

Bulgarian experience with the
implementation of the minimum
wage directive, Rositsa Makelova
(ISTURET)

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CITUB and the transposition process

- The Confederation of Independent Trade unions in Bulgaria (CITUB) created in 2023 an internal expert group responsible for the transposition of the Directive for adequate minimum wages in EU (DMW). The group consists of CITUB layers, representatives of affiliated union federations and representatives of the Institute for Social and Trade Union Research, Education and Training (ISTURET). The group is led by 2 main persons who are the ones participating in the Ministry of Labour and Social Policy Tripartite group created with regards to the effective DMW transposition (the stakeholders' group has been created at the end of January 2023).
- Number of meetings of the Tripartite Expert group led by the Ministry of labour and Social Policy: 3
- Number of meetings of the CITUB Expert group dealing with the transposition of the DMW (since the beginning of 2023): 7

Problems faced so far during the social partners' consultations chaired by the Ministry of labour and social policy within the Tripartite expert group:

Organizational issues within the Tripartite expert group:

- Initially no division of the workflow: the MWD envisages not only creating the framework for setting the MW but also the expansion of the collective bargaining coverage. Thus it was essential to split the Tripartite group activity within two subgroups (still members are obliged to take part within the two subgroups' activities). The approach was adopted by the Ministry but it is still not applied;
- No offline meetings initially proposed by the Ministry: CITUB proposed both on-line and off-line meetings to be held by the Ministry (succeeded in its request but still no results);

Problems faced so far during the social partners' consultations chaired by the Ministry of labour and social policy within the Tripartite expert group:

Organizational issues within the Tripartite expert group:

- Lack of time management during the first meeting: employers' organizations have much more representatives within the expert group. Because of that much more time is spent to give the floor to the employers. Time is not equally distributed among unions and employers; it is distributed to each representative, not to the particular groups (employers are higher in number and thus more time is given to them);
- No clear guarantees that the social partners measures proposed within the Tripartite group will be transmitted to the so called final report which is about to be given to the Labour Minister in order to transpose the MWD in September 2024. Also, it should be clearly stated what the two subgroups are about to prepare by the end of their existence: CTUB expects that the two subgroups will prepare, on the one side, the procedures and criteria for setting the MW, and on the other side, the structure and the content of the National Action Plan related to the collective bargaining coverage level;
- Initially no alternate members lists (risk of not being presented if not able to come), then changed.

Problems faced so far during the social partners' consultations chaired by the Ministry of labour and social policy within the Tripartite expert group:

Legislative issues within the Tripartite expert group:

- During the second group meeting the newly adopted Labour Code Art. 244 was discussed. This article introduces an automatic indexation mechanism for setting the MW. Thus $MW = 50\%$ of the AW. However CITUB argues that this mechanism does not remove the state's obligation of introducing an adequacy test of the MW (as envisaged by the Directive) and because of that the government should adopt the approach of comparing the MW level to the living wage level.
- During the third group meeting the Ministry presented an analysis of Art. 1-3 of MWD which describes the current legislative framework but does not go any further (like saying whether the legislation should be amended and the way it is going to be amended).

Problems faced so far during the social partners' consultations chaired by the Ministry of labour and social policy within the Tripartite expert group:

Legislative issues within the Tripartite expert group:

- The analysis of art. 1- 3 does not pay attention to the right of organizing which is necessary to be granted in order to be able to bargain collectively. Because of that CITUB will present to the experts' group an own initiative analysis dealing exclusively with the right to organize and the legal amendments needed so that this right is enjoyed by all workers.
- The Ministry does not pay attention within the analysis to the Law of Statistics and how it should be amended so that figures on the collective bargaining coverage rate to be produced in a timely manner (not every four years as it is used to be happening + counting civil servants at a point when the legislation is amended they are granted the right to bargain);

In conclusion...

- Good intension but still administrative issues appear which question the Ministry willingness going into consultations with the social partners (and be able to take decisions based on discussions and considering the points made by both unions and employers).
- Not paying attention to the right of organizing may undermine all the future efforts to achieve greater bargaining coverage.
- Lots of tension expected with regards to the transposition of Art. 5 since the country has not been able to establish a MW setting mechanism for years (even the newly adopted Art. 244 for automatic indexation is still not accepted by the employers organizations).