

# Quo vadis OSH in the Czech Republic

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## I. Introduction

### 1. Basic facts of the Czech Republic

**Population:** 10.3 million

**Capital:** Prague (1.2 million)

**Area:** 79 thousand sq. km

**Population Density:** 131 person/km<sup>2</sup>

**Nationalities:** Czech nationality 94.9% (Czech 81.2%, Moravian 13.2%, Silesian 0.4%), other nationalities 5.1% (Slovak, German, Polish, Roma)

**Religion:** Roman Catholic 40%, Protestant 4%, indifferent 40%, not known 6%

**GDP per capita:** (PPP USD) 13,100 Life expectancy at birth: 74.1 yrs.

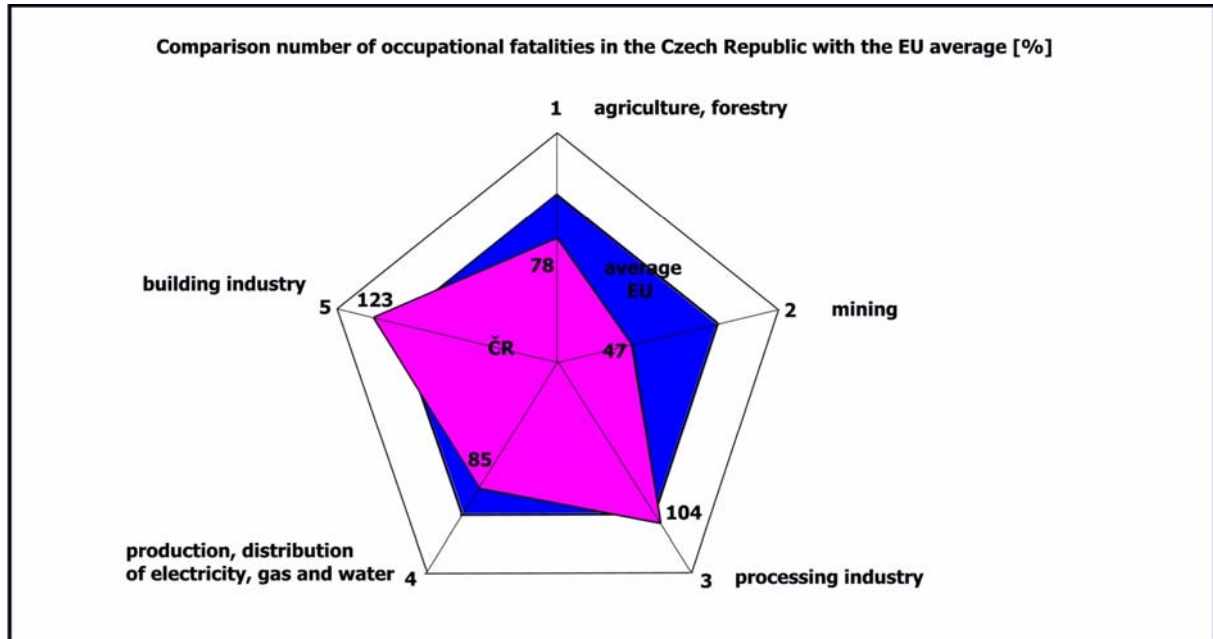
### 2. Long-standing OSH tradition in the Czech Republic

Safety and health protection at work, work organisation and humanisation have relatively long tradition in the Czech Republic. Their roots can be traced down as early as in Austro-Hungarian monarchy, in which the Czech Crown Lands were the most developed part, and in the period of the Czechoslovak Republic in particular.

This fact is clearly documented by the 50-year anniversary of the Occupational Safety Research Institute (Výzkumný ústav bezpečnosti práce (VÚBP Praha), whose activity is linked to activity of the Masaryk Human Labour Institute (Masarykův ústav lidské práce) acting in Czechoslovakia in the inter-war and post-war period. Its activity was based on the activity of the injury insurance company where the well known Prague writer **Franz Kafka (1883 – 1924)** worked and cared for the work safety and working conditions.

These historical roots having inception in 19th century ( 1811- general safety requirements in overall public law, 1859- safety requirements in trade law, 1883- trade inspection, 1921- technical inspection, etc.) may also facilitate the Czech Republic to retain, despite the substantial political and economic changes in the nineties, the level of occupational injury and disease rates comparable with the EU member states. The occupational injury rate in the Czech Republic is, according to frequency of occupational injuries, in the middle part of the interval generated by occupational injury frequency in the industrially more developed EU member states on one side and those less developed on the other side (see Graph 1).

**Graph 1**



However, the nineties showed even some less favourable facts about the OSH. It showed exhaustion and bad efficiency of traditional approaches. Thanks to new concepts and more comprehensive approaches to the safety and health protection at work, the EU states not only pursued the gradual decrease of number of occupational injuries and diseases but accepted the qualitatively new understanding of the OSH as an instrument for improvement of working comfort and satisfaction. For the time being this sphere shows only a slow improvement in the Czech Republic.

The key moments of the present development can be found in the early nineties. The political and economic changes changed significantly the hierarchy of the life values of the citizens in the Czech Republic. In the late eighties the sociological surveys showed that health care and living environment were on the top of the value list. However, in the early nineties these items dropped to the middle of the values' spectrum. They were substituted by items characteristic for highly consumer attitude to one's life and its values.

Till the nineties the OSH was a part of the company management and, despite certain formalism, employers and employees perceived it as an integral part of the economic process. Due to political and economic changes, the approach to this sphere shifted in a negative way and the OSH moved to the fringe of interest of the companies.

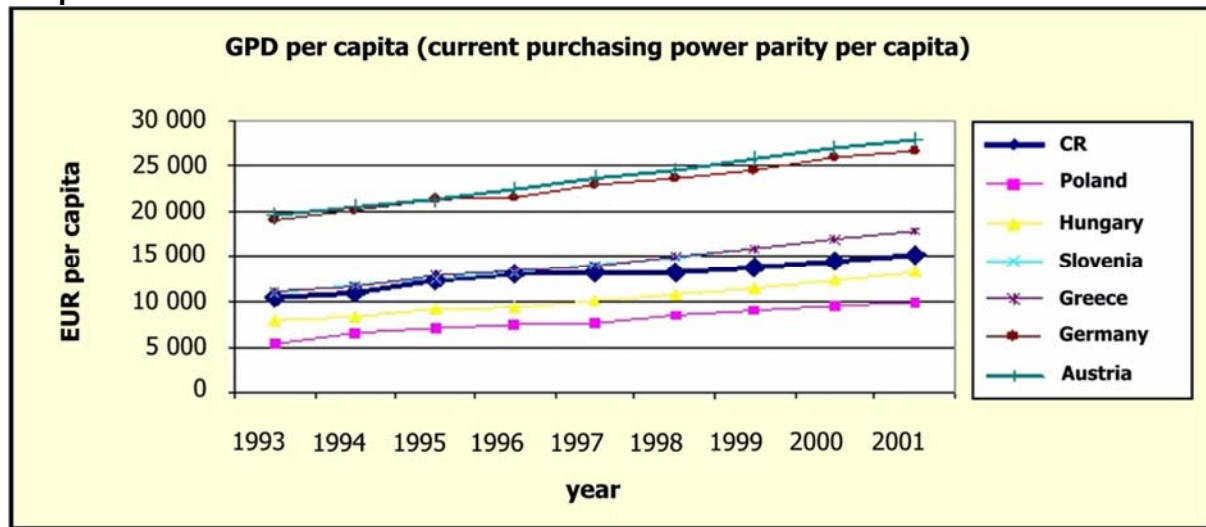
Restructuring of the national economy led to significant changes in the structure and size of companies, to absolute reduction of number of employees in the primary sector and to growth of number of employees in services.

A distinct shift in perception of values connected with conditions of the early capitalism characterised by the reliance on the omnipotent market influence and with extensive restructuring of the national economy led, in a certain degree, to preservation of ineffective approaches to the OSH and thus to stagnation and retardation in this sphere.

## II. What is the current situation in the Czech Republic?

When comparing performance and competitiveness, the Czech Republic shows good results among the candidate countries; however, a considerable distance set our republic apart from the EU average. The Czech Republic reaches 59% of the average GDP per EU capita; the comparison of the average work productivity is a bit worse. At the turn of the century the GDP and productivity grew quicker in the Czech Republic than in the EU. This dynamics was brought to the Czech economy by foreign investors exploiting the geographical position and cheap labour and not by transformed domestic economic base.

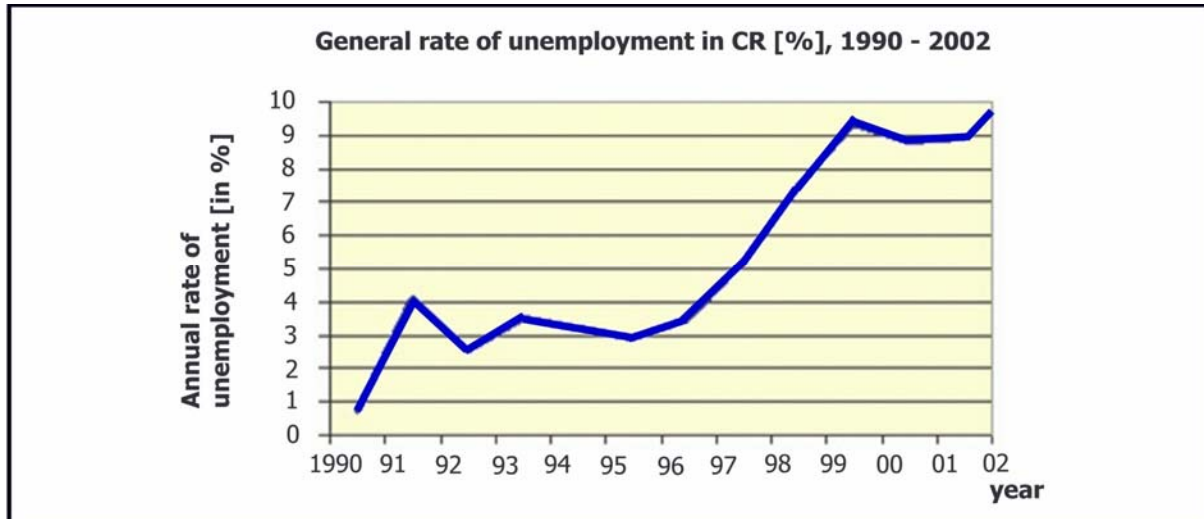
Graph 2



In the Czech Republic the economical structure based on the manufacturing industry (40% of labour force in the industry of the Czech Republic is the highest percentage Europe-wide) employing skilled workers and technicians with higher education still prevails. As against the EU average, the Czech Republic falls significantly behind both in proportion of university educated people to the population and in number of PCs or new patents to number of inhabitants. In 2002 the Innovation Capability Index of the World Economic Forum (WEF) ranked the Czech Republic as the 42nd state worldwide; in business efficiency and in IT preparedness (according to the Heritage Foundation 2003) the Czech Republic is ranked as the 31st and the 28th state, respectively.

The important social and economic factor, which also affects the OSH level in companies, is the rate of unemployment. In 2002, the average rate of unemployment in the Czech Republic was 9.8%. In some regions (Most, Louny, Teplice, Ostrava) the unemployment reaches up to 20%. The supply of job opportunities also worsens. During 2002 nine to twelve unemployed (job candidates registered at the Labour Office fell to one free job. The unemployment afflicts particularly young people, women with small children, disabled persons, persons with minimal qualification. However, concerning the qualification, the largest category is the category of trained job candidates (they form 40% of the total number of job candidates). The share of older age categories of the total unemployment in the Czech Republic also increases. The state and development of unemployment generally worsen the possibility to improve the working conditions in companies.

**Graph 3**



The political and economic changes in the Czech Republic occurred after 1989 significantly affected the development in the social sphere including the safety and health protection at work. Progressing globalisation, labour market diversification and new technologies spreading make efforts for collective organisation and representation more difficult. The technologies are connected with smaller production units, accelerate the trends towards higher rate of outsourcing and lead often to re-evaluation who is the own employee and who is not. The agency way of work organisation also expands. It is characterised by the fact that individuals – entrepreneurs are engaged to perform the key business activities. It is very difficult to enforce compliance with the OSH requirements under these circumstances.

Fragmentation of the production organisation as well as the permanently changing work organisation are other obstacles when organising workers in the new economy. It is obvious that the need to protect the worker remains and is probably higher due to the disturbing changes which happen. It is necessary to change the attitudes and strategies of the trade unions in favour of active respond to market, labour and labour-law relations changes.

In the Czech Republic as well as worldwide the globalisation influence leads not only to establishment of giant multinational companies but also contributes to establishment of small and medium businesses (SMB). In 1989, app. 7,000 economic entities acted in the Czech Republic. This number multiplied during the transformation and today we register more than 700,000 private entrepreneurs including physical entities carrying on business activities. The market success is conditioned by ability to flexibly respond to changes of the economic conditions. That is the reason why we witness fragmentation of many companies and establishment of smaller units with higher flexibility. The small and medium businesses become significant partners of big companies but, on the other hand, are more and more dependent on these companies. The separate bellow chapter is focused on the issue of small and medium businesses in the Czech Republic.

### **3. What are the prospects of Czech entrepreneur and consumer?**

For the time being it is clear that the Czech entrepreneur is protected to a certain degree by local environment. After access to the markets of present member states, he/she will have to consider more emphatic trade unions protecting interests of their members and, last but not least, the lawsuits for damages caused by a faulty or dangerous product, etc. In case his/her activities spread across Europe, he/she has to take into account minimal standards of social conditions and safety requirements as well as significant variances. This requires of the

entrepreneurs to monitor and learn the employer's and consumer's legislation of different target markets.

For the time being the consumer in the Czech Republic is substantially poorer than the average West European (the average hourly rate of the German skilled worker is EUR 30 per hour, the British and Czech workers work for one half and one tenth respectively). The Czech consumer can on average purchase by about 54% less goods and services. The turn of the year 1989 caused in the Czech Republic apparent differences in working habits and partially in consumer priorities of older and younger generations.

Even today the EU regulations influence the entrepreneurs in many sectors because the Czech legislation has already taken over their substantial part. It is also necessary to take into account the fact that the accession to the EU does not mean that all is over because the OSH standards in the EU are gradually becoming more accurate and stricter.

In 2000, the estimated costs of the private sector in the Czech Republic covering the compliance with the EU regulations ranged around such amounts as up to EUR 6 bil. for the environmental regulations and up to EUR 2 bil. for the OSH. However, in many cases these costs are not incurred by new requirements of the EC Directives but represent implementation of requirements anchored in the already existing legal regulations, which have not always been enforced.

In this connection it is necessary to mention the year 1995, when the European Commission published the so-called White Book. This book was intended for the countries which were interested to become the EU members and which had already signed the Association Agreement. This book included the list of legal measures, which the individual countries should adopt to become a part of the single market. It means that it was more than clearly said how the legislation of the Czech Republic would look like. It was also a unique opportunity for entrepreneurs to forecast the future and to prepare themselves for future conditions much earlier. Such opportunity to forecast how the legal system will look like in a few year time is not negligible. Majority of companies and entrepreneurs did not manage to utilise such opportunity despite the fact that many companies could have save their money (at least in the sphere of safety and technical standards) only by acquisition of goods complying with the EU requirement and thus having no need of additional adjustments. However, the sufficient excuse is that at that time the EU issue had no political support in the Czech Republic and therefore a lot of information did not get to the public.

Another great milestone, which was more understandable for some companies but not for all, was the year 1997 and publishing of the Agenda 2000 including the first Regular Reports from the European Commission. The media did not pay the proper attention to this fact either, even though that it deals with the legislative framework of the Czech Republic and its necessary changes to comply with the EU conditions. Even the first Accession Partnership (AP) and the first National Programme for the Adoption of the Acquis Communautaire (NPAA), i.e. the documents, which were much more concrete, did enjoy neither popularity nor attention from the entrepreneurs. This underestimation of information from the entrepreneurs is clearly documented by results of the study elaborated for the Government Council for Social and Economic Strategy in 2000, when as much as 90% of inquired companies were convinced about their competitiveness in the OSH sphere. However, two years later a substantial part of companies and entrepreneurs have begun to complain of problems related to provision of the OSH requirements. It concerns especially the requirements on occupational hygiene and machinery safety, where impacts of elemental import of cheap machinery and equipment put out of operation by the European companies in the early nineties as well as some vagueness and ambiguities in the legal regulations

transponding the safety requirements of the EC Directives into the legal system of the Czech Republic are displayed.

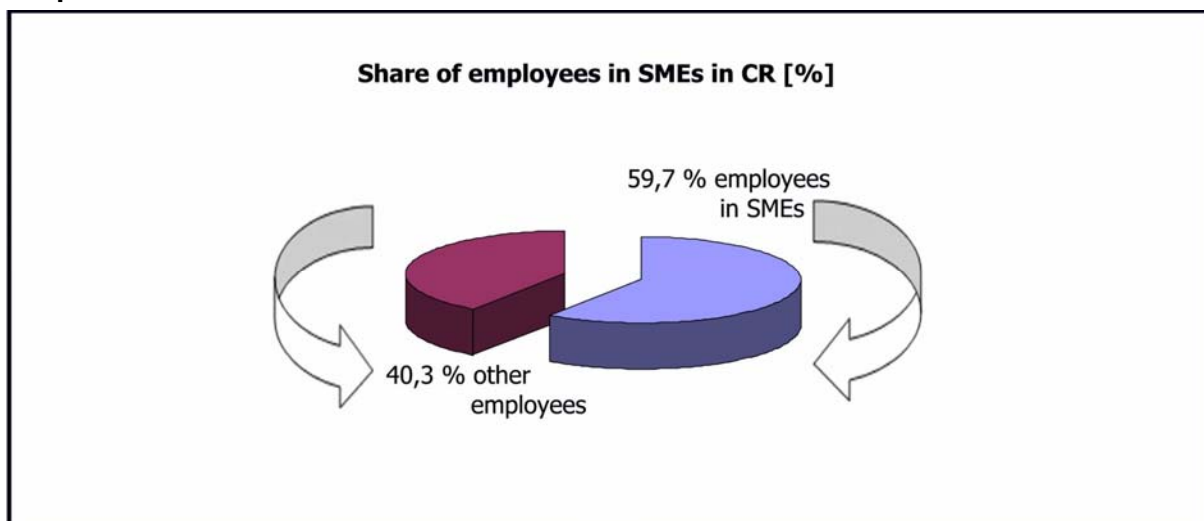
It is necessary to realise that, what means a demand for somebody, means business opportunity for somebody else. All new regulations and especially those whose fulfilment requires staff training, new organisational measures within the company or even periodical certification represent an opportunity for lawyers, consultants, trainers, auditors and certified persons. Even though this certification is voluntary in many cases (OHSAS18000, „Safe Enterprise“ Programme, etc.), it increases the company image. In this context the urgent need of the OSH experts emerges which lays increased demands on the whole educational system. However, currently this system does not fulfil its role in this sphere.

#### 4. Significance and role of small and medium businesses in the Czech Republic

During the nineties, small and medium businesses became very important element of the economy in the Czech Republic. However, in the Czech Republic they do not represent a homogenous and integral group of businesses. They generally include: unregistered workers (employees), casual workers, home workers, dependants, sole traders, micro businesses (10 employees), small businesses (10 - 49 employees), medium businesses (50 - 249 employees).

In 2001, in the Czech Republic there were 1,862,000 entities carrying on business activities and having the trade licences of which there were 1,635,000 physical and 227,000 legal entities. About 40% of these entities prove systematic activities carried on for making profit. In 2001, the Czech Statistical Office recorded the total number of 303,000 active small and medium businesses. These businesses employed 59.7% of the total number of employees in all sectors of the national economy; the share of this sector of the total performances reached 51.4%; in 2001, the export and import of small and medium businesses reached 35.7% and 47.1% of the total volume for the Czech Republic, respectively.

Graph 4



Nevertheless, it shall be pointed out that substantial parts of small and medium businesses are not always successful in utilising its potential. The current problem of Czech small and medium businesses is their capital inadequacy. These businesses struggle with relative unavailability of the capital in a form of bank long-term loans in particular. Due to the general economic situation of the country, no more significant implementation of the state supporting

programmes can be expected. The current price competitive advantage will be probably significantly limited by the accession to the EU. The fact that Czech small and medium businesses do not sufficiently use and develop the whole scale of non-price competitive factors including marketing can have deplorable consequences in hard competitive environment. Differences between the Czech and highly developed EU business infrastructures are here and there substantial. Due to the low work management and culture levels in small businesses in particular, matching this difference is neither easy nor quick.

### **III. Current OSH state in the Czech Republic**

The current OSH state in the Czech Republic is influenced by the legal framework and the general management system of the given sphere.

#### **5. Legal framework and management system**

The basic legal framework of the OSH issues is formed by the Constitution of the Czech Republic, which sets the right of satisfactory working conditions for everybody, Universal Declaration of Human Rights and Liberties and ratified international conventions. The most important ones are the ratified conventions of the International Labour Organisation (ILO), particularly the Occupational Health Services Convention (no. 161) and Convention concerning Occupational Safety and Health and the Working Environment (no. 155).

Both the valid and prepared legal regulations concerning the OSH approximates the Czech Republic to the fundamental principles integrated in the ILO Conventions, EC Directives and in materials of the World Health Organisation (WHO). The valid legal regulations concerning the OSH in the Czech Republic is included especially in the Labour Code, Act on Public Health Protection, Act on Public Health Care, Act on Technical Requirements for Products, Act on General Requirements for Product Safety and Act on Prevention of Major Industrial Hazards. The important legal regulations were adopted for the nuclear safety, fire safety, and environmental protection; the Act on OSH Coordinator in Building Industry is being prepared by the Ministry of Labour and Social Affairs, etc. The health and environmental policy of the Czech Republic has been also adopted and its action plan has been prepared. The Czech law is being gradually harmonised with the EU law.

The formed system of control bodies is based on the long-standing traditions and is focused on compliance with the regulations concerning provision of the safety and health protection at work, the technical equipment safety and the set working conditions. Many bodies currently conduct the supervisory and control activity, which has consequently impacts on the OSH in different sectors and activities. These, on the basis of authorisation given by individual acts, conduct partial acts when controlling, implementing and enforcing the compliance with the regulations. Besides the Czech Occupational Safety Office for Safety Work (Český úřad bezpečnosti práce), we can especially mention the public health protection authorities, Czech Mining Authority, State Office for Nuclear Safety, fire supervision authorities and trade union bodies, which control compliance with the OSH requirements.

The bodies of the Ministry of Defence and Ministry of Interior, bodies of the Ministry of Industry and Trade covering the section of market supervision at launching the product to the market or putting it into operation, State Inspectorate of Energy, municipalities and regional authorities, traffic authorities, air and water transport supervisory bodies, Czech School Inspection, Prison Service, State Phytosanitary Administration, bodies of Veterinary

Administration, Czech Environmental Inspectorate, local authorities, etc. also fulfil important OSH tasks. However, activities of the above-mentioned authorities and institutions in the spheres related to the OSH are not, with certain exceptions, coordinated which substantially affects successfulness of controls from the point of comprehensiveness of approach and links of single regulations.

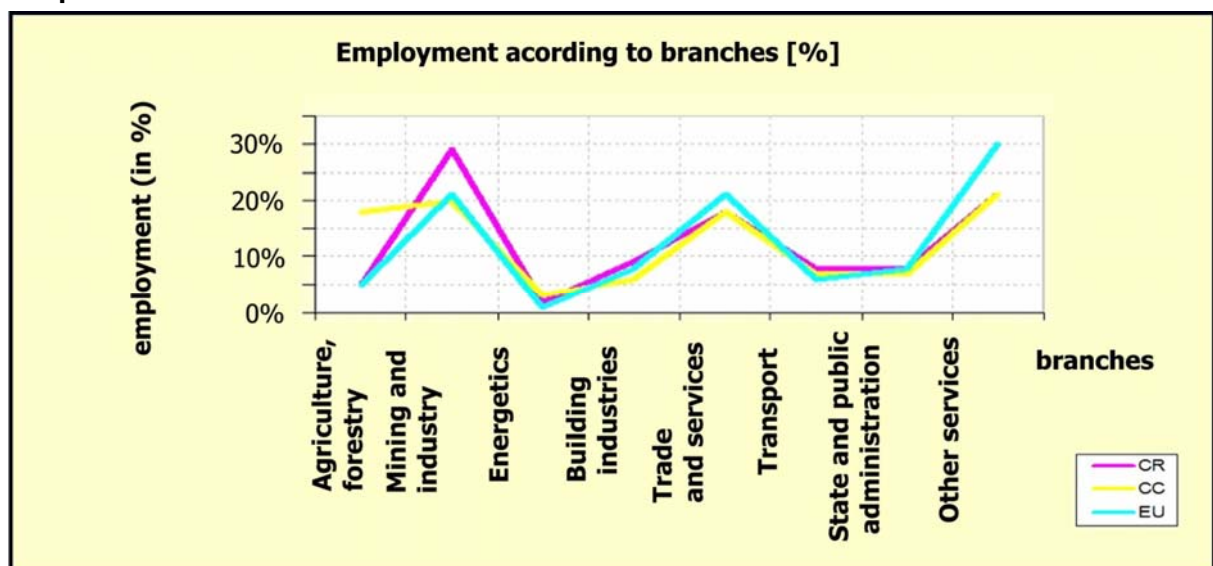
## 6. Indicators of OSH level

Occupational injury and disease rates are to a certain degree influenced both by the structure of the national economy and by the employment rate. The following Table 1 and Graph 6 show the obvious differences of the employment rate as per the industries in the Czech Republic, candidate countries (CC) and EU countries.

**Table 1**

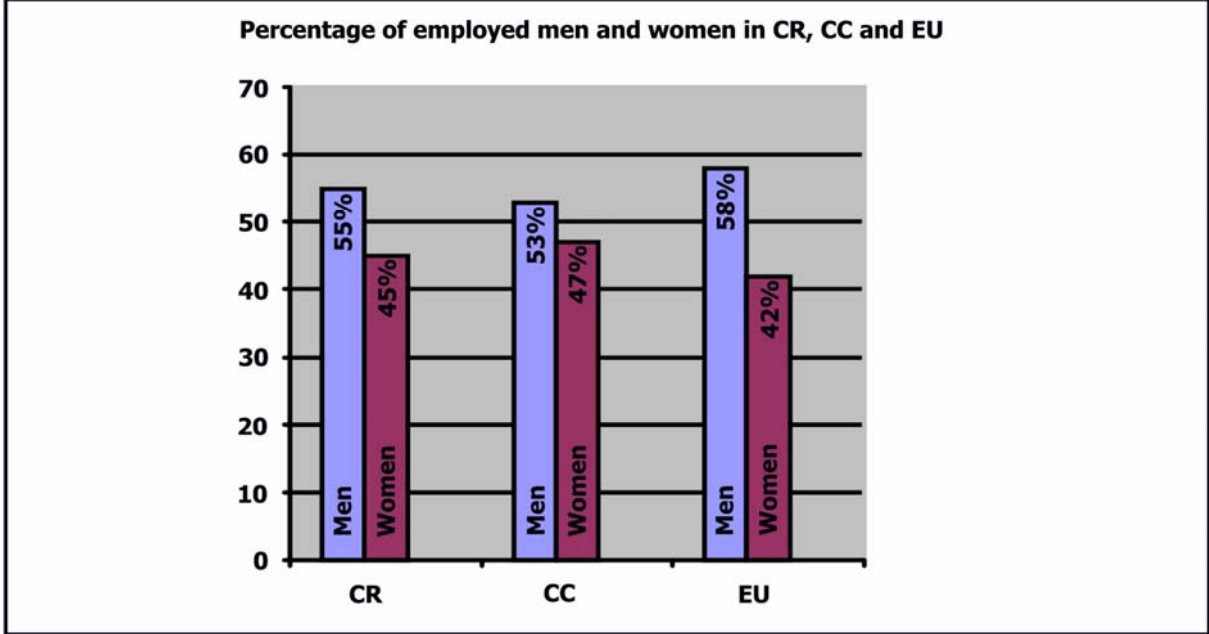
Employment rate as per branches [%]								
	Agri culture	Mining and industry	Energetics	Building industry	Trade and services	Transport	Admini stration	Other services
<b>CR</b>	5	29	2	9	18	8	8	21
<b>CC</b>	18	20	3	6	18	7	7	21
<b>EU</b>	5	21	1	8	21	6	8	30

**Graph 5**



The following Graph 6 shows the comparison of the women’s employment rate in the given economies. The women’s employment rate in the Central and Eastern European countries is higher than in the EU countries thanks to historical, particularly post-war, political and economic development.

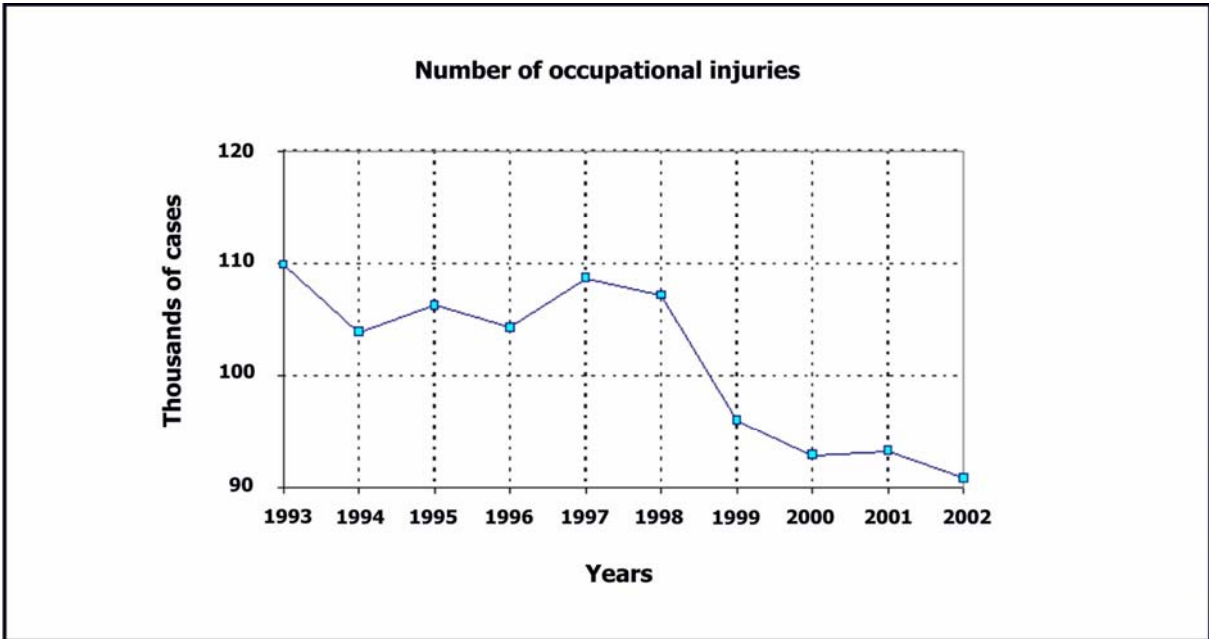
**Graph 6**



- **Occupational injuries**

In 2002, there were 4,466,699 employees with occupational injury insurance in the Czech Republic of which altogether 90,867 cases of disablement caused by occupational injuries were reported. The reported and registered occupational injuries resulted in 3,788,076 calendar days of disablement. In comparison with 2001, number of occupational injuries dropped by 2,413 cases i.e. by 2.59%.

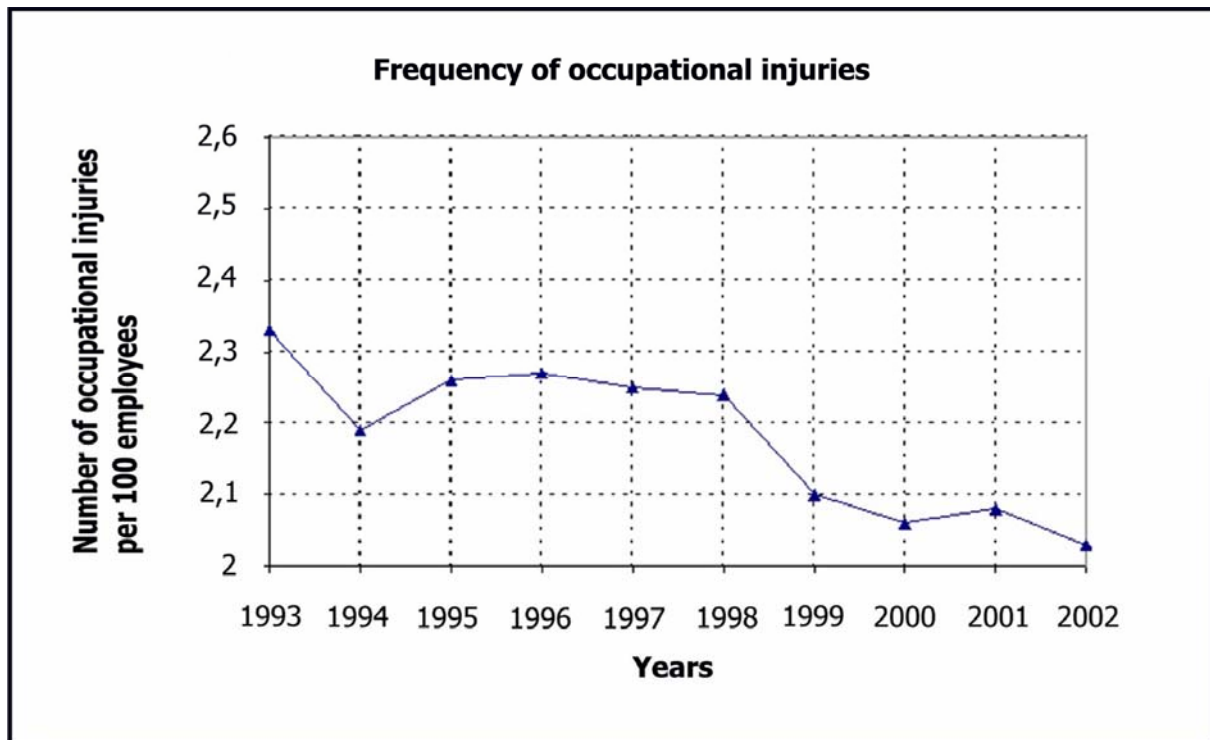
**Graph 7**



Altogether 88,523 cases of occupational injuries resulted in consequential disablement longer than 3 days. Nearly 25% and 0.2% of the reported occupational injuries was caused to women and juveniles, respectively.

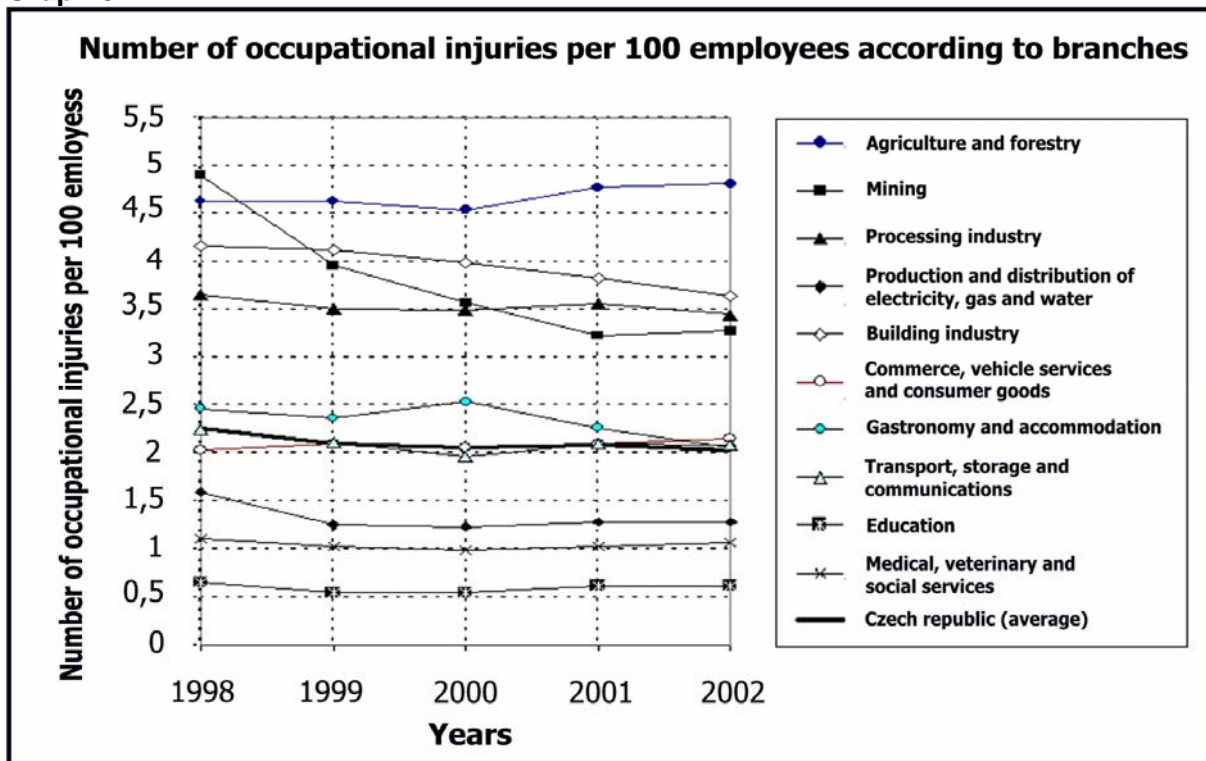
The following graph shows the similar trend of moderate decrease of occupational injury rate in the Czech Republic.

**Graph 8**



The development of occupational injury frequency per 100 employees individual sectors of the national economy demonstrates that the indicator of the occupational injury frequency has the highest values in the following four sectors: Manufacturing industry, Agriculture and forestry, Building industry and Mining. The values of the frequency indicator in the above-mentioned four sectors are permanently high above the average values for the whole Czech Republic. The substantial drop of occupational injury frequency in Mining is, without doubts, caused by significant decline of this sector.

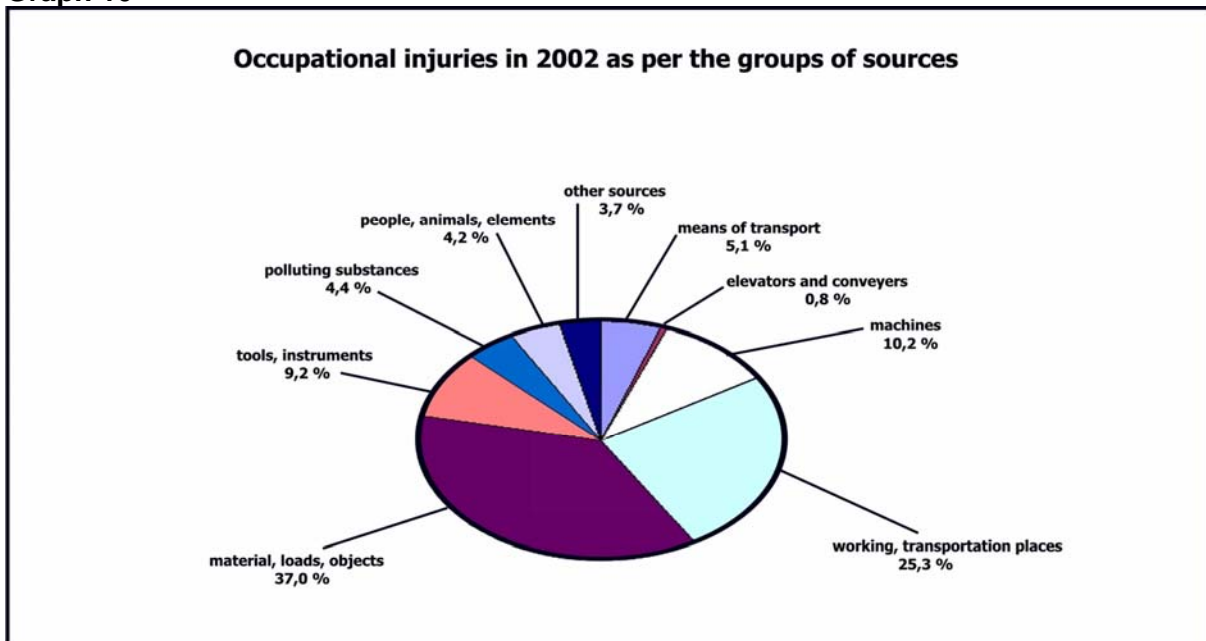
Graph 9



The highest number of occupational injuries occurs permanently in the companies belonging to the Manufacturing industry; this industry includes nearly 24% employees. The Agriculture and forestry and Building industry are significantly behind. Both categories include roughly the same number of employees (3.4% and 3.6%, respectively). The highest number of injuries is connected with material handling and transport.

The Graph 10 shows the structure of occupational injury sources.

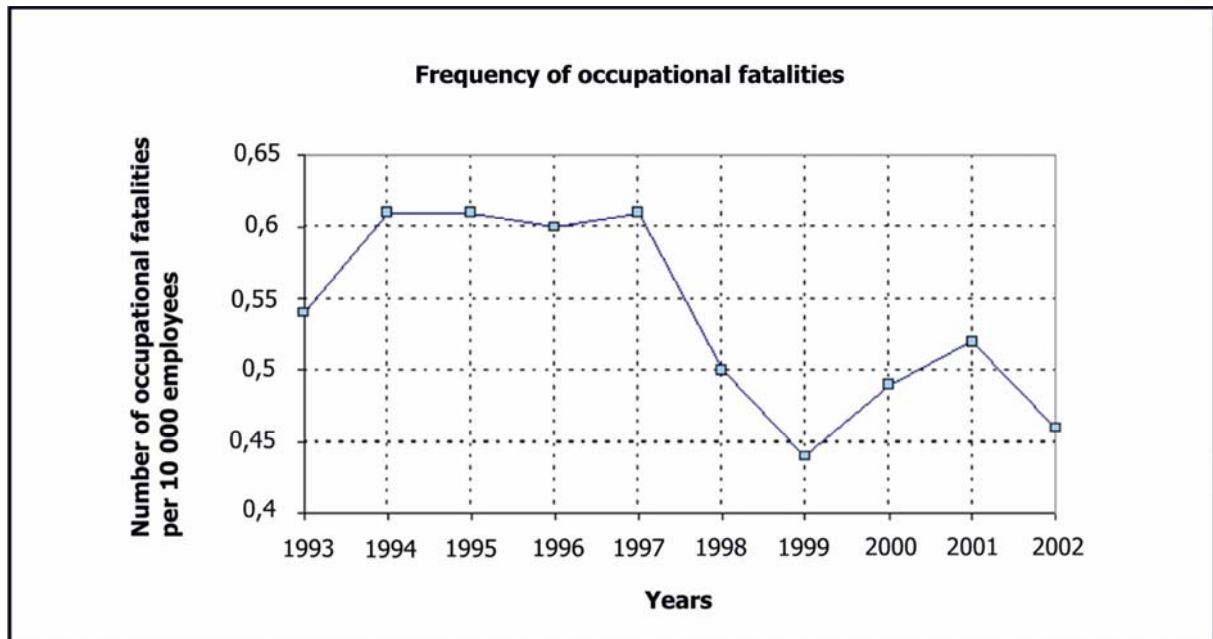
Graph 10



The Graph shows that in 2002 the most frequent basic group of occupational injury sources was the group Materials, loads, objects (37.0% of occupational injuries).

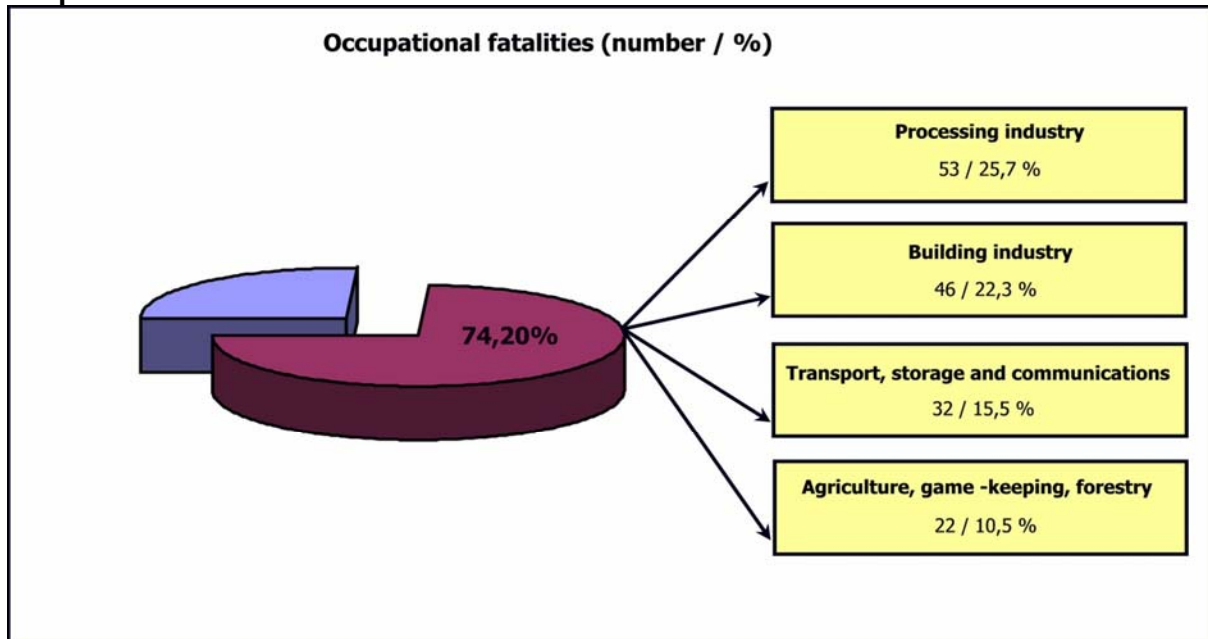
In 2002, altogether 206 occupational fatal injuries were registered in the Czech Republic of which 9 was caused to women. In comparison with the year 2001, the number of occupational fatal injuries in 2002 represents total reduction of fatal injuries by 25 cases i.e. by less than 11%. The development of the total number and frequency of occupational fatal injuries is documented by the following Graphs 11 and 12.

**Graph 11**



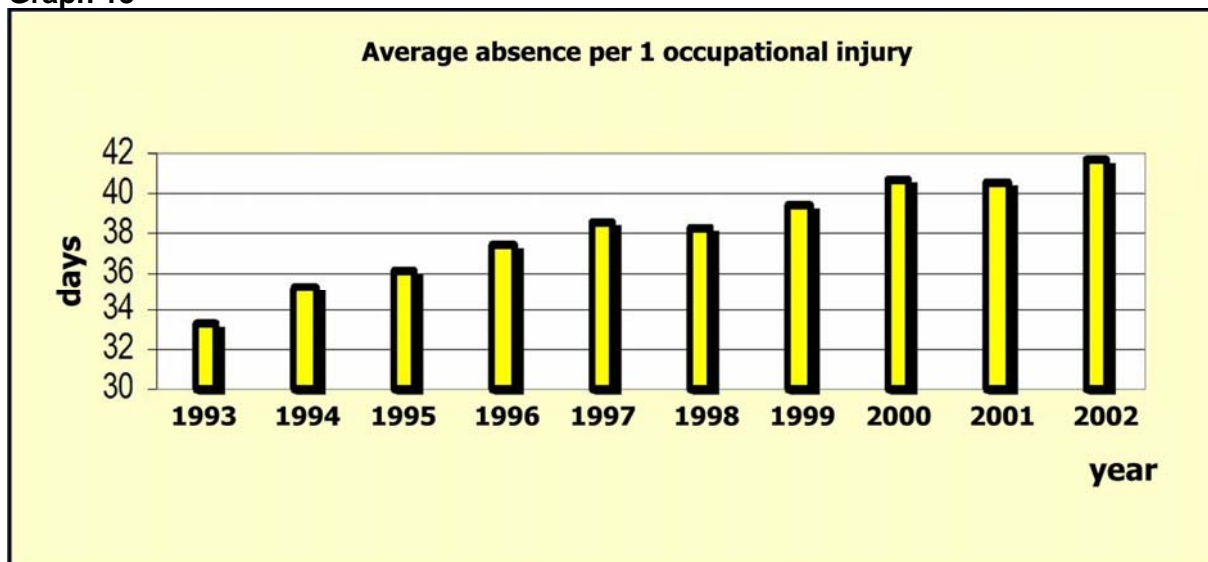
More than 74% of occupational fatal injuries occurred in companies ranked into the following activity categories: Manufacturing industry, Building industry, Transport, storage and communications, Agriculture, hunting, game keeping and forestry (see the following Graph 12).

**Graph 12**



Sad to say that, in comparison with the year 2001, in 2002 the average duration of absence caused by an occupational injury increased from 40.61 to 41.69 calendar days, i.e. by 1.08 calendar day. The buoyancy in this sphere is alarming. From 1990 to 2002 the indicator's value have grown from 21.9 calendar days to today 41.69 calendar days which represents the growth by nearly 87%. Due to the disablement caused by an occupational injury, 10,378 employees on average are absent daily. The trend of monotonously growing values of the indicator of average duration of disablement caused by an occupational injury is obvious from the Graph 13.

**Graph 13**



▪ **Occupational diseases**

In 2002, altogether 1,600 cases of occupational diseases were reported in the Czech Republic of which 1,531 were occupational diseases and 69 exposures to occupational diseases. Number of occupational diseases decreases in a long run and, in comparison with

the year 2001, in 2002 this number decreased by 96 cases i.e. by 5.9%. The incidence of occupational diseases dropped by 1.7 cases per 100,000 employees.

**Table 2**

<b>Occupational diseases reported in the Czech Republic</b>							
	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>
Number of patients	1567	1661	1713	1863	2801	2326	2483
Job-related diseases in total sum	1600	1677	1751	1886	2111	2376	2541
Of which :							
occupational diseases	1531	1627	1691	1845	2054	2350	2517
endangered	69	50	60	41	57	26	24
men	977	1034	1104	1192	1261	1551	1563
women	623	643	647	694	850	825	978
Incidence per 100 thousands employees	35,7	37,4	38,7	41,1	44,1	49,1	55,2

In 2002, majority of diseases was caused by negative effect of physical factors (35.5%) followed by skin diseases (22.6%) and diseases concerning airways, lungs, pleura and peritoneum (19.9%). In 2002, no occupational disease within the group of diseases caused by other factors and agents was reported. In comparison with the year 2001, the highest decrease of diseases was registered at the skin diseases (by 54 i.e. 13.5% cases).

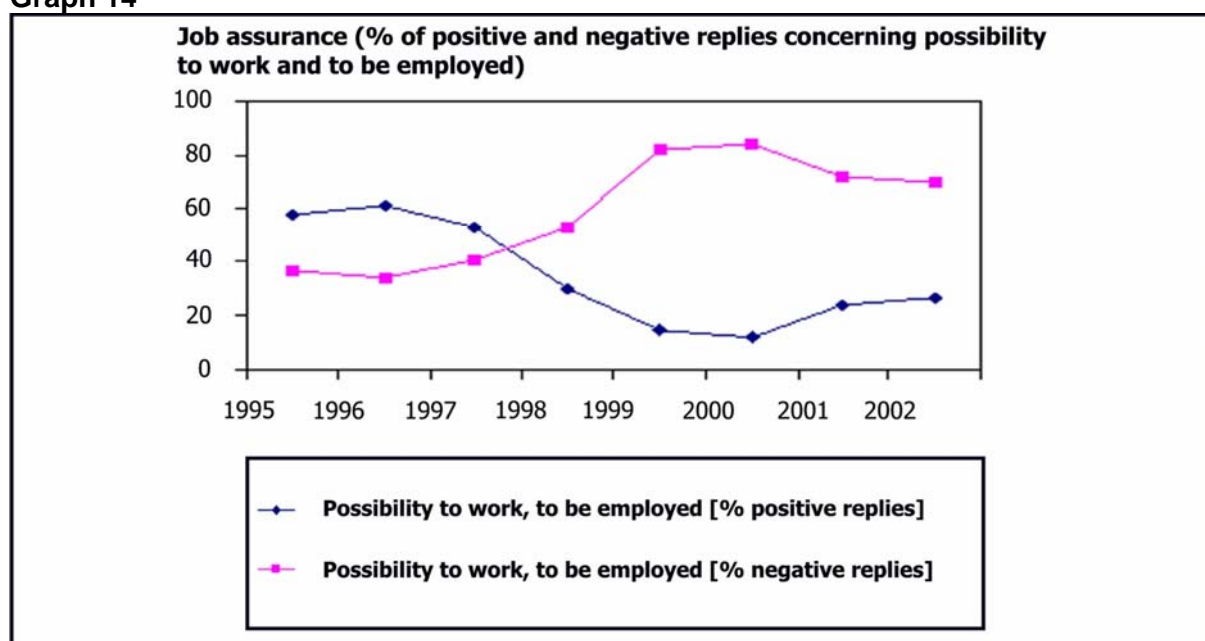
**Table 3**

<b>Occupational diseases</b>				
<b>Occupational diseases</b>	Newly reported cases			
	<b>2001</b>		<b>2002</b>	
	number	in %	number	in %
Caused by chemical substances	40	2,5	36	2,3
Caused by physical factors	563	34,6	544	35,5
Concerning breathing organs, lungs	309	19,0	304	19,9
Dermatic	400	24,6	346	22,6
Infectious and parasitic	313	19,2	301	19,7
Caused by other factors	2	0,1	-	-
<b>Occupational diseases in total</b>	<b>1927</b>	<b>100,0</b>	<b>1531</b>	<b>100,0</b>

- **Working conditions**

When comparing the level of particular factors of the working conditions, it is necessary to take into account the fact that this is the subjective evaluation of respondents during conducted surveys concerning the satisfaction with work and working conditions. In candidate countries including the Czech Republic, this evaluation can be affected by a completely new phenomenon in the society and that is the unemployment threat. The conscious or hidden psychological fear of social insecurities including job assurance can cancel out the requirements for improvement of working conditions. The results of the analysis performed by the Occupational Safety Research Institute on the basis of available sources (e.g. the ILO – CEET survey conducted in 1997, the survey „Our Society 2002“ conducted by the Institute of Sociology, Academy of Science of the Czech Republic) show that the fundamental turn in attitudes to issues concerning perception of job securities occurred in the Czech republic in the period 1997 – 8 (see Graph 14).

**Graph 14**



72% of respondents called the job assurance a problem of which nearly 40% called it a serious problem. Nearly 60% of respondents see the problem in overwork, which is alarming and indicating that, under long-term effect of these phenomena and stressing conditions, the health damage (disease and injury rate), the decrease of safe behaviour, etc. can come about. The surveys and inquiries focused on satisfaction of employees with different aspects of their work and working conditions consider usually the occurrence of app. 35% of replays containing negative or unfavourable assessment of the given area or the monitored factor as the sign of dissatisfaction with a certain area.

The last known results of satisfaction of employees with chosen factors of working conditions and individual aspects of their present jobs can be found in the inquiry of the Public Opinion Research Centre of the Institute of Sociology, Academy of Science of the Czech Republic, („Our Society 2002“) from which we selected and summarised areas and factors included in the following table 4.

**Table 4**

<b>Satisfaction and dissatisfaction with selected factors of working conditions (% replies)</b>			
No.	Factors	Satisfaction (% of positive replies)	Dissatisfaction (% of negative replies)
1	utilization of professional capabilities	73	25
2	attraction of work	73	26
3	working hours, shifts	69	30
4	interpersonal relations	66	33
5	relations with superiors	65	33
6	<b>work organization</b>	61	<b>38</b>
7	<b>workplace outfit</b>	58	<b>41</b>
8	<b>work laboriousness</b>	58	<b>42</b>
9	<b>care of employees</b>	47	<b>50</b>
10	<b>job security</b>	40	<b>54</b>
11	<b>pay</b>	37	<b>63</b>
12	<b>perspectives for better pay, work</b>	26	<b>70</b>

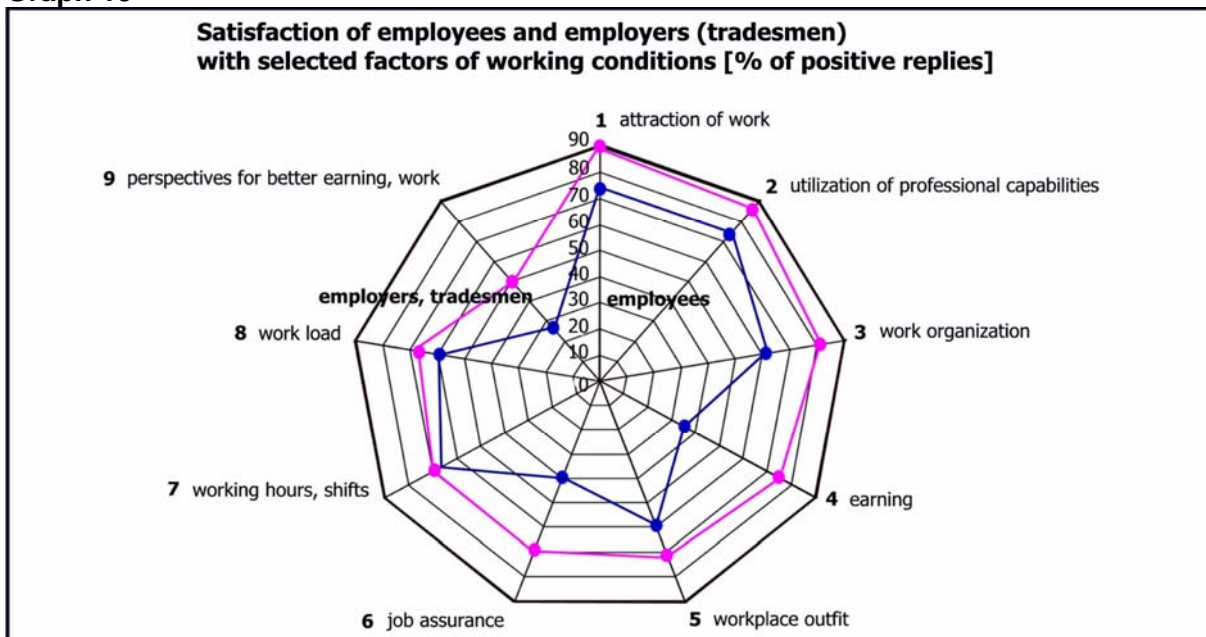
**Note:** % of positive replies - replies satisfied and rather satisfied,  
 % of negative replies - dissatisfied and rather dissatisfied.  
 The rest number up to 100% are replies - do not know.

**In bold:** are areas and factors overreaching 35 % limit of dissatisfaction.

The data given in the table shows that the employees are most dissatisfied with job and wage prospects, job assurance and care of the company for its employees. The given replies reach or substantially exceed not only 35% but even 50% dissatisfaction limit. Besides, the data indicate that the continuing transition to the market economy and market environment causes the employees to show their dissatisfaction rather with existential issues such as wage, job assurance, future prospects. Looking at the situation in this light, they can evaluate the other working conditions rather softly.

The comparison of working conditions' assessment (9 selected factors) viewed by employees and group of entrepreneurs and sole traders is also interesting – see Graph 15.

**Graph 15**

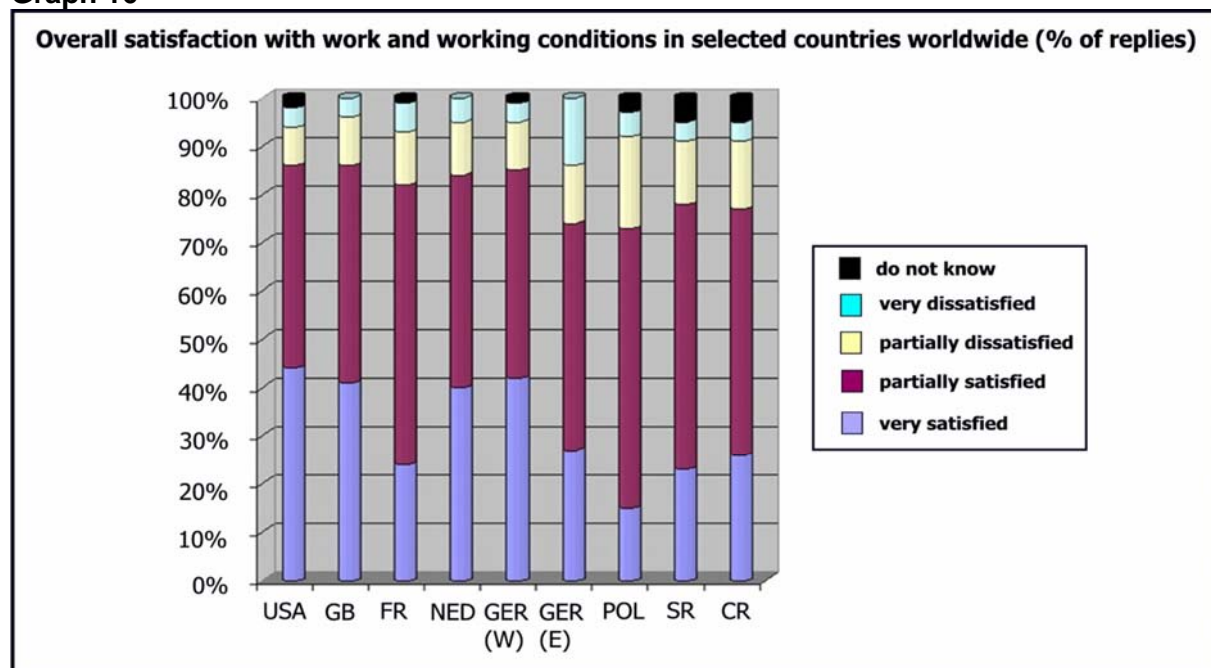


The employee category does not reach the 65% level of satisfaction (expression of 35% of dissatisfaction) in 6 assessed areas and factors which are prospects of a better pay and work, pays, job assurance, workplace outfit, work laboriousness and work organisation. On the contrary, the employers and sole traders were dissatisfied only with the prospect of a better pay and work. This can correspond with the general trend of overall worries of uncertain future.

The non-objective remuneration system (insufficient objectivity of assessment, insufficient link to performance, low differentiation between efficient and non-efficient workers, etc.), nature of work and tasks related to the position belong together with social factors to the most important sources of work dissatisfaction. Besides, workers often assess negatively non-attractive works in unfavourable working environment, bad work organisation, excessive load and questionable interpersonal relations. A frequent source of dissatisfaction are different forms of managerial failures such as groundless privileging of certain workers, manifestations of distrust, no fulfilment of promises, leaving the conflicts and complaints unsolved, provision of incomplete information and insufficient explanation of tasks, negligence of employees' proposals, cultivation of excessively competitive environment but also lack of time which a manager dedicates to his/her employees. Our surveys show that the appreciation and manifested recognition of well done work and performance completely disappeared. These deficiencies characterise the general phenomenon – low work culture.

Results of the international survey of general satisfaction of employees with their work and working conditions given in the study of the Pew Research Centre are very interesting. The following Graph 16 records the replays of employees (the scale is as follows - very satisfied /S/, partially S, very dissatisfied /N/, partially N and does not know) from nine countries worldwide: U.S.A., Great Britain /V.B./, France /FR/, former West Germany /NZ/, former East Germany /NV/, Netherlands /N/, Poland, Slovakia /SR/ and Czech Republic. The graph shows that the overall satisfaction with work and working conditions is generally lower (on average by ten percent) in the east countries.

**Graph 16**



It is obvious that the companies can look for reserves in the company culture i.e. particularly in the management style and form (strengthening of independence, responsibility, mutual acquaintance, etc.), HR policy, work organisation, OSH management, creation and

strengthening of general company culture, etc. The elimination of work dissatisfaction causes does not necessarily mean increased costs but, on the contrary, it can mean considerable potential of performance and quality growths. The satisfaction and motivation of employees are a part of management, managerial responsibility as well as a display of managerial work. The majority of existing managers and entrepreneurs can be partially excused by the fact that these people had no opportunity to learn how to manage a company. They had neither adequate knowledge nor skills. They concentrate especially on economic and technical aspects of work. They underestimate and neglect the role of human factor and the importance of HR management. Unfortunately, the present educational system does not eliminate these deficiencies.

▪ **Work hazard level**

In the Czech Republic the Central Register „Health Risks of Working Conditions and Their Impacts“ is established to monitor number of persons exposed to particular harmful factors. It includes an updated number of persons (men and women) in separate categories of work and workplace hazard levels. The Graph 17 shows the situation in 2002 which indicates that most of employees are threatened by noise.

**Graph 17**



The results of the Dublin Foundation's study provide us with the framework information about the status of working conditions in the Czech Republic in comparison with their status in the EU. In 2001, the Foundation compared the status in the current EU member states (EU 15), candidate countries (CC 12) and the Czech Republic. The areas, where the Czech Republic shows negative deviations in comparison with the EU average, are printed in bold in Tables.

**Table 5**

<b>Risk factors (in %)</b>						
	Noise	Chemical substances	Load handling	Repeated activities	Monotonous work	Forced working posture
<b>CR</b>	<b>36</b>	<b>14</b>	37	<b>59</b>	<b>47</b>	<b>32</b>
<b>CC</b>	36	14	37	53	41	48
<b>EU</b>	29	16	37	57	40	47

**Table 6**

<b>Health problems (in %)</b>					
	Health hazard	Stress	Back pain	Fatigue	Satisfaction with working conditions
<b>CR</b>	<b>32</b>	24	<b>40</b>	<b>34</b>	78
<b>CC</b>	41	29	34	41	71
<b>EU</b>	27	28	33	23	84

It is estimated that up to 10% of tumorous diseases has its origin in working conditions; more than 11% of working population is exposed to stressogenous factors during their work and two thirds of these persons suffer from different health disorders.

**Table 7**

<b>Work organization (in %)</b>					
	High pace of work	Learning of new things	Forced pace of work	Night work	Part time job
<b>CR</b>	45	<b>76</b>	24	<b>24</b>	8
<b>CC</b>	61	63	28	24	7
<b>EU</b>	56	71	30	19	17

Approximately 25% of population works on shifts and these persons suffer from probable health problems: gastrointestinal disorders, sleep disorders and heart and vascular diseases. Influencing of this unfavourable status requires both the legal measures and the development of the broadest possible health support programmes. Experience with their implementation is positive both from the point of favourable influence on the employees' health and from the point of improvement of the social climate and work productivity.

The comparison of the share of different forms of work in the selected countries, which results from the international survey conducted within the project Households, Work and Flexibility (International project 2000 – 2003) is also interesting – see Table 8.

**Table 8**

<b>Form of employment (in %)</b>			
<b>Form of employment</b>	<b>Netherlands</b>	<b>Great Britain</b>	<b>Czech Republic</b>
No contract	4,20%	14,80%	5,90%
Self - employed	7,20%	8,40%	11,90%
Part - time job for indefinite period	23,60%	14,40%	1,40%
Part - time job for definite period	9,40%	1,20%	9,90%
Other atypical forms	5,40%	7,50%	3,50%
Full - time job for indefinite period	50,20%	53,70%	67,40%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

It is obvious that the flexibility of workers characterised by employments for indefinite period and part-time employments is lower in the Czech Republic as well as in other candidate countries. There are differences even in working hours. The working hours in the Czech Republic amount to 40 hours a week while in the EU countries amount to 38.2 hours a week on average. The shift and night work as well as work on Sundays and holidays are more often in the Czech Republic.

No doubt that this situation is given by the fact that, under the present circumstances, the workers with full-time employment for the indefinite period enjoy the higher legal protection than workers with an employment contract for the definite period. The comparison of the social protection level in the Czech Republic and in the EU average shows that whereas the protection of a worker in an usual employment relationship is probably better in the Czech Republic, the situation of a worker for the definite period is significantly different. It is best shown in Table 9 where the higher number means stricter conditions and legal regulations.

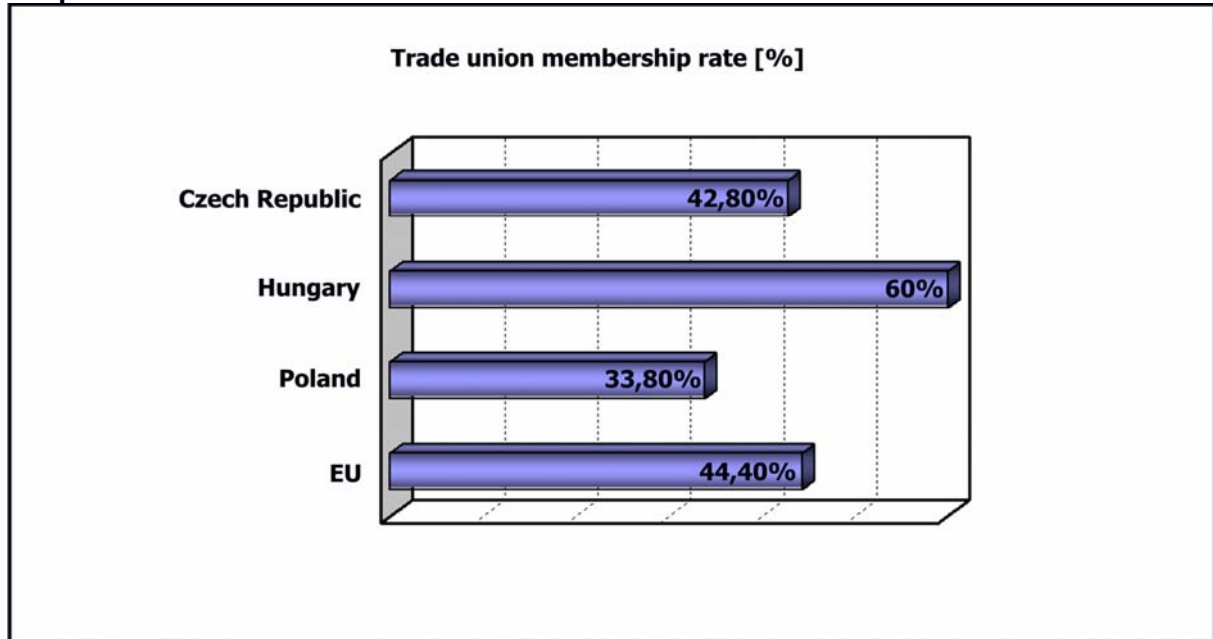
**Table 9**

<b>Social protection level</b>				
<b>Countries</b>	<b>Social protection level (higher number means stricter conditions and legislation)</b>			
	protection of ordinary employment	protection of definite period employees	legislation concerning mass dismissal	strictness index (average of all indicators)
<b>Hungary</b>	2,1	0,6	3,4	1,7
<b>Poland</b>	2,2	1,0	3,9	2,0
<b>CR</b>	2,8	0,5	4,3	2,1
<b>EU</b> (average without Greece and Luxemburg)	2,4	2,1	3,2	2,4

The employees of big companies are privileged (e.g. in case of their protection against mass dismissal) because there is the higher trade union membership rate and, therefore, better bargaining position of trade unions. The trade union membership rate in small and medium businesses (typical of services and building industries) is lower and such is also the bargaining position of trade unions. We can often meet with undesirable „forced“ flexibility in small and medium businesses (dishonest practices, abuse of atypical contracts of employment, working regimes, concatenation of contracts of employment, illicit work, work without any contract and basic social and legal protection, etc.).

Generally, the trade union membership rate is decreasing (it ranges around 40% on average in the Czech Republic); the suitable forms of utilisation and role of the trade unions have not yet been found. The following graph shows the status of trade union membership in the selected countries in comparison with the EU average.

**Graph 18**



## **IV. Strengths and weaknesses of Czech OSH system**

### **7. Strengths of Czech OSH system**

The positive feature of the Czech legal OSH regulations were the detailed regulations and standards, which, until now, have contributed enormously to provision of work safety, safety of technical equipment and working conditions. A great progress was made in the sphere of harmonisation of the Czech OSH regulations with the EU legislation within preparation of the Czech Republic for accession to the EU. The Government Council for Health and Environment, which was established in accordance with the Government Resolution no. 706 from the year 2000 to implement obligations adopted at the 3rd Ministerial Conference on Environment and Health held in London in June 1999, acts in the Czech Republic. (However, the members of this council are not experts dealing with work and technical equipment safety, working conditions and environment. )

It is positive that the system of planning and managing of occupational safety inspections exists and properly works. The Czech Occupational Safety Office and its inspectorates have an operating information system which generalises the selected circuits of issues found during inspections made. This is used for methodological focusing of planned controls as well as for other activities especially in edification and educational activities.

In the Czech Republic there is a number of employing entities with the high OSH level which is manifested by e.g. increasing interest in participation in such voluntary programmes as „Safe Enterprise“ or „ Safely Together “ (focused on improvement of working conditions in the building industry). Even though it as yet concerns 45 mostly big and medium companies, 50,000 employees are positively influenced by this programme.

### **8. Weaknesses of Czech OSH system**

Forty years of the past regime left so significant negative traces in minds and attitudes of people that it will not be possible to overcome them within one generation.

It concerns in particular:

- a) Enduring non-observance of legal requirements including the safety ones, attempts to get around them and generally low level of law enforcement and implementation.
- b) Reliance on the state and its institutions as well as low personal initiative and drive still endure to a substantial degree. It is also manifested by underestimation of care for one's own health, abuse of the social support and higher unemployment.
- c) Enduring substantial non-tolerance of majority of population particularly in the countryside and small towns to cultural and other dissimilarities of other ethnic groups leading up to xenophobia in some areas. This fact will have even higher negative effect due to progressing globalisation and opening of the labour market. These attitudes are more distinct in small and medium businesses.

These features of the present Czech society are also displayed in the OSH sphere and are, to a substantial degree, supported by:

- a) Economic and social situation in the Czech Republic. In the regions with high unemployment, this fact is misused by a lot of entrepreneurs, particularly owners of small businesses, for increased pressure on employees leading up to breach of regulations and non-fulfilment of obligations and requirements or safety and health protection at work especially in the sphere of working conditions, overwork, work regimes, abuse of contracts of employment for definite period. It is stunning that these trends are also seen in multinational store chains of renowned foreign companies.
- b) Imperfections in legal regulations facilitate hiring of the physical entities carrying on business activities for execution of the key activity of the company. E.g. a building company becomes only an agency and transfers its responsibility for the OSH to individually hired physical entities.
- c) Enduring insufficient education in the OSH sphere. This situation causes permanent shortage of experts both in labour inspection and in business sphere.

The given facts and results of many studies confirm the fact that the company managements, entrepreneurs and companies owners constantly underestimate and consider the OSH sphere in the Czech Republic as a marginal issue. It is not adequately promoted and enforced by the state authorities. This is, to a substantial degree, caused also by financial demandingness of campaigns and educational activities and considerably limited funds within the state budget. Contrary to the EU member states these activities cannot be supported by the injury insurance companies because the injury insurance system does not at all fulfil this function. It is also very difficult to obtain any direct support from the companies because their managements have not yet realised that the support of safety and health protection at work is a part of the company image.

Generally, the deficiencies can be divided into the following areas:

- **Legal area**

The fundamental deficiency is absence of legal regulations which would solve requirements for safety of working systems and environment in a comprehensive way. This especially concerns the prevention of any health damage occurred as consequence of any working activity including provision of services. The comprehensive legal regulations could simultaneously eliminate the existing fragmentation of the OSH regulations and respect the

irreplaceable role of the Labour Code (it should be included in the Labour Code even in future) while regulating fundamental issues concerning the content of labour-law relations.

The Czech OSH system does not also provide sufficient allocation of competences (pursuant to the Competence Act), which ensures suitable legal and institutional compatibility after accession of the Czech Republic to the EU. Due to absence of the legal support and definition of conditions, neither the occupational health services nor the other professional OSH services are sufficiently developed. Generation of the efficient quality assurance system for provided services including control mechanisms is closely related to the above.

- **Economic area**

The Czech OSH system can be characterised by underestimation of safety, health and working environment protection, preferring the instant economic and business priorities over the care for employees, working and living environment. Some used economic instruments are in contradiction with the OSH needs. E.g. existence of bonuses for hazardous or unpleasant work, which a worker gets for work with higher health hazard level, is disserviceable. Enduring low differentiation of pays contributes to this situation as well.

Employees are willing to tolerate even inconvenient (dangerous) working conditions to get or to keep their job; the existing possibilities of the criminal law are not sufficiently used and the principle “one tradesman – one inspector” respected in the EU is not followed.

Another deficiency is that neither the injury insurance system nor other instruments, which could lead to employers’ higher involvement and support of prevention in the OSH sphere (e.g. tax advantages, penal sanctions, etc.), are economically or motivationally developed.

- **Educational and counselling area**

Neither the corresponding attention nor financial funds are dedicated to the OSH promotion and education. Even though the bodies and organisations of the Ministry of Labour and Social Affairs and Ministry of Health including the Labour Inspection provide on the basis of obligation imposed by the law the free OSH counselling, the accomplished status is not satisfactory. It is characterised by the insufficient legal awareness of employers, employees and self-employed persons as well as other persons of rights and obligations in the relation to the OSH.

The causes of the situation result from the nearly absent educational OSH system in all schools including the vocational ones. The practice and research in many countries proved distinct influence of the education just in this period on future attitudes to the OSH. Contrary to the EU member countries, the person qualified in performance of tasks concerning the hazard prevention - „safety officer“ – and his/her position in the company is not sufficiently socially appreciated.

The causes of this disappointing situation are also insufficient acquaintance and information of employees about regulations which concern their work performance, considerable training perfunctoriness, higher emphasis on legal aspects than on core of hazards, insufficient employers’ control and insistence on observance of regulations directly during work performance on the workplace, insufficient provision of counselling and advisory services including occupational health services.

- **Area of implementation and enforcement of obligations**

In the Czech Republic the activity of individual bodies providing control, insistence on and enforcement of OSH obligations by the labour inspection (hereinafter the „inspection“) according to the set principles is nearly not at all coordinated. This activity is divided among several executive authorities. There are practically no consultations concerning approaches to the inspection, planning and managing the inspections on the central level; coordination and communication is very low which does not create a good base for integrated inspection performance recommended by the ILO Convention no. 81 on Labour Inspection and existing in all EU member countries. Fragmentation of approaches and interests of individual inspection bodies reduces successfulness of controls and negatively affects relation of labour market participants to the given issues. The bodies of public health protection mostly focus on monitoring the health hazards at the workplace and classification and categorisation of hazardous jobs while the inspectors focus on providing recommendations in the OSH sphere to the employers and enforcement of relevant legal regulations.

## **V. Chance and opportunity for solving problems**

Since 1989 the OSH sphere has undertaken the development which was crowned by adopting the National OSH Policy by the government of the Czech Republic in May 2003. This was the significant move towards commencement of the OSH system changes with the aim to reach the OSH level comparable with the most developed European countries. The National OSH Policy is an open document which is gradually updated. The National Action Plan, which is the implementation programme of the National OSH Policy, was based upon it.

### **9. National Policy for Occupational Safety**

The main objective of the National OSH Policy is generation of an operational comprehensive system for solving the OSH issues including work comfort and a new model of labour inspection, which creates conditions for provision of constitutional rights of the working process participants, supports co-responsibility for one's own health and health of other persons where it could be threatened by working activity or in relation to provision of services, limits "social dumping" possibilities, strengthens elements of work culture, creates conditions for re-integration of disabled persons to the labour market. The model shall also include the risk analysis, assessment and prevention system, which will ensure sharing of databases in the necessary scope based on consistent detection and registration of all health damages which have their origin in working activity. The system expects active cooperation of all participants of the working process and social partners on all levels in the society (national, regional, local, company), education and motivation of workers to active participation on OSH improvement will form its part. The system will create conditions for creation and implementation of principles of good practices.

The National OSH sets the following tasks on the basis of analysis of the present OSH state in the Czech Republic:

#### **Legal area:**

Objective: To simplify and ensure higher stability of legal regulations, to increase legal awareness.

Elaboration of legal regulations enabling consistent controls, implementation and enforcement of regulations providing technical equipment safety and safety at using technical equipment as a part of an integrated approach to labour inspection.

Creation of conditions for development of quality external professional OSH services including occupational health services, implementation of the system of notifications, authorisations and personal certifications for provision of OSH services.

**Area of OSH economic support instruments:**

Objective: To implement the natural system of economic incentives.

Creation of efficient instruments of effective economic motivation of employers, employees and other persons executing the work or providing services to care for the OSH especially in the tax sphere and in the prepared injury insurance while taking into account the level of this care in a concrete company.

Creation of conditions for re-integration of disabled persons to the labour market.

**Area of promotion, edification, counselling, research and education:**

Objective: To enforce creation of the know-how base in the hazard prevention and training for needs of the entrepreneurial sector.

Building of an efficient OSH educational system from the elementary schools to universities including the system of the further lifelong learning and preparation of quality experts for services, entrepreneurial sector and state administration.

Creation of an information system in the whole OSH scope accessible to all participants in the labour market enabling efficient use of information for OSH and environment improvement with special focus on separate target groups.

Waging campaigns for preventions of occupational injuries, occupational diseases and job-related diseases, improvement of working conditions and enforcement of the system approach to the OSH, support of counselling, information, publication and documentation services and new approach to the OSH, enhancement of awareness of possible hazards and enforcement of conditions creating working comfort of employees at workplaces.

**Area of implementation and enforcement of compliance with regulations:**

Objective: To provide the coordinated and consistent control of application and observance of regulations.

Provision of coordinated preparation and consistent performance of controls, implementation and enforcement of observance of regulations related to life, health, property and environment protection. The control and monitoring of the reached level shall be considered as an integral part of creation of all OSH and environmental targets and tasks. The re-evaluation and consistent application of control and repressive measures on all management and control levels.

Strengthening and rationalisation of activities of the State Occupational Safety Supervision (Labour Inspection) via highly qualified experts, integration of approaches and simplification of processes in all areas related to protection of employees at work. Efficiency assessment of supervision performance in the OSH sphere by other (departmental) bodies due to necessary spent means.

## **Area of OSH management at national level:**

Objective: To substitute the departmental fragmentation by authorisation of one state administration authority to coordinate activities.

Implementation of basic OSH monitoring standards. Creation and enforcement of a system of criteria used for assessment of status and development in individual OSH spheres.

Implementation of coordinated and integrated mode of acquiring, maintaining and assessment of data and information about the OSH status and development: about undesired events and hazards related to OSH, their causes, status and development of legislation, result of control activities, impact of economic instruments and situation and development in other OSH spheres.

The National Policy for Occupational Safety points out also development of the international cooperation and provision of active participation of state administration representatives and experts in the international institutions and programmes.

## **10. National action programme**

The National Action Programme is based on the National Policy for Occupational Safety. It is the set of measures, which will support the continuing enhancement of the OSH level on individual levels, sectors and other spheres by means of:

- More efficient coordination of activities,
- More consistent utilisation of the existing sources such as valid legal regulations, structure of bodies and institutions, expert capacity of research workplaces, institutes and their employees and limitation of duplicity, if any, and consequential overlapping of some activities and resulting conflict of interests,
- Increase in attention of the entrepreneurial sector and public dedicated to the work hazard prevention and to the contribution of preventive measures leading especially to reduction of occupational injuries and diseases,
- Supports of cooperation and partnership of individual entities operating in the OSH sphere on the company, local, regional and national level,
- Elaboration of the assessment system draft of company results in the sphere of hazard prevention setting rules, adoption. Implementation and continuous control of measures efficiency, which provide conditions for sustainable development,
- Provision of further harmonisation of the legal regulations concerning the OSH in the Czech Republic related to adoption of the new EC Directives or to amendment of the existing directives, to active enforcement of important EU documents such as "Community New Occupational Safety and Health Strategy for Years 2002 – 2006".

The level and possibilities of individual circuits of issues, which belong into these spheres, are given by material possibilities of the state and employers. Therefore the criterion for the period 2004 - 2006 is social importance, real susceptibility rate of the given problem and economic possibilities of the state and employees to solve the selected priorities:

1. **Enhancement of protection and work quality**, which is based on social and economic changes in the Czech society after 1989 and on need to solve issues related to existing and new work hazards. It concerns especially psychosomatic risks (e.g. stress, depressions, violence, dependence on alcohol, drugs and non-standard work – part-time job, non-standard working hours, etc.), which causes arise of health damages at work and worsens work comfort, which means not only physical, psychical but also social work comfort. Besides, there are hazards related to the unfavourable demographic

development, which accompanies integration of other population groups into the employment process (growing percentage of employed women and employing of older employees), and thus affect the OSH status.

2. **Enforcement of work hazard prevention culture especially in small and medium businesses** by combination of different instruments including positive influence on attitudes of employers, employees and broad public towards safety performance of working activities and one's own health protection. It covers organisation of campaigns, medial activities and promotion of good practices and conceptual, health unthreatening behaviour and acting. Cooperation with the EU experts showed higher efficiency when reaching the project objectives.
3. **Establishment of educational system and system of providing information in the field of OSH**, which would give the enterprises and other companies up-to-date information about prevention possibilities, causes, occurrence of job-related health damages, impacts on economy, competition, company reputation and other related issues in an clear form and accessible path. Improvement of availability and quality of information especially for the small and medium businesses (using Internet for spreading information, generation of a call centre and regional contact points providing information concerning the OSH sphere, etc.). Concerning education, establishment of the integrated system of lifelong OSH education by implementing principles of safe, health unthreatening work and hazard prevention into the general educational system, by integration of educational and training system (training programmes including utilisation of animation and simulation techniques for practical preparation) of OSH experts, by generation of supporting instruments and ways of preparation and education in the OSH sphere (distance learning, e-learning, etc.).

The mentioned areas create considerable space for implementation of research projects, for cooperation and transfer of experiences between the Czech Republic, EU member and candidate states. The Phare projects have already open broad possibilities of experiences exchange and know-how transfer. The exemplary case can be the EU PHARE Twinning Project CZ 9903-02-03(2000 – 2002). The main partner institutions were the Ministry of Labour and Social Affairs of the Czech Republic and the Ministry of Social Affairs and Employment of the Netherlands Kingdom. The executive authorities supervising the OSH sphere – Work Safety Inspectorates of both countries and the British Health and Safety Executive (HSE U.K), whose experts participated in the task covering OSH education and promotion including public relations. Demanding works and concrete project tasks were concentrated into five blocks as follows: OSH legislation, development of institutions and support of social dialog, training of inspectors of the system of the Czech Authority for Safety work, occupational injury insurance and, last but not least, OSH public relations. A number of products were elaborated within them. In this relation, it is necessary to mention the concrete product, the first action of this type in the Czech Republic, pilot campaign called „ Safely Together “. The campaign had been running in the South Bohemian Region from April to October 2002 and was focused on small and medium building companies. Its objective was the reduction of occupational injury rate in the building industry, enhancement of general work culture and efficiency, increase of information of the widest possible circuits of entrepreneurs in the building industry and their employees about OSH, up-to date regulations in the Czech Republic, legal regulations and principles applied in the EU and ways of approved and good practice. Cooperation with foreign experts from Netherlands and Great Britain in particular brought many useful experiences, professional experiences, inspirations, updated information about current trends and events in the EU countries. A lot of practical trainings, workshops, information meetings, study tours and exchanges of experts were organised.

It is obvious that small and medium businesses represent and will long represent one of the most significant problems from the point of provision of safe and health unthreatening work. One of the ways how to solve this problem we see in using initiatives of the programme „**European Charter for Small Businesses** “ focused on generation of suitable conditions (economic, administrative, legal, etc.) for development of small and medium businesses. Each year the EC performs the **comparative process** and brings **information about the best measures and projects** (on the basis of the national reports about implementation of the Charter). However it would be appropriate **to initiate and support inclusion of the OSH sphere into the Charter programme** because OSH quality and level in small and medium businesses represents serious problem both in the EU, accession and candidate countries.

Besides the completion of the OSH legal system, we believe that it is necessary to:

- 1) **Develop the network of OSH information and counselling services for small and medium businesses.** Small entrepreneurs usually do not have at their disposal quality background and experience necessary for searching and processing of important information concerning the OSH. It would be necessary to map the needs of entrepreneurs in this sphere, find out the most efficient routes, ways and the most user's friendly forms of transfer of information and experience (call centre, internet, self-service boxes, written information packages, personal contact and basic counselling, etc.). It would be worth using the knowledge and experience of other countries with these issues to as much as possible enhance efficiency of the impact upon the small and medium businesses. Currently there are many different entities on different levels in the Czech Republic, which provide various support to small and medium businesses but the OSH has not yet been sufficiently solved on a high quality level.
- 2) **Establish and implement the OSH educational system in school on all levels and vocational schools.** Attitudes and approaches to the OSH shall be formed from youth onwards. It is necessary to prepare experts to ensure further development of this sphere. The current lack of experts has already negative impact on performance of control and inspection OSH authorities.
- 3) **Establish and implement functional monitoring system** of development of OSH level indicators in companies, sectors of national economy and on national level as well as efficiency indicators of approaches, methods, measures, etc. which is necessary precondition of efficient and successful OSH management both on the national and company level.