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EUROPEAN DIMENSIONS OF BULGARIAN TRADE UNIONS’ ACTIVITIES



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I. Introduction

The report represents an analysis of the trade unions' activities in Bulgaria with regard to the process of EU accession and membership since 2007. It covers a broad range of EU related issues with a focus on the interaction and cooperation among trade unions from old and new member states. The report is dedicated to the activities of both major trade unions' confederations in Bulgaria: Confederation of Independent Trade Unions in Bulgaria (CITUB) and Confederation of Labour "Podkrepa" (CL Podkrepa).

The report is part of a project titled "Articulation of the Trade Unions' Strategies on upward convergence of social standards in the enlarged European Union – voice of CEE countries". It describes the role and participation of trade unions in the European integration process. The project objective is to identify the contribution of trade unions in Central and Eastern Europe for the achievement of similar social standards in the old and new EU member states. It has a strong comparative nature in terms of research questions and methodology.

The research methodology includes desk research, national expert workshop (including audience questionnaire survey and focus group interview) and expert interviews. The research methodology has been agreed among project partners at the beginning of the project implementation.

The major research instrument has been the national expert workshop. CED has invited high-level trade unions' activists from sector/branch trade union federations with significant experience in work and contacts with federations from Western Europe – approximately 20 federations. In addition, in the national workshop participated the research secretary of the Institute for Social and Trade Union Research (ISTUR) with CITUB. After receiving eleven confirmations, in the workshop participated seven people. In the expert workshop participated seven representatives of CITUB – six from the sector/branch associations and the research secretary of the Institute for Social and Trade Union Research (ISTUR) with CITUB. The workshop lasted for more than two hours and the discussion was very lively and informative. The participants were really interested in the subject and expressed willingness to receive the results of the study. Besides the answers to the formal questions, the participants exchanged a lot of information and interesting examples from their experience.

As envisaged in the research methodology, additional two expert interviews have been carried out with participation of senior staff members from CITUB and CL Podkrepa.

Table 1. Workshop participants and expert interviews

Workshop participants	<p>CITUB, Federation of Independent Trade Unions in Agriculture, Vice President</p> <p>CITUB, Federation of Independent Trade Union Organisations in Food Industry, Vice President</p> <p>CITUB, National Federation of Labour “Chemical Industry and Industry”</p> <p>CITUB, Trade Union Metalitsi (metallurgy), Vice President</p> <p>CITUB, Federation of Independent Trade Unions in Light Industry, Vice President</p> <p>CITUB, Trade Union “Beer, Food and Drinks”, President</p> <p>CITUB, Institute for Social and Trade Union Research, Scientific Secretary</p>
Expert interviews	<p>CL Podkrepa, International Cooperation Division, Head</p> <p>CITUB, Institute for Social and Trade Union Research, Director</p>

For the elaboration of the report CED’s experts have used mainly the documents of the Bulgarian trade unions’ confederations, European Trade Union Confederation (ETUC), European Trade Union Institute (ETUI) and the European Commission.

The report includes an introduction, two chapters and conclusions and recommendations. Chapter one describes the general picture of the EU related activities of both major trade unions’ confederations since 1997 and especially after Bulgaria’s EU accession in 2007. A special attention is given to the so called “Europeanisation” of the national system of industrial relations. Chapter two deals with more concrete issues as the European minimum wage, the European Pillar of Social Rights, the Mobility package, the “social dumping” and the attitude of trade unions towards multinational companies.

The project is initiated by the Institute for Public Affairs (Poland) and is being implemented in partnership with research institutes from Bulgaria, Lithuania, Slovenia and Slovakia. The project is funded by the European Commission.

II. Overview of recent developments in the national industrial relations

1. A brief introduction to industrial relations in country X, with particular reference to the role of trade unions and the reference to the behavior of multinational corporations

The revival of the modern system of industrial relations in Bulgaria started at the end of 1989 and the beginning of 1990s, which period is characterized by active protests of the workers and strikes. The above required the development and acceptance of normative regulation targeted at labour disputes resolving. The tripartite partnership and the collective labour bargaining at sectoral and company level

was initiated during 1990. Gradually, during the following years, the institutional tripartite cooperation between the social partners and the state developed. A lot of amendments and supplements were made to the Labour Code. An important stage in the industrial relations development was the period after year 2000, when Bulgaria ratified the European Social Charter and started the negotiations for accession to the European Union. Some significant modifications in the regulatory framework, ruling the rights of the workers to be informed and consulted, to monitor the working conditions, rights of the workers in case of insolvency of their employer etc. took place in that period.

The major factors contributing to the current state of the industrial relations in Bulgaria are related to the reforms during the transition period from planned economy to market economy and more specifically, the privatization process and the restructuring of economy. The most characteristic features of the industrial relations can be summarized in the following way:

- declining trade union membership density as well as density of membership in the employers' associations;
- de-regulation of industrial relations and de-centralisation of collective bargaining;
- still strong influence of tri - partism on policies in the area of labour market, social security, living standards. Some of the most important decisions in the socio-economic area are taken at national level - minimum wage and minimum social security thresholds, etc.

Trade unions

In 1998- 2012 trade union membership has been rapidly declining, but in recent years the density is rather stable. Currently it is 16% of the total number of employees. There are two trade union confederations, recognized as representative at national level:

The Confederation of Independent Trade Unions of Bulgaria (CITUB) is the largest trade union confederation in Bulgaria, including 75 % from all trade union members. CITUB was established in 1990 on the base of the former single trade union center during the communist period. Currently it involves 38 sectoral federations and trade unions, which cover all the sectors in the country and has also regional and municipal structures in all the regions.

The other major trade union is the **Confederation of Labour (CL) Podkrepa**, including 22% from all trade union members. It was founded on 8 February 1989 by a small group of dissidents. CL Podkrepa includes 25 sectoral federations and trade unions and has regional organisations in all the regions in the country¹.

CITUB has always been larger than Podkrepa and figures for the most recent trade union census in 2012 show 275,762 members for CITUB and 88,329 for Podkrepa. Both trade union confederations are members of the ETUC and ITUC.

There are also some other, very small trade union unifications and non-affiliated sectoral trade unions.

¹ <https://www.worker-participation.eu>

Employers' associations

The density of membership of employers' associations, counted on the base of the total number of employers is approximately 18 % from all the companies. According to the data of Eurofound in 2012² the employers' organizations included 29% from the private companies in Bulgaria. There are five nationally representative employers' associations:

Confederation of the Employers and Industrialists in Bulgaria (CEIBG), established in 2006, after a merger of former Union of Bulgarian Employers and the Bulgarian International Business Association, which included the subsidiaries of the MNC-s in Bulgaria. Currently, the CEIBG has 130 sectoral employers' associations and many companies, which are affiliated directly. The CEIBG has 130 regional and municipal structures. In CEIBG most of the members are big national companies, MNC subsidiaries and other foreign companies. Also some private hospitals, universities etc. are members of the CEIBG. It is a member of the International Chamber of Commerce.

Bulgarian Industrial Association-Union of Bulgarian Business (BIA) was established in 1990 on the base of former Bulgarian Industrial Association, existing during the communist period. Currently it includes 120 sectoral /branch employers' associations and has regional councils in all the regions. Also many of the public and some of the private universities and hospitals are its members. BIA is a member of BUSINESSEUROPE and of the International Organisation of Employers.

Bulgarian Chamber of Commerce and Industry (BCCI) has existed since 1895. Its activity was renewed since 1990 and plays a role of business and employers' union. It includes 99 sectoral and branch organisations and regional and municipal councils in all the regions. BCCI affiliates also the only association of commercial banks. The BCCI is a member of EUROCHAMBERS, International Chamber of Commerce and International Organisation of Employers.

Bulgarian Industrial Capital Association (BICA) was established in 1996, based on the groups of companies and holdings, established to participate in the privatisation. Currently it has 80 sectoral employers' associations and regional structures in the 3/4 of the regions. It is a member of the CEEP.

Union of Private Employers' Entrepreneurship (UPEE) was established in 1990 and its' affiliates are mainly micro-, small- and medium sized enterprises and craft enterprises. UPEE is a member of the UEAPME and International Organisation of Employers.

There are also some other small regional and sectoral employers' associations, non-affiliated to one of the five representative at national level.

The main peculiarity of the employers' organisations is the overlap among them. There are many companies, which are members of more than one sectoral or national employers' association and also many sectoral/ branch employers' associations, which are members of more than one national employers' organisation. As for the trade unions, there is no such phenomenon as overlap with very few exceptions in the case of creative and art professions. This is guaranteed by the by-laws of trade union organisations.

2 <https://www.eurofound.europa.eu/bg/country/bulgaria#actors-and-institutions>

Tripartite partnership

The tripartism has existed in Bulgaria since 1990, but the current national tripartite council was established at national level in 1993. It consists of members from all representative trade unions and employers' organisations as well as government representatives. The council is an important body for discussing employment issues, labour law, social security system, living standard or the minimum wage, but officially it has only advisory role. There are also tripartite councils at sectoral and regional/municipal level and tripartite councils for special policies (employment, vocational training, health and safety at work etc.). Also the supervisory /managing bodies of some national agencies are established as tripartite structures- National Social Insurance Institute, National Health Insurance Fund, National Agency for Vocational Education and Training, National Institute for Conciliation and Arbitration, etc.

Collective bargaining and collective labour disputes

Collective bargaining in Bulgaria takes place at the sector and on the **company level**. Also at **municipal level** collective bargaining is possible, but only for the companies and organisations, financed by the municipal budgets. In recent years there have been 29 sectoral collective agreements. The number of company-level agreements is also decreasing. In 2017-2018 the **collective bargaining coverage** in total (sectoral, municipal and company level), both in the public and private sectors is estimated at **27%**³. In the public sector (education, local administration, some public services like water supply, railways, posts etc.) the coverage is above 50%. In some sectors there has been not sectoral level bargaining since many years (like chemical and pharmaceutical production, textile, clothing, leather and shoes, some of the branches of food industry). In some of the big companies from mining, manufacturing and utilities, both public and private, including MNC subsidiaries the bargaining process is focused at the company level.

In some of the MNC subsidiaries, including also companies from the service sectors, provisions of the transnational company agreements (TCA) are implemented.

Collective labour disputes decreased in recent years. In the National Institute for Conciliation and Arbitration there were 13 collective labour disputes registered in 2017, covering more than 36000 employees.⁴

Information, consultation and workers' participation

According to the European Company Survey 2019⁵, only 31% of enterprises have official structures for employee representation. Trade unions still play the main role in employee representation, although that in many units there are elected representatives for information and consultations, other special representatives and usually – H&S committees. However, in many private companies, especially in the SME-s there are not any kind of representatives, except H&S committees or groups. In many of the MNC subsidiaries, operating in the manufacturing and the utilities, as well as in many of the big national companies the process of the information and consultation is better implemented. Also there are Bulgarian representatives in more than 25 European Works Councils (EWCs).

3 CITUB data base

4 <http://www.nipa.bg>

5 See Fourth European Company survey.2019. <http://www.eurofound.europa.eu>.

In Bulgaria the legal provisions for board level representation of the workers are very limited. There are some provisions in the Commercial Law, which allow to workers' representatives (including trade union leaders) to attend the shareholders' assembly with consultative vote, or/and to attend the managing board/board of directors in cases of decisions, concerning labour and social issues at the company. In some big companies trade union leaders are allowed (according to the agreements with the employers) to attend the supervisory boards meetings with consultative vote or in some cases with equal rights as the other members. However, such companies, are exceptions.

In recent years in some private companies and also in some public companies forms of direct workers' participation are also implemented, especially related to the particular work organisation. The research data from the Third European Company survey 2013 indicate, that workers are included (in one way or another) in the elaboration and adoption of management decisions in 31 % from the big enterprises, in 37% of the medium sized enterprises and in 50% of the small enterprises⁶. The implementation of various forms of direct participation could be observed in sectors like metallurgy, machine building (including automotive manufacturing, electronics and electrical engineering), food processing (from the processing industry), as well as transport, waste processing and trade, retail, cooperatives, services and tourism (from the sphere of services). Also in the MNC subsidiaries from various sectors forms of direct participation are implemented.

- The views of trade unions from Bulgaria on the European integration process (including the adoption / not adoption of the euro)

The positions and the activities of the Bulgarian trade unions in the field of the European integration of Bulgaria can be conditionally divided in the following stages. In the period 1997-2006, the trade unions were actively involved, through experts, in the preparation of Bulgaria for its accession to EU. The expected social impacts of the accession of Bulgaria to EU were analyzed and the required measures for protection of the Bulgarian workers were suggested under the influence of the trade unions.

In the CITUB's program, accepted at the Fourth Congress of the Confederation /December 1997/ the requirement for the Confederation to assist and insist about the application of the European social model with all of its values, structures and mechanisms in Bulgaria was noted.

Since year 2007 as to the present moment is the period during which the trade unions were functioning in the conditions of the Common European Market. This period can be entitled as "Hopes and Disappointments", in sense of faster improvement of the economic and social situation in the country and the status of its citizens. In the beginning, Bulgaria was facing some difficulties and problems in the absorption of the funds, provided by the structural and cohesive funds. But generally speaking, after the accession of Bulgaria to EU, the investments grew, the economic growth and employment grew, the unemployment rates were reduced. A summarized indicator of the positive influence of the accession of Bulgaria to EU is the increase of the relative share of the compensation for workers in Gross Domestic Product. As per data, provided by Eurostat, during year 2018, this share for Bulgaria equals to 44.0% /average for EU - 47.7%/. In the year of accession, the starting position of Bulgaria is 32.2%. In 2007-2008, the Bulgarian trade unions started to get more actively involved in the development of economic and social strategies at ETUC level and European sectoral federations. Gradually, the industrial relations were developing and

⁶ Ibid.

were reaching European level, based on the broad and beneficial international relations of the trade unions with trade unions organizations from Western Europe, but with Central and Eastern Europe as well.

One of the negative consequences of the accession is related to the opening of the labour markets of the old members states and the resulting increased emmigration rate of manpower from Bulgaria. This process is still ongoing and currently it is causing a serious lack of manpower in many sectors and production areas. To a certain extent, this problem also limits the investment opportunities. According to a study of Colliers International, presented at the beginning of 2018, a total of 1.33 million Bulgarians lived outside Bulgaria in 2016. One of the negative effects of migration is a deepening shortage of workforce in Bulgaria. According to the same study if in 2015 the number of enterprises citing workforce shortages as a barrier to their development were below 15 %, in 2017 this percentage increased to almost 40 % of the respondents.

But at the same time, with the increased manpower demand, the trade unions density and their influence is reduced. On the other hand, CITUB has established joint consultation centres with partner trade unions abroad (Austria, Germany, Greece) which provide support and services to Bulgarian trade union members working in those countries.

Another important aspect of the migration issue is attracting and employing professionals with specialist skills in Bulgarian enterprises through the so-called Blue Card for third-country nationals. In 2018, we have observed major changes in this area enacted at the insistence of employer organisations. Some of their more important aspects and the positions of social partners on the shortage of skilled labour and the policy of attracting third-country (i.e. non-EU) nationals as a countermeasure are set out below.

At the beginning of 2018, employer organisations announced a shortage of 2 830 engineers in the machine building industry. A further shortage of electrical and chemical engineers was reported. According to Vasil Velev, Chair of the Bulgarian Industrial Capital Association, actual demand for workers and specialists was estimated at approximately 500 000 people. Vasil Velev added that in his opinion incentives should be created for importing workers from Ukraine, Moldova and Macedonia.

Concerning engineering skill, employers placed great hopes on the import of engineers from countries such as Vietnam, India, Bangladesh, etc. Their estimates and forecasts indicate relatively higher average salaries paid in Bulgaria as compared to those in the aforementioned countries. Examples that are proving highly successful in countries such as Romania, Poland and Germany, among others, are cited.

The employer proposals envisage amendments to the Labour Migration and Mobility Act. These include increasing from 10 to 20 % the number of foreign nationals that may be employed by an enterprise. For small and medium-sized enterprises the upper limit for the number of employed foreign nationals is increased to 35 %. Employers are no longer required to obtain an opinion from trade unions on the import of foreign workers, when their number exceeds 10 % of the entire workforce. It is further proposed that the time period of the permit allowing foreign workers access to the labour market be extended from one to two years, with a possibility to extend it to five years. Having spent five years as a permanent resident in Bulgaria, each third-country national has the right to apply for Bulgarian citizenship. It is further envisaged that the market test employers are currently required to perform will no longer be necessary prior to hiring foreign workers. Additionally, the list of occupations requiring high skills will be revoked.

The trade unions are opposed to these amendments. They interpret them as an act of labour and social dumping aiming to curb further a further increase in wages. An additional argument they cite is that there is a sufficient number of unemployed engineers and specialists. The problems results from the gap between the requirements of employers and the conditions they offer to unemployed persons. A contributing factor to the reluctance to take up employment is the still low level of wages, poor working conditions, a traditionally low work mobility and the loss of qualification affecting part of the pool of unemployed engineers.

We believe that the two strategies are neither contradictory nor mutually exclusive. The question lies in the ability to aptly combine the import of foreign workers with higher salaries and an improvement in working conditions in Bulgaria.

The Bulgarian trade union organizations have stated their categorical position, in many of their reports, in favour of the accession of Bulgaria to the European Economic Area. They have done relevant researches, based on information for the countries of the Central and Eastern Europe who have adopted the Euro about the expected impacts over the economy of the country and the living standard of its population. The advantages and disadvantages of the adoption of the Euro have been very well researched. During the recent years, the trade unions are actively supporting the efforts of the Government and the Central bank in that direction. In November 2014, the social partners adopted general position about “Accelerated preparation and filing of official application for entering of Republic of Bulgaria in the European Banking Union /up to 2016/, in ERM II /2016/ and European Economic Area by keeping the exchange rate, according to the engagements of the Treaty of Accession of Bulgaria to EU”.

Just over a year ago, Bulgaria formally has initiated the procedure for EEA membership. The accession is a strategic goal of the government and BNB. Unfortunately, their efforts are not always systematic and coordinated. The horizon of the road map, coordinated with the European Central Bank ended up to July 2019, but it is apparent that things will be postponed. There are some issues in the EEA itself and the changes of the management of ECB and the European Commission. Finally, in the summer of 2020 Bulgaria became a member of the banking union and entered ERM II.

2. The comparison of trade union positions in the socio-economic structure of the country, before and after accession to the EU

The accession of Bulgaria to EU has a definitive positive impact over the development of the trade unions. In fact, this process can be called “Europeanisation” in terms of strengthening of the trade unions and their affirmation as a major player in the social dialogue. It gave a strong push to their institutional establishment and the acquirement of higher authority in the social and economic development of Bulgaria. The politicians started to consider the opinion of the trade unions in the acceptance of major political documents in areas like labour market, standard of living, social insurance, health reform, social support. Gradually, the trade unions acquired experience and capacity for governing of the social dialogue. They have acquired and are still acquiring expert assistance and training from Western Europe for their participation in the social dialogue. As a result, their influence today is higher in the collective bargaining of the labour costs and wages.

During the European integration of Bulgaria, *acquis communautaire* was gradually accepted in the legislation. This is also related to the acceptance of laws and other normative acts related to the activities of the trade unions. This resulted in their stabilization and institutional strengthening. Shortly after the accession of Bulgaria in EU, the country applied the EU directive of year 2002 about provision of information and consulting of workers, which contains framework and minimum requirements for provision of information and consultation.

3. The impact of the economic crisis (2008+) on trade unions and collective bargaining outcomes

The global recession has hit the economic growth of the country quite hard. In Bulgaria as in many other countries around the world the economic crisis resulted in a dramatic drop in domestic demand and investments that had been key drivers of growth before the crisis. In line with the measures for economies of the government salaries and social payments were frozen against the background of rising prices.

In addition to that, the labour market conditions had worsened the most since the beginning of the recession as compared to the other EU member states. After five years (2004-2008) in which the labour market indicators improved considerably, Bulgaria lost more than 20% jobs during the recession. As a result of this the employment rate dropped, and the unemployment rate (long-term unemployment included) more than doubled. Considerable pressure was exerted on the pension, healthcare and education systems.

The crisis and the strict austerity policy are seriously affecting the system of industrial relations both in terms of the setting which results in a new balance of power distribution and in terms of the actors' roles and behaviour within it.

The analysis of the content and the achieved agreements in the collective agreements on different levels in the context of the crisis allows for several more general conclusions to be drawn:

- In the context of stagnation of production and limited financial opportunities the majority of the companies have considerably fewer options for bargaining and that results in a number of compromises in terms of the content of the CLA on sector level and in companies;
- The social partners, after difficult negotiations in some sectors and in the context of crisis, manage to stick to basic agreements and parameters from the previous cycle of agreement;
- In some sectors there are agreements for austerity packages in the field of employment, working schedules and working hours, qualification and requalification of staff;
- Even though in rarer cases in individual sectors/ branches there are agreements for higher and more favourable parameters under some of the clauses of the collective agreement, payment included;
- In a number of sectors, to compensate for the lack of increase of salaries, there are agreements for more favourable parameters under other indicators (training, holidays and leaves, etc.), i.e. the so called "trade-off" effect.

In addition, despite the crisis the minister of labour and social policy for the first time made use of the right to distributing sector/ branch collective agreements.

Parallel to this, a number of employers' organizations and employers are getting keener to have collective agreements in companies.

The practice of some European countries is made no full use of in the context of economic decline for agreements in individual domains rather than utter rejection of collective bargaining. Neither are the so-called open clauses made full use of which allow for making agreements that match the different state of the companies in a sector or a branch and this deprives CLA on sector level from the necessary flexibility.

What is also needed is taking greater advantage of the European practice for linking payment to productivity and inflation. In addition, collective agreements not only allow hired workers to contribute to the profit, but also to have proportionate participation in its distribution by agreeing on different schemes for financial participation, especially having in mind some recent regulations in this respect⁷.

The social dialogue had an important role for undertaking measures as a response to the crisis, at least at the initial stages – agreeing on reduced working hours and austerity packages, etc. A lot of those measures have not been implemented, and the government unilaterally changed agreements made and signed together with the social partners.

In general, against a background of the economic crisis 2008-2009, the Bulgarian trade unions successfully defended the rights of the workers and employees.

III. Articulation of trade unions' strategies on convergence of social standards in the EU

The content of this chapter is developed on the basis of desk research, expert workshop and interviews. It presents the trade union views on several important issues with regard to social standards in the EU.

For the purposes of this report a desk research on collision of views between the trade unions from CEE and the "old" EU member states has been carried out. It includes mainly articles and publications from academic journals which are publicly available.

The review of available literature on relations between trade unions in Western Europe and their counterparts in the new EU Member States is non-exhaustive. The purpose is to review existing literature and outline a framework for future study with a focus on Bulgaria. Desk research results also facilitate the formulation of the propositions to be studied, confirmed or rejected at the subsequent stages of research.

The starting point is an article published by Slawomir Adamczyk from the Solidarity trade union in Poland (Adamczyk, 2018). The article is dedicated to the different positions of trade unions in Western Europe and their counterparts in the new EU Member States on issues relating to the future of the European social model. The analysis covers the period from 2004 until 2007. The key question explored by the author is the possibility for finding a cross-section between the expectations of the trade unions in new the Member States for a more active intervention of EU institutions in the regulation of industrial relations and the desire of their western counterparts to preserve the *status quo* within the European Trade Union Confederation (ETUC) dating back to the pre-enlargement period. In fact, the centrepiece of the analysis is a description of the different stages in the activity of ETUC against the background of specific stages of EU enlargement to the East and the deepening of integration processes.

⁷ Ordinance on the structure and organization of salaries, adopted upon Decree of the Council of Ministers № 4 of 17.01.2007

The author argues that there is confrontation and tension between the two groups of trade unions in respect of the future of social Europe. The introductory part of the article presents the differences in the national systems of industrial relations in countries in Western Europe and the new Member States in the Eastern part of the continent. The main conclusion is that developed industrial countries (in the West) are reluctant to change practices and traditions that have become deeply established over the years. Conversely, the new Member States in which collective bargaining is underdeveloped rely to a greater extent on vertical relations between the social partners and public authorities as catalysts of change. Additionally, for trade unions in these countries seeking new and effective ways for representation of the interests of workers has been gaining increasing importance at European level.

The analysis of relations between the two groups of trade unions is accompanied by a comprehensive review of the positions of ETUC on individual key questions relating to EU integration and key milestones in enlargement to the East (discussions on the transitional periods for the free movement of people, the services directive, the posted workers directive, the processes of capitals and industries moving East and social dumping). This warrants the conclusion that throughout this period, the positions of Western trade unions dominated almost all elements of the expanding single market while the trade unions from the new Member States attempted to meekly stand their pro-enlargement positions but preferred solidarity with their Western counterparts in the interest of their common trade unionist interests.

The article sets out the opinions of a number of trade union activists from Poland, the Czech Republic and Hungary. The lack of input from trade unions from Bulgaria, Romania and Croatia is not explained. In a broader perspective, the author recommends greater unity within ETUC in the name of defending the social achievements of trade unions in light of globalisation and Revolution 4.0. In conclusion, it would be fair to say that the article is highly topical and presents strong arguments, placing the most important questions relating to the activity of trade unions in the West and those in new EU Member States at the top of the agenda.

Another important source of information on the topic is the book published by the ETUI – European Trade Union Institute, which commemorates the fortieth anniversary of ETUC (Degryse C., Tilly P., 2013). In several thematic chapters, it presents the positions, activities and policies of European trade unions on a variety of questions and topics. One of the main chapters of the edition is dedicated to EU integration, and more specifically to the Union's enlargement to the East. The topics of ETUC and the EU integration project is examined in greater detail and analysed in the continuation of the book (Ciampani A and Tilly P, 2017) published by the same institute. In the book, the authors examine the dynamics of relations between ETUC member organisations and ETUC's influence on its members on issues relating to EU integration. The two publications are a major contribution to the historiography of European trade unionism and reveal in great details using abundant facts the mechanisms of decision-making, discussions and debates at the level of ETUC.

From the point of view of the report on Bulgaria, the publication dedicated to the history of ETUC, and more specifically Chapter 8 *The Unification of Europe's Trade Union Movement* are of greater interest. On the basis of a review of documents and factological evidence, the chapter explores the establishment of working relations between Western trade unions represented by ETUC and the trade unions in new Member States in the mid-1990s and their subsequent admission as members of the confederation after the accession of Central and Eastern European countries to the EU. What is particularly striking is that at the very beginning of this partnership and co-operation ETUC made consistent efforts 'to prevent a

social Iron Curtain in Europe'. Whilst an excellent initiative, it failed to gain momentum and popularity among Western trade unions.

The first serious signs of tension between the two groups of trade unions emerged gradually with the advancement of the accession process, when it became clear that it is irreversible. Lack of understanding emerged across a variety of sensitive sectors, such as coal and steel, agriculture, and the food and textile industries. Among Western trade unions misgivings emerged of social dumping and a relocation of industrial facilities to the East. The book quotes from a position of the Austrian trade unions on the free movement of people according to which 'We are in favour of free movement under the condition that the respective country has an income which is close to median Austrian income.'

On the whole, however, ETUC adopted a responsible and supporting position vis-à-vis its members from Central and Eastern Europe. Albeit in a difficult position, it called for closer co-operation, coordination and joint influence of trade unions at national and EU level in protection of social rights and the social standards of workers in Europe. However, the problem of the lack of a clear definition of the 'European social model' remained, including the different meanings, which Western trade unions and those in Central and Eastern Europe attribute to it.

One of the core issues that continue to generate disagreement and heated discussions within ETUC in recent years is the initiative of several trade unions for an EU minimum salary to be set. They propose that this be achieved through the adoption of an EU Directive that encourages collective bargaining across all EU Member States. The matter is explored in greater detail in an article published by Martin Seeliger (Seeliger, M., 2018). This contentious issue has been analysed in a separate section of the report. Here, we will only mention that the author explores the two diametrically opposite views of 'integrationism' and 'institutional nationalism'.

- the idea of a European minimum wage;

The discussion for acceptance of common lower limit of the salaries at the common European market is more than a decade old. To a great extent, it is related to the last expansion of the European Union in years 2004 and 2007. The significantly lower levels of payment in the countries of Central and Eastern Europe and the large number of employees, receiving low salaries, revived the idea for the implementation of European minimum wage. This matter takes a central place in the agenda of the trade unions of the EU and is causing large disputes and disagreements between them. In fact, we have extreme polarization of standing points: generally, the representatives of Eastern and Southern Europe support the idea, while Austria, Italy, and especially the Scandinavian countries, are absolutely against the introduction of such wage.

The supporters and opponents of the idea of European minimum wage have their arguments and counter-arguments, which are influenced by the history and traditions of the trade unions movement in these countries, the peculiarities of the industrial relations /scope of the collective labour contracts, employment contracts and payment levels/, political culture and attitude towards EU. All of the above is causing the appearance of fundamentally different interest and disagreements between them and hinders the trans-border cooperation within the ETUC. In fact, the picture of the trade unions cooperation and solidarity is very colourful and it is very difficult to take common decisions that are serving the interests of all ETUC members.

Generally, we can say, that the trade unions from Central and Eastern Europe cannot acquire significant influence over the negotiation of the salaries in their countries. They see, in the face of the EU institutions, an opportunity for implementation and imposition of higher social standards for their countries, especially in relation to salaries. The trade unions in the Central and Eastern European countries have a significant level of trust in the EU and its institutions.

Analogical conclusion and confirmation of that thesis can be found in the information from the discussion of the focus group and the interviews of the experts of CED. All participants in the research for Bulgaria categorically stated their support in favour of determination of such salary. The position of the Bulgarian trade unions on that matter is not new and for a long time now they are insisting on the increase of the amount of the minimum salary in Bulgaria.

CITUB for long time now is making active efforts at national scale to increase the minimum labour salary on the base of the European Parliament Recommendation of 2011 about the maintenance of 60% ratio between the minimum and average salary, especially for countries with high differentiation and polarization of incomes.

As part of the program, accepted at the Eight Congress of CITUB in 2017, a decision was made to look for a coordination, in international aspect, of salaries and incomes. Despite such a decision was stated in concise manner, it absolutely illustrates the long-term policy of the Bulgarian trade unions. Considering the fact that the Ninth Congress of the organization is going to be organized in year 2022, it is important and interesting to examine in details and to follow-up what has happened in that direction between the two Congresses.

More specifically, the program provides for activities that will accelerate the cohesion in the payment of labour as follows: active expert participation of the bodies of ETUC, work and thematic groups, tripartite institutions for: implementation of coordinated policies in relation to negotiation of the salaries; development and acceptance of common European criteria and methodological approach in determination of the national minimum salaries in the EU member states.

The program intentions of CITUB are supported by significant expertise for research and analysis of the minimum salaries in EU and Bulgaria. The organization has a significant contribution in the development of the Conceptual project for the procedure and mechanism for the determination of the minimum wage for the country, together with CL "Podkrepa" in year 2016. The project provides a range between lower and upper limit – the official poverty line officially accepted for the following year, multiplied by a coefficient of 1.3 and 50% of the forecasted average wage for the following calendar year.

One more proof for the role of the Bulgarian trade unions in European scale is the proposal, supported by them, for the development and acceptance of Framework Directive on European minimum salary and encouragement of the collective bargaining. The matter has been discussed in relation to the preparation and organization of the last Congress of ETUC /May 2019 – Vienna/. In the environment of sharp disagreements, the position of CITUB is that such framework directive in no way can change the already accepted norms and standards in the countries, which are concerned with such impact, and it cannot oblige them to adhere to any common European decisions. The Bulgarian trade unions are closely following the discussions within ETUC with great interest, considering the fact that the intentions of the new European Commission are to suggest to continue the work in that direction.

- the importance and (expected) development trends of TCA;

The question about the content and significance of the trans-national collective agreements was discussed in details during the discussion, organized in the focus group, in the survey and in the in interviews. Generally, the opinions are in favour of such agreements, stated by the majority of the participants for Bulgaria. The arguments of the Bulgarian trade unions are related to the opportunity for combating the double standards which are currently applied in one and the same multinational company and similar production facilities of the company, in terms of quality of production and work conditions. On the other hand, the representatives of the sectoral/branch federations state that they are partially familiar with such agreements. They also express their doubts to what extent such agreements will have positive impact, because, usually, the transnational agreements contain provisions stipulating the application of national standards and specific conditions. Some of the participants are definitely skeptic about the results of the conclusion of transnational agreements.

It is important to underline here that this type of international agreements do not have the force of collective agreements and are in fact desirable, i.e. they can be either implemented or not. Considering the above, there is an ongoing discussion between the trade unions in EU and Bulgaria what exactly can be done in relation to that matter in order to turn such agreements to an effective mechanism of protection of the rights and interests of the workers.

Additionally, the Bulgarian trade unions, and especially CITUB have put a target in their program to develop mechanisms enabling the connection and coordination between the main members of the confederation and the trade union organizations of multinational organizations and other large companies, with the workers of their supply chains and their organization in trade unions.

Up to now, the Bulgarian trade unions report for unsatisfactory results from the participation of Bulgarian representatives in EWC. The low level of awareness on the matters of the European social dialogue and the transnational collective agreements, observed in the answers of the questionnaires, provided by a Bulgarian representative in EWC in large international company also made an unpleasant impression. More work is required in that area and active efforts should be made to increase the awareness and competence of the representatives. CITUB clearly identifies the requirement for more active representation of the Bulgarian participants in the EWC in order to overcome the existing weaknesses - relatively large number of elected representatives, who have rather symbolic participation and do not maintain their connections with workers. Most frequently, the individuals elected are proposed by the employers.

- cross-border cooperation with other organizations, including the coordination of collective bargaining as a tool to strengthen the national level of bargaining;

The Bulgarian trade unions are actively involved in the trade unions cooperation within the EU and on the Balkan Peninsula. During the years of preparation of the accession to EU and the initial membership period of Bulgaria, the cooperation was in the direction West towards East and was materializing itself in the provision of expert assistance, participation in trainings, provision of specialized literature and practical manuals and guides on the subject of collective bargaining, support and solidarity visits and alike. Gradually, with the institutional strengthening of the Bulgarian trade unions, a new stage in the cross-border cooperation was initiated. It is expressed in the initiation and implementation of joint projects and full participation in the activities of the European and international trade union organizations, International Labour Organization and other international forums.

At the last congress of the ETUC in Vienna in May this year, the president of CITUB, Mr. Plamen Dimitrov, filed a proposal for support and encouragement of the collective bargaining and its distribution among as many workers as possible within the EU. According to CITUB, a mechanism for common collective bargaining in Europe is required and this mechanism should be driven by the European branch federations in coordination with ETUC and the national trade union organizations.

Together with that, CITUB has signed cooperation agreements with trade union organizations from Austria, Germany, Cyprus, Greece, Spain and United Kingdom. According to these agreements, the CITUB members, who work in the relevant country, are entitled with the right of consultation and trade union protection through the local trade union organizations.

CITUB also is supporting the mutual recognition of the trade union membership within Europe and the required prerequisite is ETUC to encourage the cooperation between the European trade union organizations. At the same time, this is also a step for strengthening the thrust and solidarity between the trade union organizations of the old and new member states. At the congress in Vienna, Mr. Plamen Dimitrov suggested ETUC, with a deadline up to year 2020, to file such program at the EU, which program will outline all required parameters of such cooperation.

Finally, the Bulgarian trade union organizations actively support the efforts of the trade union organizations of the Balkan countries for institutional establishment and improvement of their capacity for participation in the social dialogue.

- the problem of posted workers (and highly mobile employees – e.g. in the international road transport) in the context of the so-called social dumping;

On March 2016, the European Commission issues a proposal to revise Directive 96/71/EC on the posting of workers in the framework of the provision of services. The revision aimed to facilitate the provision of services across borders within a climate of fair competition and respect of the rights of posted workers. The idea is to eliminate wage differences between posted and local workers.

By May 10, ten member states (Bulgaria, Croatia, the Czech Republic, Denmark, Estonia, Hungary, Latvia, Lithuania, Poland and Romania) has opposed the proposed changes on the grounds of conflict with the right to subsidiarity. This has triggered a “yellow card procedure” which require the Commission to review the text.

Employers’ federation Business Europe supports the ten member states, but trade unions (European Confederation of Trade Unions) favour the proposal’s guarantee of more equal treatment for workers. Bulgarian Trade Unions strongly opposed the “yellow card” procedure. They issued a special position in favour of equal pay proposal addressed to the Prime Minister and the Minister of Labour and Social Policy.

A lot of discussions took place in the spring and summer of year 2019 about the so called “Mobility” package. The suggested modifications resulted in strong resistance by the Bulgarian business, especially in the international transport sector.

In fact, this matter is very delicate for the Bulgarian trade unions. On one hand, they support the business and the sector, on the other, the more important issue for them is the violation of the Bulgarian legislation during the recruitment process of the drivers by the Bulgarian transport companies. Their

remuneration is mainly formed based on trip allowances, while the insurance of the drivers is done based on minimum payment. The main issue for Bulgaria, in that case, is to find a resolution for that issues before forcing the employers to adhere to the European requirements. This is the official position of the Federation of Transport Workers of CITUB.

The discussion over the so called “Mobility” pack continued in the autumn of year 2019. The acceptance of the changes by the European Parliament is forthcoming. The position of Bulgaria, together with Romania, Poland, Hungary, Latvia and Lithuania is that this will mean the implementation of illegal protectionists measures damaging the transport business of the stated countries, which will result in work positions reduction, larger economical emigration and it will contradict to the law of EU. The above countries stated their readiness to bring the matter to the attention of the General Court of EU.

- the problem of protectionism / isolationism of Western trade unions (is it a real phenomenon in the opinion of trade unionists with CEE or not?)

The problem of “protectionism / isolationism” of the Western trade unions was not identified as significant and real problem by the Bulgarian trade unions. None of the participants in the present survey did not mention it as phenomenon or tendency in the relations between the trade unions organizations of the old and new member states. In relation to the above, it can be assumed, due to various reasons / limited contacts and participation in solving issues of common European nature/, that the interviewed representatives of the Bulgarian trade unions organizations have not spotted it up to now or it really does not exist as such. On the contrary, the majority of the participants in the survey are satisfied by their contacts with their Western colleagues when we speak about expression of solidarity, expert support, invitations for participation in joint projects. Only one case of an attitude showing lack of interest by an European branch federation towards their Bulgarian partners was registered. During the discussion it was mentioned that advice was given to the Bulgarian trade unions by Western trade unions not to try to compare themselves with the achievements of Western Europe before they walk through their own path of development. But that statement is related to an earlier stage of relations and to an isolated case. The question about the regional and thematic differences between the trade union, members of ETUC, on various matters, the reconciliation of which is getting more and more difficult, was discussed at great details. The opinion of the Bulgarian trade unions is that this is the reason for difficult decision making process on many items of the ETUC’s agenda and the increased frequency of taking of not so clear and categoric positions. The political documents, accepted at the last congress of the Confederation, that took place in May this year in Vienna, set an example about that. Similar is the case with the document, called ETUC’s action program 2019-2023 and the Document about the future of ETUC /14 Priorities of ETUC about the new mandate of EU institutions/.

- the possibility of using the European social dialogue as a tool to build common standards within the EU;

The national survey registered high level of awareness and professional understanding of the content and mechanisms of the European social dialogue by the Bulgarian trade unions. The above is related both to employees holding senior positions at the headquarters of the trade unions and to the managers of the sector/branch federations. They are well aware with the legal framework related to the development of the European social dialogue, as per the Treaties on the Establishment and Functioning of the EU. They

have also stated the main priorities in the Program of the European social partners for the period 2019-2021, and namely: digitalization, re-qualification of the workforce and the emerging psycho-social risks. The agreements between the European social partners are implemented in two ways: they are transferred into EU legislation /Directives/ or are implemented as autonomous agreements between the social partners. Here it must be stated, that the majority of the interviewed representatives of the Bulgarian trade unions support the first method and support the acceptance of commonly valid European documents. The representatives of sector/branch federations are well aware with the sector agreements between the social partners in the relevant sector/branch /for example, chemical industry, brewery industry, metallurgy etc./.

According to the representative of the Bulgarian trade unions the opportunities for influence over the European social dialogue in order to achieve specific positive results in the social field and common social standards are rather limited. Most frequently, the achievements of the European social dialogue are used as arguments during negotiations and for the preparation of expert statements. They cannot reach directly a specific workplace in the member states, because, the provisions of the collective labour agreements contracts are applied first, followed by the national level agreements. At the same time, the European agreements contain more generalized provisions, which afterwards are adapted to the national specifics and conditions.

Important moment in that subjective matter is the position of CITUB in relation to the capabilities of the European social dialogue, stated in its Program for the period 2017-2022. The Confederation is concerned by the introduction of new economic governance in EU which becomes a barrier to the social dialogue and collective bargaining. But it is hidden behind the recommendations towards member states for the implementation of “structural reforms” within the European semester. In practice, the above means limited capabilities for influence over the social dialogue. Nevertheless, the Confederation takes on the task to integrate the Bulgarian trade unions within the system of the European social dialogue and to achieve adequate coordination between the national and European social dialogue. The Bulgarian trade unions are also very active in the discussions over the European semester with their expert and reasoned participation.

- expectations for a European pillar of social rights

The participants in the national survey are generally familiar with the targets and content of the European Pillar of Social Rights. At the same time, this important European document does not have a direct impact over their professional activities or its impact is rather formal and desirable. One interesting example was presented. Trade union “Beer, Foods and Drinks” of CITUB has developed and agreed with the employers of the sector a Branch pillar for labour and social rights. One very interesting idea in that direction is contained in the interview with Mr. Lyuben Tomev, Director of the Institute for Social and Trade Unions Research and Chief Economist at CITUB. The Confederation insists on urgent initiation of the preparation of Bulgarian National plan for implementation of the European Pillar of Social Rights. It should contain fair distribution of the GDP between labour and business. On second place, the government should establish system for social protection, which to help the poorest people to escape from the “poverty trap” and to have a normal life. Each third Bulgarian citizen /32.8%/ lives in poverty and is endangered by social exclusion. In EU the average value of that percentage is 22.5%. The social transfers have a weak impact over the inequality, because their amount is not sufficient and they are not well targeted. There is no clear and long-term mechanism for increase of the minimum income, on which most of the population is counting on, in Bulgaria.

The program for digital competences of all working Bulgarians should be an important element of the national measures for implementation of the European Pillar of Social Rights.

The European Semester and European Pillar of Social Rights should be related and they should provide assessment of the achievements in the social field at individual states level. In such a way “states at risk” to which the relevant requirements to be applied will emerge.

- quality of relations: CEE - “old” member states within of European trade union structures at different levels.

The accession of Bulgaria to EU established conditions and prerequisites for active international activities and growth of the role the Bulgarian trade unions play in international plan. The accession gave a strong push to the activities of the two trade unions confederations in relation to the international cooperation and movement of the focus of the bilateral relations towards operations at international organizations level.

As it was already pointed out, the Bulgarian trade unions are satisfied with the cooperation with their Western trade union partners. The above was clearly stated during the survey, especially during the discussions in the focus group. The participants at sector/branch federation level are extremely grateful about the solidarity and support, provided under various forms, by the relevant European federations. They share that they had the opportunity to learn much about the collective labour bargaining through their contacts with the Western trade union members / trainings, provision of specialized literature, regular communication about the latest events and tendencies at European federation and large international companies level from the relevant sector, solidarity and support during protests and campaigns in Bulgaria/. No examples of mistrust or disparagement in the contacts with trade unions of the old member states were registered. Of course, the differences in positions between the national trade unions within ETUC were mentioned, but these differences have their reasoning in the traditions and history of the trade unions movement in different countries. The Bulgarian trade union organizations pretty well realize the difference between the national systems of industrial relations and the industrial relations in the new member states which are still underdeveloped.

At the same time, the Bulgarian trade unions, in the face of CITUB are concerned about the worsened environment for trade union activities at European level in the last years. According to their opinion, it represents a threat to the main principles of solidarity, justice and equality, forming the base of the democratic model of “Social Europe”. In the circumstances of new economic governance and the policy of EU about strict economies in relation to the economic and financial crisis, there are attempts for revisioning of the labour legislation, the social dialogue and the national systems of industrial relations not only in Central and Eastern Europe, but in states with established democracy as well. They do have direct impact over the Bulgarian reality /attempts of some employers to modify the labour legislation and to make changes in the collective bargaining and social dialogue/.

In the present, modern circumstances, the EU is characterized with contradictions and problems between North and South, between old and new member states, between the European Economic Area and the adjacent periphery. In the above described situation, CITUB has stated in its Program 2017-2022 a concern about the adherence to the minimum social standards and the future development of fairer, more stable, more democratic and more inclusive Europe.

- how do trade unions perceive the notion of “social dumping”?

The notion “social dumping” was mentioned on many occasions during the discussions and interviews. The main conclusion in relation to the above is there is no commonly accepted term, neither in the academic, nor in the practical and application literature, in relation to the trade unions activities and the industrial relations. The survey in Bulgaria identified several aspects and meanings of the notion, which were subjected to discussion.

First of all, very frequently we are, generally, talking about the differences in the level of payment between the old and new EU member states.

Secondly, again in the context of social and economic differences between two groups of states, we are talking about significant differences in remuneration of the employees in companies, part of multi-national companies.

At the end, we talk about “social dumping” in the cases of not declared employment of workers from Central and Eastern Europe in old member states, again with lower level of remuneration, compared to the citizens of Western Europe.

The position of the Bulgarian trade unions is the following. They accept the existence of “social dumping” but consider it a result of the objective circumstances. They see the solution for the problem in the introduction of more strict control by the labour inspectorates of the Western states in terms of work conditions and remuneration in their states. The Bulgarian trade unions support the accelerated increase of the salaries of the workers and employees in Central and Eastern Europe and approximation of the living standards of the old and new member states. At the same time, they clearly understand that the difference in payment are one of the prerequisites for opening of branches of the multi-national companies in Bulgaria and a motivation for taking of relevant investment decisions related to the movement of production facilities to East. The existence of “social dumping” was stated as an obstacle for the effective participation of Bulgarian representatives in EWC in individual companies. But as a conclusion, there is no significant information and examples for “social dumping” to be reason for mistrust and obstacle in the joint activities of the trade unions from West and East.

- what have been trade unions’ reactions to the influx of foreign capital (FDI) and its impact on the IR system?

The expansion of the multi-national companies from Western Europe is also contributing to the revival of the trade unions in Bulgaria and their participation in the collective bargaining. In such a way, practices, related to the industrial relations at company level and know-how from the parent companies are transferred and they adapt to the local conditions. During the entire transition period towards market economy, after 1989, almost 80% of the direct foreign investments origin from EU member states. In practice, the foreign investments in Bulgaria serve as additional mechanism of Europeanization of the industrial relations system. According to the statistical information of UNCTAD /United Nations Conference on Trade and Development/ after the modest start in the 90s of the previous century with amounts about 100 million US dollars, the direct foreign investments reach their peak in the years just before and after the accession of Bulgaria to EU /between 8 and 12 billion US dollars/. In the period after year 2000, the investments stabilize at levels of 1-2 billion US dollars per year.

From the point of view of the trade unions, the presence of multi-national companies (MNC) is most interesting in the Bulgarian companies that were privatized and restructured by them. Their presence is especially tangible in the metallurgy, brewery, chemistry, pharmacy, light industry and machine building.

Here we should pay tribute to the consistent efforts of the researchers of ISTUR at CITUB. In the period 1999-2013, with the support of “Friedrich Ebert” Foundation they have realized four large scale researches on the subject of the MNC and the challenges before the industrial relations and trade unions.

Their main conclusions are presented below, which have served as a base for the development of the CITUB policy and position in relation to MNC.⁸

The Bulgarian experience shows that the industrial relations and social dialogue are much more developed in the privatized by foreign investors enterprises where the trade unions’ activity has traditions than the “green field” investments where the establishment of trade union organization is embarrassed. The restructuring after the privatization in most cases is accompanied by mass lay offs, tensions and conflicts. Nevertheless, the research demonstrated that it is of new employers’ interest to negotiate the changes undertaken with the trade unions ensuring balance of interests of the workers and the company.

Industrial relations in MNC surveyed develop to some extent contradictorily. The positive trends are as follows:

- In the MNC the trade union presence is significant. The trade union density is higher than the average for the country. In some MNC subsidiaries the membership reaches 90-98%.

- Employer -trade union relations in most MNC are cooperative. In two thirds of the MNC the relations between the social partners are institutionalized and special partnership bodies (councils, committees, commissions) are established.

- In all MNC cooperative agreements are concluded. As a rule the agreed provisions on remuneration, working conditions and social benefits are higher than the required by legislation and agreed in the sectoral/branch collective agreements. The negotiation process includes constructive discussions, partnership and cooperation and willingness to make concessions.

- Serious attention is paid on the health and safety at work and on the provision of appropriate tools, equipment and personal protective clothing. All MNC introduce risk assessment schemes. Health and safety committees are established with the parity participation of employer and employee representatives.

Abreast with the above-mentioned good practices in some of the MNC subsidiaries the industrial relations and the social dialogue are violated and are not efficient enough.

- The freedom of association is hindered, there is striving for ignoring and suppressing the trade unions organisations. It is extremely hard to establish an organization in a newly build MNC.

- The survey registers stretching out of the negotiations or failure to fulfill clauses of the collective agreement.

- The trade union right to receive in time and sufficient information is violated, decreasing their ability to negotiate and sign collective agreements.

⁸ Multinational companies – challenges before the international relations and trade unions: five years later, ISTUR, pages 97-99.

- There are conflicts in wage negotiating.
- In a considerably small number of the subsidiaries the opportunity for representation in EWC is used.

Gradually after Bulgaria's EU accession more favourable opportunities for the introduction of the European social dialogue practice were created alongside with the extension of the employee information and consultation rights as well as more effective participation of the Bulgarian representatives in the EWC.

The trans-national agreements, adopted by the Bulgarian branches of MNC are an important factor to the development of the industrial relations. The main documents of the parent companies – Codes of conduct, Charters, Rules etc. are applied as well. Most of them are signed both by representatives of the MNC governing bodies and representatives of the hired workers. Such an approach is part of the development and internationalization/globalization of the industrial relations.

Finally, we must mention the establishment and activities of the *Club of the chairmen of the trade union organizations of CITUB at MNC*. The Club was established in year 2001 by 16 trade union organizations chairmen from different branches of MNC and other enterprises with foreign participation. Gradually, the number of members grew, and currently, the members of the club are about 40 people. The Club represents a consistent forum through which the trade union representatives of the companies from various sectors and regions can keep in touch, can share information and experience, to assist each other in resolving of specific problems and conflicts. The activities of the Club get methodological support by the CITUB headquarters and ISTUR.

The Club has its own management, consisting of chairman, two deputies and a secretary. In year 2002, Statute, Rules of funding and Rules of activities of the Club were accepted. The club does not have any formal relations with the structures of social dialogue.

IV. Summary and conclusions

The modern industrial relations and the place of trade unions in Bulgaria in them are result of the transition from planned to market economy and the membership of the country in EU. The accession of Bulgaria to EU stimulated the Europeanization of the industrial relations. They continue their development towards decentralization and deregulation of the collective bargaining and the trade unions density is relatively low. Despite of that fact, the Bulgarian trade unions play significant role in the social and economic development and the process of taking the most important decisions in the economic and social policy area.

Some important conclusions, result of the survey of the role and activities of the trade unions in Bulgaria, from the point of view of their participation in the European integration processes can be outlined.

The trade unions of Bulgaria, similar to those from Central and Eastern Europe are strongly interested in higher regulation of the industrial relations at common European level. Their influence capabilities at national scale are more modest and limited in comparison to the capabilities of their colleagues from the old member states. They base their strategies on influence and pressure by the EU and on more strict legislative regulation in order to achieve their national goals. The above conclusion was confirmed in all phases of the national research both at trade unions headquarter level and at sector/branch federations level.

The issue for encouragement of the collective labour bargaining and the acceptance of the European minimum salary is of extreme importance to CITUB. This is the reason why the Confederation proposes and insists to record in the decisions of the last congress of ETUC, that ETUC will work towards framework directive for minimum work salary and encouragement of the collective labour bargaining and towards recommendation of the EU Council on up-ward convergence of the work salaries and incomes. The purpose of the Bulgarian trade unions is to achieve higher security in payment, to strengthen the branch collective labour bargaining and the achievement of up-ward convergence.

The Bulgarian trade unions provide very high evaluation of their cooperation with Western trade unions. They are not concerned about lack of resource, language barrier or problems in communication with the trade unions of the old member states at headquarter level. The sector/branch federations face some more problems, especially in relation to the membership fee payment for their participation in the European federations. They sometimes face linguistic difficulties in their communication and face uninterested attitude by the European federations. But the above are only isolated cases. Generally, they are well aware of the mechanisms of the European social dialogue and actively participate in it.

The subject about “social dumping” is present in the view of the trade unions, but they do not give it too much significance. Their expectations are that through the increase of the incomes in Central and Eastern Europe that matter will lose its relevance, but that process is extremely slow.

The Bulgarian trade unions are well aware of the contents and mechanisms of the European social dialogue and actively participate in it at various levels. At the same time, they take on the task to get more full integration in the structures of the European trade unions movement and to play more active role in taking of decisions on matters, which are in the interest of all EU member states.

The Bulgarian trade unions insist on more close binding of the requirements of the European semester with the purposes and principles of the European Pillar of Social Rights by taking in consideration social dialogue, collective labour bargaining and the rights of employees to participate in the process of taking decisions which concern them.

Of course, the trade unions are looking to the future and especially to the future of labour, in the context of globalization, digitalization and modern technological changes. They should continue their preparation to act under the new economic circumstances and to adapt the trade union activities to the new realities in the world of labour. In that sense, the cooperation with the trade unions of Western Europe is extremely important and it will contribute to the success of the realization of their goals. It would be advisable to maintain active work contacts with trade union organizations of Central and Eastern Europe and to achieve common agreements in relation to the most important matters of the development and governance of EU.

Efforts are required to continue with improving of the capacity /especially at sector/branch level/ and to maintain the authority of trade unions in Bulgaria.

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