

Joint Seminars of the European Social Partner Organisations

“Social partners’ participation in the
European social dialogue

... what are the social partner’s needs? ”

Phase 2 – Follow-up seminars

Report of the Bulgarian National Seminar

Hotel Metropolitan, Sofia
Bulgaria
14th November 2008

Prepared by ARITAKE-WILD
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Project of the European Social Partners with the financial support of the European Commission

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As a part of the European Social Partners work programme 2006 – 2008, the follow up meeting of the previous year’s seminar designed to enable the national social partner organisations in candidate countries (Croatia and Turkey) and New Member States (Bulgaria and Romania) to improve their capacity for current or future involvement in the European social dialogue was held on 14th November 2008 in Sofia, Bulgaria.

The programme builds on similar work undertaken in the New Member States in eight Central and Eastern European countries as a part of the social partners work programme 2003 – 2005¹,

The objectives for the Bulgarian social partners during this one-day event were;

- To report on implementation of the previous year’s action plan and on initiatives that were realised, initiatives that had proved difficult and initiatives that were not implemented;
- To develop forward-looking action plans for both the next 12 months and three years that would encompass lessons learnt and the changing organisational and national/European priorities.

The seminar was attended by 13 representatives of the Bulgarian employers’ organisations and 15 trade unionists; representatives from the European social partners BUSINESSEUROPE, UEAPME, ETUC and CEEP and experts. The full attendance list for the seminar is attached to this report as appendix one.

The seminar methodology was designed to assure maximum participation of the Bulgarian trade unions and employers with “added value” input from the participants from the European social partner organisations and the experts. A significant part of the event involved discussions in working groups followed by a plenary feedback. The event ended with a consensus building session. To further facilitate generation and development of ideas and strategies as well as

¹ As part of the European social partner work programme 2003 – 2005, initial and follow-up seminars were held in the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia between January 2005 and May 2006. Reports of the 16 national seminars and synthesis reports from the two sub projects can be found on the resource centre websites of the European social partner organizations (<http://resourcecentre.etuc.org/> for trade unions and <http://www.erc-online.eu> for employers).

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effective communication, the working groups were conducted in the Bulgarian language with “non-intrusive” interpretation available to the European social partner participants and experts. Full simultaneous interpretation was provided in the plenary sessions.

In order to maximise bipartite discussion and the development of action priorities, discussions were held in three working groups: one contained exclusively trade union representatives; the second contained exclusively employers’ organisation representatives; and the third group was of “mixed” composition. The outputs of all three groups were presented and discussed in plenary. This report follows the format of the seminar agenda, providing an overview report of each of the seven working sessions that made up the seminar. The detailed agenda for the meeting is included as appendix two, but the seven working sessions making up the seminar can be summarised as follows:

	Outline session content	Nature of the session
Session one	Welcome, introduction and purpose of the day	Expert input, EU social partners - plenary
Session two	“Report on the implementation of the action plan – what went well, what proved difficult, what we were unable to implement and why?” – presentations of the national trade unions and national employers	National social partners input - plenary
Session three	European level social partner presentation on the European Social Dialogue agenda and plans for the future	EU social partners - plenary
Session four	Three groups work on the questions: “In the light of the plenary presentations – what are the most important learning points for the development of future action plans?” “Based on our experience in implementing the action plans, and in the context of changing organisational and national / European priorities – what do we need to do in the next 12 months and in the next three years?”	National social partners - working groups
Session five	Working group feedback on the proposed actions	National social partners - plenary
Session six	Review of tools offered by European social partners - What has been most and least useful? - What could be done in the future?	EU social partners followed by plenary discussion
Session seven	General discussion on the possible content/priorities of future action plans and final remarks from the EU social partners	Consensus building session – plenary

Session one (Expert input) – Welcome and introduction of the purpose of the seminar

The chairman and project coordinator, Alan Wild welcomed the participants and introduced the aims of the seminar. He recalled that the previous year the participants had discussed how to fast track engagement of the Bulgarian social partners in the EU level social dialogue and they had defined some priority activities and actions. The present meeting was to enable a review of progress against priorities; indicate the areas of success and the areas for further improvement; discuss ways in which the Bulgarian social partners participate in the social dialogue process; as well as define plans for the future development. Its goal was also to offer an update on future plans for development of the EU level social dialogue as well as to assess the usefulness of tools offered by the EU level social partner organisations to their Bulgarian counterparts.

After the introduction round the chairman recalled the issues discussed last year which were the following:

- ✧ Coping with employers' organisation pluralism;
- ✧ Government attitude toward social dialogue;
- ✧ Enforcing existing laws;
- ✧ Improving organisational effectiveness;
- ✧ Setting up a bipartite social dialogue group with defined areas for cooperation between employers' organisations and trade union representatives.

Session two (National social partners input) - "Report on the implementation of the action plan – what went well, what proved difficult, what we were unable to implement and why?"

Separate presentations from the employers and trade unions followed the introductory session. A representative from the employers offered the following summary of actions undertaken:

- ✧ Representatives of the employers' organisations participate actively in the national level social dialogue, however, there is a need to improve the methods used as well as the approach taken;
- ✧ Issues discussed/negotiated currently at the national level include:
 - ✧ Minimum social security protection levels;
 - ✧ The role of the Bulgarian social partners in tackling "grey economy" issues;
 - ✧ Modernisation of the labour code - especially issues related to flexible employment and contractual relations;
- ✧ Actions have been undertaken to improve education and skills in employers' organisations designed to improve the overall effectiveness of social dialogue.

Following this intervention, a representative of the trade unions presented their feedback:

- ✧ Bulgarian trade unions participate actively in the social dialogue and, through the confederation structure, contribute actively to the EU level social dialogue. They also cooperate with trade unions in other European countries. Social dialogue in Bulgaria however faces substantial challenges ;
- ✧ The Bulgarian trade unions are participating in the campaigns to improve the rights of workers in multinational companies, and for decent work and decent pay initiated internationally by ETUC. They are active in Bulgaria in activities aimed at

- improving living and working conditions in Bulgaria – which is still the poorest country in the EU;
- ✧ The present situation in the country is extremely dynamic, including the development of responses to the current financial and economic crisis. The social partners face a defining moment in the development of industrial relations in Bulgaria;
 - ✧ A very recent development is the resignation of the trade unions from national tripartite social dialogue. This step was taken in protest against a government that does not take the issue of social dialogue seriously. Currently there is no real mechanism for the social partners to influence the parliamentary discussions. For example when the government recently introduced the “flat tax”, strong trade union views were not taken into consideration. The outcome of the social dialogue process can only be measured in terms of the number of jobs and quality of workplaces and salaries. The Bulgarian trade unions believe that the results in these areas are unsatisfactory;
 - ✧ More generally, trade union participation in different decision-making bodies is limited by the lack of appropriately skilled people;

After the presentation, a trade union participant from the health sector explained that employee relations within the health sector are significantly better than in other sectors. A good national collective labour agreement has been signed with the employers’ organisations and the Ministry of Health. Similar agreements have also been signed at the municipality level.

The chairman reminded participants that the role of government in social dialogue had been raised as a problem the previous year and he questioned whether the timing of this meeting, immediately following a trade union withdrawal from tripartite social dialogue, was a good opportunity or “too late”. Nonetheless, substantial responsibilities still exist for the national social partners, not least in terms of their engagement in European activities.

Session three (EU social partners input) – *the European social partners’ presentation on the European Social Dialogue agenda and plans for the future*

Liliane Volozinskis of UEAPME, Steven D’Haeseleer of BUSINESSEUROPE, Juliane Bir of ETUC and Valeria Ronzitti of CEEP briefly presented results of the European level social dialogue, joint work programs and the tools and services offered to new member States and Candidate countries. Their presentation is attached as appendix three.

Session four (Working groups) - *“Learning points for the development of the future action plans and action plan for the next 12 months and 3 years”*

The national social partner organisations’ representatives were divided into three working groups: a “trade union group”; an “employers’ organisation group” and a “joint group” of trade union and employers’ organisation participants. Representatives of BUSINESSEUROPE and UEAPME joined the employers’ organisation group; a representative from the ETUC together with one expert joined the trade union group; and representatives from BUSINESSEUROPE, CEEP, ETUC and one expert, joined the “joint group”. A chairperson/rapporteur was selected by each group from amongst the national participants.

The working groups were given 90 minutes to consider the following questions:

- ✧ What have we learnt and how are we going to use it for the future action plan?
- ✧ What do we need to do in the next 12 months and three years?

Session five (Working group feedback) – *Reflecting on lessons learnt and future activities*

After lunch the participants met again in the plenary session to report back from their working groups. The report back from the three groups can be summarised as follows (the group views are listed in the order of presentation);

Trade Union Group

- ✧ Pluralism of employers' organisations is a problem: Labour agreements are not respected by those employers who do not belong to the employers' associations that signed the agreement. Furthermore, a number of employers believe that there is no benefit in participating in the social dialogue;
- ✧ Politicians exert too much influence over the social dialogue process;
- ✧ The labour code is frequently not respected by business and this is ignored by politicians;
- ✧ In order to deal with the difficulties described, the following steps should be taken:
 - The model of representation should be revised and the rules for the future development of the social dialogue be redefined;
 - The collective bargaining system should be revised to assure better working conditions and salaries through extension arrangements – including in the “grey” economy if possible;
 - Trade unions should further expand their activities and improve the current level of 20% density;
 - There is a need for an advisory council at the national level where trade unions and employers' confederations can discuss issues and reach agreements together.

Employers' Organisation Group

- ✧ There were no major disagreements with the trade unions in the tripartite council. The main difficulty is the attitude of the government towards social partners which often does not take their opinion into account. It is clear that Bulgaria needs structural change. The financial crisis has revealed a need for substantial changes to labour law including the minimum wage provisions. There is a need to redefine thresholds for social security and in all of these issues there should be more involvement of the national social partners. Today the government pulls all the levers and the social partners' opinions are not taken into consideration;
- ✧ The current financial crisis/recession may affect the nature of the dialogue between the Bulgarian social partners - particularly if there is a threat of collective dismissals and/or wage freezes.

- ✧ The government does not seem to take the current economic climate seriously and their general election strategy takes priority over dealing with the financial crisis. The trade unions and employers' organisations will need to be prepared to propose solutions without the involvement of the government;

Joint Group

- ✧ In summary, the joint group felt that there is a need to create a new framework for social dialogue in Bulgaria as the present state of the social dialogue is not effective. It was suggested that now was the time to make a joint effort to find a new approach to bipartite level social dialogue that works.
- ✧ A proposal will be put together for the six headquarters to set up a bilateral structure and to discuss main joint priorities

Following the presentations Vesselin Mitov from Podkrepa explained that in Bulgaria there was no tradition of democracy in industrial relations and social dialogue after 50 years of central planning. He added that the government had not fundamentally changed its approach in recent years. In this context there is a need for the Bulgarian social partners to take common positions and joint actions.

The chairman suggested that two major issues had appeared in the presentations. All three groups emphasised the importance of bipartite social dialogue and the trade unions had suggested that improvements needed to be made in the system of collective bargaining.

Session six (Expert input) - *“Review of tools offered by the European social partners: What has been most and least useful? What could be done in the future?” - EU social partners presentation*

Matthew Higham of BUSINESSEUROPE presented the Integrated Programme 2008-2010 and offered a review of the tools that have been developed by the EU social partners and used by the Bulgarian social partners. He asked for their evaluation and comments as to the usefulness of the tools on offer. Cinzia Sechi of ETUC offered her insights on the participation of the Bulgarian social partners in their training programmes. A representative of the Bulgarian social partners had already participated in the ETUC training programme in Brussels. She also reminded the participants of the existence of the translation fund and the possibility to organise thematic seminars on social dialogue.

Session seven (Plenary) – *General discussion on the possible content/priorities of future action plans following the presentations from working groups and remarks from the EU social partners*

Juliane Bir of ETUC pointed out that the present situation of the social dialogue in Bulgaria, namely the trade unions withdrawal from an ineffective tripartite dialogue, should be treated as an opportunity for the social partners to work out a new approach to national bipartite social dialogue. She reminded the participants that the idea of setting up the national consultative committee had already been discussed the previous year. A new platform would provide an opportunity to prepare a joint agenda and actions that would offer the social partners more bargaining power over the government. It would also facilitate the preparation of the Bulgarian social partners' input into the EU level social dialogue and the implementation of the framework agreements signed in Brussels. Concluding, she expressed one regret - the previous year's conclusions had been very good and very specific about what needed to be done. Today almost

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the same conclusions had been repeated. In assuring that on this occasion things moved forward, she offered the EU level social partners assistance.

Steven D'Haeseleer of BUSINESSEUROPE agreed with Juliane Bir's comments. He thanked the Bulgarian social partners for an open and interesting discussion and admitted that he had learnt a lot during the meeting. He believed that in the current situation, the national social partners had the opportunity to influence the national level social dialogue quite significantly by strengthening bipartite social dialogue. Finally, he expressed the hope that within the framework of the upcoming restructuring seminar it would be possible to get an update on how the bipartite social dialogue committee was developing. He invited the Bulgarian social partners to make use of the EU social partners' assistance as necessary.

Liliane Volozinskis of UEAPME was surprised by the frequency that the government and its participation in the social dialogue were referred to, stressing that it was important to realise what the Bulgarian social partners could do on their own. She added that the national and European elections could serve as good opportunities for the social partners to jointly influence new politicians in favour of a stronger role of social dialogue and they should prepare themselves to do so.

Valeria Ronzitti of CEEP stated that she was less positive than her colleagues. She was disappointed that little had happened during the year and she encouraged the Bulgarian social partners needed to implement some actions as soon as possible, along the lines of what had already been agreed at the end of the first capacity building seminar. In particular, the establishment of a National Consultative Committee devoted to bipartite social dialogue. She also encouraged the Bulgarian social partners to seek any assistance necessary from the EU social partners before the restructuring project seminar scheduled to take place in May. She reminded the Bulgarian social partners that they had been allocated a significant amount of money by the European Social Fund (€4m) - so there were resources available to build the social partnership.

To conclude the meeting, Vesselin Mitov from Podkrepa said that it was always useful to hear from people who had a different view on the problems faced and that this round of seminars had been useful in enabling key players to see things from a different perspective. The trade unions had moved from thinking only about their own activities when now was a good time to come up with joint thoughts and actions. He suggested that it would have been good to have a government representative present at the meeting to listen to the discussion. He made the observation that the politicians were generally ready to listen to the social partners before elections, but relationships deteriorate soon after the election. He believed that this scenario would be repeated again, but he stressed that the Bulgarian social partners were optimists and would do everything they could in a very difficult political situation and economic environment.

Finally, the chairman stated that everybody recognised that Bulgaria had come a long way in a very short time of two years and suggested that the progress made in relationship building was visible. He underlined that EU level priorities always needed to be seen in the context of what needed to be done at the national level. The present financial crisis offered an opportunity to open a constructive social dialogue on national competitiveness and that this could advance further bipartite social dialogue in Bulgaria.

At the close of the meeting thanks were offered to those who prepared the seminar, the Bulgarian social partners for their active participation, the interpreters for their excellent service and the European social partners for their participation and input.

List of Appendices

Appendix one Seminar attendance list

Appendix two Seminar agenda

Appendix three Presentation on European Social Dialogue agenda and plans for the future

Appendix 2

AGENDA

Joint Seminars of the European Social Partner Organisations
 "social participation in the European social dialogue: What are the social partners' needs?"

National Seminar: BULGARIA

Venue: METROPOLITAN HOTEL, 64 Tsarigradsko shose Blvd. 1784 Sofia

Date: Friday 14 November 2008

0900 – 0915	Welcome, introductions and purpose of the day	Alan Wild, EU social partners
0915 – 1030	Pre-prepared presentations from the national trade unions, national employers and a national joint presentation; "Report on the implementation of the action plan – the presentations should include what went well, what proved difficult, what we were unable to implement and why?"	Plenary session
1030 – 1045	Coffee Break	
1045 – 1130	European level social partner presentation on the European Social Dialogue agenda and plans for the future	EU social partners in plenary
1130 – 1135	Briefing of working groups (employers, trade unions and joint)	Alan Wild in plenary
1135 – 1300	Three groups work on the questions: "In the light of the plenary presentations – what are the most important learning points for the development of future action plans?" "Based on our experience in implementing the action plans, and in the context of changing organisational and national / European priorities – what do we need to do in the next 12 months and in the next three years?"	Three working groups
1300 – 1430	Lunch Break	
1430 – 1530	Presentations from the working groups and questions on the proposed actions	Plenary session
1530 – 1600	Review of the tools offered by European social partners. - What has been most and least useful? - What could be done in the future?	EU social partners Followed by: Plenary session
1600 – 1615	Coffee Break	
1615 – 1700	General discussion on the possible content / priorities of future action plans following the presentations from working groups and the EU social partners	Plenary session
1700 – 1715	Summary and close	Plenary session



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