

President Toomas Hendrik Ilves, who spoke today at a conference organized by the Confederation of Estonian Trade Unions entitled “Fifteen Years of Trilateral Dialogue in Estonia: Achievements and Challenges” said that regular communications between trade unions, businesspeople and the government regarding the rules that apply to working is a self-evident part of a European way of life.

“The core of this process, which can be called “social dialogue”, is mutual respect. It is the understanding that businesspeople need qualified and motivated workers who do their jobs well,” said President Ilves. “Understanding that work can be done in a secure environment for an appropriate wage; that the judicial area for working is stable and predictable; and that all changes are discussed in advance and agreed upon. This is the understanding that agreement in the labor field is always preferable to conflict or smoldering uncertainty.”

“Social dialogue is mainly a partnership. This is overcoming disagreements in a civilized manner and discovering common interests and mutual benefits,” said President Ilves.

Speaking of the Estonian economy, the Head of State said that currently we are, still, in a stage of relatively abrupt upswing, which is however already settling down. “Therefore now is the right time to talk about possible solutions for the situation when a downturn or economic stagnation replaces the upswing,” he emphasized.

According to President Ilves, immediate discussions should start on the possibility that the participants in the Estonian labor market and the state are ready for a social contract similar to the one concluded by Finland and Ireland years ago. “We know how great the problems were in those countries. And we know even better the progress these countries and their economies have made to date with the support of a social contract,” said the Head of State.

“The contract depends for some on competitiveness and profits and for others on job security and wage levels,” affirmed President Ilves. “For the state, the contract means tax revenues and essential investments. As well as other things—for instance, why not the adoption of the common currency, the euro, as fast as possible.

President of Estonia: we need a social contract on salary policies

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