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NEGOTIATING THE FUTURE OF PUBLIC ADMINISTRATION: UNION STRATEGIES FOR CENTRAL AND EASTERN EUROPE

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POLICY PAPER

**INSTITUTE OF
PUBLIC AFFAIRS**

INSTITUTE OF PUBLIC AFFAIRS
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This policy paper is one in a series presenting the key recommendations based on a comparative study, collective bargaining boost workshops and scientific seminars carried out in Bulgaria, Czechia, Croatia, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, Serbia, Slovakia and Slovenia as part of the project CEE CAW ‘Challenges for Organising and Collective Bargaining in Care, Administration and Waste collection sectors in Central and Eastern European Countries’, which was led by the Institute of Public Affairs (Warsaw). The other partners were the: Bulgarian Academy of Sciences (Sofia), Central European Labour Studies Institute (Bratislava), Lithuanian Centre of Social Sciences (Vilnius), Centre for Democracy Foundation (Belgrade) and European Federation of Public Service Unions (Brussels).

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Introduction to the project. Research objectives

This paper presents the policy recommendations for European and national trade unions operating in the Central Public Administration (hereinafter: CPA) sector in Central and Eastern European (CEE) countries, aiming to improve working conditions and wages by enhancing social dialogue institutional mechanisms, in particular, collective bargaining, for the countries in focus.

The CPA sector was defined through the European System of Accounts (ESA), where there is a sub-sector labelled as central government (S.1311), including “all administrative departments of the state and other central agencies whose competence extends normally over the whole economic territory, except for the administration of social security funds”.

The recommendations are formulated based on the findings from complex (including both desk and fieldwork) research conducted in 12 Central and Eastern European (CEE) countries (Bulgaria, Croatia, Czechia, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Serbia, Slovakia, and Slovenia) in 2024. The fieldwork consisted of 39 individual in-depth interviews (IDIs) with the representatives of social partner organisations at the national level. The interviews, as well as the analysis of the secondary data, were aimed at identifying the key challenges in the sector within the areas of industrial relations/social dialogue and working conditions. In the former, special attention was paid to such issues as collective bargaining, unionisation, right of association, and the right to strike. In the latter, the main focus was on pay, but other important features of working conditions, such as working time, were also subject to scrutiny. The empirical findings, that is, naming the main challenges, are the point of departure for seeking proper strategic responses to them.

The enactment of Directive 2022/2041 of the European Parliament and of the Council of 19 October 2022 on Adequate Minimum Wages in the European Union, especially Article 4, is an important frame of reference for the project, hence the recommendations.

Key findings from the study

As far as challenges are concerned, the main findings include: underfunding, understaffing, fragmentation of the workforce and its ageing, politicisation

(and the ensuing weakness of the civil service), as well as, albeit not in all countries in focus, the current limitations of the right to strike and collective bargaining. Speaking specifically, underfunding, manifested both in objective (the levels of state expenditure challenged in the CPA) and subjective (seen as inadequate by trade union representatives) dimensions, may be named as the root cause of most of the other challenges identified. Those include understaffing, increased work intensity, and inadequate compensation/indexation policies in the face of erosion of real wages due to the rapid post-2020 inflation. All those combined hamper the process of generational turnover, as labour market entrants and newcomers become discouraged from considering a career in public administration as an option. Moreover, further phenomena are having a negative impact, such as politicisation, which forms a deteriorative loop-like relationship with the weakness of the civil service, as both feed each other. There is also the ongoing process of digitalization of work, which stems from the massive transformation of public administration into e-government. Insufficient commitment, first and foremost financial, of the state, is a serious hindrance disrupting the process, but little activity in the area of social dialogue, including collective bargaining, on digitalization is worrisome as well. Last but not least, there is also an issue of limitations on the right to bargain and the right to strike identified in a number of countries. As a result, potential veto power of the sector's employees encounters legal-bureaucratic barriers, such as the peculiar 'right to strike without striking' that is present for instance in Bulgaria or Poland (certain group of employees are not allowed to strike and have to rely on only non-confrontational forms of protest such as rallies or handing out leaflets etc.), whose very existence and density are often questionable. Further, unionisation and collective bargaining coverage are generally low, albeit the figures are still usually better than for the private sector.

Recommendations

The following will provide recommendations for trade union action to be taken in order to enhance institutional social dialogue mechanisms, including collective bargaining and, as a result, foster improvements in working conditions in the CPA sector. The recommendations for national and European-level trade unions are divided into separate sections.

Recommendations for national trade unions

1. Trade unions should continue experimenting with various forms of revitalisation activities. The CPA is a sector with some good pre-requisites, for instance, the workforce holds quite significant potential veto power, as numerous categories of CPA staff are engaged in the provisions of very important, sometimes even critical, public services to society, thus may be regarded as essential workers, yet the legal barriers restrain their opportunities for acting out.
2. National-level social partners (with support from the EPSU) could put more pressure on national governments to enforce the Minimum Wages Directive or, in case of the Directive's court annulment, push for establishing relevant national-level legislation enhancing collective bargaining.
3. Extension mechanisms of collective agreements and ways of their efficient implementation should be discussed thoroughly.
4. In the countries where limitations to association, bargaining and/or strike rights exist, trade unions should actively initiate debate over those issues and challenge States with a view of achieving relaxation of such limitations, also in cooperation with the EPSU and the ETUC regarding the possibility of lodging complaints to the European Committee of Social Rights (the Council of Europe's monitoring body of the European Charter of Social Rights).

Recommendations for European trade union federations

1. The EPSU should continue their support to the unions from CEE to build up their capacity and bulk up their power resources.
2. The EPSU should continue their efforts to involve CEE unions from the CPA in the European Social Dialogue Committee for central governments (SDC CGA) to a larger extent, by stressing the issues vital from their perspective on the agenda and in the internal debate.

3. All CEE employers should join the EUPAE, the European Public Administration Employers, to make the European Social Dialogue Committee truly representative.
4. National social partners should establish regular contact points to bear greater influence on the SDC CGA agenda and report on outcomes so that they can be more effectively implemented (statements or social partner agreements).
5. European-level social partners (not just the EPSU but also the EUPAE) together with national level social partners should make efforts to enhance the CPA's (and public sector's, in general) image as an attractive employer — despite the recent deteriorating quality of industrial relations and working conditions therein — and use it as a positive frame of reference for potential improvements in the private sector.