

# **Innovative trade union practices in Bulgaria: a remedy for falling membership and declining institutional power?**

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## **Introduction**

The creation of the current industrial relations system in Bulgaria was part of the economic and social transformation following the fall of the command economy. Unlike in Western Europe, where socioeconomic regimes developed in an evolutionary manner, in Bulgaria industrial relations institutions had to be put in place within a very short period of time. Social dialogue was set up from scratch without the traditions and experiences of the past, while trade unions had to undergo deep internal reforms and assume the new identity of social partners. The economic downturn of the late 2000s additionally weakened the country's labour movements as far as it limited their capacity to pursue traditional bargaining-based strategies and actions, and put pressure on the labour and social rights of their members.

This chapter argues that, in response to falling membership and the decline in their institutional power, Bulgarian trade unions launched a number of innovative strategies. They accordingly intensified autonomous, bilateral dialogue with employers; intensified their organising efforts; launched new services for existing members; and became more involved in identity politics, reaching the broader public through campaigns and signature-gathering. Union campaigns organised in the last years have raised societal awareness of trade union activities; they also led to the establishment of new trade union organisations and the improvement of the employee information and consultations process in a significant number of enterprises. All in all, it seems that the policy mix, including traditional instruments and an innovative combination of organising and servicing instruments, has enabled the country's biggest trade union confederation to reverse the trend of declining membership in that new sector/branch organisations have been established and/or affiliated to it.

This chapter is based on a series of trade union documents and earlier academic publications on Bulgarian industrial relations. It is structured as follows. Section one presents selected features of Bulgaria's systemic transition and the country's industrial relations landscape. Section two documents the impact of the recent crisis on social dialogue and outlines the internal and external challenges faced by Bulgarian labour organisations. Section three presents innovative practices and instruments that have recently been used by Bulgarian trade unions: bipartite dialogue with employers; organising combined with new forms of servicing; and campaigns launched in defence of labour and union rights. The latter two practices are reconstructed on the basis of the experiences of CITUB – the largest trade union confederation in the country, which possesses more resources than other organisations to launch innovative initiatives.

The concluding section outlines the drivers of union innovation and assesses the sustainability of union initiatives.

## **1. Trade unions and the systemic transition in Bulgaria**

The transition from totalitarian rule to democracy, which involved a paradigm shift in the economy and upheaval in the political and institutional structures, posed a major challenge to trade unions and other social actors in Bulgaria. On the other hand, it seems that the assumption of CEE labour weakness (see for example, Crowley and Ost 2001, Bohle and Greskovits 2004; Bernaciak *et al.* 2014) is valid only if labour organisations from new EU Member States are compared with those in ‘old’ Europe. In the Bulgarian context, if one considers the specific circumstances of the country’s transformation from the command economy to capitalism, and compares the current situation with the starting point at the outset of the transition, one can say that the country’s unions emerged from these turbulent times both weakened and empowered. They were weakened because, in the course of privatisation, economic restructuring and painful social reforms, they incurred significant membership losses. At the same time, however, they were empowered because, in just a few years, they succeeded in implementing deep internal reforms, became democratic and independent actors and assumed a new role as social partners. The re-organisation and consolidation of the Bulgarian trade union movement in the early 1990s, in turn, allowed for the smooth adoption of new labour legislation and contributed to the institutionalisation of social dialogue (Dimitrova and Vilroks 2005; Upchurch 2006).

In the course of transition, Bulgarian trade unions followed two distinct paths: the establishment of a new organisation (Podkrepa) and radical reform of the old trade unions (CITUB). The Confederation of Labour Podkrepa arose semi-legally a few months before the systemic changes as an opposition organisation modelled on the Polish *Solidarność*. It initially aimed at protecting the civil rights of workers but soon attracted a significant membership. Its emergence seems to have had a dual impact: it was an alternative to the disappointing ‘old regime’ trade unions, but it also served as a catalyst for the latter’s reform. In late 1989, the communist Central Council of Bulgarian Trade Unions (CC BTU) began a radical reconstruction towards organisational and political independence and declared the protection of workers’ interests as its primary objective. In February 1990, the Extraordinary Congress of Bulgarian Trade Unions was transformed into a Constituent Congress of the Confederation of Independent Trade Unions in Bulgaria (CITUB). CITUB has, since then, undergone significant development, reformed its structures, strengthened its position and won recognition as the largest trade union in the country (Daskalova 2015).

Despite the multitude of political movements in the country, in practice the ideological differences remained heavily blurred. One of the paradoxes of Bulgaria’s systemic transition was what can be referred to as the illusory identity of the political parties, which all pushed through neo-liberal policies albeit with different rhetoric. Their attitude toward unions was ambivalent – friendly when in opposition and hostile when in power. Moreover, many political parties tried to create their own unions, meant

to act as new ‘transmission belts’: the Bulgarian Socialist Party (BSP), for instance, launched the Edinstvo union; whereas the Union of Democratic Forces (UDF) and National Movement Simeon II (NMSS) recognised the representativeness of Promyana union (Petkov 2010). These moves contributed to the fragmentation of social partner organisations and challenged the effectiveness of the National Council for Tripartite Cooperation (NCTC) and other tripartite bodies.<sup>1</sup> At the macroeconomic level, successive Bulgarian governments – be it left, right, liberal-centrist or coalition-based – ultimately implemented policies influenced from the outside, following the neoliberal recommendations of the international financial institutions. The President of CITUB argues that this forced trade unions permanently to play the role of opposition and corrector of the country’s socioeconomic policy (Dimitrov 2011). CITUB has accordingly, since its establishment, declared its independence from political parties and continues to maintain ‘equal distance’ from all political movements. Podkrepa, on the other hand, was part of and one of the founders of the Union of Democratic Forces (UDF), the anti-communist coalition created at the beginning of the transition, although it left in 1992. This was a turning point and the start of continuing cooperation between the country’s largest union confederations.

The unions’ political independence has its positive and negative aspects. On the one hand, it has enabled its organisations to preserve their members’ confidence and to maintain a wider social appeal; it has also given them the freedom to act without the restrictions of political loyalty. On the other hand, however, unions lacked a political partner ready to further their demands and it was easy for parties in power to adopt an anti-union and restrictive labour legislation. Against this background, the leadership of both trade union confederations has recognised that unions’ political independence does not exclude partnership with political actors. Hence CITUB and Podkrepa CL’s leadership and experts meet regularly with political parties and address to them their declarations, statements, analyses and proposals, expressing employee interests and seeking to ensure the protection of their rights.

The model of Bulgarian transition in the early 1990s was shaped largely by the international financial institutions (IFIs) and this had an impact on the development of social dialogue. In their stabilisation plans and restructuring programs, IFIs systematically introduced elements of the neoliberal order in the country using the mechanism of conditionality attached to loans. The result was that the tripartite consultations and agreements concluded in the post-transition years were often a tool for a more equitable distribution of the negative effects of the reforms rather than a process in which everyone wins. The country’s tripartite negotiations were sometimes described as ‘transition corporatism’ or ‘tripartism of political legitimacy’; rather than originating from class compromise, they served the purpose of the ‘symbolic inclusion’ of workers’ interests, as well as delivering social peace in the presence of weak government legitimacy (Delteil 2015; see also Ost 2011). In fact, the process was not tripartite but quadripartite, with the fourth (and main) ‘shadow partner’ being the IMF,

1. Despite the protests of CITUB and Podkrepa CL, the socialist government of Jan Videnov made use of the absence of official procedures for assessing social partners’ representativeness, allowing in 1996 four other trade unions to participate in the tripartite dialogue. The caretaker government in 1997 recognised one more union while, in 2004–2005, a further union and two employer organisations officially became representative.

which did not formally sit at the negotiation table but had the ability to shape and re-shape labour relations in the course of the transformation process and to redefine particular socioeconomic policies (Gradev 2001). That successive governments would lead negotiations first with their foreign partners and only then with social partner organisations significantly limited the ability of the latter to influence important domains such as labour and employment, social, and incomes policies. In a similar vein, the introduction of the currency board in 1997 shaped the framework of the country's socioeconomic development and significantly curtailed the scope of social partnership.

## **2. The economic crisis: increased pressure on trade unions and industrial relations**

The economic crisis of the late 2000s brought about a dramatic decline in domestic demand and investment volume that had been key drivers of growth in the pre-crisis period. One part of the austerity measures introduced by the government saw wages in the public sector and social benefits frozen in 2010 and 2011. After five years of uninterrupted growth, the country has lost, since 2008, about 400 000 jobs, corresponding to over 20 per cent of the total number of jobs. Consequently, the employment rate has fallen while the unemployment rate doubled to over 12.9 per cent in 2013, according to Labour Force Survey data (NSI 2013). Long-term unemployment also rose and the youth unemployment rate of 28.4 per cent remains one of the highest in the EU.

In view of the negative trends, the centre-left government led by Sergei Stanishev proposed in December 2008 what later became known as the first anti-crisis package. It contained subsidies for training and retraining and job-saving measures, in particular the possibility of introducing unpaid leave and/or part-time employment. The anti-crisis programme did not bring the expected results, so the government decided to resort to austerity measures, including a wage freeze in the public sector, which was to be introduced in July 2009. In protest, trade unions organised a mass rally on 16 June 2009 demanding the cancellation of the wage freeze, an increase in unemployment benefits and minimum wages, and assistance for the payment of mortgages for families that had been hit particularly hard by the economic crisis.

In the immediate aftermath of the July 2009 parliamentary elections and the electoral victory of the centre-right party Citizens for European Development of Bulgaria (CEDB), led by Boyko Borisov, the NCTC was very active. A standing working group within the body was created with the aim of optimising the social dialogue process and involving the social partners in crisis management. Another working group discussed new anti-crisis policies, the NCTC adopting 32 anti-crisis measures that subsequently were included in the nine-month government anti-crisis programme adopted by Borisov's cabinet for the period from August 2009 to April 2010. The government failed to implement most of these measures, however, which caused discontent among the social partners, especially among the trade unions. In light of the failure of tripartite discussions, the social partners launched bipartite negotiations and agreed on 50 measures to rescue the economy, improve employment and living standards, increase budget revenues

and restore the financial discipline of the state. The government and social partners subsequently launched joint negotiations on the programme and, in late March 2010, the third crisis package was agreed upon, containing 59 anti-crisis measures based mainly on the proposals of the social partners.

In other spheres, the development of national-level social dialogue was highly uneven. The conclusion of the tripartite National Agreement on Pension Reform in 2010 took place only after a 15 000-strong protest rally organised by CITUB, which discouraged the government from unilaterally raising both the retirement age and the required years of social security contributions. Following CEDB's victory in the presidential and local elections in late 2011, the government refused to negotiate within the NCTC and proposed legislative changes negatively affecting employees' labour and social rights. These proposals were related to the government's intentions to withdraw benefits related to length of service and to its unilateral decision to increase the retirement age by one year as of January 2012, instead of 2021 as had been agreed with the social partners the previous year. CITUB and Podkrepa decided to withdraw from the NCTC and the regional councils for tripartite cooperation, and to organise national protests. Once again, a 35 000-strong demonstration of the two confederations forced the government to withdraw from its initial plan and to adopt a more gradual approach of increasing the retirement age and contributions period by four months each year.

All in all, the tensions around pension reform confirms Bernaciak's (2013) diagnosis of the crisis-period social dialogue in Bulgaria as 'PR corporatism' according to which the government staged tripartite negotiations in 'hard times' to maximise its popularity and ensure its re-election by demonstrating adherence to a consensual mode of policy-making. Even though it boosted the governing parties' popularity, however, such 'PR corporatism' failed to improve the quality of social dialogue.

During the downturn, labour organisations relied on traditional instruments, in particular social dialogue, collective bargaining and protest. In addition, they commissioned expert studies and participated in the development of social and labour legislation. Despite the austerity measures and the pressure on the social dialogue, unions also had their achievements. Collective bargaining coverage remained almost unchanged and currently stands at over 30 per cent (ISTUR 2016). To some extent, this is due to the extension of collective agreements.<sup>2</sup> Apart of the anti-crisis package saw, in 2010 and 2011 for the first time,<sup>3</sup> four sector-level collective agreements – in water supply, brewing,<sup>4</sup> mining, and pulp and paper – extended to cover the whole sector. The extension was intended to tackle the growing informal economy, and to prevent unfair competition and social dumping. It was not continued in the following years, however, with the government and employers using the crisis as an excuse to avoid additional commitments.

2. On the other hand, a slight decrease is observed as far as the number of collective agreements is considered, especially at company level.

3. This legislative provision was in force since 2003 but it was not applied until 2010.

4. Brewing was the only sector where three consecutive collective agreements (for 2010, 2011 and 2012) were extended.

Average real wages in Bulgaria have been steadily growing since 2012, with the biggest increase recorded in 2015 (8.9 per cent) although there are considerable differences across sectors (ISTUR 2016). Despite the resistance of employer organisations, the minimum wage was raised in three steps between January 2015 and January 2016; in 2017, it is expected to be BGN 460 (EUR 232). In addition, trade unions managed to win salary increases in the 2016 budget for public sector employees in education, health insurance administration and a number of other government agencies, as well as in museums and state-run galleries. They also blocked the government's attempts substantially to cut wages and social benefits for policemen and other employees in the public security sector. On the whole, the accepted proposals of CITUB included in the 2016 budget will have a positive direct impact on approximately 175 000 workers and involve an increase in salaries and an increased annual allocation of food vouchers for workers.

Despite improvements in some areas, the crisis and related austerity measures challenged not only the established mechanisms but also the very spirit of social partnership at various levels. Both the processes and outcomes of social dialogue and collective bargaining, as well as labour and trade union rights, were put under pressure (Tomev 2014). The government's strategy of austerity and strict expenditure control was further reinforced by a parliamentary vote on the so-called Financial Stability Pact in the summer of 2011. This voluntary acceptance of outside supervision has raised fiscal discipline to the level of dogma, even beyond the requirements set by the EU, and has limited tripartite dialogue aiming at social gains.

Besides the crisis, unions also face other external and internal challenges. Importantly, unions' membership and financial resources continue to decline, especially after crisis-related layoffs in unionised enterprises. Data from official censuses show that the trend of declining union membership has continued, albeit at a slower pace than in the initial years of transition. The number of union members declined from 2 191 901 in 1993 to 346 091 in 2012; out of this number, 275 762 were members of CITUB and 88 329 of Podkrepa. In recent years, union density has started to rise again (see Table 1 for details).

Table 1 Trade union members as a proportion of all employees in Bulgaria, 2008–2014 (%)

2008	2009	2010	2011	2012	2010*	2012*	2013**	2014**
16.9	17.3	18.9	18.9	19.0	21.2	21.9	20.9	20.9

Note: \* Data from Work-climate-index survey (ISTUR); \*\* data from Sindibarometer survey (ISTUR 2014).  
Source: Expert evaluation – ISTUR of CITUB based on official census data in 2008 and 2012.

Changes in the structure of employment and in employment and payment regimes, and the growing spread of non-standard forms of employment and undeclared work, have diminished unions' traditional social base; they have also made it difficult to organise workers and provide them with traditional trade union protection through collective bargaining. An additional challenge to trade unions, as organisations based on collective action and group solidarity, is a change in societal attitudes and an

increase in individualism at the cost of collectivism, especially among young people, as well as the underdevelopment of civil society in the country. A large proportion of Bulgarian society demonstrates a general distrust of unions, associating them with the old regime, and perceives them to be ineffective and, perhaps, no longer required (Daskalova 2015). The word ‘union’ for many Bulgarians still has a negative connotation that is further strengthened by the neoliberal narrative adopted by some employers, policy-makers and researchers. Nevertheless, part of the blame for the persistently low trust in unions by Bulgarian society also lies with the unions themselves given that, over the past twenty years, they have done relatively little to improve their image. Information about unions’ expert work, difficult negotiations and the gains for workers and the entire population that they have obtained has been scarce and often hidden behind the veil of institutionalised social partnership. In this regard, the recent development of information and communication technologies (ICT) opens up new opportunities for unions to communicate their achievements to potential members and the wider public.

Finally, a serious challenge to traditional union strategies and policies is the changing world of work, in particular the growing fragmentation of economic entities and the increasing number of people without a clearly-differentiated workplace and employer. Most of these workers are in the informal economy<sup>5</sup> or in precarious employment; they are self-employed, farmers, home workers, subcontractors, independent contractors, freelancers and workers in the shared economy. An additional difficulty stems from the need for their growing presence on the labour market to be addressed at a time of crisis and continued pressure on the industrial relations system. Solutions, on the other hand, depend to a significant extent on the availability of external funding as well as unions’ organising resources – well-trained human resources capable of developing and implementing innovative schemes targeting these new employee categories.

### **3. Innovative union practices in the Bulgarian context**

In addressing the structural and crisis-related challenges outlined in the previous section, Bulgarian trade unions have had recourse to non-traditional instruments; they have also offered new services and got involved in cooperative projects with employer organisations. The account presented in this section focuses on the policies and practices pursued at the national level, as this is where strategic responses to the challenges faced by trade unions are drafted and the bulk of unions’ human resources and expertise concentrated. This, however, does not exclude, but actually presupposes, the active participation of organisations at sectoral and company levels in the development and implementation of such measures.

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5. The share of the shadow economy in Bulgaria is estimated at over 30 per cent, compared with an EU average of 18 per cent (Schneider 2015).

### 3.1 Collective bargaining and social dialogue – expanding the autonomous social dialogue

#### Agreements between the social partners

Against the background of ineffective tripartite dialogue, the social partners have become more involved in autonomous bipartite negotiations. Before EU accession, partnership between leading employer and labour organisations was limited and involved the occasional adoption of joint statements, positions or opinions. After 2007, however, favourable conditions have been created for a deepening of autonomous, bilateral dialogue, not least thanks to EU support. In July 2007, representatives of trade unions and employer organisations signed the first bilateral agreement on the recommended index of wage growth in the private sector, advocating a wage increase of 12.9 per cent. The results were encouraging: a few months after the conclusion of the arrangement, the average wage increase was more than 17 per cent, while the increase in the minimum social insurance incomes<sup>6</sup> negotiated at branch level averaged 26 per cent. The social partners considered the increases to be largely a consequence of their earlier accord (Detchev 2007).<sup>7</sup> Furthermore, in response to the government's unilateral decision to introduce a flat-rate income tax in 2007, CITUB and Podkrepa signed another agreement with five of the six employer organisations. The deal contained a recommendation to increase wages below BGN 490 (EUR 246) to cover the losses incurred by low wage-earners as a result of the new tax regime and the increases in personal social security contributions. The conclusion of these two agreements gave rise to optimism on the side of researchers and the social partners about a social dialogue being based on bipartite compromises. Detchev (2007) argued that it 'restore[d] the hope that social dialogue in Bulgaria regain[ed] a strategic objective beyond the safeguarding of social peace'.

The government's disregard for social dialogue during the downturn fostered the further expansion of bilateral dialogue. The social partners accordingly concluded the National Agreement for the Legal Regulation of Home Working, based on ILO Convention 177, and the National Agreement on Teleworking, which transposed the 2002 Framework Agreement of the European social partners. In addition, the two parties agreed on amendments to the Labour Code related to working conditions and the employment rights of homeworkers and teleworkers, as well on changes to the Labour Code transposing the EU Temporary Agency Work Directive. The importance

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6. Social security and taxes ought to be paid on the basis of the effective compensation received. There is quite extensive underreporting, however, with a large part of the workforce declaring the statutory minimum wage while receiving additional compensation in cash ('envelope wages'). To fight undeclared work and tax evasion, a system of differentiated minimum social insurance incomes (MSII), or minimum incomes on the basis of which social insurance contributions are to be paid, was established in 2003. MSII are negotiated each year by sector/branch social partners for 77 economic activities and nine occupational groups, and social security contributions paid in each sector and/or occupational group cannot be lower than the ones set by the MSII. In case no agreement is reached or no social partner organisation exists in a given sector, MSII are determined administratively by the government. The agreed MSII becomes mandatory for all companies in the respective branch or sector through the State Budget Act (Budget of the State Social Security Act) for the corresponding year.

7. A similar deal was not concluded in following years as employers used the crisis as an excuse not to get involved in negotiations but one could expect, however, that the negotiations will resume once the economic situation improves.

and the innovative character of these agreements lie in that, for the first time, social dialogue was being used as a tool to transpose a European framework agreement into the Bulgarian legal system.

In late 2011, the trade unions left the national tripartite body, the NCTC, following the government's breach of the earlier pension agreement. Despite the stalemate in the tripartite dialogue, several bipartite meetings continued. Indeed, employer organisations and trade unions signed agreements on joint proposals in three areas, including:

- (1) measures to stabilise the pension system, including the criminalisation of the non-payment of social security contributions, more stringent control of disability pensions, reconsideration of occupations entitled to early retirement, and others.
- (2) legislative changes related to the improvement of the organisation of the tripartite and bipartite social dialogue. These included changes to the NCTC Regulation that aimed to ensure the efficiency and transparency of its work, the equality of the rights of the social partners, adherence to the rules by the government and the NCTC holding regular monthly meetings.
- (3) legislative changes associated with the development of industrial relations, including proposals for improvement of the social dialogue and collective bargaining, the suggestion that bipartite agreements should become official laws with the government's consent, and a provision stating that the NCTC is to be consulted not only on the government's draft laws related to labour and social issues, but also on MPs' proposals.

The final package of proposals was delivered to the Prime Minister, who agreed to discuss the measures with the social partners who then allowed the trade unions to return to the NCTC. A significant part of the suggestions made by the social partners already has a legislative settlement. For instance, the work of the NCTC has become more transparent thanks to press conferences being delivered after each NCTC session and to the creation of an NCTC website linking to documentation for all meetings as well as the regulatory proposals put by the social partners. Of particular importance for the future development of bipartite dialogue is the new Labour Code provision that gives social partners the possibility of concluding agreements related to amendments to labour and social legislation. This new rule is also very much in line with the principles of European social dialogue.

All in all, recent progress in the bipartite dialogue, against the background of ineffective tripartite negotiations, shows that, in times of crisis when negotiations on wage increases and social benefits are stalled, it is nevertheless possible for unions and employer organisations not to lose the momentum of the dialogue and to retain its efficiency.

### **Joint projects of social partners**

In view of the depletion in their own financial resources, the Bulgarian social partners used EU funds to launch innovative projects aiming to boost their own expertise

and to improve the efficiency of the social dialogue as a whole. To this end, they implemented a number of joint projects financed by the European Social Fund and related to the issues of flexicurity; social dialogue and collective bargaining; employee information and consultation; decent work and combating the informal economy; skills development; mobility and migration; and labour, social and trade union rights. Within the framework of these projects, they conducted surveys and studies, made proposals for legislative changes and developed new tools to improve the social dialogue and collective bargaining. In addition, they also prepared training materials and joint training courses, publications and campaigns.<sup>8</sup>

Reaching consensus on the specific tools and policy measures developed in the process of project implementation, particularly on those related to legislative changes and social dialogue improvements, resulted in an increased efficiency in the dialogue between trade unions and employers within the NCTC and the sectoral councils for social partnership. At the same time, joint participation in the projects contributed to the organisational development of the leading social partner organisations and their affiliates as it helped them gain additional expertise and also promoted a culture of cooperation and trust.

### **Joint protests of social partners**

The enhanced partnership of trade unions and employer organisations found expression in an employer protest, unprecedented for Bulgaria – and perhaps for the whole world – backed by trade unions and workers. The reason for the protest was a planned increase in electricity prices for business entities and the introduction of a supplement related to so-called ‘public service obligations’ – taxes imposed on energy-generating companies and spent on security of supply, environmental protection and energy efficiency measures. Both employers and unions argued that the new financial burdens could lead to company bankruptcies, dismissals and cuts in workers’ wages and social benefits. These shared interests brought them to the streets together: in June 2015, protests were staged across the whole country by four nationally representative employer organisations and supported by both CITUB and Podkrepa. The actions were held in two stages. In the first phase, hundreds of companies stopped their operations for one hour; while, in the second phase, joint rallies and marches took place in the country’s capital and other major cities.

Despite the protests, the government increased the electricity price but it did start negotiations with the social partners and all stakeholders on a strategy for the development of the electricity sector and, in November 2015, it lowered the price.

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8. Most analyses and studies are published on the internet sites of the projects. See, for example, <http://knsb-flexicurity.org/index.php/izslanm>; <http://www.competencemap.bg/>; <http://www.vsa.bcci.bg/>; <http://ikonomikanasvetlo.bg/>; <http://bit.ly/2nbGwJR>

### 3.2 Organising and servicing trade union members

At its 12th Congress in 2012, CITUB adopted a programme for the union's development for the period 2012-2017 which outlined the main challenges faced by Bulgarian society and trade unions in the context of EU membership and the crisis as well as the priorities, objectives and activities of the confederation (CITUB 2012b). The Programme stressed the need for the strategic reorientation of trade unions and of taking into account the growing diversity of trade union members and non-members. It also identified emerging representation gaps related to new groups of workers and offered guidelines for the diversification of union actions beyond collective bargaining. In implementing the 2012-2017 Programme, CITUB has developed an innovative approach based on a combination of organising and servicing instruments. The main goal was to provide a positive image of the union and to reverse the trend in membership decline by means of retaining old and recruiting new members.

Large-scale organising campaigns have not been as commonly used in Bulgaria as in some other countries. Previous activities by CITUB were related to the appointment of union organisers in several priority regions and sectors, and these brought some positive results but were cancelled due to the lack of sufficient financial resources. In recent years, however, following the aims of its 2012-2017 Programme, CITUB has used innovative tools to reach workers that are not yet represented by trade unions. These include the possibility of maintaining trade union membership during labour market transitions (for example, during periods of unemployment or training, or after retirement); and a membership offer for certain labour market groups, for example the self-employed, homeworkers, unemployed people and workers in non-unionised companies, provided through membership of territorial trade union organisations which affiliate to CITUB. In addition, in 2015, and for the first time, CITUB staged an extensive training programme on organising and campaigning for union leaders, activists and experts at regional, sectoral and company levels. It was conducted within the framework of the project 'Trade union cooperation for sustainable socio-economic development', run in cooperation with the Swiss trade union Unia and accompanied by the publication of CITUB's first guide on this topic.<sup>9</sup>

Similar to organising efforts, unions' earlier attempts to offer targeted services (such as discounts in some retail chains, training or vouchers enabling employee participation in privatisation funds) were usually short-lived and limited in scope. In 2013, however, CITUB launched new services for its members – Individual Legal Protection Fund; Mutual Aid Scheme; and Mutual Life Insurance Scheme.<sup>10</sup> The three programmes, highly innovative in the Bulgarian context, aim to individualise the relationship between the union and its members. They are also considered as means of retaining existing members and attracting non-unionised workers to the organisation. CITUB's Individual Legal Protection Fund was set up in late 2013 to provide employees with procedural representation in court in cases of unlawful dismissal and/or discrimination.

9. Available also as an e-publication at: <http://trade-union-social-development.org>

10. <http://www.knsb-bg.org/index.php/kakvo-mi-dava-sindikatat>

However, it has not been extensively used and, so far, only about 20 workers have sought the legal protection it offered. The National Mutual Aid Scheme was established in March 2014 as a voluntary association of individuals – union members – for the purpose of mutual financial support through the provision of credit on favourable terms. In March 2016, the Scheme had over 1 200 members, 200 of which have already benefited from assistance at a total sum of BGN 400 000 (approximately EUR 200 000). The union promotes the scheme by regularly publishing news and updates; it has also created a Facebook profile for the scheme and placed a separate information banner on its website. Last, but not least, the Mutual Life Insurance Scheme is closely linked to CITUB structures and offers mixed and risk life insurance, pension insurance and supplementary insurance, including unemployment insurance entitling insured parties to three months of unemployment benefit. At present, it has more than 35 000 members who are also affiliated to CITUB.

### **The use of ICT and the Electronic Trade Union project**

In its organising and servicing activities, CITUB is increasingly making use of modern information and communication technologies. The organisation has, since 2009, extended the contents of its website<sup>11</sup> in order to make trade union policies and activities better known among both internal and external audiences. Thanks to constant improvements and website updates, the number of users has been steadily growing – from 500 unique visits per month in 2008 to 15 000 in 2015. In parallel to the website, CITUB has developed an intranet to improve internal communication. It has also established an internet portal on labour, social and trade union rights, in addition to one on collective bargaining and employee information and consultation. Both websites provide information on collective bargaining developments in Bulgarian enterprises and legislative projects, as well as analysis and commentaries on current events and practical information related to the defence of employee and union rights.

In 2015, CITUB launched an internet platform ‘Electronic Trade Union CITUB’ which, according to the organisation, makes it possible to reach workers not only through ‘the factory gates’ but also through ‘the computer monitor in their homes’ (CITUB 2012b). The content of the platform is both personalised and interactive, with possibilities for two-way communication. In the open-access part of the platform, the union publishes news and general documents related to the organisation. The closed-access part, in contrast, is available only to registered union members and provides more than 70 services for union members and union leaders tailored to their specific needs enabling, inter alia, direct internet-based consultation on labour and social legislation and registration for training courses offered by the union. According to information from CITUB’s Department for Organisational Development, Coordination and Communication, between the launch of the platform in late 2015 and February 2016, 33 371 users were registered and 881 articles uploaded; while the articles were read by 93 185 visitors.

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11. [www.citub.net](http://www.citub.net)

Organising and servicing initiatives have been launched only recently and thus it is difficult to assess their results. On the other hand, union membership has grown which might, to some extent, be related to the new schemes that have been developed. Information from CITUB's Organisational Development Department indicates that 102 new local trade union organisations were established in 2015, with 116 workers making use of individual trade union membership. Almost one-half of CITUB-affiliated federations recorded membership increases; for instance, the Federation of Independent Trade Unions of State Government and Organisations (FITUGO) gained 9 500 new members, despite the austerity measures and cuts in public administration. Three new national trade union structures were established and affiliated to CITUB in 2015: Trade Union Music Stage Art; National Trade Union at the National Revenue Agency; and the National Union State Automotive Inspectorate – CITUB. The National Branch Trade Union Information and Communication Technologies joined in 2016. In addition, the previously independent Union of Fire-fighters also became a member of the confederation, while the 5 000-strong Federation of Trade Unions in the Finance Sector became the ninth associate member of CITUB. The result of the National Agreement on Home Working, discussed in section 3.1, and the related legislative changes was that the Trade Union of Home Workers has been created, although it is currently not affiliated to any confederation. Preliminary data from the latest census of social partner organisations, conducted from February to July 2016, shows that, for the first time in the post-transition history, CITUB managed to halt membership decline and even extend its presence to previously non-unionised sectors. According to the preliminary data of the census, CITUB has 276 000 members (compared to 275 762 in 2012), while Podkrepa has 60 970 members (88 329 in 2012).

### 3.3 Media-oriented instruments, campaigns and identity politics

CITUB has been involved in the National Campaign for the Protection of Fundamental Human Rights in the Workplace since 1998. Within the framework of this continuing initiative, union leaders and experts visit enterprises in which there are reported violations of labour and trade union rights which, in some cases, has led to the establishment of company-level trade union organisations. Beyond this campaign, trade unions in Bulgaria have not had significant experience of mobilising public support through campaigning. In view of the limited effectiveness of traditional trade union tools in the time of crisis, however, they have increasingly sought to raise their visibility through public campaigns and to reach new target groups, particularly young people. In recent years, CITUB has launched two such initiatives, 'A Right for One is a Right for All' and 'Be Info'.

The campaign 'A Right for One is a Right for All' was organised in the second half of 2011, with the aim of countering legislative changes that threatened workers' social and trade union rights. In particular, it sought to establish stronger safeguards for the protection of the right to information and consultation, the right to payment of outstanding wages and the right of association in trade unions, to bargain collectively and to strike. The initiative involved visits by the CITUB leadership and experts to 82 companies employing more than 10 000 employees. The aim of the visits was to promote social dialogue within

companies and to resolve local problems. In addition, CITUB's youth organisation used a mobile pavilion over 44 days to gather signatures in different parts of the country in support of the CITUB proposal for legislative amendments related to labour rights. Meetings were also held with trade union activists, representatives of the managements of companies and mayors, during which citizens could seek legal advice and obtain information on CITUB and its activities. The initiative led to the union coming up with proposals for legislative changes in the Penal Code and the Civil Procedure Code which were sent to parliament together with the national petition in support of them. At some of the participating companies, significant membership increases were recorded. On the basis of the information gathered during the campaign, a list of enterprises without trade union organisations in the visited regions and a 'Map of Collective Bargaining in the Regions' were elaborated with a view to providing further organising and collective bargaining support. Thanks to the considerable interest of the national and regional media, the campaign provided the union with an opportunity to mark its presence in the public domain and to highlight the need for legislative amendments in the sphere of labour and union rights.

One part of the campaign saw CITUB and the Union of Bulgarian Teachers launch an information and training initiative 'My First Job', implemented in the academic years of 2011/2012 and 2012/2013. This aimed to foster the transition of secondary school graduates from school into the labour market, expanding union influence beyond its traditional target groups and raising students' social and civic consciousness. In the course of two years, more than 2000 teachers in 280 settlements were trained on labour, social and social security rights and subsequently passed this knowledge to 117 983 pupils. Manuals for teachers and students, as well as information leaflets, were published and distributed; they were also made available in electronic form.<sup>12</sup>

In 2016, within the framework of the initiative 'Promoting Respect for Trade Union Rights in Europe' adopted at the European Trade Union Confederation's Executive Committee Meeting on 16-17 December 2015, CITUB has continued to campaign in defence of trade union and labour rights and created a website 'Stand Up for Your Rights' as well as a telephone hotline for reporting legal violations. On the basis of the information gathered, it published its first annual Report on the Violation of Trade Union Rights in 2015 and, by July 2016, it had gathered more than 10 700 signatures in support of labour and trade union rights.<sup>13</sup>

The second major initiative – the 2012 National Campaign on Employee Information and Consultation 'Be Info' – was the joint initiative of CITUB and the Bulgarian Industrial Association (BIA) related to Directive 2002/14/EU on employee information and consultation. In the first stage of the campaign, 152 companies from 32 different industries in 44 settlements were visited by CITUB and BIA leaders and experts with the aim of increasing employee awareness of their information and consultation rights and the legislative provisions on the issue. In the second stage, 600 enterprises were selected for this type of training; currently, 20 per cent of them have an established

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12. <http://mfwp.labour-bg.net>

13. The target is 20 000 signatures.

system for information and consultation while in 10 per cent employees have expressed a willingness to create a trade union organisation.

All in all, 'Be Info' marks a new approach in building and developing relations between labour representatives and employers based on trust and respect for workers' rights and labour standards. The campaign can be considered a major success, especially against the background of the sluggish implementation of the EU Directive on Employee Information and Consultation in Bulgaria.

### **Petitions**

In recent years, Bulgarian trade unions have also added petitions and opinion polls to their repertoire of innovative instruments. These were used for the first time purposefully and successfully during the crisis in the course of protests against the government's unilateral mode of policy-making, when 200 000 signatures were collected under a petition against the planned law on pension reform. The document was submitted to parliament on 7 October 2010 by the leader of CITUB and on behalf of the National Protest Rally organised by CITUB the same day. Thanks to the combination of heightened mobilisation and pressure exerted through the petition, the draft law on pension reform, which had been adopted at first reading by the Parliamentary Commission on Labour and Social Policy, was subsequently withdrawn; instead, the government and the social partners concluded an agreement on the issue.

One year later, within the framework of its campaign 'A Right for One is a Right for All', CITUB gathered 105 160 signatures under its legislative proposals for the promotion and protection of labour and trade union rights, including the right to organise, the right to strike and the right to collective bargaining, which were subsequently submitted to parliament on 7 October 2011.

### **Conclusions**

This chapter has argued that the establishment of a new system of industrial relations and social dialogue in Bulgaria was, to a significant degree, shaped by external factors, in particular by IFI and EU conditionality. The country's social dialogue structures were set up in the initial phase of transition, but social partners proposals were often ignored by successive Bulgarian governments. During the recent crisis, the initial considerable involvement of unions and employer organisations in the elaboration of anti-crisis policies gave way to mounting conflicts and government unilateralism; consensus-based solutions were replaced by austerity policies aiming to reduce the public deficit and consolidate public finances (Tomev 2015). Growing disappointment with the dysfunctional social dialogue, coupled with the need to address the government's pressure on employee rights, pushed unions to reassess their activities and launch new, non-standard initiatives. Other factors, such as the challenges associated with the changing world of work and the availability of external funding for developing joint projects with employers also played an important role in stimulating these activities.

The majority of innovative practices presented in this chapter have been launched only recently and thus it is difficult to measure their impact and the role they have played in strengthening the influence of trade unions, especially in that the latter depends also on other factors as well. However, it seems that some of the new internet tools; individual membership; campaigning on employee rights and the combination of organising and servicing – might have a sustainable character and could be taken up by trade unions in other countries. By contrast, in view of the considerable fragmentation and specific interests of employer organisations, it can be expected that bipartite cooperation in the absence of tripartite dialogue might be unsustainable. The uncertainty over the bilateral dialogue is best illustrated by the continuing refusal of employers to negotiate the National Agreement on Violence and Stress in the Workplace, a draft for which was prepared by unions in 2012 and the opposition to negotiate minimum insurance thresholds in 2016.

The initiatives complement and reinforce the traditional channels of employee interest representation and can strengthen legitimacy and improve the image of unions among their members and the wider public. Some of them are directed towards new audiences; for instance, new tools for recruiting and retaining union members – such as individual membership; individualised services for members; the bilateral agreement on telework and the CITUB-affiliated National Branch Trade Union Information and Communication Technologies – are intended to respond to the challenges of the changing world of work. On the other hand, however, these new instruments, as yet, have not been actively used to organise precarious workers, in particular part-time and undeclared workers. In relation to these groups, Bulgarian unions tend to focus on traditional strategies, such as lobbying for legislation that defends their rights, and not on attracting them into trade unions.

The latest data on trade union membership indicate that the declining trend has been halted and that union density has even increased a little. To retain this positive trend in the future, it will be crucial for Bulgarian unions to diversify their structures and membership schemes and to cater to the interests of an increasingly diverse workforce through a combination of organising and servicing models. There is also a need for increased use of ICTs to manage internal and external communications. Ultimately, it remains to be seen whether organisations will be able to expand their activities in these areas further, beyond the pilot innovative projects presented in this chapter.

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