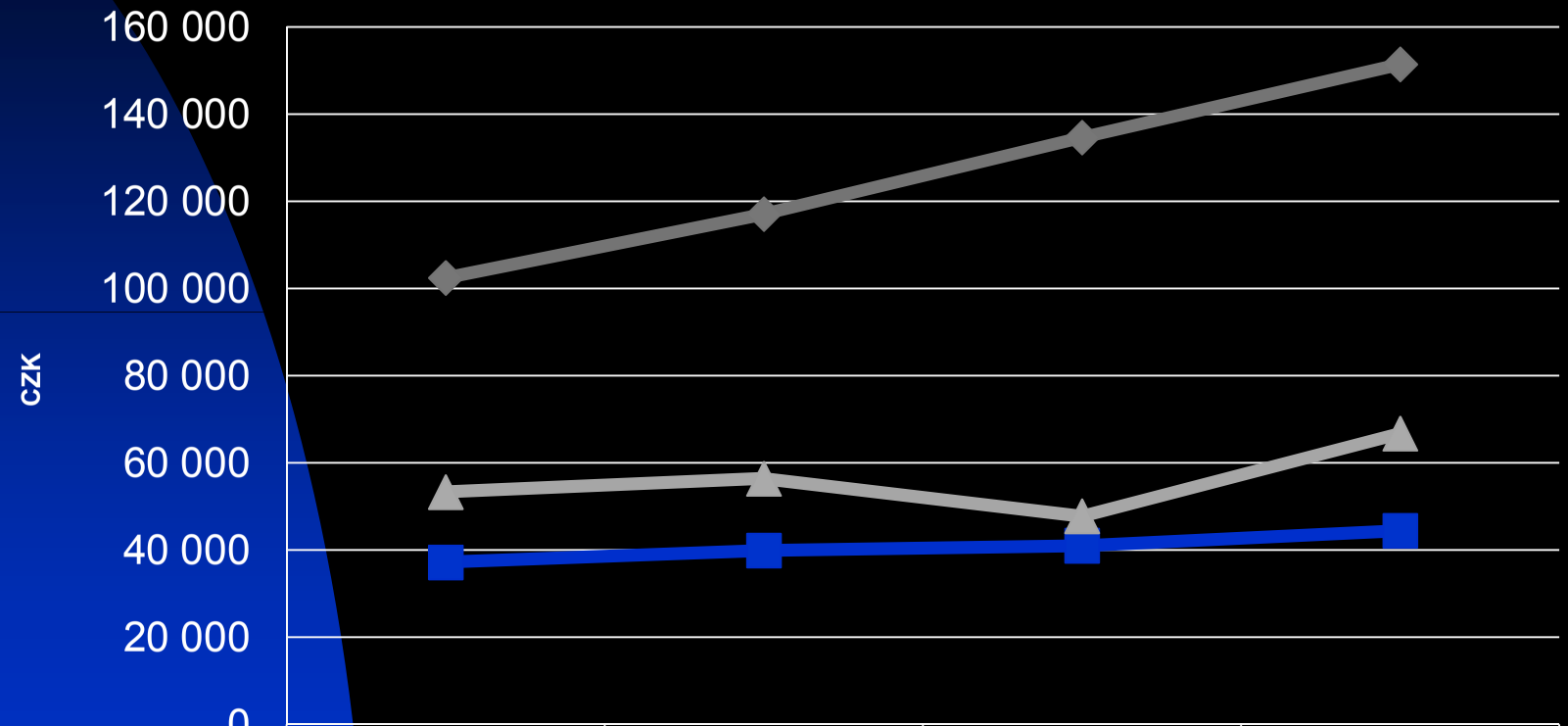
Number of companies over 20 employees



	2008	2009	2010	2011
Textil a oděvy	527	523	433	423
Kožedělný průmysl	95	90	77	79

Textile Industry

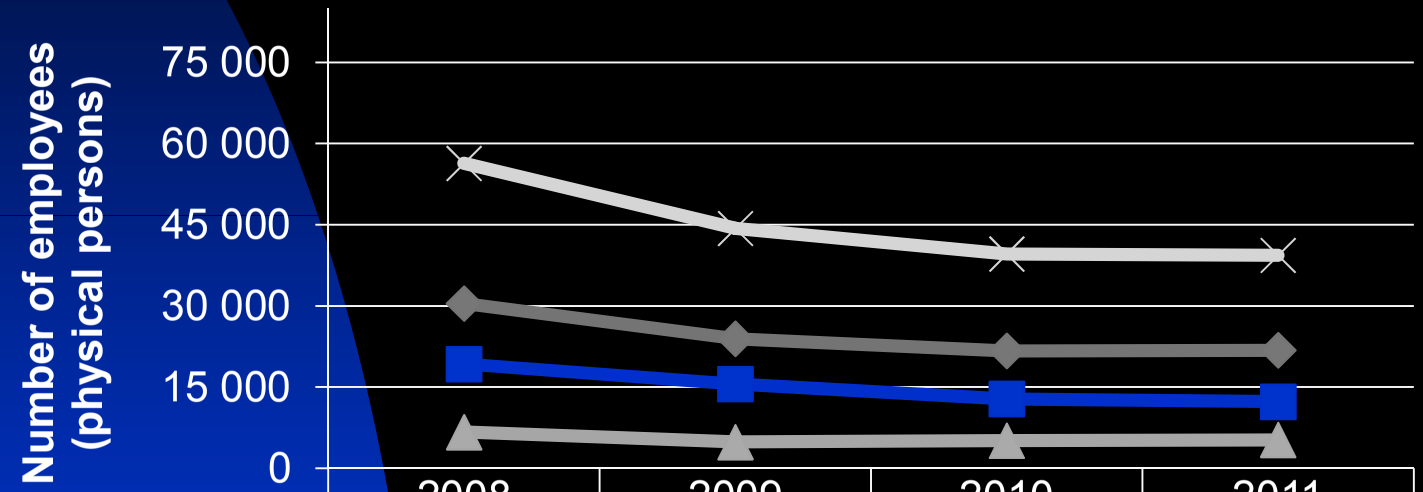
Labour productivity (monthly sales/employees)



	2008	2009	2010	2011
textilní průmysl	102 453	117 093	134 656	151 434
oděvní průmysl	37 197	39 910	41 023	44 448
kožedělný průmysl	53 323	56 393	47 786	66 760

Textile Industry

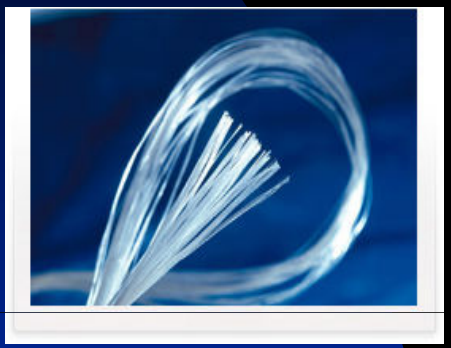
Development of number of employees

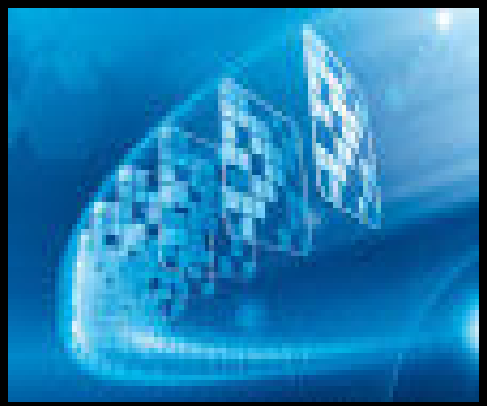


	2008	2009	2010	2011
textilní průmysl	30 437	23 921	21 678	21 806
oděvní průmysl	19 241	15 562	12 813	12 295
kožedělný průmysl	6 671	4 840	5 102	5 241
TOK	56 349	44 323	39 593	39 342

Glass Industry

Glass Industry





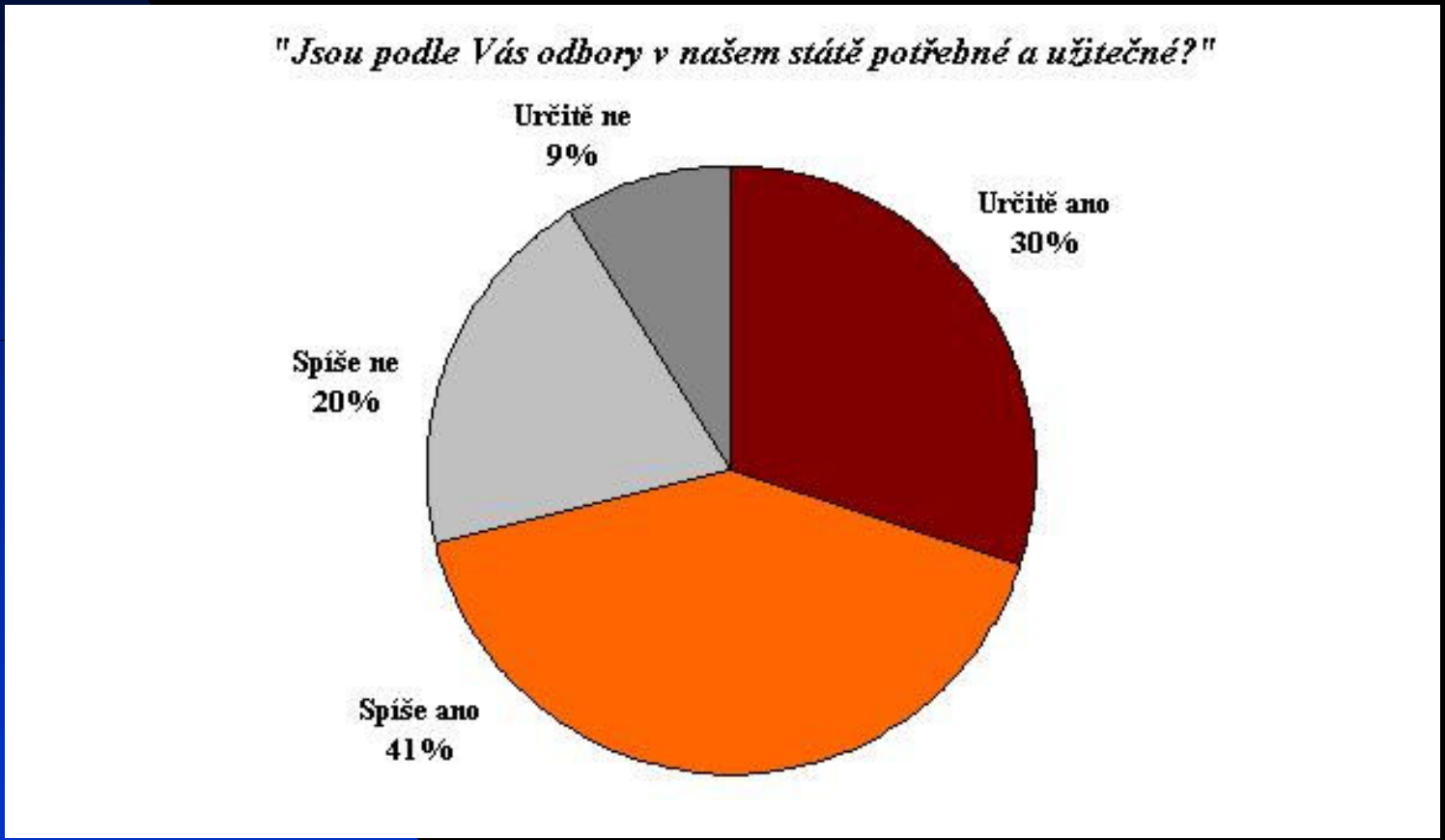
Glass Industry

Indicator		Total	From this Sector			
			Glass	Jewellery	Ceramic	Porcelain
Number of members in company TU organisations		5 911	3 853	668	802	588
From this	employees	4 622	2 928	597	616	481
	pensioners	1 190	853	60	174	103
	unemployed	31	21	6	3	1
	others	68	51	5	9	3
Number of members outside company TU organisations		2	x	x	x	x
Total Membership		5 913	x	x	x	x
Number of employees		11 619	7 656	1 565	1 201	1 197
Unionisation rate (%)		40	38	38	51	40
Number of TU organisations		62	43	8	3	8
Number of full time TU officials		9	5	1	2	1
Number of employers		44	32	5	2	5

Glass Industry

Membership Development							
Year	*Membership Total*	*Number of members - employees*	*Number of pensioners*	*Number of employees*	*Unionisation rate in %*	*Number of Company TU Organisations*	*Number of Employers*
1993	50 473	40 013	10 460	49 296	81	153	98
1998	28 548	22 229	6 319	33 049	67	104	74
2003	18 626	14 205	4 421	25 184	56	78	58
2008	11 127	8 401	2 365	17 039	49	71	53
2009	6 971	5 067	1 627	11 336	45	66	47
2010	6 293	4 885	1 304	11 561	42	64	47
2011	5 913	4 622	1 190	11 619	40	62	44

Are the Trade Unions in Czech Republic necessary and useful? 6-2011



71% Yes **29% No**

Thank you for your attention!