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**MONOGRAPHS ON THE SITUATION OF SOCIAL PARTNERS IN
ACCEDING AND CANDIDATE COUNTRIES**

TRADE SECTOR

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Introduction

This report has been produced as part of research into the institutional representativeness of social partners in the European Union, and the situation of trade unions and employers' associations in acceding and candidate countries. The research has been conducted by the Institut des Sciences du Travail (Catholic University of Louvain) at the request of the Employment and Social Affairs Directorate-General of the European Commission (Call for tenders No VT/2002/83).

The aim of the report has been to produce monographs that set out both brief descriptions of the way that social dialogue functions in acceding and candidate countries, and descriptions of the various workers' and employers' organisations involved in social dialogue at trade sectoral level.

1. Background

This research is located against a backdrop of the European Commission's promotion of social dialogue at Community level, and in the setting of enlargement of the European Union.

The issue of the representativeness of European organisations came to the fore in the context of the promotion of social dialogue. In a Communication¹ in 1993, the European Commission set out three criteria determining the access of employers' associations and trade unions to the consultation process established under Article 3 of the Social Policy Agreement, and in 1996, it adopted a consultation document² that sought to bring together the widest range of views on the measures to be employed in fostering and strengthening European social dialogue. At that point, given that the social partners at European level were, and still are, in the process of structuring themselves and accepting new applications for membership, the European Commission conducted a study on the representativeness of interprofessional and sectoral organisations in the European Union, and in a new Communication³ in 1998, announced the measures that it proposed taking in order to adapt and promote social dialogue at EU level. In it, the Commission reaffirmed the three criteria established by the 1993 Communication permitting European organisations to be recognised as representative for consultation purposes under Article 3 of the Social Policy Agreement. They were that the social partners should (1) be related to specific sectors or categories and organised at European level, (2) consist of organisations which are themselves an integral and recognised part of Member States' social partner structures and with the capacity to negotiate agreements, and which are representative of several Member States (3) have adequate resources to ensure their effective participation in the consultation process. Finally, in 2002, the Commission reaffirmed its support for a strengthening of social dialogue in its Communication *The European social dialogue, a force for innovation and change*⁴.

Against this background, it is clear that one of the main issues in the coming months, both for the Commission and for the European social partners, will be to prepare for the enlargement of the European Union and its impact on the process of social dialogue at Community level: *The Communication underlines the vital role and the weaknesses of social dialogue in the candidate countries. Much has been achieved over the past decade with the support of Community programmes and initiatives. However, a lot remains to be done to strengthen the capacities of social partners and involve them in the accession process*⁵. As far as the European Commission is concerned, *only with sufficiently robust national structures will the social partners be able to participate effectively in negotiations and other European social dialogue activities and also implement agreements at national level*⁶.

¹ COM(93) 600 final of 14 December 1993, Communication from the Commission concerning *the application of the Protocol on Social Policy*.

² COM(96) 448 final of 18 September 1996 concerning *the development of the social dialogue at Community level*.

³ COM(98) 322 final of 20 May 1998, Communication from the Commission, *Adapting and promoting the Social Dialogue at Community level*.

⁴ COM(2002) 341 final of 26 June 2002, Communication from the Commission, *The European social dialogue, a force for innovation and change*.

⁵ *Op cit.*

⁶ *Op cit.*

The development of social dialogue therefore forms part of the *acquis communautaire*: *The Treaty requires that social dialogue be promoted and gives additional powers to the social partners. The candidate countries are, therefore, invited to confirm that social dialogue is accorded the importance required and that the social partners are sufficiently developed in order to discharge their responsibilities at EU and national level, and to indicate whether they are consulted on legislative drafts relating to the taking over of the employment and social policy acquis... Therefore, the development not only of tripartite structures but also of autonomous, representative bipartite social dialogue is an important aspect for the future involvement of the candidates countries' social partners in the social dialogue activities developed at European and national level*⁷.

Enlargement of the European Union is a major issue from a quantitative and qualitative point of view: *The quantitative leap is quite clear as soon as the number of partners rises. The delegations taking part in social dialogue will be enlarged, and that, as we know, does not facilitate dialogue. However, the leap is also qualitative in that the new entrants present the industrial relations systems they have inherited from their national histories*⁸. The role played by collective bargaining is from an overall point of view quite inferior to the traditions of which we are aware in some of the EU 15 countries. In particular, social dialogue does not exist in all countries at a sectoral level. By and large, most of the country studies are notable for strongly developed tripartism, but weakness at central bipartite level, in social dialogue at sectoral level, and at the level of organisations, particularly employers' associations.

This study may be seen as a tool to help understand these quantitative and qualitative factors. It will also make it possible to understand the various systems of industrial relations in different countries, and to introduce the actors involved in social dialogue.

2. The research process and methodological remarks

For the purposes of conducting this research, a network of university researchers was established for the 13 acceding and candidate countries. These researchers are independent both of the European Commission and of employers' and workers' organisations. Each researcher was tasked with producing a report on the basis of a common canvas, and a questionnaire dealing specifically with the realities of the acceding and candidate countries was drawn up for this purpose (see questionnaire in the Annex). The IST was responsible for coordinating and writing the summaries, and reaffirms its independence in respect of the political consequences and decisions that may flow from this study.

The research process that was developed involved not only the gathering of quantitative and qualitative information on the actors and the social dialogue in which they took part, but also *an active approach to constructing a consensus that forms an integral part of the social dialogue*. For example, although in many cases the data collected do not make it possible to be wholly objective about the role played by organisations, the contacts that were made in the course of collecting the data and discussions with the various actors concerned will *form an integral part of a process of mutual recognition*⁹. Each national expert's report has been submitted to the national organisations in order to enable them to make comments on the data collected¹⁰. It follows that the main sources used in the course of this study have been the social partners themselves. The IST coordinating team then collated information that had been gathered and presented information taken from the expert's reports in order to produce a comparable analysis for the different countries. The report was then submitted to the European social partners for the trade sector in order to enable them to make comments on the report. EuroCommerce and UNI-Europa Commerce had the opportunity to consult the report. Their comments and reactions have been included in the report.

Generally speaking, the commerce sector may not be defined in the same way in all the countries. If the NACE codes can be used **in an indicative way**, each monograph describe the situation **that correspond to a national context**. The definition given in each monograph takes into account the structuring of collective bargaining in the sector and the structuring of employees' and employers' organisations - that is to say the field covered by each organisation. The organisations have no common

⁷ *Enlargement of the European Union. Guide to the negotiations. Chapter by chapter*, European Commission, DG Enlargement, June 2003.

⁸ Léonard E., Spineux A., *Les relations industrielles en Europe aujourd'hui*, Institut des Sciences du Travail, UCL, 2003 (unpublished).

⁹ *Reply to Call for tenders VT/2002/83. Studies on the representativeness of the social partners at sectoral level in the European Union and monographs on the situation of the social partners in the candidate countries*, Institut des Sciences du Travail, UCL, 2002.

¹⁰ The list of contacted national organisations, which were also invited to make comments on the expert's reports, can be found at the end of the report ("organisations consulted for the elaboration of expert's reports").

delimitations, and that may explain some possible divergences in the respect of the interpretation of the sector delimitation. Briefly, we are examining, within this study, the question of the delimitation of the commerce sector country by country. We have tried to respect at best the national concepts and realities.

The data that are presented to describe the sector and the organisations active in the sector have to be put into the particular context of the commerce sector. In this respect, two methodological observations may be made:

- The commerce sector is **a huge sector that includes several subsectors**. These different subsectors correspond to different types of reality. In the scope of this study, we are not able to apprehend the particular situation of all the subsectors.
- In the same way, there are important differences **between the reality of a huge enterprise and the one of a small company**. In many countries, small shops and small companies are numerous. In large part of CEE countries, a “kiosk” economy was experienced. Consequently, the commerce trade unionism is most strongly represented in medium-sized and large enterprises. This explains the higher density of trade unions in these kinds of enterprises. The high number of “familial” and micro-companies makes more difficult the evaluation of the social dialogue in the sector.

Concerning the figures quoted in the report, it has always been specified if they refer to the **total employment** in the sector (including self-workers for example) or to **employees** (salaried workers). When it is possible, the two figures are given to describe completely the sector. However, in several countries, all these data are not available. Note that **the word employees** refers to salaried workers, except where stated otherwise in national summaries, and thereby excludes self-employed workers and working family members.

At the level of statistical data, great differences appear between countries. **In some countries, owing to the shortfall of numerical data, a sufficiently precise image of the socio-economic situation and/or of the situation of the social partners cannot be provided**, whereas other countries are able to produce comprehensive statistical data. In some cases, several statistical sources are available for the same country, but the data do not match. These different factors explain the difficulties that were at times encountered in elaborating the monographs. **The symbol n.a. in the tables means that the data are not available**.

Lastly, given that national situations are very changeable and evolve rapidly, it is important to stress that the aim of this study is to take “a snapshot” of the situation of organisations in 2003. Interviews with organisations took place, and the national reports were written, between March and October 2003.

3. Sectoral monographs on acceding and candidate countries

The sectoral monographs set out below examine the situations in the 13 acceding and candidate countries, that is to say Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia and Turkey.

Each monograph starts out with a delimitation and description of the scope of activities (wherever possible, based on the NACE classification) and socio-economic features for the trade sector in the country concerned. Next, each national monograph outlines the principal characteristics of the mechanisms of the social dialogue. As regards tripartite concertation at the level of the trade sector in these countries, the following points are examined:

- The organisers and players involved in tripartite concertation.
- The links between this concertation and the bipartite social dialogue.
- The consultation / decision-making processes, such as they can be observed within these structures.
- The characteristics of the results obtained through these processes.
- The topics covered within the tripartite structures.

-The existence of informal procedures.

Regarding the autonomous (bipartite) social dialogue for each level of social dialogue (sectoral level, "higher than enterprise" level, enterprise level), the following points are examined:

-The players in the social dialogue.

-The characteristics of the agreements concluded by the organisations (duration, procedures for extending validity, etc.)

-The topics covered within the framework of collective bargaining.

-The coverage rate of collective agreements.

-The obstacles that may hamper development of the social dialogue.

Next, trade union and employers' organisations participating in the social dialogue at the level of the trade sector are shortly described:

-Institutional and organisational characteristics (historical overview, financing, services...).

-Elements of representativeness (number of represented affiliates, types of members).

-Elements of recognition of the organisation (entitlement to sign a collective agreement, participation in the social dialogue).

Lastly will be found in annex a table for each country which includes the organisations consulted by the national experts.

National summaries

BULGARIA

1. Description of the sector

Delimitation of the scope of activities for the sector

The standard of NACE is fully accepted by workers' and employers' organisations in the trade sector. However, while subsector G 50 ("Sale, maintenance and repair of motor vehicles and motorcycles; retail of automotive fuel") is considered by unions and employers associations to be part of the trade sector (they would like to involve the subsector in the collective bargaining at sectoral level), the companies in the subsector do not want to be engaged. It should be noted that this activity is neither attached to the collective bargaining for other sectors/subsectors nor separated into an independent sector/subsector. There has not been collective agreement for this subsector up to now. In other words, there is no collective bargaining in this subsector at all (at sectoral/subsectoral level). There is CB in the subsector G 50 only at enterprise level.

Socio-economic features of the sector¹

In 2001, NACE G 50-52 accounted for 7.33% of the DGP (6.45% is due to the private sector and only 0.88% to the public sector). It also represented 8.27% of the added value produced. It comprised 17% (341 177) of the total employment in Bulgaria.

Firms certainly adopt competing strategies focused on costs - especially where there are low labour costs and illegal transactions, i.e. low wage economy and the informal economy. The underground economy may well account for no less than 35% of the Bulgarian economy. To the extent to which the trade sector appears to be one of those where the influence of the informal economy is greatest, the level could be much higher than the average for the country, i.e. not less than 45% in the trade sector. Due to the dynamics of the private sector and the dynamics of the informal economy, as a whole, the sector is growing. There is expansion in terms of the number of companies, the number of companies in the private sector, the number of employees as well as the number of categories "other than employees", the number of SMEs (1-100 employees). There is decline of the public sector and the number of companies with more than 100 employees. The number of companies without employees still fluctuates up and down but tends to stabilize around a certain level.

The decisive phase of privatisation in the sector took place in the period 1990-1995/96. At the moment we have almost full privatisation of the sector (99.7% of companies are private). During the process, large enterprises were replaced by many small companies - most of them with less than 5 employees. They are so-called family businesses, and very often, the owners do not consider themselves employers. Of course, there are some big companies in the sector, including foreign chains like Metro Cash & Carry, Billa, Shell, OMV, ENA, Ramstore, LUKoil and the like. The control over small private companies is weak and owners benefit from that. In order to avoid the burden of social insurance contributions and some other costs, companies officially keep wages at minimum level. In fact, wages may be much higher. The average wage in the trade sector for males (267 Leva) is just below the average wage for the country (273 Leva). The average wage for females (243 Leva) is way below it. People with upper secondary education represent the most important category of workers (employees and entrepreneurs together) in the trade sector. Most people are aged between 25 et 44.

Atypical work practices are relatively new for the Bulgarian context. That is why there are no long-term reliable statistics. It is highly likely that part-time employment has a much more important role than that registered in any statistics. On top of this, there is a constellation of factors which prompts atypical working practices and this tends to identify and fill in the vacant niches of the labour market.

¹The data are provided by the National Statistical Institute (NSI), last updated in 2001. If the source is different, it will be noted.

The strongest one is the low level of wages in Bulgaria: Bulgarians compensate it by working for two, three or more employers. Among atypical forms of work, we can find: part-time jobs with (or, probably most often) without an official labour contract), temporary or "permanently temporary" jobs, people working with self-employed status, but who are de facto hired by an employer. Among the forms of atypical work in the trade sector there is one which is really wide spread - it is so called 'direct selling/marketing'. It has become a popular source of basic or supplementary incomes for many Bulgarians in a situation of high unemployment and low wages. The distributors are not employed, since they sign commercial and not a labour contract with the company.

Table A. Contextual data in the sector - 2001

COMPANIES						
	<u>Companies</u>	<u>% companies without employees (employees = salaried workers)</u>	<u>% companies < 10 employees</u>	<u>% companies from 10 to 100 employees</u>	<u>% companies > 100 employees</u>	
	(number)	(percentage)	(percentage)	(percentage)	(percentage)	
Wholesale	19 503	11.74	23.00	49.63	50.00	
Retail	85 959	83.70	69.06	36.57	28.78	
Other	6 933	4.56	7.93	13.80	21.21	
TOTAL OF THE SECTOR²	112 395	100.00	100.00	100.00	100.00	
WORKERS						
	<u>Workers other than employees</u>	<u>Employees</u>	<u>Employees</u>		<u>Coverage of collective agreements³</u>	
			<u>% of total number of employees*</u>	<u>% employed in comp. < 10 employees</u>	<u>% employed in comp. > 100 employees</u>	
	(number)	(number)	(percentage)	(percentage)	(percentage)	(percentage) ⁴
Wholesale	20 715	92 570	5.25	1.71	0.85	10 **
Retail	90 868	101 431	5.76	3.16	0.39	20 **
G 50	6 874	28 719	1.63	0.47	0.36	14 **
TOTAL OF THE SECTOR	118 457	222 720	12.64	5.34	1.60	15 **

*= total number of employees in the sector / total number employees in the country (if total number employees in the country not available, full employment or labour force)

²Percentages marked by bold for the sector are calculated as follows: number of companies in the sector divided by total number of companies in Bulgaria

³ the coverage of sectoral agreements differs from the coverage of company agreements.

⁴Figures in the column are calculated on the base of **estimates** of the respondents

Note: Estimates of respondents are marked by (*), while estimates of researchers are marked by(**).

2. Industrial relations in the sector

According to the official statistics the sector is subdivided as in NACE. Trade union federations and employers associations apply to the sector as a whole. In other words, agreements are made for all activities within the sector. There is no subdivision in a practical sense.

Tripartite concertation

Tripartite concertation is organized by the relevant Ministry – the Ministry of Economy. A Sectoral Council for Tripartite Cooperation in the Trade Sector was established (institutionalised) in 2002.

actors involved in the concertation

In Bulgaria, every Sectoral/Branch Council for Tripartite Cooperation includes two representatives of the corresponding Ministry (in our case – the Ministry of Economy) or another state institution responsible for the sector or the branch; two representatives of the trade unions and two – of the employers. The players from the relevant trade union confederations and employers' organisations are of three types:

A) Effective in the field: the parties in the three recent sectoral collective contracts in the trade sector in Bulgaria are:

1. The Independent Trade Union Federation of Commerce, Cooperative, Tourism, Credit and Social Services (basic member of the CITUB);
2. Federation of "Commerce" (member of the Confederation of Labour "Podkrepa").
3. The Union of Traders in Bulgaria (employers' sectoral association, member of the Bulgarian Chamber of Commerce and Industry - BCCI and of the Bulgarian Industrial Association - BIA).

B) Potential social partners:

These are organisations that have the right to take part in CA/CB but they do not benefit from that, i.e. they are not active in the field. These are: Independent Trade Union of Workers in the Foreign Economic Activity – ITUWFEA (basic member of the CITUB); on the part of employers: Bulgarian Branch Chamber of Wholesale and Retail Trade (member of the BIA). Also to some extent, other relevant sectoral / branch employers organisations⁵.

C) Organisations in process of establishment (employers structures)

It should be emphasized that, as of now, there are not relevant sectoral/branch structures of the other two nationally representative employers' organisations – The Union for Private Economic Enterprise (UPEE) and the Bulgarian Union of Private Entrepreneurs "Vuzrazdane" (BUPE "Vuzrazdane")⁶. However, the appearance of new sectoral or branch structures, which belong to the UPEE or to the BUPE "Vuzrazdane" should be noted⁷.

⁵ They could be as follows: Bulgarian Association of Metal Traders (member of the BIA); Bulgarian Garment and textile Exporters Association (member of the BCCI); National Sectoral Chamber of Wholesale Distributors of medical Preparations and Medical Sanitary and Phyto Preparations (member of the BCCI); Union of the Importers of Automobiles in Bulgaria (member of the BCCI).

⁶ . It is a result of their principle of structuring, which is mainly oriented towards the regional level and their organisations are in the municipalities and regions.

⁷ (One of the reasons for this "institutional building" is the formal necessity of such sectoral / branch structures to cover the criteria for national representation, according to the Labour Code. The procedure for checking up on the representation of the employers' organisations is on the move too, and both the UPEE and the BUPE "Vuzrazdane" are speeding up the creation of their own sectoral / branch structures).

representativeness/ recognition measures employed by social partners at sectoral level

The only criteria for the representativeness of the sectoral / branch organisations of workers and of employers is their membership in nationally representative trade union confederations or employers' associations. None of the trade unions – members of NON-representative confederations can act in the sectoral / branch bargaining and cannot be party (side) in a sectoral / branch collective contract. This is not based on the number of their members. A trade union sectoral (branch) federation can have the biggest membership in the sector (or in the branch), but it CANNOT BE REPRESENTATIVE if it is not a member of a nationally representative trade union confederation. Exactly the same holds for the employers' representativeness.

addressed issues and signed agreements

As the Sectoral Tripartite Cooperation Council in the Trade Sector has only just been established, its activities are not yet very extensive. The issues addressed are the specific problems of the development of the sector and the contents of the bipartite sectoral agreements. According to the data given by the social partners, up to this moment, the number of signed tripartite agreements, since 2001, is 3. The signatory parties are those which are "effective in the field" as described above. The structure of agreements is very close to the content of the collective contract at enterprise level⁸ and the implementation is mainly according to the terms of the signed agreement.

evolution of the tripartite concertation in the sector

The tripartite social »concertation» takes place as a regular event and not as an exception. One weakness of it is that it depends exclusively on the good will of the representatives of the state. The representatives of the state can make a Sectoral Tripartite Cooperation Council work or they can stop it for a long period of time. Making efforts to avoid this dependence, the social partners developed the bipartite procedures step by step⁹. So the tripartite »concertation» and the bipartite social dialogue take place in "parallel". The bipartite procedures are expanding their role and importance, but the social partners insist that the state must keep its place in the social partnership at sectoral level.

Bipartite social dialogue

It should be recalled, one more time, that the only criteria for the representativeness of the sectoral / branch organisations of workers and of employers is their membership in nationally representative trade union confederations or employers' associations. None of the trade unions – members of NON-representative confederations can act in the sectoral / branch bargaining and cannot be party to a sectoral / branch collective contract. This isn't based on the number of their members. A trade union sectoral (branch) federation can have the biggest membership in the sector (or in the branch), but it CANNOT BE REPRESENTATIVE if it is not a member of a nationally representative trade union confederation. Exactly the same holds for the employers' representativeness. As far as the negotiations at enterprise level are concerned, it should be noted that – following the Labour code, all trade union organisations can negotiate with the employer in the bargaining process. In some cases, the trade union sections of the nationally representative unions use different techniques to eliminate the "small trade unions" from the collective bargaining. The trade unions, as a whole, are much better prepared than the employers. As it was pointed above, many of the relevant employers' organisations in the trade sector do not take part in the social partnership at all.

⁸ The most widespread bargaining agenda usually includes: 1. Employment, professional qualification / vocational training, human resources development and motivation of the workers; 2. Working hours, leave, holidays etc.; 3. Health and safety at work; 4. Salaries, wages, compensations, social payments, social insurance and securities; 5. Trade union activities in the enterprises of the sector / branch, labour conflicts arrangement and arbitration; 6. "Others".

⁹ On the other hand, the social partners in the trade sector – and especially the employers organisations do not have the necessary potential yet (including membership and expertise) to establish an intensive and influential bipartite social dialogue.

Levels where collective bargaining takes place

The collective bargaining takes place at sectoral (branch) level, at “higher than enterprise” level and at enterprise level. Even now, the most developed and sustainable form of collective bargaining is the bargaining at enterprise level. There has been in the past (in 1998) a case of “higher than enterprise” level collective agreement. The branch level is less developed¹⁰. The evolution of the sectoral bargaining is visible, but it is not very effective, because of the limited power of the employers Union of Traders in Bulgaria. That is why some of the collective contracts at company level – in “Metro – cash & carry”, “Petrol” etc. are even much more important in reality than the sectoral contract.

Agreements

As a whole, the industrial relations are highly formalised. In 2001, a thesis was adopted that the ruling bodies of the nationally representative social partners’ organisations must sign an AGREEMENT about the scope of the content and the procedure of signing the sectoral and branch collective contracts. Looking at the draft agreement on which the 6 nationally representative social partners in Bulgaria are currently working, the structure of the content of the sectoral / branch collective contracts¹¹ corresponds exactly to the structure of the collective contract at enterprise level¹².

The Labour Code itself states that the enterprise collective contracts cannot negotiate conditions for the workers, if they less favourable than the agreed conditions in the sectoral or branch collective contract. The collective contracts at enterprise level are much more detailed than the collective contracts, signed at branch or sectoral level. At branch level the parties bargain and come to agreement mainly on the minimum possible parameters. Following the Labour Code, the duration of the collective contracts, both at sectoral and enterprise level, is “not longer than 2 years”. In case the duration of the collective contract is not fixed in the text, the negotiated duration is 1 year by default.

As far as the contents of the collective contract is concerned, which are not covered by the legislation, we must mention the following: 1. With regard to wage bargaining – the only thing required by the legislation and fixed by the State is the minimum monthly salary. Anything else can be negotiated. 2. The health and safety conditions of labour are very well regulated in the framework of Health and Safety at Work Act and a number of sub-law acts. (The screening procedure for harmonisation of the Bulgarian legislation and the Aquri Communautaire found that the Bulgarian Health and Safety at work Act is almost 100 % harmonized). 3. Social security is totally regulated by the law.

The collective contracts at enterprise level cannot be extended to parties that are not signatories to the agreement. There is a clear legal procedure for workers to join (either unionized or non-unionized) the collective contract of the company in a personal capacity. Although the Labour Code gives the right to the Minister of Labour and Social Policy to make a sectoral or branch collective contract valid for the whole sector/branch and not only for the enterprises, which are members of the employers’ organisations parties in the collective contract¹³, there has not been a single case of “extension” of the sectoral collective contract up to this moment.

¹⁰ The reason for this is rooted in the destruction of the social dialogue in the field of trade after the privatisation of the sector. The trade union coverage (the trade union density) is minimized in a dramatic way. There are now many self employed people, occupied in the trade sector. Moreover, a significant number of people work “on the edge” of “gray, shadow economy”.

¹¹ According to the draft, it should include at least the following chapters (items): 1. Employment, professional qualification / vocational training, human resources development and motivation of the workers; 2. Working time, leave, vacations etc.; 3. Health and safety at work; 4. Salaries, wages, compensations, social payments, social insurance and securities; 5. Trade union activities in the enterprises of the sector / branch, labour conflicts arrangement and arbitration; 6. “Others”.

¹² which as a rule consists of the following chapters: 1. General issues; 2. Employment, professional qualification / vocational training; 3. Working time, leave, vacations, etc.; 4. Salaries, wages and other payments; 5. Health and safety at work; 6. Social security and insurance; 7. Trade union activities in the enterprise; 8. Voluntary arrangement of collective labour conflicts; 9. PROCEDURE FOR JOINING THE COLLECTIVE CONTRACT; 10. Final statements.

¹³ Minister can “extend” it all over the sector/branch and make it valid for all the enterprises in it, either the whole text of the collective contract, or parts of it – separate articles or prescriptions. (This is regulated in article 51b of the Labour code).

Development of the bargaining process

Since 1993, (and much more since 1997), the State has been supporting the bipartite social dialogue mainly by training representatives of the social partners. Such training was provided in the framework of different projects, including PHARE projects and a project financed by the ILO. The social partners also take into account the importance of the bipartite social dialogue, but there are plenty of “bottlenecks” to its development on the way. Among these the most important are: the unwillingness of new employers to engage in CB, the big share of the informal economy (about 45% at least), the prevalence of micro companies and companies without employees, the obvious weakness of the only employers’ association in the sector, which can be changed only by emergence of a new sectoral or branch organisation and, the possibility of introducing works councils, which will strengthen the enterprise level at the expense of sectoral one.

Bipartite social dialogue at sectoral level

players

There is no legal obligation to participate in the collective bargaining at sectoral level. According to the Labour Code, at sectoral level, the bargaining participants are the relevant sectoral / branch structures of the nationally representative trade union confederations and employers associations. These are 1. The Independent Trade Union Federation of Commerce, Cooperative, Tourism, Credit and Social Services (basic member of the CITUB14); 2. The “Commerce” Federation (member of the CL “Podkrepa”). 3. The Union of Traders in Bulgaria (member of the Bulgarian Chamber of Commerce and Industry - BCCI and of the Bulgarian Industrial Association - BIA). They were the parties in the three most recent sectoral collective contracts in the trade sector in Bulgaria.

signed collective agreements

Between 1 and 3 sectoral contracts have been identified in the last five years:

-From 1998 and until 2002 there was a contract in force, called “The Sectoral Collective labour Contract for people, working in the Municipal Trading Companies”¹⁵, signed in 1998 by the 3 representative social partners listed above.

-On January 28, 2002, for the first time, a Sectoral Collective Contract for the whole Trading Sector was signed by the same parties. On the 18-th of October 2002, an annexe to the Collective Contract from January 28, 2002 was signed. It should be considered as a separate sectoral collective contract, because it changes the terms of the contract.

coverage rate

¹⁴ Confederation of Independent Trade Unions

¹⁵ This contract was titled “sectoral”, but its name prompts that it is a contract, signed at “higher than enterprise level” (at municipal level).

The total coverage rate of the employees covered by SECTORAL collective agreements (contracts) is about 3,3 % of the total number of employees in the sector. The coverage rate of the employees in the wholesale sub-sector is about 2,5 %, while the coverage rate in the retail sub-sector is about 5 %. The third sub-sectors (G 50) is not covered¹⁶. The coverage rate at enterprise level is much higher, because there are collective contracts at enterprise level in enterprises, whose employers do not belong to any sectoral / branch employers association.

evolution of the social dialogue in the sector

The “trade union” component of the social dialogue in the sector is expected to remain the same. The number of players for employers’ organisations could become higher. All the social partners agree that a reinforcement of their structures and potential expertise is crucially necessary. On the whole the “bottleneck” in the social dialogue in the trade sector seems to be the lack of meaningful involvement of the employers.

Bipartite social dialogue at “higher than enterprise” level

Until 2002, the sectoral bargaining in the trading sector was concentrated on a “higher than enterprise level” (i.e. municipal level). There was only one agreement of this type – the “Sectoral Collective Labour Contract for people, working in the Municipal Trading Companies”, signed in 1998. The parties at this “higher than enterprise level” collective contract were the same parties which are carrying out the social dialogue at sectoral level. This contract had “sectoral” in its title, but its name suggests that it is a contract, signed at “higher than enterprise level” (at municipal level). There is no chance for this experiment to be repeated. No data is available about the coverage of this collective agreement and it is difficult to make any decent estimates. After that in 2002, the new collective contract was extended to a Sectoral Collective Contract.

Bipartite social dialogue at enterprise level

While in many other sectors the collective bargaining is far much developed at enterprise level, here the situation is more sophisticated. In the trade sector there are numerous micro and small enterprises - shops, where actually there are neither trade unions, nor collective bargaining.

players

At enterprise level, all the legal trade unions, no matter whether they are representative or not, can negotiate with the employer (owner, manager, or authorized representative of the principal person). Yet, the dominant players for the trade unions are the same as at sectoral level – the sections of the federations in the trading sector of the nationally representative trade union confederations.

One should mention the hostility that exists between the sections of the nationally recognized unions and the sections of the other trade unions, which are not nationally representative. Following the Labour code, all trade union organisations can negotiate with the employer in the bargaining process. In some cases, the trade union sections of the nationally representative unions use various techniques to eliminate the “small trade unions” from the collective bargaining. Having in mind the union pluralism at enterprise level one can foresee a further growth of tension at this level after introduction of work councils - if it will be accepted for the companies already “equipped” with trade union sections.

¹⁶ According to the data, given by the *Independent Trade Union Federation of Commerce, Cooperative, Tourism, Credit and Social Services (member of the CITUB)*. Similar data is given by the Federation “Commerce” – member of the CL “Podkrepa”. The employers - *The Union of Traders in Bulgaria*, give considerably higher figures, than the trade unions but their data seems overstated.

collective agreements

The contents of the company collective contract are not strictly regulated by the legislation, but there are typical items, which are discussed as a rule in the collective contracts at enterprise level¹⁷. If there is more than one section in an enterprise ALL the trade union organisations (sections) must prepare a common draft of the collective contract and propose it to the employer). If the trade union sections can not reach an agreement on a common draft project for collective contract, they must prepare their separate drafts and submit them to the GENERAL ASSEMBLY of workers in the enterprise. One enterprise can conclude ONLY ONE collective contract. The trade union members of the organisations, whose draft has failed the competition at the General Assembly of workers can join the collective contract only IN A PERSONAL CAPACITY. The non-unionized workers can also join the collective contract.

coverage rate

The coverage rate at enterprise level¹⁸ is visibly higher than the coverage rate at sectoral level, because there are collective contracts at enterprise level in enterprises whose employers do not belong to any sectoral / branch employers association. Some of them are big employers.

3. Organisations active in the sector

Employers' organisations

Due to the Labour Legislation in Bulgaria only few workers' organisations have the right to operate at sectoral level. The organisations at sectoral level are only those organisations which are members of central trade union organisations recognized as representative at national level. In this way, only two federations act in the trade sector - the members of CITUB and Podkrepa CL. The only source for quantitative data about the organisations is the internal statistics of the same sectoral organisations.

Nezavisima Sindikalna federatzia na turgoviata, kooperatziite, turisma, kredita i obshtestvenoto obsluzhvane (Independent Trade Union Federation of Commerce, Cooperative, Tourism, Credit and Social services) is a member of the Confederation of Independent Trade Unions in Bulgaria. This NGO (non profit) was created in 1990 and covers the activities NACE G 51-52 of the trade sector (except G50), also few other sectors. It offers services to members (training, legal protection, technical support) to members. Internal spreading of decisions stemming from concertation takes place by way of trainings. The association also uses periodicals, correspondence, regular meetings with the activists, training to keep its members informed.

The organisation, which has 6570 individual members¹⁹, has total of 84 elected delegates (of which 46 elected at company level and 38 elected at regional level) takes part in «concertation» at sectoral, branch and municipal level, it negotiates and signs at sectoral and branch level (altogether 12 agreements at sectoral level - in Trade and Tourism- and 8 agreements at branch level since 1990). 5 collective agreements have been signed by the organisation since January 2001 (2 agreements for trade and 2 agreements for Tourism at sectoral level, 1 at branch level). It takes part in tripartite «concertation» at sectoral and branch level and it signed 8 agreements in this framework during the 1990-1998 period.

¹⁷ These are: 1. General issues; 2. Employment, professional qualification / vocational training; 3. Working time, leave, vacations, etc.; 4. Salaries, wages and other payments; 5. Health and safety at work; 6. Social security and insurance; 7. Trade union activities in the enterprise; 8. Voluntary arrangement of collective labour conflicts; 9. Procedure for joining the collective contract; 10. Final statements

¹⁸ Following the data, proposed by the "Commerce" Federation of the CL "Podkrepa", the coverage rate of the employees, covered by collective agreements (contracts) at enterprise level is 10 % (9,257 employees) for the wholesale sub-sector, 20 % (20,286 employees) for the retail sub-sector and 14 % (4,020 employees) for the rest sub-sectors. This means that the total coverage rate for the employees in the trade sector is 15,07 % Similar data is given by the Independent Trade Union Federation of Commerce, Cooperative, Tourism, Credit and Social Services (basic member of the CITUB). The employers - The *Union of Traders in Bulgaria*, give higher figures but their data seem overstated. - for example, in 2002 The Metro cash & carry signed a company labour contract. Figures in brackets are estimates of national researchers.

¹⁹ Members pay subscriptions (about 70% pay them regularly).

Federatzia Turgovia KT “Podkrepa” (Federation of Commerce “Porkrepa” CL), created in 1990 is a NGO (non profit) member of PODKPEPA Confederation of Labour. It covers the activities NACE G 50-52 of the trade sector. It offers services to members (training, legal protection, technical support, expert consultancy on negotiations, on matters related to: the Labour Code, The Law for health and safety at work, The Law for collective labour disputes settlement). Internal communication of decisions, stemming from »concertation», takes place by way of training and publications.

The organisation, which has 2100 individual members²⁰ and a total of 14 elected delegates (of which 6 elected at company level, 7 elected at regional level, and 1 other) takes part in «concertation» at sectoral, branch, enterprise and municipal level, it negotiates and signs at sectoral and branch level. 6 collective agreements have been signed by the organisation since January 2001 (3 agreements at sectoral level, 3 at branch level). It take part in tripartite »concertation» at sectoral and branch level and it signed 3 agreements in this framework during the 1990-1998 period.

²⁰ Members pay subscriptions (about 80% pay them regularly).

Table B. Trade unions

Organisation		Type of employees covered (white/blue collars, executive, skilled occupations...)	Members Workers	Members working in the sector	CB	CA	I	National affiliations		European affiliations		International affiliations	
								Direct *	Indirect	Direct *	Indirect	Direct *	Indirect
(original name)	(English name)	(type)	(number)	(number)	Yes /no	Yes /no	Yes/ no	Direct * (name)	Indirect (name)	Direct * (name)	Indirect (name)	Direct * (name)	Indirect (name)
Nezavisima Sindikalna federatzia na turgoviata, kooperatziite, turisma, kredita i obshtestvenoto obsluzhvane ²¹	Independent Trade Union Federation of Commerce, Cooperative, Tourism, Credit and Social Services	blue collars - 4600 white collars -1200 pensioners - 590 executives - 180	5980	2502	Yes ²²	Yes ²³	Yes ²⁴	Confederation of Independent Trade Unions in Bulgaria		UNI –Europa	ETUC (via CITUB and UNI-World)	UNI	ICFTU (via CITUB)
Federatzia Turgovia KT “Podkrepa” ²⁵	Federation of Commerce “Podkrepa” CL	blue collars - 1585 white collars - 420 unemployed - 45 social benefits - 50	2100	2100	Yes ²⁶	Yes ²⁷	Yes ²⁸	Confederation of Labour Podkrepa		UNI-Europa	ETUC (via Porkrepa Confederation of Labour and UNI-World)	UNI	ICFTU (via Porkrepa Confederation of Labour)

CB: Does the organisation take part in Collective Bargaining? **CA:** Is the organisation able to sign Collective Agreements? **T**: Does the organisation take part in Tripartite Concertation?

Note: Estimates of respondents are marked by (*), while estimates of researchers are marked by(**).

Employers' organisations

Suyuz na turgovtziite v Bulgaria (the Union of Traders in Bulgaria) is an NGO (non profit) which was created in 1990. It is the only active employers' organization in the Trade sector (it also has a few members in Pharmacy and Food processing). It offers training to members, also legal protection and technical support via umbrella organisations - BCCI and BIA. The means of the organisation are

²¹ (In Cyrillic: Íáçáâèñèìà ñèíàèèàèíà ðáááðáðèý íà ðúðáíàèýòà, èíííàðàèèèòà, òððèçíà, èðááèòà è íáúáñòááííòí íáñèóæááíá)

²² at sectoral and branch levels

²³ at sectoral and branch levels

²⁴ at sectoral and branch levels

²⁵ (In Cyrillic: Óáááðáðèý ðúðáíàèý ÈÒ “Ííàèðáíà”)

²⁶ at sectoral and branch levels

²⁷ at sectoral and branch levels

²⁸ at sectoral and branch levels

quite limited: it is actually financed only by membership fee, which is not enough having in mind the low degree of membership. The budget for 2003 is about 2000 Euro. It can only offer services free of charge (not only to members but also to non-members) and the means they use for keeping the members informed are quite simple: post, phone, fax, personal contacts.

Suyuz na turgovtzi v Bulgaria takes part in «concertation» at sectoral, branch and municipal level. It signs Collective agreements at sectoral level (agreements covering wholesale and retail trade). Since 1996 altogether 7 agreements at sectoral level, plus one annex for 2003. Since 2001, 6 collective agreements and 3 annexes have been signed by the organisation (2 and one annex at sectoral level, 2 and one annex at branch level, and also 2 and one annex at municipal level). The organisation takes part in tripartite «concertation» at sectoral and branch level (it signed 8 collective agreements and 2 annexes in the framework of tripartite «concertation»).

Table C. Employer's organisations

<u>Organisation</u> (original name)	<u>Sub-sector</u> (English name) (wholesale, retail, ...)	<u>Companies</u> (number)	<u>Employees</u> (number)	<u>CB</u> yes/no	<u>CA</u> Yes/no	<u>I</u> Yes/no	<u>National affiliations</u> Direct* (name) Indirect (name)		<u>European affiliations</u> Direct * (name) Indirect (name)		<u>International affiliations</u> Direct * (name) Indirect (name)	
Suyuz Targovtzi Bulgaria ²⁹	Union of Traders in Bulgaria it covers the entire sector	35	2000*	Yes	Yes ³⁰	Yes ³¹	Bulgarian Industrial Association; and Bulgarian Chamber of Commerce and Industry		Eurochambers and UNICE (via BCCI and BIA)		International Chamber of Commerce, International Organization of Employers, World Trade Center, International Council of Cooperation	

CB: Does the organisation take part in Collective Bargaining? CA: Is the organisation able to sign Collective Agreements?

I: Does the organisation take part in Tripartite Concertation?

Note: Estimates of respondents are marked by (*), while estimates of researchers are marked by(**).

²⁹ (in Cyrillic:Нúпç ãääããäää ä Äúääää)

³⁰ at sectoral, branch and municipal levels

³¹ at sectoral and branch levels

CYPRUS

1. description of the sector³²

Delimitation of the scope of activities for the sector

The trade sector corresponds to the NACE classification (code 50-52).

Socio-economic features of the sector

The Trade Sector is one of the most important sectors of the economy of Cyprus. Its annual contribution to the national economy is 13% of G. D. P, 18% of the total gainfully employed population and 14% of the value added produced. The share of the informal economy in the trade sector can be estimated at 5%.

The Sector is characterised by the small size of the unit, the family owned enterprise and the small capital base of each enterprise. The nature of the enterprises is as follows: 54,7% are privately owned, 41,9% are companies, 3,2% are partnerships and 0,2% are joint ventures, semi-government organizations, religious organizations and professional and non-profit institutions.

With regard to workers, 42% of them are sale workers and 28% are skilled and semi-skilled workers. About 45% of them are women. The educational level of the labour force is relatively high. Indeed, nearly 49% have secondary school leaving qualifications.

The strategy by which most firms compete is centred on the basic aim of development in the Sector, which is to encourage the setting up of viable units, capable of meeting increased competition within the EU, the efficient running of these units, the improvement of the marketing of their products, the safeguarding of consumer protection and the complete abolition of controlled prices including shop rents, more flexible opening hours and the diminishing role of marketing boards for cereals, grapes, citrus etc, and the adoption of e-commerce.

Finally, over the last decade, the Trade Sector has achieved a satisfactory annual rate of growth of 4.5% in value added, in real terms, of 3.9% in employment and 0.8% in productivity in real terms and its contribution to G.D.P rose from 11.8% in 1993 to 13.0% in 2002, at current market prices.

³² The data published officially by the Statistical Service of Cyprus, refer to trading activities in the Government controlled area of Cyprus only, due to the Turkish Invasion in 1974 and the continuing occupation of a large part of the island since then. The main statistical data available on this Sector, is through the Annual Survey of Wholesale and Retail trade, as well as the Census of Establishments, carried out every five years, by the Statistical Service of Cyprus.

Table A. Contextual data in the sector³³

COMPANIES						
	<u>Companies</u>	<u>% companies without employees (employees = salaried workers)</u>	<u>% companies < 5 employees</u>	<u>% companies from 5 to 50 employees</u>	<u>% companies > 50 employees</u>	
	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	
Wholesale	2152	n.a.	1397	709	46	
Retail	11772	n.a.	10911	835	26	
Other (co)de G50	3036	n.a.	2764	257	15	
TOTAL OF THE SECTOR	16960	n.a.	15072	1801	87	
WORKERS						
	<u>Workers other than employees</u>	<u>Employees</u>	<u>% of total number of employees</u>	<u>% employed in comp. < 10 employees</u>	<u>% employed in comp. > 100 employees</u>	<u>Coverage of collective agreements</u>
	<i>(number)</i>	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>
Wholesale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Retail	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other (co)de G50	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL OF THE SECTOR	35568 (68,4%)	16432 (31,6%)³⁴	n.a.	n.a.	n.a.	30%

*= total number of employees in the sector divided by total number employees in the country

n.a.= not available data

³³ (2000 - Census of Establishments)

³⁴ Out of this 16432 persons, 6084 are employers, 9776 are self-employed and 572 are contributing family workers.

2. Industrial relations in the sector

Tripartite concertation

There is no specific tripartite concertation for the trade sector but there is one for the overall economic and social policy of the country, which embraces also concertation at the sectoral level. The main actors in this concertation are the Ministry of Labour and Social Insurance, the Employers' and Industrialists' Federation and the Trade Unions. There are no matters specific to tripartite dialogue. The issues addressed in tripartite concertation exercises are those which have repercussions on the economy in general and those that cannot be resolved in a bipartite dialogue. Sometimes an agreement can be signed after concertation. Finally, there are no informal procedures for tripartite concertation.

Bipartite social dialogue

Depending on the issue, collective bargaining takes place at the sectoral level, at higher than enterprise level and at enterprise level. These levels are interconnected. If the issue concerned is not resolved at the enterprise level, it is taken for discussion at the other levels. Collective agreements are only signed at enterprise and sectoral level. Procedures for concluding and implementing collective agreements are generally effectively used, and they are in accordance with the Industrial Relations Code of 1977 which provides the basic principles and procedures in connection with collective bargaining. The Code was signed by the Minister of Labour, the Employers' Association (OEV) and the main Trade Unions (Federation of Clerical and Commercial Employees - SEK and Cyprus Industrial, Commercial, Press-Printing and General Services Workers Trade Union - PEO). At the national and industry levels, the employers and workers organisations recognise one another, and are recognised by the State, as representatives of the respective workers and employers. Despite the fact that collective agreements are not legally binding, there are specific provisions in the recently enforced new EU harmonised labour legislation, that ensures that collective agreements are amended so that provisions which are contrary to this new legislation are effectively removed.

The number of collective agreements signed in the trade sector amounts to 300, mostly concluded at enterprise level (295 out of 300), lasting usually for 2-3 years and covering about 12000 employees. The workers affected by these agreements are mostly sales, clerical and related workers³⁵.

The positions of the social partners with regard to future developments in the social dialogue in the trade sector are positive. The partners engage in negotiations in a spirit of good faith and mutual understanding, in the context of the industrial relations principles and practices, prevailing in the country.

³⁵ Due to the small geographical size of Cyprus, sectoral agreements are also national, as they have island-wide coverage.

Bipartite social dialogue at sectoral level

At *sectoral level*, the players are the trade unions, organised for the most part into two national unions, the PEO and SEK. On the employers' side, they are chiefly organised into an employers' federation (OEV) and the Cyprus Chamber of Commerce and Industry (KEVE). The collective agreements focus on wages, working conditions, overtime pay, holidays,... There is an obligation according to the Industrial Relations Code to participate at collective bargaining at the sector level.

Bipartite social dialogue at enterprise level

At *enterprise level*, the collective agreements cover the same topics as at sectoral level but take into account the peculiarities of the enterprise. The agreement is directly negotiated between the employees' trade union representatives and the employer. In case of deadlock, the assistance of the Ministry of Labour and Social Insurance can be used. The implementation is often supervised by the main trade unions. In some cases, the employer can be helped by his employers' organisation. A collective agreement is, in most cases, extended to non-unionised employees. However, the social and welfare benefits from the trade unions enjoyed by unionised employees may not be available to non-unionised workers.

3. Organisations active in the sector

Workers' organisations

The Cyprus Industrial, Commercial, Press-Printing and General Services Workers Trade Union (CCPGSWT) founded in 1997 is registered with the Ministry of Labour and Social Insurance as a trade union. Members have to pay fees (1% of gross income) and about 0,5-1% for medical, social and welfare benefits. Leadership elections are organised. It covers the sectors of clothing and footwear, printers, retail trade and nurses. It takes part in consultations at all levels but mainly at enterprise level. It negotiates and signs agreements at all levels. Since 1st January 2001 it has signed about 400 collective agreements in all its branches of activity (4 at the sectoral level and 396 at the enterprise level). It takes part in tripartite concertation and about 30% of the collective agreements signed are within this framework.

The Federation of Clerical and Commercial Employees founded in 1944 has been registered in 1950 with the Registrar of Trade Unions at the Ministry of Labour and Social Insurance. Its members are clerical and related employees, commercial services and related employees, nurses and actors. They have to pay a fee of 1% of their gross income and about 0,5-1% for medical, social and other welfare benefits. Since 1st January 2001, it has signed about 150 collective agreements in all its activities (of 2-3 years duration each). Of these, 147 are at the enterprise level and 3 at the sectoral level. It also participates in tripartite concertation and 3 collective agreements were signed within this framework.

The Democratic Trade Union of Commercial and Industrial Employees created in 1962 is registered with the Registrar of Trade Unions at the Ministry of Labour and Social Insurance. Its members are commercial and industrial employees and have to pay fees (1% of their income) and 0,5-1% for medical, social and other welfare benefits. Since 1st January 2001 the trade union has signed 3 agreements, at the enterprise level.

Table B. Trade unions

<u>Organisation</u>		<u>Type of employees covered</u> (white/blue collars, executive, skilled occupations...)	<u>Members Workers</u>	<u>Members working in the sector</u>	<u>CB</u>	<u>CA</u>	<u>T</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
<i>(original name)</i>	<i>(English name)</i>	<i>(type)</i>	<i>(number)</i>	<i>(number)</i>	<i>Yes</i> <i>/no</i>	<i>Yes</i> <i>/no</i>	<i>Yes</i> <i>/no</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>
SEBETTYK ³⁶	CCPGSWT ³⁷	white collar (70%) and blue collar workers (30%)	7000	5000	Yes	Yes	Yes	Part of PEO ³⁸		UNI-Europa ³⁹		UNI	
SEK ⁴⁰	Federation of Clerical and Commercial Employees	Mainly white collar workers	6500	4000	Yes	Yes	Yes	Part of SEK		UNI-Europa		UNI	
DEOK ⁴¹	Democratic Trade Union of Commercial and Industrial Employees	Mainly blue collar workers	1000	100	Yes	Yes	Yes	Part of DLFC ⁴²					

CB: Does the organisation take part in Collective Bargaining? **CA:** Is the organisation able to sign Collective Agreements? **T:** Does the organisation take part in Tripartite Concertation?

Employers' organisations

The Cyprus Chamber of Commerce and Industry (KEVE) founded in 1927 is registered as a private Law Chamber. The composition of its members is as follows: 94% belong to small enterprises, 5% to medium-sized enterprises and 1% to large enterprises. More than 120 professional associations from the sector of trade, industry and services are affiliated with it. The members have to pay subscriptions. The organisation provides a wide range of services to its members such as access to trade and business information, participation in training programmes, seminars etc. This organisation has, up to now, signed 25 agreements at sectoral level and 150 at enterprise level. It also takes part in consultation at all levels.

The Employers and Industrialists Federation (OEV) founded in 1960 is registered as a non-profit company. Its members are mostly SMEs, with a few multinationals and internationals, in a wide spectrum of economic activity. Indeed, the organisation comprises 40 main professional associations and 400 major individual enterprises in the manufacturing, trade services, construction and

³⁶ *Syntehnia Ergatoepallilon Viomehanias, Emporiou, Typoutypografion Kai Genikon Ipiresion Kyprou*

³⁷ *Cyprus Industrial, Commercial, Press-Printing and General Services Workers Trade Union*

³⁸ *POE: Pancyprian Federation of Labour*

³⁹ *UNI - Europa: Union Network International Europa*

⁴⁰ *Omospondia Idiotikon Epallilon Kyprou*

⁴¹ *Democratiki Ergatoepalliliki Enosi Emporikon Kaiv Iomehanikon Epallilon*

⁴² *DLFC: Democratic Labour Federation of Cyprus*

agricultural sectors of the economy. In the trade sector, the OEV covers around 1100 enterprises employing 6500 workers. The members have to pay subscriptions. The OEV has signed about 200 collective agreements (30 at sectoral level and 170 at enterprise level). It also participates in tripartite concertation and about 50% of the collective agreements signed are within this framework. It provides different services to its members. It should be noticed that OEV helps formulate national socio-economic policy through direct participation of its representatives in various Government Advisory Boards or Committees which deal with economic, labour, industrial and social issues.

The Cyprus Federation of Small-scale Industry, Craftsmen and Shopkeepers (POVEK), founded in 1952, is registered as a professional non-profit association. It represents enterprises in all branches of the retail trade, small scale industry and services. The enterprises represented are small-sized and self-owned. The number of employees covered by POVEK in the trade sector is about 8000. The organisation takes part in consultations at all levels (sectoral, higher than enterprise or enterprise level) and negotiates and signs collective agreements, which are at the level of the branch of activity. It has signed 10 collective agreements at branch level.

Table C. Employers' organisations

<u>Organisation</u>		<u>Sub-sector</u>	<u>Companies</u>	<u>Employees</u>	<u>CB</u>	<u>CA</u>	<u>T</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
<i>(original name)</i>	<i>(English name)</i>	<i>(wholesale, retail, ...)</i>	<i>(number)</i>	<i>(number)</i>	<i>yes/no</i>	<i>Yes/no</i>	<i>Yes/no</i>	<i>Direct (name)</i>	<i>Indirect (name)</i>	<i>Direct (name)</i>	<i>Indirect (name)</i>	<i>Direct (name)</i>	<i>Indirect (name)</i>
KEVE⁴³	CCCI⁴⁴		8000	255000	Yes	Yes	Yes			Eurochambers⁴⁵, ABC⁴⁶, UEAPME⁴⁷, ETPO⁴⁸		ICC⁴⁹, WTCA⁵⁰, ASCAME⁵¹, EAN⁵², WASME⁵³, ILO⁵⁴	
OEV⁵⁵	EIF⁵⁶		4500	155000	Yes	Yes	Yes			UNICE		IOE⁵⁷, UMCE⁵⁸	
POVEK⁵⁹	60		8000	?	Yes	Yes	Yes			61		WCF⁶²	

CB: Does the organisation take part in Collective Bargaining? CA: Is the organisation able to sign Collective Agreements? T: Does the organisation take part in Tripartite Concertation?

⁴³ Kypriako Emporiko Kai Viomihaniko Epimelitirio

⁴⁴ Cyprus Chamber of Commerce and Industry

⁴⁵ EUROCHAMBERS: Association of the Chambers of Commerce and Industry of the European Union

⁴⁶ ABC: Association of Balkan Chambers

⁴⁷ UEAPME : European Association of Craft, Small and Medium-Sized Enterprises

⁴⁸ ETPO: European Trade Promotion Organization

⁴⁹ ICC: International Chamber of Commerce

⁵⁰ WTCA: World Trade Centers Association

⁵¹ ASCME: Assembly of the Mediterranean Chambers of Commerce and Industry

⁵² EAN-International: International Article Numbering Association

⁵³ WASME: World Association for Small and Medium Enterprises

⁵⁴ ILO: International Labour Organization

⁵⁵ Omospondia Ergodoton Ke Viomehanon

⁵⁶ Employers and Industrialists Federation

⁵⁷ IOE: International Organization of Employers

⁵⁸ UMCE: Union of Mediterranean Confederations of Enterprises

⁵⁹ Pankypria Omospondia Viotehnon, Epagelmaton Ke Katastematarchon

⁶⁰ Cyprus Federation of Small-scale Industry, Craftsmen and Shopkeepers

⁶¹ At the European level it co-operates with the General Confederation of Craftsmen of Greece. It has also recently applied for membership of the Union European Artisan Petites-Medium Enterprises (UEAPME). However various branches of its activities, are members of corresponding European Associations. These include confectioners, hairdressers, electricians.

⁶² WCF: World Confectioners Federation

CZECH REPUBLIC

1. Description of the sector

Delimitation of the scope of activities for the sector

In the context of collective bargaining, the commerce sector is defined more broadly than G sector of NACE classifications because the Czech Confederation of Commerce and Tourism (SOCR CR) employer organisation also associates firms operating in sector H – accommodation and catering.

Socio-economic features of the sector⁶³

Commerce and accommodation and catering form the second largest sector of the national economy after manufacturing industry. It has been almost entirely privatised. Despite the significant impact of large, predominantly international – and particularly retail chains, it continues to be a sector dominated by small and medium-sized enterprises and is one of the cornerstones of the middle class in the Czech Republic.

Commerce has recently recorded mainly positive economic results while catering and, most notably, hotel accommodation have been badly affected by both the overall decline in tourism and by the floods. There is considerable differentiation in remuneration in the sector; wages in the wholesale sector are higher than the average national wage, whereas in retail, and particularly in catering, wages are below average; wages are also related to the size of enterprises, with big enterprises under foreign control paying higher than average wages.

Steps to combat the grey economy (that exists in commerce as it does in the entire Czech economy and society) have not been very effective owing to the overall climate and legal maturity of society, the level of enforceability of the law etc.

Table A. Contextual data in the sector

COMPANIES					
	<u>Companies</u>	<u>% companies without employees (employees = salaried workers)</u>	<u>% companies < 10 employees (0 – 19)</u>	<u>% companies from 10 to 100 employees (20 – 99)</u>	<u>% companies > 100 employees 100 +</u>
	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>
Wholesale	215,120 (70,743)	-	(97.7)	(2.0)	(0.3)
Retail	384,918 (144,831)	-	(99.3)	(0.6)	(0.1)
Other (NACE G50 and H55)	141,501 (65,252)	-	(98.1)	(1.7)	(0.2)
TOTAL OF THE SECTOR	741,539 (280,826)	-	(98.6)	(1.2)	(0.2)

⁶³The data are provided by the National Statistical Institute (NSI), last updated in 2001. If the source is different, it will be noted.

WORKERS	<u>Workers other than employees</u>	<u>Employees</u>	Employees			
	(number)	(number)	<u>% of total number of employees*</u>	<u>% employed in comp. < 10 employees (0 – 19)</u>	<u>% employed in comp. > 100 employees</u>	<u>Coverage of collective agreements</u>
			(percentage)	(percentage)	(percentage)	(percentage)
Wholesale	59,558	176,844	4.43	45.6	24.2	-
Retail	145,922	273,252	6.84	56.0	33.9	-
Other (NACE G50 and H55)	66,649	181,613	4.55	61.4	16.4	-
TOTAL OF THE SECTOR	272,129	631,709	15.82	54.6	26.1	By enterprise-level CA: 10% very approx.

*=Total number of employees in 2002 (annual average) 3,992,300

Data in () mean number of active companies.

2. Industrial relations in the sector

Although there is no tripartite concertation for the sector, the government is indirectly involved in consultations which take place between employers and employees. Bipartite social dialogue has existed for a number of years between the Czech Confederation of Commerce and Tourism and the Union of Commercial Employees; contacts are also in place with the Trade Union of Workers in Catering and Tourism. Official sectoral social dialogue has been put in place in commerce (at the 9th Annual Conference on the Development of Commerce in February 2003 in Brno). Bipartite social dialogue takes place at the level of the sector (“higher level”) and at enterprise level.

Tripartite concertation

There is no tripartite concertation at sectoral level. However, consultation takes place in the commerce and in the accommodation and catering sector, namely between the employers side [represented by the Czech Confederation of Commerce and Tourism (SOCR CR)] and the employees side [represented by the Union of Commercial Employees (OSPO) and the Czech-Moravian Trade Union of Catering, Hotels and Tourism (CMOS PHCR)].

The government only takes part in these consultations indirectly. SOCR CR has made an agreement with the Ministry of Industry and Trade and the Ministry for Local Development. This co-operation is focused mainly on mutual information exchange, comments on draft legislation, mutual attendance of organised events etc.

Bipartite social dialogue

Levels where collective bargaining takes place

In the Czech Republic, the Act regulating collective bargaining does not mention sectoral collective agreements and Czech law does not define economic sectors. Collective bargaining in the commerce sector takes place at sectoral level (higher level) between the two highest ranking representatives of the social partners in the sector. This leads to “higher-level collective agreements”. At enterprise level, an employer and trade union representatives, if a trade union exists in the firm, conduct collective bargaining.

Higher-level collective agreements lay down for the sector the framework rules and duties of the two contracting parties. Enterprise-level collective agreements cannot contain commitments lower than those set out in an HLCA.

evolution of the bargaining

Both social partners have access to sufficient resources and knowledge to conclude agreements regarding the commerce sector issues and, in future, the tourism sector as well. The main obstacle to the advancement of social dialogue at sectoral level is the low level of awareness of the significance of social dialogue and collective bargaining in enterprise entities, including firms featuring foreign capital. Bipartite social dialogue doesn't benefit from a particular support.

Bipartite social dialogue at “higher level”

Players

Negotiations are voluntary from the legal point of view. Collective bargaining in the commerce sector takes place at sectoral level (higher level) between the two highest ranking representatives of the social partners in the sector. Employers are represented by the Czech Confederation of Commerce and Tourism of the Czech Republic; employees by the Union of Commercial Employees. Negotiations on an HLCA are currently being prepared with the Czech-Moravian Trade Union of Catering, Hotels and Tourism. So far there have been no conflicts between the parties concluding collective agreements in this sector.

signed collective agreements

The outcome of collective bargaining is “higher-level collective agreements”. HLCAs have been concluded in commerce since 1993. An HLCA is now being prepared for the tourism sector. One has been signed for the commerce sector by SOCR CR and OSPO, and it goes from 1 January 2001 to 31 December 2003. It covers all members of the employers' associations, unless they are covered by another HLCA. The HLCA goes beyond the applicable legislation chiefly in the field of care for employees and occupational health and safety. Agreements on wage entitlements are merely of the nature of a framework. (It is only enterprise-level collective agreements that contain specific commitments regarding wage conditions and other labour-law entitlements of employees).

coverage rate

The HLCA would cover approximately 0.54% of the total number of business subjects. These are mainly large and medium-sized enterprises. Coverage rate in terms of employees (for NACE G50, G51, G52) is 4.14% (Chiefly operative occupations: shop staff, cash tellers, shop managers, warehouse managers, technical staff and other management workers).

Bipartite social dialogue at enterprise level

Players

Negotiations at the level of enterprise-level collective agreements are conducted between the employers and the employees' trade union organisation at companies which are members of the Union of Commercial Employees or the Czech-Moravian Trade Union of Catering, Hotels and Tourism. Not all the representatives in the trade sector are known.

collective agreements

The total number of enterprise-level collective agreements was 216 (179 for trade unions organizations in OSPO, and 37 for trade unions organisations in CMOS PHCR) in 2002. The number of these agreements at enterprises with less than 50 employees was 184, at companies with 51 - 100 employees there were 25 agreements.

In most cases, enterprise-level collective agreements go beyond the substance of HLCAs, especially regarding wages, care for employees and occupational health and safety. Collective bargaining aiming at concluding an enterprise-level collective agreements represents, in terms of its impact, the most important form of social dialogue at company level in the light of the number of workers covered by these collective agreements as well as the concrete commitments contained in them. Enterprise-level collective agreements are also important thanks to their accessibility to users, and thus their direct impact in a specific company environment, as well as for their easier evaluation and control of the fulfillment of the obligations agreed.

coverage rate

Enterprise-level collective agreements cover 63,141 employees (Czech enterprise-level collective agreement covers all employees in the company).

In 2002, 179 enterprise-level collective agreements of OSPO covered 58,500 employees. Coverage rate was approximately 11,6% of employees in NACE G50 – G52. For the same year, 37 enterprise-level collective agreements of CMOS PHCR covered 4,641 employees. Coverage rate was very approximately 3,6% of employees in NACE H55. (Not all the representatives in the trade sector are known.).

3. Organisations active in the sector

Workers' organisations

Odborový svaz pracovníků obchodu – OSPO [Union of Commercial Employees (OSPO)], created in 1990, is a voluntary, independent and open organisation, independent of state and economic authorities, political parties, social organisations, movements and initiatives. It was created in 1990 and it is active in NACE 50 to 52. It operates nationally. Its members are mainly commercial staff (cash tellers, shop staff, warehouse workers, shelf-stockers) working in Czech and multinational commercial companies and establishments of consumer co-operatives and the private sector. There is a high rate of turnover in the membership. All trade union officers in companies are elected.

One higher-level collective agreement was concluded by OSPO since January 1st 2001. A total of 198 enterprise-level collective agreements have been signed for 2001, and 179 for 2002.

OSPO provides its members (they pay membership dues) with free advice in matters of labour law, wages, employment, social issues, collective bargaining and occupational health and safety. It provides free legal aid and representation in court in cases of the legitimate interests of its members (in labour disputes) and monitors compliance with the labour regulations. OSPO also offers cheap recreation in its own recreation facility for the members (and their families) of the trade union organisations under it. It provides social aid during times of unemployment, financial assistance in the event of natural disasters and social aid for people in difficult situations not of their own fault. It provides an information service to trade union organisations. OSPO operates its own website and publishes a union magazine. It organises training and seminars for trade union organisation officials. With the help of UNI, it conducts negotiations on the establishment of trade union organisations and conclusion of collective agreements in the multinational companies operating in the Czech Republic.

Ceskomoravský odborový svaz pohostinství, hotelu a cestovního ruchu (CMOS PHCR) [Czech-Moravian Trade Union of Catering, Hotels and Tourism (CMOS PHCR)], created in 1990, is an independent trade union organisation that represents employees from all fields in public catering, temporary accommodation, in tourism and recreation services⁶⁴, regardless of their political and religious belief. At all levels, representatives at companies and union officials are elected.

Higher-level collective agreements were concluded up to 1994. No other HLCA has been concluded since then owing to the lack of a contractual partner. At present the organisation is preparing to conclude a higher-level collective agreement with the Confederation of Commerce and Tourism of the Czech Republic. In 2001, 39 valid enterprise-level collective agreements were registered at the basic organisations associated in CMOS PHCR. (37 for 2002 and 32 for 2003).

The trade union offers the following services to members (they pay a subscription of 1% of net monthly income): a) labour-law, economic and organisational advice in the areas of wages, employment, social, working and living conditions, including occupational health and safety, hygiene, collective bargaining and related areas. b) trade union education) recreational facilities for children and adults. d) humanitarian, social, cultural and sports activities. e) publishing of a trade union magazine and other methodological materials. The union operates its own website, publishes a magazine and runs an information helpline.

Table B. Trade unions

<u>Organisation</u>		<u>Type of employees covered</u> (white/blue collars, executive, skilled occupations...)	<u>Members Workers</u>	<u>Members working in the sector</u>	<u>CB</u>	<u>CA</u>	<u>I</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>
<i>(original name)</i>	<i>(English name)</i>	<i>(type)</i>	<i>(number)</i>	<i>(number)</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes/</i>	<u>Direct</u>	<u>Indirect</u>	<u>Direct</u>	<u>Indirect</u>	<u>Indirect (name)</u>
					<i>/no</i>	<i>/no</i>	<i>no</i>	<i>(name)</i>	<i>(name)</i>	<i>(name)</i>	<i>(name)</i>	
OSPO⁶⁵	Union of Most blue collars, Commercial Employees	of Most blue collars, administrative staff incl. lower management are a minority	17,678	n.a.	Yes⁶⁶	Yes⁶⁷	(no)	CMKOS⁶⁸	RHSD⁶⁹	UNI Europa		<u>UNI</u>

⁶⁴ According to UNI-Europa, CMOS PHCR won't take part in the European social dialogue for the commerce sector (source: UNI-Europa consultation). This organisation has been introduced because of the particular delimitation of the sector in the Czech Republic.

⁶⁵ **Odborový svaz pracovníků obchodu**

⁶⁶ at higher (sectoral) level and at enterprise level (through the given enterprise-based trade union organisation).

⁶⁷ at higher (sectoral) level and at enterprise levels

⁶⁸ **Czech-Moravian Confederation of Trade Unions**

⁶⁹ **Council of Economic and Social Agreement**

CMOS PHCR ⁷⁰	Czech-Moravian Trade Union of very few Catering, Hotels and Tourism members and Tourism	Most operative staff, only white-collar	2,721 ⁷¹	n.a.	Yes	No (up (no) toll now)	CMKOS ⁷²	RHSD ⁷³	EFFAT ⁷⁴	IUL ⁷⁵
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CB: Does the organisation take part in Collective Bargaining? **CA:** Is the organisation able to sign Collective Agreements?

T: Does the organisation take part in Tripartite Concertation?

n.a.= not available data

Employers' organisations

Svaz obchodu a cestovního ruchu České republiky (SOCR CR) (The Czech Confederation of Commerce and Tourism) was founded in 1990 (first as a member of the Union of Employers' Associations, since 1993 a separate confederation). It is active in NACE 50 to 52 and 55. It is an independent, voluntary and open professional association of legal entities and natural persons in commerce, tourism and related branches and fields which have associated in order to protect and assert their economic and social interests. The Confederation is an entrepreneurs' and employers' confederation and, under the applicable legislation, a social partner with the right to take part in collective bargaining.

The main services provided by the Confederation to its members (they pay membership dues) are a) operating an information system b) collecting, analysing and processing important information and experience, popularising and broadening them so that they can be put to use in practice c) providing its members specialist information, analytical, economic, consultancy and legal services, including professional re-qualification services d) representing its members at trade fairs, exhibitions, conferences, professional seminars... The Confederation can disseminate information both by organising training and by bringing out various publications. It has built up an information system making use of its website and e-mail.

EuroCommerce added that the SOCR CR, as many other federations, have been assisted by European umbrella organisations, such as EuroCommerce, in launching successful seminars on sectoral social dialogue practices and tools⁷⁶.

⁷⁰ Českomoravský odborový svaz pohostinství, hotelů a cestovního ruchu

⁷¹ this figure includes pensioners.

⁷² Czech-Moravian Confederation of Trade Unions

⁷³ Council of Economic and Social Agreement

⁷⁴ European Federation of Food, Agriculture and Tourism Trade Unions

⁷⁵ (International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Worker's Associations)

⁷⁶ Source: EuroCommerce consultation

Table C. Employers' organisations

<u>Organisation</u>	<u>Sub-sector</u>	<u>Companies</u>	<u>Employees</u>	<u>CB</u>	<u>CA</u>	<u>T</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>		
<i>(original name)</i>	<i>(English name)</i>	<i>(wholesale, retail, (number) ...)</i>	<i>(number)</i>	<i>yes/no</i>	<i>Yes/no</i>	<i>Yes/no</i>	<i>Direct (name)</i>	<i>Indirect (name)</i>	<i>Direct (name)</i>	<i>Indirect (name)</i>	<i>Direct (name)</i>	<i>Indirect (name)</i>	
SOCR CR⁷⁷	The Czech Confederation of Commerce and Tourism	NACE 50-52,55	4,020	No	data	Yes⁷⁸	Yes⁷⁹	(no)	KZPS⁸⁰	RHSD⁸¹	UGAL	EuroComm	
			(254,000	workers	-	employees	and	entrepreneurs)	Economic Chamber of the Czech Rep., The	Entrepreneurs' Council of the Czech Rep.	EUROME-erce	TAL Brussels - EuroHandel The -institut European Commerce Confederation

CB: Does the organisation take part in Collective Bargaining? CA: Is the organisation able to sign Collective Agreements?

T: Does the organisation take part in Tripartite Concertation?

⁷⁷ Svaz obchodu a cestovního ruchu

⁷⁸ at sectoral (higher) level

⁷⁹ at sectoral (higher) level

⁸⁰ Confederation of Employers' and Entrepreneurs' Associations of the Czech Republic

⁸¹ Council of Economic and Social Agreement

ESTONIA

1. description of the sector

Delimitation scope of activities for the sector

The trade sector can be defined according the NACE classification: code 50 (called here "motor trade sector"), code 51 (called here "wholesale trade sector") and code 52 (called here "retail trade sector").

Socio-economic features of the sector⁸²

Almost entirely privatised (99,6% of employed persons work in a private enterprise), the trade sector in Estonia is one of the most important economic sectors in terms of share of GDP: 14-15%. Compared to the previous year, in 2002, the growth rate is rising. Despite the decrease in the number of enterprises, employment in the sector has increased by 35,4% over the period of 1989-2001⁸³. Indeed, the opening of new large superstores provides lots of workplaces and compensates to a large extent for the loss of jobs in small companies. . Actually, the transition from a command economy to an open economy has favoured the rapid development of the trade sector due to the lack of commodities. Today, Estonia has achieved a system of retail and wholesale business, which works efficiently. It is characterised by the presence of specialised retail and wholesale chains.

The number of enterprises in the trade sector (9507 in 4th quarter of 2002) represents 34,4% of all enterprises in Estonia. The proportion of small enterprises is still considerable in all sectors but we can observe that the part of large enterprises in Retail Trade is relatively high compared to the other sub-sectors.

The workers are in majority women but over the transition period the number of male workers has doubled in the trade sector, while the number of female workers has been stable. This is due mainly to the development of the motor trade sector. 70% of the workforce is in the age group 25-49 ,17,5% are in the age group of 50-69 and 12,5% are in the 15-24 age group .

With regard to wage levels, the average wage in the trade sector in 2001 is at 97,3% of the national average wage. There is a difference between wage levels for male and female workers at the same occupational level. Over recent years, the wages in the trade sector have increased quicker than the average Estonian wage.

Finally, it should be noted that over the last five years, there have been no strikes or lock-outs in the trade sector.

⁸² General source: Statistical Office of Estonia.

⁸³ According to the labour force survey data. There is a difference in the number of employed persons between enterprise survey and labour force survey data. The enterprise survey data shows the average number of employees in full-time units, while the labour force survey data are not recalculated to the full-time employment.

Table A. Contextual data in the sector (4th quarter of 2002)⁸⁴

COMPANIES							
	<u>Companies</u>	<u>% companies without employees (employees = salaried workers)</u>	<u>% companies < 20 employees</u>	<u>% companies from 20 to 100 employees</u>	<u>% companies > 100 employees</u>		
	(number)	(percentage)	(percentage)	(percentage)	(percentage)		
Motor Trade (code 50)	1240	n.a.	91,7	7,9	0,4		
Wholesale Trade (code 51)	4189	n.a.	93,9	5,7	0,4		
Retail Trade (code 52)	4078	n.a.	93	6	1		
Total Sector	9507	n.a.	93,2	6,1	0,7		
WORKERS							
	<u>Workers other than employees</u>	<u>Employees</u>	<u>Employees</u>	<u>% of total number of employees</u>	<u>% employed in comp. < 20 employees</u>	<u>% employed in comp. with 20 to 100 employees></u>	<u>% employed in comp. with > 100 employees</u>
	(number)	(number)	(percentage)	(percentage)	(percentage)	(percentage)	(percentage)
Motor Trade (code 50)	n.a.	10742	n.a.	56,2	35,3	8,5	
Wholesale Trade (code 51)	n.a.	30608	n.a.	62	28,5	9,6	
Retail Trade (code 52)	n.a.	42009	n.a.	49	22	28,9	
Total Sector	n.a.	83358	n.a.	54,7	27,1	19,2	

*= total number of employees in the sector /total number employees in the country

n.a.= not available data

⁸⁴General source for companies: Statistical Office of Estonia. Source for workers: enterprise survey data.

2. Industrial relations in the sector

Globally, in Estonia, tripartism or bipartism is mostly developed at national level, almost not at all at sectoral or company level. The reasons for this lie in fact that the social partners suffer from a lack of representation and from institutional and financial shortcomings.

Indeed, the financial and human resources of employees' organisations restrict their ability to acquire knowledge and skills. For the same reason, they are unable to take part in bargaining at all levels at same time. In addition, due to the economic context (high level of unemployment in Estonia), people are scared to organise themselves into trade unions for fear of losing their jobs. The economic recession, which has last for a long time (since 2000 there is an economic growth), has restricted the possibilities for collective bargaining.

With regard to employers' organisations, they suffer from a lack of representation at sectoral level because of extreme diversity of enterprises. So, it is difficult to establish common demands. This results in a situation where unions do not have a counterpart with whom to negotiate at sectoral level. Since 2002, the law of collective agreements gives possibility to extend agreements to other companies, which are not members of employers associations, but this opportunity has been almost not used so far. In addition, employers' organisations see themselves more as government lobbyists than social partners in collective negotiations.

Specifically related to the trade sector, the absence of tripartism and bipartism in the social dialogue at sectoral level can also be explained by the fact that there is no employers' organisation, who is acknowledged and who acts as a social partner, in the trade sector. Nevertheless, the employers are members of the Estonian Society of Merchants (EKL) but participating in collective bargaining is not its main mission. With regard to trade unions in the trade sector, they are poorly developed.

Tripartite concertation

There is no specific tripartite dialogue in the trade sector.

Bipartite social dialogue

The bipartite social dialogue is not developed in trade sector at *sectoral level*.

Bipartite social dialogue at enterprise level

At *enterprise level*, only three registered collective agreements (lasting one year) in three different enterprises are effective in 2003. These collective agreements are extended to all workers in the enterprise (including non-unionised workers). Currently, 1628 employees are affected by such agreements, which represents a coverage rate of 0,02% in the trade sector. A wide range of topics is tackled in these agreements: wages, working and rest conditions, conditions for vocational training, amendments and extensions to the collective agreement,...

3. Organisations active in the sector

Workers' organisations

There is one central trade union organisation representing employees in the trade sector, which was founded in 1940 (**Estonian Trade Union of Commercial and Servicing Employees - ETKA**). The number of members is declining. Indeed, due to the concentration of employment in small enterprises, the trade union density is not very high. Lots of these small enterprises employ less than 5

workers which shows the difficulty in setting up trade unions. In 2002, there were only 840 members (739 of them were salaried workers and 89,7% of them were women). Moreover, it is faced with financial problems due to the low membership.

Despite this situation, it is possible to identify some elements which could enhance the trade unions' success in the future. Little by little, big companies, where setting up trade unions is easier, are increasing whereas the number of small enterprises is decreasing. The fact that there is a favourable environment for the recruitment of new members, since workers are unsatisfied with their current working conditions (many violations of working time regulations, overtime working hours etc....)

ETKA has merged with ESAL (Eesti Sidetöötajate Ametiühingite Liit, Estonian Communication Workers' Trade Union) since November 2002. ESAL is a member of UNI and UNI-Europa, as was ETKA

Table B. Trade unions

<u>Organisation</u>	<u>Type of employees covered</u> (white/blue collars, executive, skilled occupations...)	<u>Members</u> Workers	<u>Members</u> working in the sector	<u>CB</u>	<u>CA</u>	<u>T</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>		
(original name)	(English name)	(type)	(number)	(number)	Yes/No	Yes/No	Yes/no	<u>Direct</u> (name)	<u>Indirect</u> (name)	<u>Direct</u> (name)	<u>Indirect</u> (name)	<u>Direct</u> (name)	<u>Indirect</u> (name)
Eesti Teenindus- ja Kaubandustöötajate Ametiühing⁸⁵	Estonian Trade Union of Commercial and Servicing Employees	n.a.	840	840	No	No	No	ESAL⁸⁶	EAKL⁸⁷	UNI-Europa	ETUC⁸⁸	UNI	ICFTU⁸⁹

CB: Does the organisation take part in Collective Bargaining? **CA:** Is the organisation able to sign Collective Agreements? **T:** Does the organisation take part in Tripartite Concertation?
n.a.= not available data

Employers' organisations

Some of the employers in the trade sector belong to the Estonian Society of Merchants (**Eesti Kaupmeeste Liit - EKL**) founded in 1996 on a non-profit voluntary basis. The association is composed of 35 members from retail and wholesale enterprises. The main task of the society is to represent the common interests of the members on different levels of Estonian governmental institutions, to

⁸⁵ Actually the ETKA has merged with the ESAL (Eesti Sidetöötajate Ametiühingite Liit, Estonian Communication Workers' Trade Union) since November 2002. ESAL is a member of UNI and UNI-Europa, as was ETKA.

⁸⁶ ESAL : Estonian Communication Workers' Trade Union

⁸⁷ EAKL: Confederation of Estonian Trade Unions

⁸⁸ ETUC: European Trade Union Federation

⁸⁹ ICFTU: International Confederation of Free Trade Unions

promote fair and balanced traditions and also to establish contacts with other associations in Estonia and abroad. In practical terms, it participates, for example, in the legislative process in Estonia, creating consumer policy in order to defend consumers and retailers or it consults and assists its members.

As mentioned above, this employers' organisation does not take part in social dialogue at sectoral level.

Table C. Employers' organisations

<u>Organisation</u> (original name)	<u>Sub-sector</u> (English name)	<u>Companies</u> (number)	<u>Employees</u> (number)	<u>CB</u> yes/no	<u>CA</u> Yes/no	<u>I</u> Yes/no	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
							Direct (name)	Indirect (name)	Direct (name)	Indirect (name)	Direct (name)	Indirect (name)
Eesti Kaupmeeste Liit	Estonian Society of Merchants	Wholesale and retail	35	Na	No	No	No	ETTK⁹⁰		UNICE		IOE

CB: Does the organisation take part in Collective Bargaining? CA: Is the organisation able to sign Collective Agreements? T: Does the organisation take part in Tripartite Concertation?

n.a.= not available data

⁹⁰ ECE: Estonian Employers' Confederation

HUNGARY

1. description of the sector

Delimitation of the scope of activities for the sector

The trade sector covers the codes 50 to 52 of NACE Classifications⁹¹ but the distinction between the categories is losing its pertinence as for example between wholesale and retail due to the growing number of companies engaging in both activities. In addition, it should be noticed that in practise the social partners focus mainly on the retail sector and that they use a sort of internal working definition for defining trade as a sector. Indeed, trade is primarily defined as the activity of selling tangible goods on the market. This definition derives from the Act on Internal Trade.

Socio-economic features of the sector

The trade sector has been completely privatised. According to the Central Statistical Office (CSO), the trade and repair sector together with hotels and restaurants contributes 11,6% to GDP (trade and repair accounts for about the half of the above share). Thanks to the increase of average income of the population, the turnover of trade has been growing steeply in recent years.

As a consequence of the inflow of direct foreign investment and a vigorous wave of small business establishment, the trade sector has developed a structure which is determined by the various interests and sizes of companies. The small companies are run by private entrepreneurs, most of the medium-sized companies are operated by co-operatives, while large companies are typically in foreign ownership. This last category is gaining more and more market share at the expense of small and medium enterprises. It should be mentioned that the number of half-legal forms of permanent open-air markets is considerable in the market segment of certain personal and household goods. Another development to point out, is the increase of the number of shopping malls in total retail sales (20% in 2002).

Female workers account for 75% of the employees. The share of part-time jobs is relatively high (9%) compared to the average for EU member States.

With regard to wage levels, despite an increase of the monthly average wage in the trade sector, the gross average in the retail sector is 14% lower than the average in the national economy. It is worth noting that there are significant differences in terms and conditions of employment between smaller and large companies. According to some experts' estimation, the gross average wage at large companies was around the average for the national economy, while at co-operatives the gross average wage lags the national average by 30%. However, as a result of the steep minimum wage increase in 2001-2002, the difference between small and large has decreased. At the same time, there is a perceivable wage difference within large companies in the industry. Companies investing heavily and expanding aggressively on the market are tending to pay higher wages to recruit the cream of the labour market for their new shops. A high level of labour turnover is the consequence of segmentation and the intense competition among firms. The dark side of high turnover figures is that, apparently, companies are preferring to sign employment contracts for a limited period in certain job categories to maintain a system of flexible labour force utilisation.

Table A. Contextual data in the sector

COMPANIES ⁹²				
Companies	% companies without employees	% companies < 10 employees	% companies from 10 to 50 employees	% companies > 50 employees
	(employees =			

⁹¹ At present, the trade sector also includes the special branches of repair of personal and household goods (527x) but their relatively smaller volume does not cause any major distortions in the statistics for the industry.

⁹² (21 march 2003 - Central Statistical Office)

<u>salaried workers)</u>							
	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	
Wholesale (code 51)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Retail (code 52)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Other (code 50)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
TOTAL OF THE SECTOR	186760	50,7	45,5	3,5	0,5		
WORKERS⁹³							
	<u>Workers other than employees</u>	<u>Employees</u>	<u>Employees</u>	<u>% of total number of employees*</u>	<u>% employed in comp. < 10 employees</u>	<u>% employed in comp. > 100 employees</u>	<u>Coverage of collective agreements</u>
	<i>(number)</i>	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>
Wholesale (code 51)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Retail (code 52)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other (code 50)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL OF THE SECTOR	47428 + 9435394	305300⁹⁵	n.a.	n.a.	n.a.	n.a.	20,396

*= total number of employees in the sector divided by total number employees in the country. (if total number employees in the country not available, full employment or labour force)

n.a.= not available data

2. Industrial relations in the sector

Tripartite concertation

There is no tripartite social concertation in the trade sector. However, in the past, a tripartite forum called the Industrial and Commercial Interest Reconciliation Council did exist in the nineties covering trade and manufacturing topics. This Council had to deal with several difficulties: the sphere was too broad and difficult to manage, the organisation was too bureaucratic and sluggish. As for a result the

⁹³ (2002 - Central Statistical Office)

⁹⁴ Estimation: full time business owners (individual entrepreneurs) plus number of companies.

⁹⁵ Workers at companies with more than 4 employees.

⁹⁶ Agreements at enterprise level (including multi-employer agreements but without taking in account overlaps). Source: Ministry of Employment and Labour: method of calculation: the number of employees covered (62,330) was divided by the total employment in the companies with more than 4 employees.

Ministry of Industry and Trade did not take this role of concertation very seriously. Actually, this Council was practically stopped after 1998 when the elections were won by a coalition of right wing conservative parties. The institutionalised social dialogue was replaced by less formalised discussions.

Bipartite social dialogue

Despite the fact that the social partners (the sectoral trade union and the two large employers' organisations, the National federation of General Consumers - AFEOSZ and the National Trade Association - OKSZ and joined since 1998 by the National Federation of Traders and Caterers KISZOSZ) recognise their mutual co-operatives behaviour, at the moment there is no effective collective agreement at *sector level* or in the different sub-sectoral areas. The current state is a consequence of the disintegration of sectoral agreements concluded in the early nineties at sub-sectoral level. These agreements focused mainly on wages. There are several explanations why negotiations on sectoral collective agreements came to an end. According to a widely accepted explanation, it is impossible to have an agreement to take the competitive element out of wages, due to the fierce wage competition among enterprises. As compared to other industries, competition is becoming fiercer among companies and, apparently, not even informal wage cartels have been achieved among the companies operating in the same local labour market. In addition to this, differences between small and the large companies in trade can be considered as a permanent conflict. KISZOSZ, representing the small enterprises, has never given its support to a sectoral level collective agreement. The resistance to any sectoral agreement by KISOSZ has even been accentuated recently, because of fears that an agreement would be extended by the Ministry of Employment and Labour, which would be detrimental to small entrepreneurs. However, the other employers' organisations do not see the possibility of concluding an agreement covering terms and conditions of employment either, due to the highly segmented nature of the industry.

Despite the lack of sectoral level collective agreements, the social partners do draw up annual recommendations on wage increases for the sector. Such a recommendation was first initiated by the OKSZ in 1993 as an annex of the collective agreement then in force. In 2000 AFEOSZ became a signatory on the employers' side too, and KISOSZ also took part in the recommendations in 2001⁹⁷.

Bipartite social dialogue at "higher than enterprise" level

At *higher than enterprise level*, there is only one (sectoral)-regional collective agreement developed by the Jász-Nagykun-Szolnok county organisation of KISOSZ and the county level organisation of KASZ on May 1st, 1999, which is still applicable. This formulates the intention of the parties to sort out all significant issues in the form of a proper collective agreement.

Bipartite social dialogue at enterprise level

At *enterprise level*, there are 230 company level (single-employer) collective agreement covering 53866 employees (on the 31st December 2002). It is worth noting that, in addition, there are also multi-employer⁹⁸ agreements covering 12 companies with 8509 employees. The company collective agreements traditionally deal with procedural issues and terms and conditions of individual employment relationships, including wages. Yet, a relatively large share of the company agreements (31%) registered in 2002 do not deal with wages at all. As a rule the contractual regulations should be in favour of employees compared to default (mandatory) regulations. However, in certain issues the Labour Code allows deviation to the detriment of employees. In the trade sector, for instance, 70 % of the agreements deal with annual overtime hours (usually they extend the maximum amount up to 300 hours). It should be noted that in the biggest multinational companies, trade unions encounter

⁹⁷ Currently a national level PHARE project is underway, with the aim of establishing Sector Joint Bipartite Committees in about 20 different sectors to provide a forum for sectoral level social dialogue. The project includes trade among those sectors, where it supports the bipartite sectoral committees which have been set up.

⁹⁸ Multi-employer agreements are practically applicable to a group of companies controlled by one single owner.

difficulties in concluding legal collective agreements with the management (sometimes, at best, cooperation agreements are signed). However, according to EuroCommerce and UNI-Europa, although there have been some difficulties in some candidate countries, most of them have been resolved due to an active engagement of the central headquarters, together with Uni-Europa Commerce and the local trade union⁹⁹.

3. Organisations active in the sector

Workers' organisations

There is only one workers' organisation: the **Commercial Employees' Trade Union**, founded in 1993, based on the five former sub-sector unions. While the majority of members of KASZ work in the trade sector, there are smaller groups of employees who are work in the broadly interpreted service sector (e.g. employees of savings co-operatives, casinos, etc.) and their unions are also KASZ members. In addition to its active members, who pay fees (1% of the gross wage), there are also inactive members – most notably pensioners, but also unemployed, mothers on maternal leave or conscripts (about 8-10 thousand of them). The trade union provides company organisations and individual members with legal advice and representation, as well as free insurance for accidents and illness. The union also runs a centralised fund for providing needy members with financial assistance on a casual basis.

Taking into consideration the number of employers with over 5 employees, the sectoral level union density is about 7 %. The number of its work place level organisations is 350. In these companies, KASZ' membership rate is about 40%. In addition to this, in about the same number of businesses, KASZ has individual members, mostly in small- and medium-sized companies. As a result of the membership organising campaign of KASZ, it has organisations at the majority of major shopping outlets operated by multinational companies.

Table B. Trade unions

<u>Organisation</u>		<u>Type of employees covered</u> (white/blue collars, executive, skilled occupations...)	<u>Members</u> Workers	<u>Members</u> working in the sector	<u>CB</u>	<u>CA</u>	<u>I</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
<i>(original name)</i>	<i>(English name)</i>	<i>(type)</i>	<i>(number)</i>	<i>number</i>	Yes /no	Yes /no	Yes*	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>
KASZ¹⁰⁰	Commercial Employees' Trade Union	White and blue collar	21,000 (+9,000 inactive)	18,000	Yes	No		MSZOS Z		UNI-Europa		UNI	

CB: Does the organisation take part in Collective Bargaining **CA:** Is the organisation able to sign Collective Agreements **T:** Does the organisation take part in the tripartite forum?

n.a.= not available data

* Indirectly through its membership in the National Federation of Hungarian Trade Unions (MSZOSZ).

⁹⁹ Source : EuroCommerce and UNI-Europa consultation

¹⁰⁰ *Kereskedelmi Alkalmazottak Szakszervezete*

Employers' organisations

There are three employers' organisations in the sector, out of which two (ÁFEOSZ and KISOSZ) were founding members of the national level tripartite forum (Interest Reconciliation Council, ÉT). Consequently, they represent their members directly at national level consultation forums. The third organisation, OKSZ is member of the Confederation of Hungarian Employers and Industrialists (MGYOSZ) and thus this peak employers' organisation represents its interest in national negotiations. Due to their national level status, ÁFEOSZ and KISOSZ are members of the Confederation of Hungarian Employers' Organisations (CEHIC), the umbrella organisation of Hungarian employers' associations established for the purposes of international representation, therefore indirectly they are member organisations of UNICE. OKSZ is represented at CEHIC through MGYOSZ.

The three employers' organisations apply to different kinds of enterprise: cooperatives owned by the ÁFEOSZ, family owned small enterprises for the KISOSZ and large organisations for the OKSZ. Despite this distinction, some conflicts can occur because of the strong competition between these organisations due to the fact that the interests of their members are not always similar (e.g. between small enterprises and multinationals). In order to avoid this kind of situation, all three organisations have worked out a sort of limited co-operation strategy, which means that they try to build an alliance alongside common interests, and they try to avoid sharp conflicts. That is why the organisations do not dispute the representativeness of the others, and they have been able to create a formal framework for their co-operation.

The National Federation of General Consumers, founded in 1990 is one of the legal successors of the former organisation of consumer cooperatives from the socialist period. Renewal was accomplished in line with the requirements of the cooperatives act of 1992. Within the framework of the federation system, there are 16 operational county level federations with varied organisational structures. The federation system contributes to 6-8% of the total trade flow today. ÁFEOSZ basically considers the representation of small- and medium-sized companies as its prime task. ÁFEOSZ membership consists of 1255 co-operatives, business companies and private enterprises, as well as 62 school co-operative groups, which means a total of 2,000 shops belonging to the COOP Business Chain, and about further five thousand separate shops, and leased catering units. According to some estimates, 90 % of the ÁFEOSZ organisations are covered by company collective agreements.

The National Federation of Traders and Caterers founded in 1904 was restructured in 1991 after the political changes. The Federation represents, and co-ordinates the professional activity of 22 legally independent member associations (19 county level, 2 in Budapest, and one professional association for clowns). The vast majority (85 %) of the members are private entrepreneurs, and the rest are typically family deposit partnerships where at both places the labour relations have a personal nature. Due to the structure of its members, according to the organisation the collective agreement does not play any role in the labour relations of small retail shops, and what is more, KISOSZ holds the view that the obligatory application of agreements concluded at the sectoral level would be considered by the members as an infringement of entrepreneurial freedom.

The National Trade Association founded in 1990 is mainly composed of multinational enterprises. As a business federation, the main duty of the organisation is to oversee the market processes and the impact of legal regulations in order to be able to lobby for the interests of its member-companies in a number of issues, such as the regulation of shop opening hours and operations, stipulations by authorities, consumer protection, etc. Apart from this, the analysis of macro-economic processes and its impact on the trade sector are also important tasks for the organisation. To be able to fulfil its mission it co-operates with other interest representation organisations active in the sector, such as the Hungarian Franchise Federation, but also, of course, with ÁFEOSZ and KISOSZ. Finally, the organisation is on the official "lobby-list" of the Parliament, and thus it receives the draft legislation directly. The company comments on competition issues, and provides the Competition Office with background information, and it may also give recommendations for amendments to the legislation. It also co-operates well with the Consumer Protection and Internal Trade Department of the Ministry of Economic Affairs and Transportation.

Table C. Employers' organisations

<u>Organisation</u>		<u>Sub-sector</u>	<u>Companies</u>	<u>Employees</u>	<u>CB</u>	<u>CA</u>	<u>I</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
<i>(original name)</i>	<i>(English name)</i>	<i>(wholesale, retail, (number) ...)</i>	<i>(number)</i>	<i>yes/no</i>	<i>yes/no</i>			<i>Direct (name)</i>	<i>Indirect (name)</i>	<i>Direct (name)</i>	<i>Indirect (name)</i>	<i>Direct (name)</i>	<i>Indirect (name)</i>
ÁFEOSZ ¹⁰¹	National Federation of General Consumer Co-operatives	Retail and wholesale	1317	100,000	yes	no	Yes	It is a national employers' organisation, KESZ		EURO-COOP	UNICE	International Federation of Co-operatives	
KISOSZ ¹⁰²	National Federation of Traders and Caterers	Retail	35,000	20,000*	yes	no	Yes	It is a national employers' organisation, KESZ			UNICE		
Országos Kereskedelmi Szövetség	National Trade Association	Retail and wholesale	300	100,000	yes	no	Yes**	MGYOSZ		EURO-COMMERCE			

CB: Does the organisation take part in Collective Bargaining CA: Is the organisation able to sign Collective Agreements T: Does the organisation take part in the tripartite forum ?

*estimate

**Indirectly through its membership in the Confederation of Hungarian Employers and Industrialists (MGYOSZ).

¹⁰¹ Általános Fogyasztási Szövetkezetek Országos Szövetsége

¹⁰² Kereskedők és Vendéglátók Érdekképviseleti Szövetsége

LATVIA

1. description of the sector

Delimitation of the scope of activities for the sector

The definition of the trade sector in Latvia covers the activities included in NACE groups G50 (sale, maintenance and repair of motor vehicles and motorcycles; retail sales of automotive fuel), G51 (wholesale trade and commission trade, and retail trade, repair of motor vehicles, motorcycles), G52 (retail trade except for motor vehicles; repair of personal and household goods). Traditionally, public catering services is also included in the Trade category.

This scope of the trade sector is characteristic of both the positioning of the social partners (employers' and employees' organisations in the sector) and the official statistics describing the sector. It is not, in all cases, possible to isolate the impact of the inclusion in the sector of public catering services¹⁰³. With respect to collective bargaining and social partnership, or other relevant areas of activity, the sector is not further sub-divided.

Socio-economic features of the sector

The trade sector (excluding public catering services) accounts for 18.8 % of total gross value added in the economy: The yearly average for employment in the sector is 160 000. It represents 13.9 % of the total yearly investment: The total turnover in the sector is equal to 4800029000 LVL (Share of retail in total sectoral turnover: 41%; Share of wholesale in total sectoral turnover:59%)

The sector is fully privatised. For the past 8 years, both the wholesale and retail parts of the sector have enjoyed steady and fast expansion.

¹⁰³ In all quantitative information presented below, the presence or absence of these factors and their estimated weight in the figures, if feasible, will be indicated. Generally, when the term "trade sector" is used further in the text, the above definition is employed, i.e., inclusive of public catering services.

Table A. Contextual data in the sector

COMPANIES						
	<u>Companies</u>	<u>% companies without employees (employees = salaried workers)</u>	<u>% companies < 10 employees</u>	<u>% companies from 10 to 100 employees</u>	<u>% companies > 100 employees</u>	
	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	
Wholesale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Retail	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL OF THE SECTOR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
WORKERS						
	<u>Workers other than employees</u>	<u>Employees</u>	<u>Employees % of total number of employees</u>	<u>% employed in comp. < 10 employees</u>	<u>% employed in comp. > 100 employees</u>	<u>Coverage of collective agreements</u>
	<i>(number)</i>	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>
Wholesale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Retail	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL OF THE SECTOR	Total employment: 160,000; self-employed: 19,100 (nearly 12%)		n.a.	n.a.	n.a.	n.a.

*= total number of employees in the sector /total number employees in the country

n.a.= not available data

2. Industrial relations in the sector

There is no tripartite process at sectoral level. Bipartite social dialogue takes place at sectoral and enterprise levels.

Tripartite concertation

There is no tripartite process at sectoral level and, consequently, no sectoral collective three-party agreements. However, there is occasional consultation of representatives on matters affecting the sector (or all sectors) when adopting or preparing legislative changes by sub-councils of the National Tripartite Cooperation Council. As consultants, the Latvian Trade Union of Commerce (Latvijas Tirdzniecības Darbinieku Arodbiedrība, further in text – LTUC) has every opportunity to contribute to the tripartite process at the national level.

Bipartite social dialogue

There are two main levels at which bipartite social dialogue takes place in the trade sector: the sectoral and enterprise levels. However, LTUC envisages the development of social dialogue at « higher than enterprise » level in the future. At sectoral level, there are two organisations: the Latvian Traders' Association (Latvijas Tirgotāju asociācija further in text – LTA) represents employers while the LTUC represents employees. Collective agreements are made at the enterprise level and are enforced via provisions in the Labour Law regarding collective agreements, and hence they are legally binding. The nature of agreements at the sectoral level is such that their force depends on moral obligation more than on legal enforcement. So far, the sectoral level agreements have dealt only with basic principles of partnership, while at the enterprise level, real day-to-day matters – working conditions, safety, transfers and others – are settled. The enterprise level bargaining does not directly stem or root or project onto the sectoral level. So the social dialogue in the trade sector is more developed only at the enterprise level, and even there it covers a very small share of employees.

Bipartite social dialogue at sectoral level

Players

In the trade sector, there is one employers' organisation, the LTA (Latvijas Tirgotāju asociācija), covering the whole of the sector, and one sectoral trade union, and employees' organisation, LTUC, also operating over the whole of the sector. For an employee or an enterprise operating in the sector, there is no obligation to take part in the social dialogue, nor to be a member of any of the organisations.

signed collective agreements

While there is ongoing cooperation between the two sectoral organisations, this has so far addressed very basic agreement on 'soft' issues and the general principle of dialogue. The main results of sectoral-level dialogue have been two General Agreements: On Basic Principles of Social Partnership. The first Agreement was signed on March 22, 2000 with a one year validity. The subsequent General Agreement, which is presently in force, was signed on April 15, 2002, and will be in force until a new agreement between the two partners is agreed and thereby supercedes it. So far, no future plans as to extending or deepening this agreement are evident on either side. The General Agreement covers, by its nature, all members of both organisations: LTUC and LTA. Among other things, it recognises LTUC as the only representative of workers in the trade sector, stipulates the general desirability of both social dialogue at all levels and collective agreements at the enterprise level, and it gives the LTUC the right to request that an enterprise set aside a given time and place in which the LTUC can hold meeting/meetings with employees¹⁰⁴. The agreement recommends a general openness to social dialogue with companies, but the implications of this are difficult to measure.

¹⁰⁴ This is generally an obstacle for LTUC initiatives because the working-time unavailability of employees is especially characteristic of this sector.

evolution of the social dialogue in the sector

There is a background of favourable attitudes towards social partnership at sectoral level, but little discernible action, evolution or even yearning for it. The main issues are lack of general initiative, the obsolete image of the politicised trade union, and the non-cooperativeness of individual employers. Informal consultations at this level are said to take place from time to time though not frequently. The everyday interaction between the organisations appears to be mostly exchange of information, although this exchange is not extensive. It should also be noted that there has also been, so far, a singular cooperation involving both organisations as partners, participating in an international project “New Ways and New Visions of Social Dialogue: On New Forms of Work Organisation”.

Bipartite social dialogue at “higher than enterprise” level

In the trade sector, there is no social dialogue at a level in between the sectoral and the higher-than-enterprise levels. The representative of the LTUC, however, envisages potential cooperation in the future, with municipalities and local trade enterprises working on setting local standards, for instance, on weekly holidays, working hours, or even local minimum wages. The main problem associated with potential activity at this level is the lack of representativeness, especially on the employees side.

Bipartite social dialogue at enterprise level

Players

The parties actively involved in bargaining at this level are the LTUC and the individual enterprise¹⁰⁵. While the actual employees signatory to an agreement is the enterprise employee organisation, the role of the LTUC remains important, because union activity in enterprises is mostly induced and shaped by the LTUC. In particular, the initiative to negotiate a collective agreement is typically made by the LTUC. The LTUC also sets up the base agreement framework, assists in the introductory negotiations with the enterprise and often also participates in detailed negotiation of the agreement itself.

collective agreements

There are 18 completed collective agreements (with 18 enterprises) in force and 7 in the process of being formed. The coverage of collective agreements is all of the workforce at a given enterprise with respect to the general conditions of the agreement but is confined to the membership of LTUC with respect to the conditions relating to the operation of the union e.g. time allowed for union meetings. Thus, social dialogue at enterprise level covers a very small part of employees in the sector. The content of the agreements at the enterprise level covers working conditions, working time, training, insurance, pensions, individual protection, dealing with issues on all these areas beyond the scope of the Labour Law and other legislative provisions. Both the content and the duration of the agreements is negotiated for each agreement specifically, while the LTUC offers a collective agreement ‘template’ indicating the points of discussion and possible structures for, for instance, pensions or partial covering of health insurance. The duration of the agreements ranges, so far approximately, from one to five years.

¹⁰⁵ The other sectoral partner, LTA has not been known to participate in collective bargaining at this level in any way.

3. Organisations active in the sector

Workers' organisations

The Latvian Trade Union of Commerce (**Latvijas Tirdzniecības Darbinieku Arodbiedrība, LTUC**) was founded in May 1990 and took over from the corresponding entity from the Soviet time. It aims to unite and is open to individuals or employees unions operating in what was defined above as the trade sector. LTUC sees collective agreements as the primary instrument of social partnership. Without the intention of signing a collective agreement, an employees organisation is unlikely to become or remain a member of the LTUC. No other sectoral union of employees, operating either in this sector or any of its sub-sectors, acts or exists in Latvia presently.

The services LTUC offers to its members are: legal consultancy; legal representation according to legislation governing legal representation by trade unions; representation in collective bargaining at the sectoral level; assistance in bargaining at the enterprise level; training: seminars and courses on legislative issues, employees' rights and obligations, and hobby activities; leisure events: excursions, trips, cultural and sports events; intermediation for gainful insurance arrangements (occasionally).

The LTUC membership fee is 1% of wage-income for every member (individual members pay directly to LTUC, while from enterprise employee organisations, 70% of the fee remains with the primary organisation, and 30% goes to the LTUC. An unemployed individual member will be liable for a monthly fixed fee of 0.1% of the minimum wage).

The main vehicle for information dissemination by the LTUC is a meeting with representatives of all primary employee organisations, which takes place once every two months¹⁰⁶. Other information channels include a contribution to the newsletter of Federation of Free Trade Unions, which informs stakeholders about news in the sector; ad hoc seminars, usually on legislative issues (Upon invitation representatives from LTUC will visit any primary organisation to brief the employees or organisations' representatives on an issue of interest). There have also been public seminars (on material responsibility, for instance) targeted at educating not just members, but also the general employee public and, potentially, employers.

The LTUC takes part in negotiations at both sectoral and enterprise levels ; it also is consulted at national level by sub-councils of National Tripartite Cooperation Council on relevant matters. It has signed 2 agreements at sectoral level (1 in force), and there are currently 18 collective agreements in force at enterprise level. The member organisations without agreements are in the process of working out their collective agreements. It is the policy of the LTUC that union presence in an enterprise ought to result in the signing of a collective agreement as the primary vehicle of social partnership at this level. 5 of the enterprise-level collective agreements presently in force were signed in 2003.

The main problems identified by the LTUC are its obsolete image as a politicised trade union, the non-cooperativeness of individual employers, and the lack of funding for image-building, information campaigns, and other tools for struggling with employee antipathy. The issue the LTUC sees as most painful is its small membership, and the action it intends to take to remedy this is to tackle the individual large retail enterprises, one by one, by planting a union initiative there. It is to be remarked, however, that this only a strategic approach exhibited by the LTUC, and neither more holistic approaches, or potential deepening of cooperation with Latvijas Tirgotāju asociācija (The Latvian Traders' Association) seem to have been considered.

¹⁰⁶ (For these meetings the LTUC prepares leaflets informing the representatives about current events, recent developments, upcoming training opportunities and legislative changes, as well as any other relevant information regarding sectoral developments, which may then be discussed at the meetings).

Table B. Trade unions

<u>Organisation</u>	<u>Type of employees covered</u> (white/blue collars, executive, skilled occupations...)		<u>Members</u> Workers	<u>Members</u> working in the sector	<u>CB</u>	<u>CA</u>	<u>I</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
<i>(original name)</i>	<i>(English name)</i>	<i>(type)</i>	<i>(number)</i>	<i>(number)</i>	Yes /no	Yes /no	Yes /no	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>
LTUC ¹⁰⁷	The Latvian Trade Union of Commerce	Blue collars and white collars ¹⁰⁸	3,806	3,806 ¹⁰⁹	Yes ¹¹⁰	Yes ¹¹¹	(no)	LBAS ¹¹²		Uni-Europa		UNI	

CB: Does the organisation take part in Collective Bargaining? **CA:** Is the organisation able to sign Collective Agreements? **T:** Does the organisation take part in Tripartite Concertation?

¹⁰⁷ Latvijas Tirdzniecības Darbinieku Arodbiedrība.

¹⁰⁸ the estimated weight of white collar workers is 10%.

¹⁰⁹ Of these, 112 are individual members, while the rest belong to 29 employees organisations in enterprises. (The size distribution of enterprises represented by members organisations is as follows: 10 organisations represent enterprises with less than 50 employees; 5 represent enterprises with a workforce of more than 50 but less than 100; 12 represent those with more than 100 but less than 300; 1 in the range more than 300 but less than 500; and 1 in the between 500 and 1000). Members of LTUC are mostly females (3047 females for 759 males).

¹¹⁰ at enterprise and sectoral levels

¹¹¹ at enterprise and sectoral levels

¹¹² Federation of Free Trade Unions of Latvia.

Employers' organisations

The Latvian Traders' Association (**Latvijas Tirgotāju asociācija**) was founded in April 1994. Currently, just over 1000 enterprises operating in the trade sector belong to it. Its employee coverage is approximately 40% of the total in the sector; and by turnover, it covers 60% of the sector. No further information has been available from this organisation.

Table C. Employers' organisations

<u>Organisation</u>	<u>Sub-sector</u>	<u>Companies</u>	<u>Employees</u>	<u>CB</u>	<u>CA</u>	<u>I</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
<i>(original name)</i>	<i>(English name)</i>	<i>(wholesale, retail, (number) ...)</i>	<i>(number)</i>	<i>yes/no</i>	<i>Yes/no</i>		Direct <i>(name)</i>	Indirect <i>(name)</i>	Direct <i>(name)</i>	Indirect <i>(name)</i>	Direct <i>(name)</i>	Indirect <i>(name)</i>
LTA ¹¹³	The Latvian n.a.	1,000	n.a.	Yes ¹¹⁴	Yes ¹¹⁵	(no)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Traders' Association											

CB: Does the organisation take part in Collective Bargaining? CA: Is the organisation able to sign Collective Agreements? T: Does the organisation take part in Tripartite Concertation?

n.a.= not available data

¹¹³ Latvijas Tirgotāju asociācija

¹¹⁴ at sectoral level

¹¹⁵ at sectoral level

LITHUANIA

1. description of the sector

Delimitation of the scope of activities for the sector

In Lithuania, codes G50, G51 and G52 are used to estimate the trade sector. It only excludes 51.15 (Agents involved in the sale of furniture, household goods, hardware and ironmongery), 51.25 (Wholesale of unmanufactured tobacco) and all of 52.7 (Repair of personal and household goods) sections. It also includes some parts from section H (meals suitable for consuming on the spot: 55.30 Restaurants, 55.40 Bars, 55.1 Canteens, 55.2 Catering). This H section is included in the statistical books about the Lithuanian wholesale and retail trade sector, but sometimes it is also combined with hotels and analysed as a separate sector.

Socio-economic features of the sector

The retail sector (including repair services) produced \$1.3 bn of value added in the Lithuanian economy in 2001. This represented 17% of that year's GDP, almost unchanged from 16% in 1995.

Lithuania's trade sector is dominated by small enterprises. 87% of enterprises have fewer than 10 employees. There were 19,129 shops in 2001. 53% of these sold food, 6% were pharmacies, opticians and veterinary medicine shops. In 2001, there were 4,006 retail enterprises (except for individual enterprises) and 11,867 individual enterprises. The average number of hired people working in retail enterprises (except for individual enterprises) was 15 employees and the average number of hired people working in the individual retail enterprises was 3 employees. The majority of the enterprises had up to 19 hired employees. There were only 4 retail enterprises that had more than 500 employees. The same year, there were 3,942 wholesale enterprises (except for individual enterprises). The average number of hired people in these enterprises was 11. There were 2,929 individual wholesale enterprises. The average number of hired employees in individual enterprise was 3. The majority of the enterprises had up to 9 hired employees.

In 1998 the average duration of the working week in the trade sector was 38.5 hours. The average number of hours worked by women was 36.3 hours per week, while that of the men was 40.7 hours per week. The average monthly gross wage rose from 341 litas (\$95) in 1995 to 763 litas (\$191) in 2000. However, this was still 20% below the national average. In 2002 175,000 of trade sector employees worked in urban areas and 35.6 worked in rural areas.

In 1997, the Statistical Department of Lithuania released a research paper on the grey economy in Lithuania. The results show that in 1995 small retail enterprises underreported income by the largest amount, i.e. 35%. Small retail enterprises did not report about 21% of their income. Small wholesale enterprises did not reveal about 31%, large wholesale enterprises hid about 21% of their income. According to the same research in 1995, about 10,000 people were working illegally in the trade sector. In 1996, the average net wage of the employees of enterprises (except for individual enterprises) in the trade sector was 568 Lt while official statistics showed that it was 317 Lt. The employees of individual enterprises received an average wage of 465 Lt while official statistics showed that it was 160 Lt.

Table A. Contextual data in the sector

COMPANIES						
	<u>Companies¹¹⁶</u>	<u>% companies without employees (employees = salaried workers)</u>	<u>% companies < 10 employees¹¹⁷</u>	<u>% companies from 10 to 100 employees¹¹⁸</u>	<u>% companies > 100 employees¹¹⁹</u>	
	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	
Wholesale	5,271	n.a.	n.a.	n.a.	n.a.	
Retail	12,855	n.a.	n.a.	n.a.	n.a.	
Other	3,932	n.a.	n.a.	n.a.	n.a.	
TOTAL OF THE SECTOR	22,058	n.a.	87¹²⁰	12	1	
WORKERS						
	<u>Workers other than employees</u>	<u>Employees</u>	<u>Employees</u>	<u>% employed in comp. < 10 employees</u>	<u>% employed in comp. > 100 employees</u>	<u>Coverage of collective agreements</u>
	<i>(number)</i>	<i>(number)</i>	<u>% of total number of employees*</u> <i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>
Wholesale	n.a.	49,200	3¹²¹	n.a.	n.a.	n.a.
Retail	n.a.	160,000	10¹²²	n.a.	n.a.	n.a.
Other	n.a.	23,400	1¹²³	n.a.	n.a.	n.a.
TOTAL OF THE SECTOR	n.a.	232,600	15¹²⁴	n.a.	n.a.	n.a.

¹¹⁶ 2002

¹¹⁷ 2001

¹¹⁸ 2001

¹¹⁹ 2001

¹²⁰ includes individual enterprises. These latter may have even 0 employees if only the individual registered is working there.

¹²¹ % of total employment.

¹²² % of total employment.

¹²³ % of total employment.

¹²⁴ % of total employment.

n.a. = not available data

2. Industrial relations in the sector

Tripartite concertation

There has been occasional tripartite concertation at the sectoral level. Talks were arranged between the Ministry of Social Security and Labour, the Lithuanian Association of Trade Undertakings and the Lithuanian Confederation of Trade Unions. In the tripartite concertation, all the trade unions are represented by delegates of Lithuanian Confederation of Trade Unions. Discussions concentrated on issues of working conditions. (later, after these consultations, some enterprises started collective negotiations with their workers). Other than these irregular talks, there is no real tripartite concertation at sectoral level. Representatives of the Lithuanian Association of Trade Undertakings are sometimes invited to the national Tripartite Council when trade sector issues are discussed there. This is possible through the Association's membership of the Confederation of Lithuanian Industrialists (Lietuvos pramoniniku konfederacija).

Bipartite social dialogue

Bipartite social dialogue takes places exclusively at enterprise level. There is no partner from the employers' side available for higher level bipartite dialogue, since the Lithuanian Association of Trade Undertakings is mainly interested in political lobbying. Government seeks to promote social dialogue, acting as a moderator, and trade union confederations try to organise collective bargaining. However, there does not appear to be strong pressure from the workers in the retail sector for collective bargaining. Employers would prefer that wages and conditions be regulated by the government rather than through collective bargaining.

Bipartite social dialogue at enterprise level

Collective bargaining is conducted by the Lithuanian Trade Union of Commercial and Cooperative Employees and representatives of the enterprise. The procedure for recognition of social partners has not been set up. Current practice often involved representatives of a confederation of trade unions. They, firstly, negotiate the creation of a trade union with the representatives of management of the given enterprise. So far, there have been no examples of the workers of an enterprise directly starting collective negotiations without the outside support of a union confederation.

The main issues covered by the agreements are wages, working hours and the promotion of social bargaining. The Lithuanian Trade Union of Commercial and Cooperative Employees has signed agreements with 50 enterprises Since January, 1st, 2001. These cover 4,800 workers.

3. Organisations active in the sector

In the Lithuanian trade sector there is just one trade union (Lithuanian Commerce and Cooperation Employees' Trade Union) and one employers' association (Association of the Trade Firms). The above-mentioned trade union comprises employees of retail and wholesale trade, catering, mediation and gas stations security. There are no trade unions in the major Lithuanian supermarkets. However, there is currently an attempt by the Lithuanian Labour Federation to organise workers at the country's main supermarket chain, Maxima. This is rigidly opposed by the management.

Workers' organisations

Lietuvos komercijos ir kooperacijos darbuotoju profesine sajunga (Lithuanian Trade Union of Commercial and Cooperative Employees), active in retail sector, was founded on the 27th of February 1990 and was registered at the Ministry of Justice in 1992.

The organisation has 57 delegates and a chairperson is elected every 2 years (simple majority voting system). The organisation offers legal representation and consultation to its members (they pay 1% of their income as a subscription). Seminars and conferences are being organised, and a newspaper is issued once a month. Sometimes workers are informed through radio broadcasts.

The organisation negotiates and can sign collective agreements at enterprise level. It does not take part in the above mentioned irregular consultations at tripartite level (In the tripartite concertation all the trade unions are represented by delegates of Lithuanian Confederation of Trade Unions).

Table B. Trade unions

<u>Organisation</u>		<u>Type of employees covered</u> (white/blue collars, executive, skilled occupations...)	<u>Members Workers</u> (number)	<u>Members working in the sector</u> (number)	<u>CB</u>	<u>CA</u>	<u>T</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
(original name)	(English name)	(type)	(number)	(number)	Yes /no	Yes /no	Yes /no	<u>Direct</u> (name)	<u>Indirect</u> (name)	<u>Direct</u> (name)	<u>Indirect</u> (name)	<u>Direct</u> (name)	<u>Indirect</u> (name)
Lietuvos komercijos ir kooperacijos darbuotoju profesine sajunga	Lithuanian Trade Union of Commercial and Cooperative Employees	White and blue collar	2,666	2,666	Yes ¹²⁵	Yes ¹²⁶	No	Lithuania	None	UNI-Europa ¹²⁷ NFU ¹²⁸ HK ¹²⁹ Danish Funktionforb und Swedish confederatio ns Handel HTF	ETUC ¹³⁰	UNI ¹³¹ IUF ¹³²	ICFTU ¹³³

CB: Does the organisation take part in Collective Bargaining? **CA:** Is the organisation able to sign Collective Agreements? **T:** Does the organisation take part in Tripartite Concertation?

Employers' organisations

Lietuvos prekybos imoniu asociacija (Lithuanian Association of Trade Undertakings) was established in 1997. The purpose of this organization is described in the statutes, which state that it was created with the aim to improve the legal system in the interest of trade undertakings. So, at first, it was an association for retail trade undertakings. Later, the statutes were amended in order to allow in

¹²⁵ at enterprise level

¹²⁶ at enterprise level

¹²⁷ Source: UNI-Europa consultation

¹²⁸ Nordic Financial Union.

¹²⁹ Norwegian Handel og kontor.

¹³⁰ European Trade Union Confederation

¹³¹ Source: UNI-Europa consultation

¹³² International Union of Food, Agricultural, otel, Restaurant, Catering, Tobacco and Allied Workers' Association,

¹³³ International Confederation of Free Trade Unions

every organisation that agrees with the 'philosophy' described in the statutes. Therefore, members are not limited to one sub-sector. There are retail, wholesale companies and non-trade undertakings¹³⁴. Overall, there are around 15-18,000 workers within the associated enterprises, which represents a 50% share of total retail trade turnover. The organisation does not offer specific services to members, who pay fees. There are no formal structures or medium for information dissemination. Communication is through faxes and e-mails.

The association, which is a lobbying organisation and does not see social dialogue as its function, does not negotiate or sign collective agreements. However, the representatives of the Association are invited to take part in the national Tripartite Council when trade sector issues are discussed. This is possible due to the Association's membership of the Confederation of Lithuanian Industrialists (Lietuvos pramoniniku konfederacija).

Table C. Employers' organisations

Organisation		Sub-sector	Companies	Employees	CB	CA	T	National affiliations		European affiliations		International affiliations	
(original name)	(English name)	(wholesale, retail, ...)	(number)	(number)	yes/no	Yes/no	Yes/no	Direct (name)	Indirect (name)	Direct (name)	Indirect (name)	Direct (name)	Indirect (name)
Lietuvos prekybos imonių asociacija	Lithuanian Association of Trade Undertakings	retail, wholesale and other entities ¹³⁵	53	15-18 thsd	No	No	No	Confederation of Lithuanian Industrialists	None	None	Union of Industrial Employers' Confederations of Europe	International Chamber of Commerce	International Congress of Industrialists and Entrepreneurs IOE ¹³⁶

CB: Does the organisation take part in Collective Bargaining? CA: Is the organisation able to sign Collective Agreements? T: Does the organisation take part in Tripartite Concertation?

¹³⁴ Non-trade enterprises enter the association as most of their production is distributed via retail chains. Being an association member gives them a better position for influencing trade enterprise decisions.

¹³⁵ Legal entities can consist of chains of dependent stores and other units (Example: AIBE unites over 100 separate stores). There are retail, wholesale companies and non-trade undertakings.

¹³⁶ International Organisation of Employers

MALTA

1. description of the sector

Delimitation of the scope of activities for the sector

From a general point of view, activities in the sector correspond to activities comprised in NACE 50, 51 and 52. In 2002, the Trade Licensing Unit tried to harmonise trade licences with the NACE code. A list of Licence Categories and Types includes the categories in the NACE code except for two. These two categories are: Retail of Automotive Fuel (NACE code 50.50) and 51.2 Wholesale of Agricultural Raw Material and Live Animals (NACE code 51.2).

Socio-economic features of the sector

The trade sector in Malta consists of small and micro enterprises, most of which are managed directly by the owner. Many of the owners of these firms register as self-employed. For every 5.3 employees there is one self employed person with employees, who in this case can be defined as the employer. The majority of workers in this sector are service workers and shop and sales workers. The professionals represent a very low percentage. Most of the employees (92.1%) in this sector are full-time workers. The minimum weekly remuneration of adult workers is slightly higher than the statutory minimum pay.

The improvement in profitability levels noticed in 2002 reflected higher profits generated from domestically manufactured goods and imported consumer goods. The contribution of the trade sector to the GDP stood at 11.02% in 2001 and 11.7% in 2002. Naturally, if one takes into consideration the underground economy which seems to be quite rampant in this sector the contribution would be higher¹³⁷.

¹³⁷ A leading Maltese economist estimates that the underground economy accounts for 20% of the GDP. It can safely be presumed that the major part of this percentage occurs in the trade sector.(Delia 1994)

Table A. Contextual data in the sector

COMPANIES							
	<u>Companies</u>	<u>% companies without employees (employees = salaried workers)</u>	<u>% companies < 10 employees</u>	<u>% companies from 10 to 100 employees</u>	<u>% companies > 100 employees</u>		
	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>		
Wholesale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Retail	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Other	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
TOTAL OF THE SECTOR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
WORKERS							
	<u>Workers other than employees</u>	<u>Employees</u>	<u>Employees</u>	<u>% of total number of employees</u>	<u>% employed in comp. < 10 employees</u>	<u>% employed in comp. > 100 employees</u>	<u>Coverage of collective agreements</u>
	<i>(number)</i>	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>
Wholesale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Retail	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL OF THE SECTOR¹³⁸	7,296 ¹³⁹	13,522	15% ¹⁴⁰	n.a.	n.a.	n.a.	n.a.

n.a.= not available data

¹³⁸ wholesale and retail and repairs of household goods and vehicles.

¹³⁹ self-employed without employees (4743) and self employed with employees (2553)

¹⁴⁰ = total number of employees in the sector /total labour force

2. Industrial relations in the sector

Due to the size of the enterprises and the 'extended family' culture prevailing in many of these micro and small firms in the Maltese trade sector, workers in this sector are difficult to unionise. None of the two general trade unions have a section dealing particularly with this sector. Thus collective bargaining for the wage and salary of workers in this sector is totally absent both at enterprise and national level. Since employees in the Maltese trade sector are not unionised, their wages and conditions of work are not regulated by collective agreements but by a Council Wage Regulation Order of the Ministry of Social Policy. The provisions in the schedule of this wage regulation order apply to all persons employed by wholesale merchants, distributors, importers, exporters, commission agents, wholesale and marketing cooperatives, retailers, lending libraries, hawkers, hairdressers, consumer cooperatives and photographic studios. However, the self-employed and persons owning or managing a small firm in this sector are organised in a union which is very vociferous and represents them at different levels of the Maltese economy. This is the Association of Retailers and Traders, better known as GRTU.

The collective negotiations conducted by the GRTU on behalf of its members differ from the typical negotiations between employers and trade unions. The GRTU represents the interest of those members whose earnings consist of the commission due for their sales. It has to deal either directly with Government or with Government run enterprises or Corporations or with single private owners in their relationship with their distributors, licences or independent sales force. It does not negotiate with trade unions.

3. Organisations active in the sector

Employers' organisations

The Association of General Retailers and Traders (formerly called the General Retailers and Traders' Union, whose abbreviation **[GRTU]** is still being used) finds its origins in 1948. It represents small businesses in the trade sector¹⁴¹. The retailers and traders look at the GRTU as their national and local representative. Its mission statement is to promote small enterprises in Malta and Gozo and act as a national representative voice with the ability to negotiate an improvement of current and future business prospects. It also tries to promote and advance the principles of a free enterprise economy without neglecting the peculiarities of the viability of Malta's small economy. Ultimately it tries to organise licensed businesses in Malta, particularly those in the retail, wholesale and services sector, so that they can achieve higher levels of efficiency and standards of operation.

The members of GRTU, whose number is 6,700, are mainly persons who manage their own enterprises either as self-employed individuals or as proprietors of small businesses or owner managed firms. Most members run family businesses whether incorporated or non-incorporated. Many of these members manage more than one enterprise. Indeed the GRTU represents 12,000 different business outlets (thus more than half the enterprises in the trade sector). 80% of the enterprises represented by the GRTU employ less than 10 workers. It embraces within its fold the largest group of retailers of goods, retailers of services contractors, crafts, distributors and wholesalers and independent technical and professional services. As it acts as a movement of small enterprise owners and the self-employed on issues of a national importance affecting this sector, in this respect, it does so beyond the limits of its effective membership base.

¹⁴¹ The activities in the GRTU list which are not included in the NACE Code are the following: Antique Dealers, Lotto Receivers, Cargo Haulers, Insurance Sub-Offices, Glass Blowers, Agro Industries, Trenching Work Contractors, Whitewashers and Plasterers, Marble Work, Plumbers, Discothèques, Night Clubs, Wedding Hall Owners, Diving Schools, Harbour Cruise Operators, Marine Mechanics, Independent Entertainment and Hobbies Shops, Boat Repairers

Even though it looks mainly like a business association due to its activities, the GRTU can in some ways be considered as an employers organisation: it has full rights to sit on Malta's National tripartite consultative body where it generally takes the side of the employers. On the other hand, as defending and promoting the interest of the self employed, it could also be considered in some way as playing the role of trade union for self-employed¹⁴².

GRTU keeps its members (who have to pay an annual subscription fee) informed through a monthly magazine that highlights any issues which are of interest to small businesses: issues related to fair competition and the competitive structures of the market as well as national issues. The GRTU also publishes, on a fortnightly basis, an other document which features important day-to-day topics as they affect the various trade sections represented by the organisation. An other regular publication presents news and developments affecting small businesses. GRTU also issues media releases, on a daily basis on matters of general interest to entrepreneurs and consumers. As more and more members are becoming internet users, the organisation makes extensive use of this service to communicate with members and pass on essential trade information as it arrives from other national or international sources.

¹⁴² GRTU has the capability to issue directives to members to withhold their service in persuance of a trade dispute (GRTU has in fact, on numerous occasions, ordered its members to "strike" by either closing shop in protest against government action or in furthering the claims of its members in relation to private or public corporate bodies).

Table B. Employers' organisations

<u>Organisation</u>	<u>Sub-sector</u>	<u>Companies</u>	<u>Employees</u>	<u>CB</u>	<u>CA</u>	<u>I</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
<i>(original name)</i>	<i>(English name)</i>	<i>(wholesale, retail, (number) ...)</i>	<i>(number)</i>	<i>yes/no</i>	<i>Yes/no</i>		<i>Direct</i>	<i>Indirect</i>	<i>Direct</i>	<i>Indirect</i>	<i>Direct</i>	<i>Indirect</i>
							<i>(name)</i>	<i>(name)</i>	<i>(name)</i>	<i>(name)</i>	<i>(name)</i>	<i>(name)</i>
(GRTU¹⁴³)¹⁴⁴	(The Association of General Retailers and Traders)	(n.a.)	(12,000)¹⁴⁵	(n.a.)					(Eurocomm erce UEAPME)		(CONFIAD)	(WASME¹⁴⁶ [via UEAPME])

CB: Does the organisation take part in Collective Bargaining? CA: Is the organisation able to sign Collective Agreements? T: Does the organisation take part in Tripartite Concertation?

n.a.= not available data

¹⁴³ Association of General Retailers and Traders, formerly the General Retailers and Traders' Union

¹⁴⁴ As the GRTU cannot be strictly considered as an employers' organisation, data relative to it have been put in brackets.

¹⁴⁵ The members of GRTU, whose number is 6700, are mainly persons who manage their own enterprise either as self-employed individuals or as proprietors of small businesses or owner managed firms. Most members run family businesses whether incorporated or non-incorporated. Many of these members manage more than one enterprise. Indeed the GRTU represents 12,000 different businesses outlets.

¹⁴⁶ World Association of Small and Medium Enterprise.

POLAND

1. description of the sector

Delimitation of the scope of activities for the sector

The trade sector covers the codes 50, 51 and 52 of NACE classification.

Socio-economic features of the sector

Almost entirely privatised (97,5%), trade is the second economic sector in Poland in terms of GDP: 19,4% (2001). The trade sector also provides 13,7% of the total number of employees in the Polish economy. Over 80% of trade enterprises belong to private individuals.

Retail shops are, in large majority (92%), small shops with a sales area below 50 m². It should be noticed that co-operatives among retail shops constitute a large group: 23%. The trade structure of shops in Poland is relatively constant, groceries occupy approximately 39%, non-grocery 18,6% (toilet, textile, books, etc.) and other 40% (mixed non specialised).

In the enterprises employing more than 10 workers, 60% of them are employees. . The percentage of women and men workers is the same. Among the 10% of part-time employed people, the majority are women.

With regard to wages, the average monthly pay in the trade sector, in 2001, was about 15% lower than the national average wage. But, in medium and large enterprises the wages are relatively higher than the national average wage.

In the light of the report by the Ministry of Economy, in the years 2000-2001 (this state extends most probably to the year 2003) we observe a decline of investment (except in large companies), and a small decline in turnover and employment. This reflects the general economic conditions prevailing. However, trade, especially small enterprises, still absorbs large numbers of employees. Concentration and modernisation of large companies as well as an increase in the number of shops and people in micro-enterprises can be observed. However, there is insufficient data on them (Central Statistical Office does not collect relevant data). It is known that many of these shops are family businesses, where the legal bases for employment are not always observed and a boundary between the formal and the informal economy is unclear. (Generally, the share of the "grey sphere" in the Polish economy is estimated at 15-30% of Gross Domestic Product).

Table A. Contextual data in the sector¹⁴⁷

COMPANIES							
		<u>Companies</u>	<u>% companies without employees (employees = salaried workers)</u>	<u>companies < 10 workers</u>	<u>companies > 10 workers</u>		
		<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>		
Motor Trade	(code 50)	101718	n.a.	n.a.	n.a.		
Wholesale Trade	(code 51)	339060	n.a.	n.a.	n.a.		
Retail Trade	(code 52)	791140¹⁴⁸	n.a.	n.a.	n.a.		
Total Sector		1130200	n.a.	1105422	24778		
WORKERS							
		<u>Part of the self-employed and employers in the total employment</u>	<u>Total employment</u>	<u>Employees</u>		<u>% employed in comp. > 100 employees</u>	<u>Coverage of collective agreements</u>
		<i>(number)</i>	<i>(number)</i>	<u>% of total number of employees*</u>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>
Motor Trade	(code 50)	n.a.	220000	n.a.	n.a.	n.a.	n.a.
Wholesale Trade	(code 51)	n.a.	730600	n.a.	n.a.	n.a.	n.a.
Retail Trade	(code 52)	n.a.	1145600	n.a.	n.a.	n.a.	n.a.
Total Sector		812800	2096200	n.a.	n.a.	n.a.	n.a.

* Total number of salaried workers in the sector divided by the total number of salaried workers in the country

n.a.= not available data

¹⁴⁷ (Statistical Office and Report of Ministry - 2001)

¹⁴⁸ According to the Council of Trade and Services Association, there are 540000 retail shops, plus 500000 "trade points".

2. Industrial relations in the sector

Tripartite concertation

There is no agreement stemming from tripartite concertation at trade sectoral level. Nevertheless, employers' organisations participate in various lobby bodies, also in sessions of the Tripartite Commission or parliamentary commissions, experts' teams, etc., dealing with subjects such as labour law, taxes, privatisation etc. It should be mentioned that employers' organisations have more of an orientation towards business rather than towards social partnership. With regard to trade unions, the lack of unionisation explains the difficulties in participating in such discussions.

Bipartite social dialogue

There are no supra-enterprise agreements, nor institutional agreements in the absence of trade unions. Actually, social partners are not organised and the problem of their representativeness is non-existent¹⁴⁹.

In the last two years, institutional clubs and commissions of trade unions have been created, especially in large enterprises. However, rather than negotiating agreements they attempt at consulting work regulations or payment regulations.

The reasons for this state of affairs are a result of:

- total lack of supra-enterprise collective bargaining in Poland
- the low number of trade unions and weak organisation in the trade sector.
- dominance of micro and small enterprises in the sector
- reluctance of employers and managers to attempt to organise trade unions.

Several attempts have been made in order to set up trade unions in large enterprises (supermarkets, shopping centres, etc.), where there have been problems of working conditions and work place protection, which have been recognised by the Chief Labour Inspector. In spite of the fact that conditions of work and wages are not always satisfactory (of employees but also labour inspectors) there is no tradition and readiness in the sector to organise trade unions and bargaining on regulations or collective agreements at the level of an enterprise. It should be noted that trade union activity among the employees of cooperatives is an exception here, due to long traditions of the most important organisation "Spolem".

¹⁴⁹ The Polish National Association of Trade and Services does not agree with the expert that there are not organised partners in the trade sector. The Council claims that it is the organisation of SMEs in trade and that it also represents this sector in the Entrepreneurship Council (the organisation of business negotiating with the government the development of business). Besides, this organisation mentions that the international project on "Social Dialogue and New Form of Work Organisations" is a very useful platform for co-operation between social partners.

3. Organisations active in the sector

Workers' organisations¹⁵⁰The **Independent Self-governing Trade Union "Solidarity"** (8500 members - NSZZ) is organised in enterprise commissions and makes an effort to create trade unions in supermarkets as well as to organise commissions outside enterprises (by the Regional Management Board). However, the setting up of this kind of commission has had no considerable successes so far. An enterprise commission may negotiate a collective bargain or the code of work regulations. The practical aim is to participate in consultations on the labour regulations, especially in cases of suspending benefits, and to participate in administering the social fund. With regard to financial resources, members have to pay fees and the National Commission allocates some amounts from its budget for the activity of the secretariat of the branch.

The **All-Poland Alliance of Trade Unions (OPZZ)** encompasses independent trade unions operating in various branches of industry including 16 unions and federations, in total, 13,845 people¹⁵¹. Among these organisations, 4 are related to the field of trade: The Federation of Trade Unions of Trade and Service Workers with about 1200 members, the Trade Union of Workers and Sellers "Ruch" (newspaper distribution) with over 2000 members, the Confederation of Labour, a new union established for self-organisation in small companies and the Federation of Trade Unions of Co-operative and Trade Workers with about 10,000 members including workers from the Co-operative of the Food Industry "Spolem" which has a tradition of participating in consultations and decision-making processes. It should be noted that the OPZZ is not affiliated to ETUC. As the total number of employees is nearly 2 million, all these organisations have a low coverage rate.

Table B. Trade unions

<u>Organisation</u>		<u>Type of employees covered</u> (white/blue collars, executive, skilled occupations...)	<u>Members Workers</u> (number)	<u>Members working in the sector</u> (number)	<u>CB</u>	<u>CA</u>	<u>I</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
<i>(original name)</i>	<i>(English name)</i>	<i>(type)</i>	<i>(number)</i>	<i>(number)</i>	<i>Yes</i> <i>/no</i>	<i>Yes</i> <i>/no</i>	<i>Yes</i> <i>/no</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>
	Solidarity		8500		Yes	Yes	No					ETUC, ILO	
	All-Poland Alliance of Trade Unions		13845		Yes	Yes	No					ILO	

CB: Does the organisation take part in Collective Bargaining? **CA:** Is the organisation able to sign Collective Agreements? **T:** Does the organisation take part in Tripartite Concertation?

¹⁵⁰ According to UNI-Europa, there are three trade union structures in commerce, two within Solidarity and one within OPZZ. Within Solidarity, one of the two is being established, which has about 3000 to 4000 new members in large enterprises and has concluded social partnership agreements and/or collective agreements with these large enterprises. This new structure stems from the project launched by UNI-Europa with Solidarity, in cooperation with some leading EU-based commerce multinationals, to establish trade union structures and social dialogue in this sector of commerce. The already existing other structure (Spolem-based) gathers also about 4000 members.

¹⁵¹ According to UNI-Europa, the claim of OPZZ to represent 13865 workers is grossly overestimated.

Employers' organisations

Apart from organisations of employers who participate in Tripartite Commissions, other organisations in the sector should be taken into consideration. Some of them operate on the basis of the Law on Employers' Associations, which gives them the right to participate in Tripartite Commissions or other bodies including social partners, others operate on the basis of the Law on Associations or the Law on Labour Self-government. In the activity of all these organisations, there is a prevailing tendency for business to come first. Social dialogue is treated formally, and there is no tendency to negotiate or even take trade unions into consideration in activity for economic and social policy.

The **National Chamber of Commerce** is an organisation for the development of the economy, one of several organisations of economic self-government. It collaborates with 10 other organisations (including the organisation of employers) within Entrepreneurship Council. It undertakes lobbying initiatives in the area of amendments to the Labour Code, changes to the tax system, supporting entrepreneurship and creating work places.

The **Polish Chamber of Commerce (PIH)** has existed since 1997 and is an organisation of economic self-government representing the trade environment. PIH operates for creating trade policy, initiating analyses and legislating proposals. PIH's activity mainly has lobbying and program-making character.

The Polish National Association of Trade and Services is a Self-government Organisation of Small and Medium Enterprises. It is an all-Polish organisation of labour self-government, acting on Law from the 30th May 1989¹⁵². Membership of the National Association is voluntary. Members are physical and legal persons who are directors an economic activity in the area of retail and wholesale trade and services (including restaurants¹⁵³). Currently the Council has 39 regional Associations taking in over 70,000 members employing 180,000 employees¹⁵⁴.

The **Polish Organization of Trade and Services (POHID)** includes 13 large distribution and retail companies, mainly with foreign capital. POHID functions as an employers' union, its major goal is to represent the interests of its members towards the public authority bodies, economic and consumer environments. POHID has existed for 3 years. Its member companies employ over 120,000 people in total.

The Polish National Association of Trade and Services and the Polish Organisation of Trade and Distribution are members of Eurocommerce and both Confederations of employers, the Polish Confederation of Private Enterprises and the Confederation of Polish Employers) are members of UNICE and ILO (International Labour Organisation).

¹⁵² According to Eurocommerce, this National Association is one of the oldest organisation in Poland, founded in 1925.

¹⁵³ According to Eurocommerce, it includes also tourist services.

¹⁵⁴ Source: Eurocommerce

Table C. Employers' organisations

<u>Organisation</u> <i>(original name)</i>	<u>Sub-sector</u> <i>(English name)</i> <i>(wholesale, retail, ...)</i>	<u>Companies</u> <i>(number)</i>	<u>Employees</u> <i>(number)</i>	<u>CB</u> <i>yes/no</i>	<u>CA</u> <i>Yes/no</i>	<u>T</u> <i>Yes/no</i>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
							Direct <i>(name)</i>	Indirect <i>(name)</i>	Direct <i>(name)</i>	Indirect <i>(name)</i>	Direct <i>(name)</i>	Indirect <i>(name)</i>
Council of Associations of Trade and Services		70,000	180,000	Yes	Yes	No		Entrepreneurship Council	Eurocommerce			
Polish Organisation of Trade and Services		13	120000	Yes	Yes	No			Eurocommerce			
Polish Confederation of Private Enterprises				Yes	Yes	No			UNICE		ILO	
Confederation of Polish Employers				Yes	Yes	No			UNICE		ILO	

CB: Does the organisation take part in Collective Bargaining? CA: Is the organisation able to sign Collective Agreements? T: Does the organisation take part in Tripartite Concertation?

ROMANIA

1. description of the sector

Delimitation of the scope of activities for the sector

The “commerce” sector covers the assembly of goods sales and buying activities, as well as services (repairing personal and housekeeping goods, repairing cars and motorcycles). The official statistics include enterprises whose main activity can be integrated within the following groups of NACE activities: G50 (Sales, maintenance and repairing cars and motorcycles. Retail sales of automobile fuel), G51 (Wholesale commerce), G52 (Retail sales [excepting cars and automobile fuel], repairing personal and housekeeping goods). There are no sub-divisions within the sector except for those belonging to the NACE codes 50, 51 and 52. These sub-divisions do not disturb, in any way, the collective negotiations because the employers' associations and trade-unions are not based on the sector's sub-divisions; they are based on the affiliation of organisations whose members come from all the sector's sub-divisions, and even from other activities outside the sector.

With regard to the convergence/divergence between the standard list of NACE activities and the structure of the activities within the sector, it should be considered that not all enterprises develop commercial activities alone. A company's inclusion in the the commerce sector is made “taking into account the main activity they develop. The main activity is determined by the products or services whose production accounts for the largest share of the company's human resources employed or which provides the greatest part of the company's revenue”¹⁵⁵. Due to this aspect, official statistics identify and classify the firms with regard to the main activity of the firm, as defined above.

Socio-economic features of the sector

Importance of the commerce sector in the national economy

The commerce sector is one of the most dynamic sectors of the national economy and it is now going through a process of sectoral and micro-economic restructuring. The contribution of commerce to the gross domestic product (GDP) in 2001 was 12,2% (including hotels and restaurants). The contribution of service activity to the gross added value created within economy in 2001 was 31,3%¹⁵⁶.

Size of sales outlets

As from 1990, the commerce sector went through radical changes. It was a sector mainly belonging to the state, but it was privatised (practically, the whole Romanian commercial network is now in private hands); the number of sales units increased considerably, with most of the sales units being represented by small boutiques or booths. From 1993 onwards, the retail industry has been influenced to a great extent by the appearance of certain foreign retail chains in Romania¹⁵⁷. It led to a decrease in the number of small boutiques and non-specialized shops of 6,0% during the period 1999-2001. While the number of small food stores decreased from 5359 in 1988 to 5099 in 2001, the number of mini- and supermarkets doubled, from 270 in 1996 to 546 in 2001.

¹⁵⁵ Results and performances of the commerce and service enterprises, National Statistics Institute, Bucharest, 2003, page 2.

¹⁵⁶ Romanian Statistical Yearbook, 2002, page 274 and The Evolution of SMEs Sector (2000-2001), MIMMC, 2003, page 65.

¹⁵⁷ More and more foreign companies are interested within the Romanian market potential; those who already got implanted develop their activity, expanding the shops network. This is the case for METRO, SELGROS, CARREFOUR, BILLA, MEGA-IMAGE, XXL, GIMA PROF1. In 2002, other companies like Bricostore, Intermarche and Praktiker opened their shops, and CORA will soon inaugurate its first shop in Romania. During the last years, certain retail chains of shops, specialized on different fields (pharmaceutic products, books, music, electronics, fashion, cars, etc.) have also been developed; Diverta, Flanco, Sensiblu, Flamingo, Global Net, Mobexpert are successful names on the local market which strongly imposed on the market due to their quality services. It shows the existence of a development process in the field of large chains of shops, and this fact will have important consequences upon the commerce structure in the next period.

Type of marketing strategy

It is difficult to differentiate between the types of market strategies adopted by the firms, as long as most of them are micro- or small enterprises. For them, there is no particular strategy, other than activity that allowed them to survive. Only large, multinational companies adopt a strategy based both on price and specialisation, as the competition for market share increases.

Features of employment within the sector

Generally, most of the workers in commerce are high school graduates, coming mainly from “economic” high schools. However, a large number only have secondary school studies. The monthly average wage is estimated at 125 USD. Women account for 56,3%¹⁵⁸. Of the total number of employees in the commerce field.

Estimated importance of the informal economy

There is no data on the informal economy broken into activity sectors. In overall terms, the informal economy is estimated at 18% of the total economy. (according to the vice-president of the National Statistics Institute). Another estimate is that it represents 40%-50% of GDP (according to I. Blanculescu, President of Agency for Capitalization of Banking Shares).

Handicraft and consumer co-operatives

A special category of enterprises that functions within the field of commerce should be mentioned, as it is not included in the statistics of retail and wholesale enterprises, and yet it is important both in terms of outlets and employment. They are the co-operative enterprises, with their two components: handicraft cooperatives and consumer cooperatives.

These units are private group entities, created in the mid XIXth century, and they carried on functioning during the communist regime, too. They have both production and sales/distribution activities, but they do not have the status of commercial units (a law is being implemented to give them the status of commercial units). At the end of 2001, there were 1023 organisations of handicraft cooperatives¹⁵⁹ and 1417 consumer cooperatives¹⁶⁰. From the organisational point of view, these cooperatives are united within 41 territorial federations of consumer cooperatives (FEDERALCOOP). The territorial federations are, further, associated, creating the National Union of Consumer Cooperatives (CENTROCOOP). At the end of 2001, CENTROCOOP had 21,238 employees, in comparison with 59,945 in 1994. The contribution of the co-operative sector to the GDP has registered a strong decrease, from 3,0% of GDP before 1989 to 0,54% in 1999 and 0,48% in 2000¹⁶¹.

Table A. Contextual data in the sector

COMPANIES				
Companies	% companies without employees (employees = salaried workers)	% companies < 10 employees	% companies from 10 to 100 employees	% companies > 100 employees

¹⁵⁸ Romanian Statistical Yearbook, 2002, page 101.

¹⁵⁹ [with 1600 sections and production units, 6000 service units for population and 1100 shops for merchandise sales. 77644 persons were working within these units in 2001 (compared with 182469 in 1993)]

¹⁶⁰ [They were activating mainly in the rural zones. Within these structures there were 12594 commercial retail units, 6198 public alimentation units, 473 merchandise storehouses, 770 units of acquisition/processing of agrofood products and 3269 production and services units.]

¹⁶¹ Ibidem, pages 92-99 and interview: Marinescu Madalina, Cooperation Department of the Ministry for Small/ Medium Enterprises and Cooperation.

NACE code	(number)	(percentage)	(percentage)	(percentage)	(percentage)
50	9146	41,0%	46,3%	12,1%	0,6%
51	54421	56,9%	35,1%	7,6%	0,4%
52	179655	57,9%	38,3%	3,7%	0,1%
TOTAL OF THE SECTOR	243222	57,0%	37,9%	4,9%	0,2%

* The Chamber of Commerce and Industry of Romania and Bucharest Municipality.

WORKERS (year 2001)						
NACE code	(number)	Workers other than employees (number)	Employees % of total number of employees* (percentage)	% employed in comp.< 10 employees (percentage)	% employed in comp. > 100 employees (percentage)	Coverage of collective agreements (percentage)
51	163545 ¹	215084 ²	4,6%	26,4%	27,9%	
52		436661 ²	9,5%	42,1%	28,5%	
TOTAL OF THE SECTOR	163545	705365	15,3%	36,0%	27,9%	

*= total number of employees in the sector /total number employees in the country (if total number employees in the country not available, full employment or labour force)

¹ National Institute of Statistics, Results and Performances of Enterprises from Trade and Services Sector, 2003, p. 3.

² The Chamber of Commerce and Industry of Romania and Bucharest Municipality.

** Estimation; lack of statistic data.

2. Industrial relations in the sector

In Romania, commercial sector is not well represented within the social dialogue, at any level. Reason for this is that there are no powerful organisations to represent the employees' and employers' interests of this sector. This fact has at least two explanations: a) the largest number of the commerce enterprises is composed of micro-enterprises. The small number of employees, or even the fact there are no employees at all within these firms, as well as the minimum number of 15 employees to establish a trade-union has not allowed the trade-unions to develop. As for the employers' associations, it seems that they are not interested in forming employers' organisation. b) large commerce enterprises, supermarket chains, with a large number of employees, have promoted a policy aimed at stopping the founding of trade-unions. On the other hand, not even these units have either organised themselves within an employers' association or affiliated to an already created one.

Some of the multinational firms are affiliated to the Romanian Association of Foreign Investors – a structure that unites the foreign investors from all the fields of activity in Romania, having different aims than those of an employers' association. The Association of the Large Commercial Network from Romania– AMRCR, set up by the representatives of the large commercial networks within Romania, does not seem to undertake activities appropriate to an employers' association. It is possible for the AMRCR to become an employers' association in the near future, on one condition, that there is a corresponding trade-union with same degree of power as the AMRCR has. If strong trade-unions are not created, then there will be no reason for employers' associations to exist, and the social dialogue at branch level will be seriously affected.

Tripartite concertation

Tripartite concertation in the sector takes place both at country and county level.

At sectoral level there is no tripartite social agreement for the commercial sector. However, there are consultancies and debates take place between the governmental representatives and the social partners, within the tripartite commissions for social dialogue of the ministries¹⁶², especially, of the Ministry of Small/Medium Enterprises and Cooperation (MIMMC), where both the two trade-unions and the employers' associations are represented. These consultancies are looking at the proposed laws to regulate the field of commercial distribution, and at the tax facilities for small/medium enterprises with commercial specific and ministerial action programs for small/medium enterprises development (from commerce field)¹⁶³.

Within the counties with employers' associations and trade-union structures in the commerce sector, there are consultancies and meetings on certain commercial subjects. Some of them are organised within the tripartite commissions of social dialogue from the prefectures.

Bipartite social dialogue

Bipartite social dialogue can be achieved both at branch and enterprise levels. The relation between the two levels lies in the fact that the provisions of collective conventions at branch level are minimum provisions and are compulsory at enterprise level. At branch level, the general and minimum framework for the branch as a whole is established, while at company level, specific items are agreed upon.

The dialogue is at a low level of development at both levels. The reason for this are the lack of strong social partners and the poor commitment on the part of the employers' associations and trade-union structures (to which the employers' associations and trade-unions from commerce sector are affiliated) to the specific problems in the sector. At this moment, it seems that there is no interest in promoting the bipartite social dialogue at branch level. The state does not seem to take much interest because the distribution trade is almost 100% privatised, and nor do the the employers' associations, as long as they do not face powerful trade-unions. The obstacles to bipartite social dialogue at enterprise level are mainly a function of the enterprises' size: as long as the commerce will be mostly represented by micro-enterprises and the large firms will not accept the trade-union formation nor to get united within an employers' association, social dialogue will continue to be weak developed.

Negotiation procedures for the commerce level are defined in detail by Law no.130/1996 regarding the Collective Work Contract, modified and completed by Law no. 143/1997. As soon as a collective work contract is signed, its items are compulsory to be fulfilled; there is no need for applying other laws or Governmental Decisions. The above-mentioned law also regulates the acknowledgement of the social partners and mentions that "the items of the collective work contract on branch level are stated for all the employees from commercial units, no matter the form of its social capital (state/private, Romanian/foreign, mixed...)"¹⁶⁴. So, the items established by the collective work contract on branch level would be applied by all the branch employees, both if they have been or have not been represented to the negotiations, no matter if they are/are not members of a trade-union¹⁶⁵. This expansion is stipulated by the Law of Collective Work Contracts. Practically, at least in commerce branch, these items are applied only in case the employees are members of the trade-unions or employers' associations that are parts signatory of the convention (according to the president of the Free Trade-Unions' Federation from Commerce, Mr. Vasile Gogescu, the employers who have not signed the agreement or who are not represented into these organisationorganisations refuse to hear about any item of a collective work contract).

¹⁶² from 1990, commerce was a part of the Tourism Ministry and of the Industry Ministry, from 2000 – from the Ministry of Small/Medium Enterprises and Cooperation, and since the governmental reshuffling from 2003 it is part of the Economy Ministry.

¹⁶³ In the last five months of 2003, from the total of 59 suggestions drafted by the social partners within the social dialogue commission of the Ministry for Small/Medium Enterprises and Cooperation, 24 have been admitted and assumed by the ministry, 2 have been partially admitted, 8 are in study within the specialized commissions and 25 have been rejected¹⁶³.

¹⁶⁴ Collective work contract on commerce branch on 2003-2005, Art. 1,2,3, Official Monitor of Romania, Part V, January 17, 2003.

¹⁶⁵ The collective work contract on commerce branch level on 2003-2005 can be applied only by the units with more than four employees¹⁶⁵

Bipartite social dialogue at sectoral level

The lack of representative social partners at branch level creates problems in the process of negotiating the Collective work contracts at this level. The participants involved in a collective agreement at sectoral level are trade-unions and employers' organisations that both cumulatively fulfill precise conditions. Trade unions 1) must have the legal status of a federation; 2) must be free to organise and free from pressure from the employers; 3) their component trade-union organisations must have, as a whole, a total number of members at least equal to 7% of the employees in the sector. Employers' organisations 1) must have be free to organise and free from pressure from the employers; 2) must represent the employers whose enterprises contain at least 10% of the employees in the branch. It should be noted that the statistics on the two social partners who have signed the collective work contracts at commercial branch level in 2003-2005 do not show that they fulfill the conditions mentioned above. Derogations from the Law might have been accepted, in order to permit the creation of a collective work contract for this sector, too, as the representative partners are missing.

The procedures for signing a collective work contract are established by the Law: the initiative of collective negotiation belongs to the employers' association. If it is not initiated by the employers' association, then the trade-union launches it - therefore, the negotiation is compulsory. The length of the contract is a minimum one year, then it might be prolonged for an agreed longer period.

Only one collective work contract at branch level has been signed (as the Law stipulates), the signatories are the Free Trade-Unions' Federation for Commerce, on the one hand, and the National Association of the Employers' Organisations from Commerce, Distribution and Real Estate Activities, on the other hand. The content of the collective work contract is: working hours, working conditions and protection, wages and other financial entitlements, holidays, individual work contracts, professional training, other items with regard to the obligations and entitlements of the participants. The duration of it has been expanded to three years, with the stipulation that certain items might be modified by an additional act. The rate of agreement's coverage is of more than 50%, considering the enterprises with more than four employees for which the agreement can be applied.

Bipartite social dialogue at enterprise level

At enterprise level, negotiations are not better developed than at branch level, because the law establishes that only within the units having at least 21 employees can a collective work contract be signed. Therefore, this aspect limits the possibility of signing collective work contracts in small enterprises.

The signatories to the collective work contract at enterprise level are: the trade-union from the unit and the Administration Council or the employer. Since there are not many trade-unions within the same firm, there are no conflicts on trade union recognition on the part of the participants. The content is similar to that of the collective work contract at branch level, adapted to the firm's specific conditions and containing specific items. The signatories retain the right to apply the terms of the agreement. At company level, the standard duration for the contract is one year. The collective contract at unit level covers all the employees from the respective unit, no matter their social and occupational category. 48 enterprises have signed collective agreements at unit level. The coverage rate is theoretically over 36,0%, actually it is hard to estimate.

3. Organisations active in the sector

Workers' organisations

The Federation of Free Trade Unions in Commerce –FFTUC- (Fedaratia Sindicatelor Libere Din Comert –FSLC-) has been settled in 1990. In conformity with its statutes, it is "a federal organisation with a legal identity, comprising professional and branch trade-unions in the commerce sector, distribution, food distribution and real estate activities" (Article 1 in the Statutes). FFTUC members act both in the wholesale and retail sub-sectors, as well as in the food distribution and real estate sub-sectors. According to the federation's opinion leader, it is the only trade-union in Romania which is the national representative for the commerce sector.

FFTUC represents a total of 4534 individual members. They carry out their activities within 57 enterprises from all the districts in the country. At the beginning (in 1990, when it was set up), the federation had 140.000 members. Three causes for the significant decrease of this total can be identified: 1) the privatisation process¹⁶⁶ 2) low quality management and a lack of commitment on the part of the old leadership to the federation's development [according to the present FFTUC leader] 3). The establishment of some new, large size, international commercial enterprises did not represent an opportunity for the foundation of new powerful trade-unions, because the leadership of these firms forbade trade-union activities, mentioning it as a condition to employment. This situation means that a large number of employees are not able to join a trade-union and do not take part in this sort of movement¹⁶⁷.

This last statement, is contested by EuroCommerce and UNI-Europa who affirm that, if there are different approaches by different retailers, most of the European multi-format or supermarket retailers have established a social dialogue¹⁶⁸. However, according to the Romanian commerce trade unions, the fact that the total number of salaried workers that are members of a trade union in the commerce sector is very low may be explained by the number of small companies in which a trade union is not constituted, but also by the fact that the multinational companies do not accept the idea of a trade union. There is not a legal restriction to adhere to a union but a factual one; salaried workers have not the possibility to adhere to a trade union in the multinational companies¹⁶⁹.

The new law of trade-unions (May, 2003) that allows an employee to take part in a trade-union, "even if he works for a different employer" (art. 2, Law 54/2003, Trade-Unions Law) might produce changes regarding the increase of the trade-union members, because the employees of micro- and small enterprises can become members of a trade-union which does not activate within the firm where they work.

FFTUC's financing sources consist mainly of members' dues¹⁷⁰. Another occasional source of finances and logistical support (especially computers and accessories) comes from similar trade-union structures from Denmark (H. K. DENMARK) and The Netherlands (DE 'UNIE). The services FFTUC provides to its members are: surveys of the fulfillment of the agreements (at national, branch and enterprise levels); intervention in case these agreements are not respected; they provide consultancy and support to their members in case of collective and individual work conflicts; it provides assistance and specialized consultancy to its members in setting up and signing collective work contracts at enterprise or group of units level; it organizes training initiatives for trade-union leaders; it supports the specific interests of its members within the Confederation it is part of, as well as within the structures of social dialogue.

Decisions are mainly disseminated through the trade-union representatives in the territory, within the leading bodies of the Federation. Another way of disseminating information is direct contact with the affiliated organisations, when the members of the National Federation's leadership go to the component structures in the territory. Electronic means of communication (e-mail) and fax are also used.

The Federation has signed the Collective Work Contract at branch (commerce) level for the years 2003-2005; all the employees in the sector benefit from its decisions whether they are trade-union members or not. Between 2001-2003, the Federation also signed two collective work contracts at branch level. A further 26 collective contracts have been signed at enterprise/group of units levels.

The National Confederation of the Trade Unions from the Consumption Cooperation –CONSINCOOP- (Confederatia Nationala a Sindicatelor Din Cooperatia de Consum) is an independent, non-political, non-employer sponsored trade-union confederation, comprising employees from the co-operative sub-sector. It was founded in 1992 as a federation, and became a confederation in 1994. The affiliated organisations and federations run an activity of wholesale or retail and also commercial services (purchasing and other activities specific to the commercial field), as well as the small

¹⁶⁶ which led to the disappearance of the large commerce enterprises, being created small size firms or even firms without employees. As the old trade-union law stipulated that, in order to settle a trade-union organisation there should be necessary a minimum of 15 employees **but only belonging to the same unit**, the large mass of the employees did not have the possibility to become members of the trade-union movement.

¹⁶⁷ This position is maintained by the Romanian trade unions in the commerce sector

¹⁶⁸ Source: EuroCommerce and UNI-Europa consultation.

¹⁶⁹ Source: interviews with the trade unions representatives.

¹⁷⁰ Finances represent one of the essential problems to which the federation is confronted with. Its low level does not allow the organisation of large trade-union activities, to attract as many members as possible to the trade-union and to assure a support for its members in special situations. As an example, there is not a solidarity fund that would allow the Federation to support its members in case of a strike or to support financially a certain organisation in difficulty.

industry of the cooperatives. All the social-occupational categories are represented within the organisation. At this moment, pensioners are not members of the organisations. The confederation contains three federations and 38 trade-union organisations, representing employees from all the districts.

The services CONSINCOOP offers to its members are: legal and specialised assistance, at the members' request; support of the affiliated organisations in the field of exerting control on the administrative leadership with regard to respect for the legal dispositions or the collective work contract. The Confederation's income comes from the members' dues and registration taxes, sponsorships, donations and varied activities organised by the confederation.

The Confederation has no specialised structures for the dissemination of decisions; instead, these decisions are transmitted through electronic mail or fax to their members (by a technical secretariat) and also through the organisation's representatives in the main bodies. The leaders or the representatives of the affiliated organisations are invited to joint meetings when important decisions are taken: these representatives transmit the adopted decisions referring to the organisations they represent. Some of those decisions are disseminated through "THE NEWSPAPER OF COOPERATION" ("GAZETA COOPERATIEI" publication), recently renamed "ROCOOP".

The Confederation takes part in consulting activities and debates at sector level. It is represented within the Social Dialogue Commission of the Ministry for Small and Medium Enterprises and Cooperation. The Confederation participates in tripartite agreements, indirectly, through the Confederation to which it is affiliated. This is how the tripartite agreements on 2001 and 2002 were signed. The Confederation signed collective work contracts for the cooperative sub-sector on 2001-2002 and 2003-2004. At enterprise level, 22 collective work contracts were signed.

Table B. Trade unions

<u>Organisation</u>		<u>Type of employees covered</u> (white/blue collars, executive, skilled occupations...)	<u>Members Workers</u> (number)	<u>Members working in the sector</u> (number)	<u>CB</u>	<u>CA</u>	<u>I</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
(original name)	(English name)	(type)	(number)	(number)	Yes /no	Yes /no	Yes /no	<u>Direct</u> (name)	<u>Indirect</u> (name)	<u>Direct</u> (name)	<u>Indirect</u> (name)	<u>Direct</u> (name)	<u>Indirect</u> (name)
FSLC¹⁷¹	FFTUC¹⁷²	White/blue collars, workers, administrative and specialised personnel	3650	4534	Yes¹⁷³	Yes¹⁷⁴	(yes)¹⁷⁵	CNSLR-Fratia¹⁷⁶		Uni-Europa, ETUC¹⁷⁷		UNI	WCL¹⁷⁸ ICFTU¹⁷⁹

¹⁷¹ Federatia Sindicatelor Libere din Comert

¹⁷² The Federation of Free Trade-Unions on Commerce

¹⁷³ at sectoral level

¹⁷⁴ at sectoral level

¹⁷⁵ The Federation participates to tripartite agreements, indirectly, through the Confederation it is affiliated to. This is how the social tripartite agreements for 2001 and 2002 have been signed, as well as the Unique Collective Work Contract on national level for 2001 and 2003.

¹⁷⁶ National Confederation of Free Trade-Unions from Romania – Fratia

¹⁷⁷ European Trade-Union Confederation –trough NC FTUR-FRATRIA-

¹⁷⁸ World Confederation of Labor–trough NC FTUR-FRATRIA-

¹⁷⁹ Source: UNI-Europa consultation

180	CONSINCOOP	National Confederation of the Trade Unions the Consumer Cooperation	White/blue workers, administrative and specialised personnel	collars, 17197 ¹⁸¹	17197	Yes ¹⁸²	Yes ¹⁸³	(yes) ¹⁸⁴	The "Meridian" National Trade-Union Confederation	Not affiliated	Not affiliated
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CB: Does the organisation take part in Collective Bargaining? **CA:** Is the organisation able to sign Collective Agreements? **T:** Does the organisation take part in Tripartite Concertation?

¹⁸⁰ Confederația Natională a Sindicatelor din Cooperatia de consum.

¹⁸¹ 13 204 of them are workers and 3993 - administrative and specialized personnel.

¹⁸² at sectoral level

¹⁸³ at sectoral level

¹⁸⁴ The Confederation takes part in consulting activities and debates on sector level. It is represented within the Social Dialogue Commission of the Ministry for Small and Medium Enterprises and Cooperation. The Confederation participates in tripartite agreements, indirectly, through the Confederation to which it is affiliated to. This is how the tripartite agreements on 2001 and 2002 have been signed.

Employers' organisations

The National Association of the Owners and Administrators of Commercial Complexes, Fairs and Markets from Romania –ANPACT- is a professional, employers' association, established in March, 2001. Its members are active within the retail and wholesale commerce, within specialised commercial centres, unspecialised commercial locations, within markets and fairs, with food and non-food products. There are small and medium enterprises, commercial complexes for food and non-food retail commerce, with 100% Romanian private capital. The Association has the status of legal identity with private jurisdiction; it has a non-governmental, non-political character, without employer sponsored interests. The Association's aim is to re-unite commercial companies, private and legal entities and Associations of private entrepreneurs, in order to develop the private sector within Romania.

The Association offers to its members various types of services (Specialised assistance for starting and developing their own activity; Assistance for negotiations with the employees and trade-unions, in order to sign Collective Work Contracts; Mobilisation of financial resources needed for the implementation of certain projects and initiatives favourable to its members. It supports and facilitates the business partnership, experience exchanges in the field, technology transfer and participation in fairs and exhibitions. It organizes and participates in training activities, consultancy projects, preparation, marketing and financial-accounting services, leasing of tools and equipment etc, for the Association members). The financing of the Association comes from dues and enlisting taxes of its members, as well as from subventions and subscriptions, donations and taxes for its services etc.

The Association does not have specialised structures for the dissemination of decisions. The decisions are transmitted by those affiliated enterprises representatives, members within the leading structures, by press bulletins, work meetings organised by the Association, by e-mail and fax. There is an outstanding interest of the operative Association leadership for making the decisions known to all the component organisations.

The Association has not yet signed any collective agreements at branch level. Instead, some of the affiliated enterprises have signed 7 collective work conventions.

The president of **the National Association of the Employers' Organisation for Commerce, Distribution and Real Estate Activities** is not available and no one else would assume the responsibility to provide the information needed, without the approval of their superior.

Table C. Employers' organisations

<u>Organisation</u>		<u>Sub-sector</u>	<u>Companies</u>	<u>Employees</u>	<u>CB</u>	<u>CA</u>	<u>T</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
<i>(original name)</i>	<i>(English name)</i>	<i>(wholesale, retail, ...)</i>	<i>(number)</i>	<i>(number)</i>	<i>yes/no</i>	<i>Yes/no</i>	<i>Yes/no</i>	<i>Direct</i>	<i>Indirect</i>	<i>Direct</i>	<i>Indirect</i>	<i>Direct</i>	<i>Indirect</i>
								<i>(name)</i>	<i>(name)</i>	<i>(name)</i>	<i>(name)</i>	<i>(name)</i>	<i>(name)</i>
ANPCDI¹⁸⁵	National Association of the Employers' Organisation from Commerce, Distribution and Real Estate Activities¹⁸⁶	Retail,	n.a.	n.a.	Yes¹⁸⁷	Yes¹⁸⁸		UGIR-1903¹⁸⁹					
ANPACT.RO¹⁹⁰	See foontote¹⁹¹	Wholesale, retail	500¹⁹²	5400	yes	No	(yes)¹⁹³	See footnote¹⁹⁴		UEAPME¹⁹⁵		WASME¹⁹⁶	

CB: Does the organisation take part in Collective Bargaining? CA: Is the organisation able to sign Collective Agreements? T: Does the organisation take part in Tripartite Concertation?

n.a.= not available data

¹⁸⁵ Asociatia Nationala a Patronatelor din Comerț, Distribuție și Activități Imobiliare

¹⁸⁶ Data about this organisation is not available because its president is not available and no one else did assume the responsibility to offer the needed information, without their superior's approval.

¹⁸⁷ at branch level

¹⁸⁸ at branch level

¹⁸⁹ General Union of Industrialists in Romania – 1903 (GUIR–1903)

¹⁹⁰ Asociatia Nationala a Proprietarilor și Administratorilor de Complexe Comerciale, Targuri și Oboare din Romania

¹⁹¹ The National Association of the Owners and Administrators of Commercial Complexes, Fairs and Markets from Romania

¹⁹² There are small and medium enterprises, commercial complexes for alimentary and non-alimentary retail commerce, with Romanian 100% private capital.

¹⁹³ The Association takes part in tripartite agreements indirectly, through the superior level organisation- whose member it is. The Association is member of the tripartite agreements signed in 2001 and 2002.

¹⁹⁴ National Council of Private Small and Medium Enterprises from Romania, as a member.

¹⁹⁵ European Union for Small and Medium Enterprises and Handicraft

¹⁹⁶ World Association for Small and Medium Enterprises

SLOVAK REPUBLIC

1. description of the sector

Delimitation of the scope of activities for the sector

From a methodological point of view, internal trade includes the retail and wholesale trades, and may also include the providing of wholesale services on a fee or contract basis, services of public catering or other supplementary services (e.g. transport of purchased consumer goods, repairs of consumer goods, accommodation services etc.). Hotels and restaurants are also included in the retail trade revenue. Detailed classification of retail and wholesale activities is based on the Branch Classification of Economic Activities (NACE): The retail trade corresponds to NACE 50, 52 and 55 while the wholesale trade corresponds to NACE 51.

Data on internal trade are surveyed for incorporated companies and for sole proprietors running businesses on the basis of a Tradesmen Licence or some other licence.

Socio-economic features of the sector

The trade sector represents 30 % of the country's economy in terms of employment and product volume. It occupies the second position within the Slovak economy in terms of employment (the industrial sector as a whole being the biggest employer). As stated above, the figures also cover the data for hotels, restaurants and tourism. On the other hand, the small private, single outlets in villages (these are estimated to account for approximately 30 % of all the outlets) are not covered by the statistics at all... Because of these discrepancies, the numbers can be misleading when compared to the performance of other national economies where only trade is taken into consideration. As far as the informal economy is concerned, there might be problems associated with illegal trading of alcoholic beverages, tobacco products and forged designer/trade mark textile products, however, these are mostly sold outside the legal outlets. Moreover, an increase in the illegal trade of these products is to be expected next year, due to the planned increase in the prices of the above mentioned goods.

The privatisation of the state-owned outlets in the trade sector has now reached 100 %. The co-operatives brought together in the Coop Jednota Slovensko have continued to exist and are tending to expand their chains. There are 15 large chains in Slovakia (such as Tesco, Billa, Delvita, Kaufland, Carrefour, Metro, Jednota etc.) and they represent approximately 40 % of the employees in the trade sector. The rest is made up of small entrepreneurs.

In general, shop assistants only have to undergo pre-training while other positions are held by people who have appropriate qualifications. From the perspective of employee categories, the overall number of employees can be misleading because large foreign chains employ a great number of temporary workers with low or no qualifications and these are not included in any statistics¹⁹⁷.

¹⁹⁷ These temporary workers are, for example, students who work under contracts under paragraphs 223 to 228 of the Labour Code No. 311/2001: contracts "outside of the contracts of employment" (contracts for a short period of time, contracts covering a tasks to be carried out, etc.) that do not bind the employer to contribute to social health insurance, fund of employment and guarantee fund. These individuals are not registered as employees. Note that the mentioned paragraphs have been amended and came into force on 1 January 2004. The number of opportunities to use these kinds of contracts have consequently been limited.

Table A. Contextual data in the sector

COMPANIES							
	<u>Companies</u>	<u>% companies without employees (employees = salaried workers)</u>	<u>% companies < 10 employees</u>	<u>% companies from 10 to 100 employees</u>	<u>% companies > 100 employees</u>		
	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>		
Wholesale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Retail	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Other	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
TOTAL OF THE SECTOR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
WORKERS							
	<u>Workers other than employees</u>	<u>Employees</u>	<u>Employees</u>	<u>% of total number of employees</u>	<u>% employed in comp. < 10 employees</u>	<u>% employed in comp. > 100 employees</u>	<u>Coverage of collective agreements</u>
	<i>(number)</i>	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>
Wholesale	88692	n.a.	4.5 %	n.a.	n.a.	n.a.	n.a.
Retail	97458	n.a.	4.9 %	n.a.	n.a.	n.a.	n.a.
Other	n.a.	172975	8.7 %	n.a.	n.a.	n.a.	n.a.
TOTAL OF THE SECTOR	n.a.	358825	18.1 %	n.a.	n.a.	n.a.	n.a.

*= total number of employees in the sector /total number employees in the country

n.a.= not available data

2. Industrial relations in the sector

There is no tripartite concertation at sectoral level, while bipartite collective bargaining takes place at sectoral level (“higher level”) and at company level.

Even though the trade sector is divided into retail and wholesale (as mentioned above) for statistical data processing, the collective bargaining within the sector does not follow the division. The sectoral/higher-level collective agreement is concluded for the entire sector.

Tripartite concertation

There is no tripartite concertation at sectoral level. In the Slovak Republic, the system of social dialogue and of relations between professionals is characterised by a remarkable institutional concentration and by a very high degree of centralisation in trade union and employer interests. The system is dominated by the Confederation of Trade Unions of the Slovak Republic (Konfederacia odborovych zväzov Slovenskej republiky –KOZ SR-), which brings together almost all trade union organisations, and the Federation of Employers' Associations of the Slovak Republic (Asociacia zamestnavatelskych zväzov a zdruzeni Slovenskej republiky –AZZaZ SR-), which brings together employer organisations on a voluntary basis, and therefore employers' representation fluctuated. The above-mentioned two national confederations are the main societal players in the social dialogue and virtually the exclusive partners of the Slovak Government for consultations on economic and social matters on the tripartite level.

Bipartite social dialogue

Bipartite collective bargaining takes place at sectoral level (“higher level”) and at company level. The sectoral/higher-level collective agreement as well as the collective agreement at company level have the power of law.

Generally, the structural evolution that the Slovak economy has undergone since the collapse of the former regime does not greatly favour the development of social dialogue. Among others, privatisation and restructuring of state businesses has resulted in falling trade union membership and waning solidarity among workers, which in turn weakens the position of trade unions vis-à-vis the state and the employer community. In addition, trade unions are not managing to establish themselves effectively in newly created private businesses. The weak trade union presence in these businesses results from political, economic as well as social factors. Currently, there is a widely spread reluctance on the part of the employers on both sectoral and company levels to accept any request from the trade unions even if they go beyond the boundaries of the law. This is mainly the case for wage increases. It happens that even the clauses of the concluded collective agreements are broken by the employers when it comes to pay increases, complimentary personal pension schemes and paid time for trade union officials when participating in bargaining and the like.

Bipartite social dialogue at sectoral level (“higher level”)

Players

At sectoral level (“higher level”), the participants in the social partnership for the employers' side are, on the one hand, **Zväz obchodu**, which is a member of the Federation of Employers' Associations - AZZaZ SR-, which represents such members as the Association of Wholesalers and Distributors, the Union of Tradesmen, the Trade and Tourist Employers Association, and, on the other hand, **Coop Jednota Slovensko** (representing cooperatives). The Trade Union of Employees in Commerce and Tourism (**OZPOCR SR**) is composed of employees' representatives.

signed collective agreements

The partners at this level usually conclude bipartite/sectoral agreements, the so called higher-level collective agreements (kolektívna zmluva vyššieho stupňa). These set out the framework for the terms and conditions of the employees in that particular sector and, simultaneously establish the relationships between the partners. Such an agreement has the power of an act. The sectoral/higher-level collective agreements are published by the Ministry of Labour, Social Affairs and Family of the Slovak Republic (Ministerstvo práce, sociálnych vecí a rodiny Slovenskej republiky – MPSVaR SR) in the Collection of Laws as acts. There are 2 sectoral/higher-level collective agreements concluded – one (1) with the trade (in effect till 31 December 2003) and one (1) with the co-operative sectors (in effect till 31 December 2004).

coverage rate

The Ministry of Labour, Social Affairs and Family of the Slovak Republic (MPSVaR) can declare a higher-level collective agreement to be binding also for the employers who are not members of the employers' organisation which concluded the agreement in question. The coverage of collective agreements can be extended only upon the employers who operate in a similar field of business under similar economic and social conditions, whose headquarters are located on the territory of the Slovak Republic, and no higher-level collective agreement has been covering them up to now.

Bipartite social dialogue at enterprise level

Players

At company level, the participants in the social partnership are the employer, on the one hand, and the trade union/unions operating in the company, on the other hand.

collective agreements

The partners conclude a bilateral agreement – a company collective agreement – which is linked to the higher-level collective agreement. The company collective agreement, in detail, covers the terms and conditions of the employees in specific fields of the company's operations and establishes the relationship between the employer and the trade union/unions. The obligations rooted in the company collective agreement widen and increase the scope of the obligations concluded in the higher-level collective agreement; terms and conditions of the company collective agreement, which worsen the conditions of the higher-level collective agreement are nullified under the Act. The obligations covered by the collective agreement are extended to all the employees whether or not they are members of the trade union. The Trade Union of Employees in Trade and Tourism enhances company collective bargaining and if asked for, represents the company trade union in its bargaining with the employer.

3. Organisations active in the sector

The recent full privatisation of the trade sector brought a lot of changes into the social partnership. While unionisation in cooperatives continues to be high and social partnership is harmonised there, the privatised trade organisations are starting to be difficult partners for the trade unions. Moreover, the foreign chains do not tend to encourage unionisation of their employees and thus, the membership of the trade unions in the trade sector continues to fall.

Workers' organisations

The Trade Union of Employees in Trade and Tourism (OZPOCR SR) represents employees in collective bargaining at sectoral level. It is a member of the Confederation of the Trade Unions of the Slovak Republic (KOZ SR), and represents employees at the national (interprofessional) level. OZPOCR SR has concluded 2 sectoral/higher-level collective agreements with the trade and co-operative sectors.

Table B. Trade unions

<u>Organisation</u>		<u>Type of employees covered</u> (white/blue collars, executive, skilled occupations...)	<u>Members Workers</u>	<u>Members working in the sector</u>	<u>CB</u>	<u>CA</u>	<u>I</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
(original name)	(English name)	(type)	(number)	(number)	Yes /no	Yes /no	Yes /no	<u>Direct</u> (name)	<u>Indirect</u> (name)	<u>Direct</u> (name)	<u>Indirect</u> (name)	<u>Direct</u> (name)	<u>Indirect</u> (name)
OZPOCR SR¹⁹⁸	Trade union of Employees in Commerce and Tourism	n.a.	20,000¹⁹⁹	20,000	Yes²⁰⁰	Yes²⁰¹	no	KOZ SR²⁰²	n.a.	UNI-Europa	ETUC²⁰³ (Via KOZ)	UNI	ICFTU²⁰⁴ (Via KOZ)

CB: Does the organisation take part in Collective Bargaining? **CA:** Is the organisation able to sign Collective Agreements? **T:** Does the organisation take part in Tripartite Concertation?

n.a.= not available data

The Trade unions, as well as their umbrella Confederation, have established solid cooperation with trade union centres in the neighbouring countries, such as the Czech Republic, Austria, Hungary, Poland, as well as Germany, Italy and Finland. The Confederation has also co-operated with the American centre AFL-CIO for years.

Employers' organisations

Zvaz obchodu SR was founded in March 1992 and includes 64 employers' organisations (trade companies and training organisations) and it is a member of AZZaZ SR. Zvaz obchodu SR bargains at the bipartite level with OZPOCR SR.

Coop Jednota Slovensko represents co-operatives.

¹⁹⁸ Odborovy zväz pracovníkov obchodu a cestovného ruchu

¹⁹⁹ 1,500 are members of tourism.

²⁰⁰ at enterprise and at sectoral level ("higher level")

²⁰¹ at enterprise and at sectoral level ("higher level")

²⁰² Konfederacia odborových zväzov Slovenskej republiky KOZ SR- (Confederation of Trade Unions of the Slovak Republic) is a trade union which brings together almost all trade union organisations. 650,000 workers are members, and 20,000 members are workers in the commerce sector. It takes part in tripartite concertation at national (interprofessional) level. It should be noted that KOZ SR cooperates closely also with the Trade Union Advisory Committee (TUAC), the advisory body affiliated with the Organization for Economic Cooperation and Development (OECD), primarily with regard to the multinationals operating on the Slovak Republic's territory as well as in relation to the membership of the Slovak Republic in the OECD.

²⁰³ European Trade Union Confederation

²⁰⁴ International Confederation of Free Trade Unions

Table C. Employers' organisations

Organisation		Sub-sector	Companies	Employees	CB	CA	I	National affiliations		European affiliations		International affiliations	
(original name)	(English name)	(wholesale, retail, ...)	(number)	(number)	yes/no	Yes/no		Direct (name)	Indirect (name)	Direct (name)	Indirect (name)	Direct (name)	Indirect (name)
Zvaz obchodu SR	n.a.	n.a.	(64)²⁰⁵	n.a.	Yes²⁰⁶	Yes²⁰⁷	no	AZZaZ		Eurocom	UNICE²⁰⁹		IOE²¹⁰
Coop SR	Jednota Association of Cooperatives	n.a.	13,500	Yes²¹²	Yes²¹³	no	AZZaZ	Yes		Coop	UNICE²¹⁵	ICA²¹⁶	IOE²¹⁷
							SR²¹⁴			Euro			ILO²¹⁸

CB: Does the organisation take part in Collective Bargaining? CA: Is the organisation able to sign Collective Agreements? T: Does the organisation take part in Tripartite Concertation?

n.a.= not available data

²⁰⁵ This figure includes trade companies and training organisations.

²⁰⁶ at sectoral (higher²⁰⁷) level

²⁰⁷ at sectoral (higher²⁰⁸) level

²⁰⁸ Federation of Employers' Associations of the Slovak Republic (Asociacia zamestnavateľských zväzov a združení Slovenskej republiky, AZZaZ SR), established in 1991, is the leading representative of employers and the bargaining partner in social partnership with the Government and trade unions. It takes part in tripartite concertation at national (interprofessional) level. The membership is voluntary (also the functionaries are volunteers). Nowadays most employers' organizations are affiliated to AZZaZ SR. The Employers' Federation brings together 37 employers' associations from the business, cooperative and public sectors operating in industries, transport, telecommunications, cooperative farms, small and medium-sized enterprises, banks and insurance companies, education etc

²⁰⁹ Through AZZaZ SR

²¹⁰ Through AZZaZ SR

²¹¹ Through AZZaZ SR

²¹² at sectoral (higher²¹³) level

²¹³ at sectoral (higher²¹⁴) level

²¹⁴ Federation of Employers' Associations of the Slovak Republic (Asociacia zamestnavateľských zväzov a združení Slovenskej republiky, AZZaZ SR), established in 1991, is the leading representative of employers and the bargaining partner in social partnership with the Government and trade unions. It takes part in tripartite concertation at national (interprofessional) level. The membership is voluntary (also the functionaries are volunteers). Nowadays most employers' organizations are affiliated to AZZaZ SR. The Employers' Federation brings together 37 employers' associations from the business, cooperative and public sectors operating in industries, transport, telecommunications, cooperative farms, small and medium-sized enterprises, banks and insurance companies, education etc

²¹⁵ Through AZZaZ SR

²¹⁶ International Cooperative Alliance.

²¹⁷ Through AZZaZ SR

²¹⁸ Through AZZaZ SR

SLOVENIA

1. description of the sector

Delimitation of the scope of activities for the sector

The trade sector in Slovenia is organised according to the NACE standardised nomenclature of activities. All standardised trade activities fall under Section G: sale of motor vehicles and retail of automotive fuel (G50), wholesale trade (G51) and retail trade (G52).

Socio-economic features of the sector

The trade sector's share in the GDP of Slovenia is 33%. The share of its added value out of total added value is 11.7% and the share of GDP is 9.9%. In terms of added value, only the share of manufacturing industry is higher than the share of the Slovenian trade sector in total added value. Approximately one third (12,637) of the total number of companies (38,051) operating in Slovenia at this time, are from the trade sector. The number of small companies (with less than ten employees) is 12,214. In addition to that, there are 254 medium and 169 large trade companies in Slovenia. There are approximately 260 – 280 larger companies (with 100 and more employees) within the sector.

The relatively low level of wages in the trade sector is explained by different factors. The most important would be the labour market situation. In the context of the growing monopolisation within the sector, employers are able to dictate relatively low wages. The competition within the sector is extremely intensive. The trade sector is one of the few sectors with growing employment in Slovenia.

During the last decade sharp segmentation of the labour force in the sector has appeared. Former open-ended and full-time contracts were secured by the labour legislation to the majority of the already employed people. But the growing number of new employees in the sector, mostly young people, have been employed temporarily and are exposed to the pressure of cyclical renewal of these temporary contracts.

The trade sector in Slovenia is completely privatised. At the beginning of the 90's the number of small, single-member companies was extremely high, but later, influenced by stiff competition, the number sharply decreased. A process of very strong, escalating concentration occurred within the sector.

Table A. Contextual data in the sector

COMPANIES					
	<u>Companies</u>	<u>% companies without employees (employees = salaried workers)</u>	<u>% companies < 10 employees</u>	<u>% companies from 10 to 100 employees</u>	<u>% companies > 100 employees</u>
	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>
Wholesale	8,291	n.a.	n.a.	n.a.	n.a.
Retail	3,114	n.a.	n.a.	n.a.	n.a.
Other	1,232	n.a.	n.a.	n.a.	n.a.

TOTAL OF THE SECTOR	12,637	n.a.	97%	?	2%		
WORKERS							
	<u>Workers other than employees</u>	<u>Employees</u>	Employees	<u>% of total number of employees</u>	<u>% employed in comp. < 10 employees</u>	<u>% employed in comp. > 100 employees</u>	<u>Coverage of collective agreements</u>
	(number)	(number)	(percentage)	(percentage)	(percentage)	(percentage)	
Wholesale	n.a.	34,702	n.a.	n.a.	n.a.	n.a.	n.a.
Retail	n.a.	36,172	n.a.	n.a.	n.a.	n.a.	n.a.
Other	n.a.	9,538	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL OF THE SECTOR	n.a.	80,412	12.5% ²¹⁹	42%	n.a.	n.a.	n.a.

n.a.= not available data

2. Industrial relations in the sector

Tripartite concertation

Tripartite concertation is really exceptional at the sectoral level in Slovenia. Within the trade sector the only recent exception has been the issue of shops' and stores' working time. According to the legislation, the regulation of working time falls within the managerial competence. But payments for extra working hours (at weekends and bank holidays) have also been a highly controversial collective bargaining issue. The Government became involved as it focused on the preparation of the amendments to the legislation.

The trade union representatives argue for the development of tripartite arrangements at sectoral level. This is not only because the new super-market facilities have caused significant problems with regard to the environment, but also because the process of concertation interests between employees, employers and customers would be more efficient if there were a tripartite format.

Bipartite social dialogue

Employers and employees regulate their mutual relationships at sectoral and company levels by collective agreements. At macro level, the industrial relations participants adopt tripartite social agreements that determine the bipartite social dialogue at sectoral level. Both the law and the social agreement frame the social dialogue in the trade sector in Slovenia.

²¹⁹ 17.1% of the employees in the private sector of the economy

The key players of the bipartite dialogue in the trade sector are the Trade Association, which is part of the Slovenian Chamber of Commerce (GZS)²²⁰, and the Trade Union of Commerce of Slovenia – the sector organisation included in the major Slovenian trade union confederation – the Confederation of Slovenian Free Trade Unions (ZSSS) together with the corresponding sectoral organisation from another smaller confederation (K-90). On the employees' side the third confederation has taken on the status²²¹ of an observer.

Bipartite social dialogue at sectoral level

At *sectoral level*, there is one collective agreement which was signed in 1997 and is still valid. Indeed, the agreement is open ended until one partner expresses the will to cancel it. But it does not prevent negotiations on the regulation of that part concerned with tariffs from taking place.²²² The content of this agreement focuses on the conditions of the conclusion and termination of the employment contract as well as pay. After the publication of the agreements and its amendments in the official gazette, the social partners have to respect them. The implementation is controlled by the inspectors and the trade union.

Bipartite social dialogue at enterprise level

At *enterprise level*, the collective agreements have mostly been signed in large and medium enterprises. In small companies the sectoral agreement is applied directly, but it could be, according to the law, supplemented by the internal statutory regulations. Since the large companies employ a significant portion of the labour force in the sector, a relatively small number of the companies' agreements cover about half of the total workforce in the sector. The trade union representative says that, within the sector companies, agreements exist in 250 companies i.e. in almost all the companies with 100 and more employees. In companies with less than 100 employees the sectoral collective agreement is usually applied directly.

So, in Slovenia, sectoral collective bargaining is more developed than bargaining at company level. The social partners recognise each other as competent and suitably qualified for collective bargaining, which will definitely survive in Slovenia. However, according to the trade unions, the employers are in a more favourable position due to their resources (experts,...) coming from the fact that the employers are not organised on a voluntary basis (see above). In addition, the trade union claims that they are the main initiators of the bipartite social dialogue, the employers being privileged by the actual market situation would not really be interested in this dialogue.

3. Organisations active in the sector

Workers' organisations

The Trade Union of Commerce of Slovenia was founded in 1990. It plays a role in collective bargaining (it signed the sectoral agreement in 1997) and it participates in consultation at sectoral and enterprise level. The union participates in the macro-level tripartite concertation indirectly through the confederation's activity at this level. The only exceptions were the sessions of the Economic and Social Council (ESC) where the sectors topics appeared on the agenda (so did the discussion concerning the trade legislation). In addition to these roles, the organisation offers to its members a wide

²²⁰ The membership in the Chamber of Commerce is made on a non-voluntary basis : all employers associations are represented by this Chamber. The trade unions representatives criticise this monopoly position because it dictates the employers' policy. But in the future, it seems that the Chamber of Commerce will probably be substituted by a corresponding voluntary employers association.

²²¹ The Chamber's representative accentuates that up to now two trade unions have been included in the sector's collective bargaining: Trade Union of Commerce of Slovenia and sectoral trade union included into Confederation 90.

²²² Because of the huge differences within the trade sector (between the sub-sectors and between the sub-groups of the companies/activities), the dialog concerning the tariff parts of the agreement is very complicated and the common denominator of the different interests is almost un-reachable. In the most successful companies the standards defined by the sectoral tariff agreement could be improved. At that level the main problem is insufficient trade union's negotiation power, where the union usually is not able to secure optimal result for the employees. According to the trade union representative, the identified differences probably will trigger formation of new sub-sectoral, branch collective agreements within the trade sector in the future.

range of services: consultations to the members concerning pay, free legal advice, financial support in case of industrial disputes, loans with low interest rates and inexpensive or even free summer holidays. Members have to pay fees (1% of their gross income). Elections are organised in order to choose the trade unions' leadership (every four years in a Congress).

There is another organisation active in the trade sector, **the Confederation 90 (K-90)** which was founded in 1990. Within the trade sector this confederation has a sectoral organisation, but this one is not the main negotiator in collective bargaining.

Table B. Trade unions

<u>Organisation</u>		<u>Type of employees covered</u> (white/blue collars, executive, skilled occupations...)	<u>Members</u> Workers	<u>Members</u> working in the sector	<u>CB</u>	<u>CA</u>	<u>I</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
<i>(original name)</i>	<i>(English name)</i>	<i>(type)</i>	<i>(number)</i>	<i>(number)</i>	Yes /no	Yes /no	Yes /no	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>
Sindikat delavcev trgovine Slovenije	Trade Union of Commerce in Slovenia	Blue collars	28000 ²²³	28000	Yes	Yes	No	ZSSS ²²⁴		UNI-Europa ²²⁵	ETUC ²²⁶	UNI ²²⁷	
Konfederacija 90	Confederation 90	Mainly blue-collars	40000	?	Yes	Yes	Yes						

CB: Does the organisation take part in Collective Bargaining? **CA:** Is the organisation able to sign Collective Agreements? **T:** Does the organisation take part in Tripartite Concertation?

Employers' organisations

The Trade Association was founded in 1996. As mentioned above, the Membership in the Association i.e. in the Chamber of Commerce is obligatory; all members are obliged to pay fees. The Association participates in collective bargaining at sectoral level and signs the collective agreements. The agreement for the sector was signed in 1997 and is still in force. The Association is not directly involved in the tripartite concertation. The only exception was the above mentioned discussion about the trade legislation. It participates actively in the creation of different norms and regulations of the business activities within the sector (for instance: regulations concerning selling outs etc.); organises seminars, informs members through bulletin and via the Internet and holds consultations.

²²³ Actually, there are 45000 registered members but 17000 of them are unemployed workers who do not pay fees.

²²⁴ ZSSS: Confederation of Slovenian Free Trade Unions

²²⁵ Source: UNI-Europa consultation

²²⁶ ETUC: European Trade Union Confederation

²²⁷ Source: UNI-Europa consultation

Table C. Employers' organisations

<u>Organisation</u>	<u>Sub-sector</u>	<u>Companies</u>	<u>Employees</u>	<u>CB</u>	<u>CA</u>	<u>I</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
<i>(original name)</i>	<i>(English name)</i>	<i>(wholesale, retail, (number) ...)</i>	<i>(number)</i>	<i>yes/no</i>	<i>Yes/no</i>	<i>Yes/no</i>	Direct <i>(name)</i>	Indirect <i>(name)</i>	Direct <i>(name)</i>	Indirect <i>(name)</i>	Direct <i>(name)</i>	Indirect <i>(name)</i>
Zdruzenje za Trgovino	The Trade Association			Yes	Yes	No	GZS²²⁸		Eurochambers		ICC²²⁹	

CB: Does the organisation take part in Collective Bargaining? CA: Is the organisation able to sign Collective Agreements? T: Does the organisation take part in Tripartite Concertation?

²²⁸ GZS: Slovenian Chamber of Commerce

²²⁹ ICC: International Chamber of Commerce

TURKEY

1. description of the sector

Delimitation of the scope of activities for the sector

According to the statistical sources, the fields covered by the trade sector can vary. Indeed, there are two main statistical sources for the trade sector in Turkey: DIE (State Institute of Statistics) and ÇSGB (Ministry of Labour and Social Security). The former defines the trade sector as comprising the wholesale and retail trades, repair of motor vehicles and personal and household goods in line with NACE standardized nomenclatures of activities (codes 50-52), whereas the latter includes office work, education and fine arts as well as trade in the same branch of economic activity.

Socio-economic features of the sector

The trade sector represents 16,8% of the GDP (2002) and 10% of the national labour force (2000). It is the retail sector which is the most important in terms of employment as well in terms of the number of enterprises.

In terms of employment, according to the DIE, the rate of employees is 57% (1,156,951 out of 2,018,437) and about 1% of them work in public sector (15,153 out of 1,156,951). The share of unpaid family workers amounts to 1% (182,019 out of 2,018,437) and the number of owners and partners is estimated at 33% (679,467 out of 2,018,437)²³⁰.

With regard to the structure of enterprises, privately-owned small businesses dominate the sector but, in recent years, the increase of multinational retail chains (Carrefour, Continent etc) is leading to change, little by little, in industry structure. In addition to multinationals, there are important local chains such as Gima and Tansaş, which are scattered around the country.

The gender split among employees is as follows: 82% of the workforce is male but it can be safely assumed that the share of female employees will increase in the coming years as large supermarkets tend to prefer women employees who can work in a more flexible way. Finally, the level of qualifications in the sector is not high. Indeed, among employees, only 115,999 out of 1,149,592 have a degree from an institution of higher education.

²³⁰ According to ÇSGB, there are 436.794 workers employed in 76.218 workplaces in the trade, office, education and fine arts branch. The unionisation rate is 35 percent in the sector (152.918 workers) (ÇSGB, 2002: 143). Of all unionised workers 108.141 are employed in the private sector, while 44.777 are employed in the public sector. It should be born in mind that ÇSGB figures only include employees working under a contract of employment, which explains the lower number of employees compared to DIE statistics.

Table A. Contextual data in the sector (DIE -2003 as of 2000)

COMPANIES							
	<i>Companies</i>	<i>Companies with 1 employed person</i>	<i>Companies with 1 to 10 employed persons</i>	<i>Companies with 10 to 99 employed persons</i>	<i>Companies with more than 100 employed persons</i>		
	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>		
Wholesale (code 51)	86555 (11,5%)						
Retail (code 52)	582980 (77,2%)						
Motor (code 50)	85571 (21,3%)						
TOTAL OF THE SECTOR	755106 (100%)	336700 (44,66%)	400411 (53%)	17715 (2,3%)	280 (0,03%)		
WORKERS							
	<u>Workers other than employees</u>	<u>Employees</u>	<u>Employees</u>	<u>% of total number of employees*</u>	<u>% employed in comp. < 10 employees</u>	<u>% employed in comp. > 100 employees</u>	<u>Coverage of collective agreements</u>
	<i>(number)</i>	<i>(number)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>	<i>(percentage)</i>
Wholesale (code 51)	66055	569377	2,4				
Retail (code 52)	702354	391437	1,7				
Motor (code 50)	93077	196137	0,8				
TOTAL OF THE SECTOR	861486	1156951		56%	11%		2,48%²³¹

*= total number of employees in the sector divided by total number employees in the country.

2. Industrial relations in the sector

Tripartite concertation

There is no tripartite concertation at the trade sector level.

²³¹ According to CSGB (2003), collective agreements in force by industries as of 15.05.2002

Bipartite social dialogue

The bipartite social dialogue in the trade sector takes place only at enterprise level including individual establishments, several establishments in one enterprise, or at multi-employer level²³². The collective agreements, which usually last for 2 years, focus mainly on wage levels, employment security and arbitration of grievances. There is no procedure for extension to non-unionised workers but these latter can benefit from the collective agreements if they pay a solidarity due to the signatory union.

As of 2002, there were 235 collective agreements (legally in force) in 3.644 establishments, covering 28.802 workers in the sector (ÇSGB, 2002)²³³. Of these workers, 17.427 are union members, while the rest benefit from collective agreements by paying solidarity dues. Public sector establishments, professional associations, agricultural co-operatives and large retail chains are the enterprises which sign the collective agreements. The actual number of workers covered by the collective agreements in the trade sector (as defined in the NACE classifications) is rather low, if we consider that the above figures include workers employed in the office, education and fine arts as well as trade.

The main obstacle to the development of the bipartite social dialogue at sectoral level is the low rate of unionisation among trade workers. Only a small group of large stores such as Gima and Migros are unionised.

3. Organisations active in the sector

Workers' organisations

There are three workers' organisations active in the trade sector.

The first one, the biggest, was founded in 1962: **the Union of Commerce, Co-operative, Education and Fine Arts Workers of Turkey (Tez-Koop-IS)**. Its members are active in the trade, co-operative, education and fine arts branches in Turkey. Among the unionised firms, it includes the two largest supermarket chains (around 6000 workers in Migros and Gima).

According to the organisation officials, it has signed 24 collective agreements since 2001. In addition to the role played in collective bargaining, the trade union offers several services to its members: training on industrial relations, legal assistance and cultural activities. Members have to pay fees. They get information through a monthly journal, news bulletin and books. Democratic elections are organised through a General Congress every four years in order to choose the various representatives and leaders. At international level, the trade union is a member of UNI (Union Network International).

The second largest workers' organisation, founded in 1964, is **the Union of Cooperative and Office Workers of Turkey**. It is active in public sector establishments, professional associations and co-operatives. During the 1980s efforts were made to unite this trade union and **Tez-Koop-IS**, but the two unions have not been able to reach an agreement.

This trade union has signed 19 agreements at enterprise level since 2001. In addition to the role played in collective bargaining, the trade union offers several services to its members: training in industrial relations, legal assistance and cultural activities. Members have to pay fees. They get information through a monthly journal, news bulletin and books. Democratic elections are organised through a General Congress every four years in order to choose the various representatives and leaders.

²³² According to Collective Agreements, Strike and Lockouts Act, a collective agreement may be concluded at the establishment (workplace, plant) level or it may cover more than one establishment within the same branch of economic activity. The collective agreement may also be made at the enterprise (company) level. An authorized union may conclude a collective agreement covering only one establishment, or it may conclude the collective agreement so as to cover more than one establishment belonging to different employers, provided it meets the bargaining requirements in each of these establishments or enterprises. The latter form is known as the multi-employer agreement or group agreement (report on the institutional framework of social dialogue in Turkey, 2003:11).

²³³ As for more than one collective agreements have been concluded at some workplaces, the number of workplaces, workers and members agreed by the parties in the last collective agreement is taken as basic in this statistic.

The third largest workers' union, founded in 1966, is **the Union of Social Insurance, Education, Office, Commerce, Cooperative and Fine Arts Workers of Turkey**. It is mainly organised in the public sector and covers also professional associations and co-operatives and is a member of the Confederation of Revolutionary Trade Unions.

This trade union has signed 15 collective agreements since 2001. In addition to the role played in collective bargaining, the trade union offers several services to its members: training in industrial relations, legal assistance and cultural activities. Members have to pay fees. They get information through a monthly journal, news bulletin and books. Democratic elections are organised through a General Congress every four years in order to choose the various representatives and leaders.

Table B. Trade unions

<u>Organisation</u>	<u>Type of employees covered</u> (white/blue collars, executive, skilled occupations...)	<u>Members</u> <u>Workers</u> ²³⁴	<u>Members</u> <u>working in</u> <u>the sector</u>	<u>CB</u>	<u>CA</u>	<u>T</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>		
<i>(original name)</i>	<i>(English name)</i>	<i>(type)</i>	<i>(number)</i>	<i>(number)</i>	<i>Yes</i> <i>/no</i>	<i>Yes</i> <i>/no</i>	<i>Yes</i> <i>/no</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>	<u>Direct</u> <i>(name)</i>	<u>Indirect</u> <i>(name)</i>
Tez-Koop-İş ²³⁵	Union of Commerce, Cooperative, Education, Office and Fine Arts Workers of Turkey	Only Blue-	Collars Workers	62.377	62 377 ²³⁶	Yes	Yes	No	Türk-İş		UNI-Europa	UNI	ICFTU ²³⁷
Türkiye Kooperatif ve Büro İşçileri Sendikası (Koop-İş)	Union of Cooperative and Office Workers of Turkey	Only Blue-	Collars Workers	46.157	n.a	Yes	Yes	No	Türk-İş				ICFTU ²³⁸
Türkiye Sosyal Sigortalar, Eğitim, Büro, Ticaret, Kooperatif ve Güzeli Sanatlar İşçileri Sendikası (Sosyal-İş)	Union of Social Insurance, Education, Commerce, Cooperative and Fine Arts Workers of Turkey	Only Blue-	Collars Workers	43.914	n.a	Yes	Yes	No	DİSK				ICFTU ²³⁹

CB: Does the organisation take part in Collective Bargaining? **CA:** Is the organisation able to sign Collective Agreements? **T:** Does the organisation take part in Tripartite Concertation?

n.a.= not available data

²³⁴ According to the latest available statistics (<http://www.calisma.gov.tr>).

²³⁵ Türkiye Ticaret, Kooperatif, Eğitim, Büro ve Güzeli Sanatlar İşçileri Sendikası

²³⁶ Source: UNI-Europa consultation

²³⁷ Source: UNI-Europa consultation

²³⁸ Source: UNI-Europa consultation

²³⁹ Source: UNI-Europa consultation

Employers' organisations

There is no employers' organisation representing private businesses in the trade sector. The only employer organisation is **the Union of Employers of Public Enterprises** which represents 180 public establishments operating in the trade, office worker, education and fine arts branches. The union does not have any branches and it publishes a quarterly journal. It undertakes collective bargaining on behalf of its affiliates and is a member of the Confederation of Turkish Employers Association.

Other organisations are related to the trade sector. The first one is the Turkish Shopping Centres and Retail Council, which was set up in 1994. Its membership base includes retail chains and super and hypermarkets. It is an umbrella organisation, which aims to protect and further the interests of retailers. Although it does not have any function in the field of labour relations, it plays a role in the trade sector. It has a membership of 19 organisations. The other one is the Chamber of Commerce: merchants and industrialists are obliged to register with the chamber of commerce or commodity exchange in their respective region and appropriate sector category.

Table C. Employers' organisations

<u>Organisation</u>	<u>Sub-sector</u>	<u>Companies</u>	<u>Employees</u>	<u>CB</u>	<u>CA</u>	<u>T</u>	<u>National affiliations</u>		<u>European affiliations</u>		<u>International affiliations</u>	
(original name)	(English name)	(wholesale, retail, ...)	(number)	yes/no	Yes/no	Yes/no	Direct (name)	Indirect (name)	Direct (name)	Indirect (name)	Direct (name)	Indirect (name)
Kamu İşletmeleri İşverenleri Sendikası (KAMU-İŞ)	Union of Wholesale Employers of Public Enterprises	1*	n.a	Yes	Yes	No	TİSK					

CB: Does the organisation take part in Collective Bargaining? CA: Is the organisation able to sign Collective Agreements? T: Does the organisation take part in Tripartite Concertation?

n.a.= not available data

**State Stationary Office (It is the only public establishment affiliated to Kamu-İş)*

Organisations consulted for the elaboration of experts' reports

In the framework of the redaction of the Monographs on the situation of the social partners in the Trade sector in the candidate countries, the national expert consulted these persons:

Bulgaria

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Dimitar Pushnikov	Union of Traders in Bulgaria (member of BIA and BCCI)	Organizational Secretary
Natasha Michova	Independent Trade Union Federation of Commerce, Cooperative, Tourism, Credit and Social Services (member of CITUB, Confederation of Independent Trade Unions in Bulgaria)	President
Lily Krusteva	Federation of Commerce Podkrepa (member of Confederation of Labour Podkrepa)	President

National expert had organised validation at SECTORAL level (TRADE sector) of his/her report.

Cyprus

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Mr Lakis Avraamides	Department of Industrial Relations, Ministry of Labour	Senior Industrial Relations Officer
Mr Leonidas Paschalides	Cyprus Chamber of Commerce and Industry	Director of the Department of Education and Development
Mr Costas Christofides	Employers & Industrialists Federation	Assistant General Manager
Mr Melios Georgiou	Cyprus Federation of Small-scale Industry, Craftsmen & Shopkeepers	Secretary General
Mr. Panayiotis Theodorou	Cyprus industrial, commercial, press-printing and general Services Trade Union (S.E.V.E.T.T.Y.K.) P.E.O	Secretary General
Mr Panayiotis Frangou	Cyprus Industrial Workers' Federation (OVIEK) SEK	Secretary General

National expert had organised validation at SECTORAL level (TRADE sector) of his/her report.

Czech Republic

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Ms. Jana Kvacova	Czech Confederation of Commerce and Tourism (SOCR CR)	Member of board of directors
Mr. Vladimir Preininger	Czech Confederation of Commerce and Tourism (SOCR CR)	Manager
Mr. Alexandr Leiner	Union of Commercial Employees (OSPO)	Chairman
Ms. Serbusova	CMOS PHCR	

Only telephone consultation with topics CMOS PHCR was made.

National expert had organised validation at SECTORAL level (TRADE sector) of his/her report. Ms. Jana Kvacova, Mr. Vladimir Preininger, Mr. Alexandr Leiner had the chance to read the expert report and to write their comments which were taken account of.

Estonia

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Mrs. Pütsepp	ETKA – Estonian Trade Union of Commercial and Servicing Employees	Chair
Harri Taliga	EAKL - Confederation of Estonian Trade Unions	Social secretary
Sander Vaikma	EAKL - Confederation of Estonian Trade Unions	Secretary (organizational issues and youth)

National expert had organised validation at SECTORAL level (TRADE sector) of his/her report.

Hungary

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
István, Mátraházi	Kereskedelmi alkalmazottak szakszerveete	Vice president
György, Vámos	Országos kereskedelmi szövetség	General secretary
Ferenc, Dávid	áfeosz	Head of department
Gábor, Antalffy	kisosz	General secretary

National expert had organised validation at SECTORAL level (TRADE sector) of his/her report.

Latvia

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Ms Maira Muceniece	Latvian Trade Union of Commerce	Person responsible for trade section
Unable to arrange an interview with this organization despite many attempts to do so. The president was always unavailable and no-one else was willing to be interviewed	Latvian Traders Association	

National expert had organised validation at SECTORAL level (TRADE sector) of his/her report.

Lithuania

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Regina Vacuilonyte	Lithuanian Trade Union of Commercial and Cooperative Employees	President
Gediminas Žizys	Lithuanian Association of Trade Undertakings	President

National expert had organised validation at SECTORAL level (TRADE sector) of his/her report.

Malta

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
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Mr Vince Farrugia	Association of General Retailers and Traders (GRTU)	Director General
Mr Owen Degarbrielle	Trade Licencing Unit of the Ministry for Economic Services	
Mr Victor Aquilina	National Statistics Office (NSO)	Labour Stastician

National expert had organised validation at SECTORAL level (TRADE sector) of his/her report.

Poland

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
M.A. Faliński,	POHiD	general secretary
J. Strzezek	Association of Trade and Services	Director of the administration
A. Bujara	Solidarnosc	Secretary of the Branch-Trade
J. Suska	Trade Unions of Cooperative "Spolem" (OPZZ)	President

National expert had organised validation at national level of his/her report.

Romania

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Vasile Gogescu	The Federation of Free Trade-Union on Commerce (FFTUC) Federatia Sindicatelor Libere din Comert (FSLC)	President of the Federaton
Alexandru Ivan	National Confederation of the Trade Unions from the Consumption Cooperation (CONSINCOOP) Confederatia Nationala a Sindicatelor din Cooperatia de Consum (CONSINCOOP)	President of the Confederation
Cornel Parvu	The National Association of the Owners and Administrators of Commercial Complexes, Fairs and Markets from Romania(ANPACT.RO) Asociatia Nationala a Proprietarilor si Administratorilor de Complexe Comerciale, Targuri, Piete si Oboare din Romania- (ANPACT.RO)	President of the ANPACT.RO

National expert had organised validation at SECTORAL level (TRADE sector) of his/her report.

Slovak Republic

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
JUDr. Daniela Merunkova	The Trade Union of Employees in Commerce and Turism	Chair
RNDr. Jozef Horvath	Slovak Association of Commerce	Vice-president

Contacted on several occasions, ANPCDI has declared that its Chairman was unavailable.

National expert had organised validation at SECTORAL level (TRADE sector) of his/her report.

Slovenia

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Sandi Bartol	Trade Union of Commerce of Slovenia	Former Secretary
Mateja Tilia	Trade Association	Senior Consultant

National expert had organised validation at national level of his/her report.

Turkey

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Tamer Gürbulak	Koop-İş	General Secretary
Tamer Atış	Sosyal-İş	General Secretary
Zekeriya Al	Tez-Koop-İş	Media and Public Relations Specialist

National expert had organised validation at SECTORAL level (TRADE sector) of his/her report.

European organisations consulted

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Ann VERVONDEL	EuroCommerce	Social Affairs Assistant
Jan FURSTENBORG	UNI-Europa-Commerce	

Annex: questionnaire sent to national experts

Objective of the Monograph

The aim of the Monograph is to describe employees and employers organisations playing a role in a sector of activities, and to provide the most precise data and information as possible concerning representativeness of these organisations in the sector.

This means provide factual and quantitative data. Qualitative data will help to understand and feel the role of organisations in the system of professional relations. As the sectoral level is not relevant in each country, the questionnaire is adapted to include different reality from each country.

1. Delimitation of the TRADE sector

According to NACE classification, *trade activities* correspond to sections 50, 51, 52 of the nomenclature, respectively :

- NACE 50: "Sale, maintenance and repair of motor vehicles and motorcycles; retail of automotive fuel";
- NACE 51: "Wholesale trade and commission trade, except of motor vehicles and motorcycles";
- NACE 52 "Retail trade, except of motor vehicles and motorcycles, repair of personal and households goods".

You can find more details on the NACE code in the Annex 1.

Definition of activities in the sector and structuring of the collective bargaining do not correspond all the time. Collective agreements signed in the sector may include activities outside of the field covered by the above definition. On the other hand, some activities included in the above definition may be attached to other collective agreements which a priori do not concern trade. According to the national traditions, the sector delimitation can differ from a country to another. For example, in some countries, category NACE 50 ("Sale, maintenance and repair of motor vehicles and motorcycles; retail of automotive fuel") could be not attached to collective bargaining for the trade sector. The sector could also be divided in other sub-sectors. In this context you will be asked to give us a national delimitation of the commerce and distribution sector from the point of view of:

- the national structuring of the trade sector;
- the collective bargaining organisation in the sector
- the employers' and workers' organisations structuring for this sector

(See the questionnaire)

2. Methodological remarks

A **national report in English** (10 pages) will be worked out by the national research team. This report will contain description of :

- the trade sector from the national point of view
- the tripartite concertation in the trade sector
- the bipartite social dialogue in the trade sector
- employers' and workers' organisations active in the trade sector

The detailed questionnaire is proposed in point 3. Following stages will be carried out by the experts :

1. Collect of contextual data on the trade sector in the country
2. Identification of relevant players
3. Interview of the representatives of employers' organisations and trade unions

4. Redaction of the monograph and short description of the basic parameters of social partners within the relevant sector
5. Feedback of the social partners (contact, sending study, inclusion remarks)
6. Reply to the possible additional queries of the co-ordinator

National experts sending of final report to IST : **Friday June 30, 2003**

As the Monograph must be validated by National and European social partners, the Institut des Sciences du Travail (IST) will be responsible for European validation, and national experts will deal with validation of their national reports by national organisations.

In practical terms, we ask you :

- to send your report to the IST and to the national organisations at the same time, the 30th of June;
- to give the social partners two months in which to respond (July and August);
- to send the IST any (translated) amendments before end of August, which will then be annexed to the study.

Quantitative data

The Commission has reaffirmed the importance of the quantitative data allowing the assessment of social partners importance within the sector. This is the reason why we ask you to

precise when the quantitative data are not reliable

provide membership estimates in the case of non-availability of data from the organisations.

Otherwise, the national experts are asked to notice **the sources of the different data collected** (because of the possible disputes from the organisations).

3. Questionnaire

1. Description of the sector from the national point of view

Delimitation and scope of activities in the sector on basis of these points:

- Activities included in the sector from the national point of view
- Precise the divergences / convergence's between the NACE standardised nomenclatures of activities and the structuring of the activities in the sector. What are the other activities included in / excluded from these statistics?

Socio-economic features of the sector

- Relative weight of the sector compared to the whole economy (in terms of share in the GDP, employment, the produced added value)
- Possible subdivision of the sector in several branches and consequences for the collective bargaining
- Economic structuring of the sector (number, type [multinationals, SMEs...], size of the enterprises...) by sub-sectors (wholesale, retail, or others)
- Type of competing strategy mainly adopted by the firms (by the costs, by the specialisation / differentiation)
- Number of workers in the sector (employees¹; other than employees)
- Categories of employees (e.g. staff/white-collar workers, manual/blue-collar workers,...)
- Characteristics of the employment in the sector (qualifications level, wages, establishment of atypical work, gender repartition...)
- Estimated importance of the underground economy.
- Evolutions and trends: expansion or decline. Degree in process of privatisation. Change in the size of enterprises. Other significant evolutions

2. Description of the tripartite concertation in the sector

Tripartite social concertation is defined as 'a process in which the state involves social partners in the policy debate and possibly in decision-making'²

- Is there a tripartite social concertation at the sectoral (branch) level ?
 - If yes:
 - Which actors are involved in this concertation?
 - Which institutions organise this concertation?
 - What kinds of representativeness and / or recognition measures do social actors have at sectoral level?
 - Specify the link between the tripartite concertation and the bipartite social dialogue (for example: Does tripartite concertation takes place when bipartite concertation fails? Are some matters specific to bi- or tripartite dialogue?)
 - Is the social dialogue moving from bipartite to tripartite (the state getting disengaged from negotiations)?
 - Which issues are addressed in tripartite concertation exercises?
 - If there are signed agreements, pacts,... how many? What is their name? Who are the signatory parties? What is their content?
 - What are the procedure for putting agreements stemming from concertation into practice? (e.g. implementation under the law or according to the terms of a collective agreement, or by an undertaking of a moral kind?)
 - All these questions also apply if there is a regional sectoral level
 - Are there informal procedures for tripartite concertation? Explain.
 - Does the tripartite social concertation take place as a general habit, or does it take place only regarding an exceptional context? Explain

If there is no tripartite social concertation at sectoral level:

- Are there other kinds of consultation or meetings between the government and the social partners at the sectoral level? Which are the results of these meetings?

¹ **Employees=salaried workers**

²Industrial relations in Europe, European Commission (Directorate-General for Employment and Social Affairs), May 2002, p 92.

3. Description of the bipartite social dialogue in the sector

Bipartite social dialogue is defined as 'a process of cooperation and negotiation between employer and trade union representatives'³.

The field of this « sectoral monograph » covers the collective bargaining existing at different levels for one sector of activities.

- For the sector of activities, at which level collective bargaining takes place ? At sectoral (branch) level ? At "higher than enterprise" level? At enterprise level?
- Links between these levels ? Which level is the most developed? And which are the reasons?
- Can you note differences between the different levels in terms of content of the collective bargaining?
- Is there a promotion of the bipartite social dialogue at the sectoral level? Who is contributing to this development? (State? Other?...)
- Would there be obstacles to development of bipartite social dialogue at sectoral level? Which ones?
- Are there formal or informal reciprocal recognition systems on the part of social partners?
- What are the formal and informal procedures for negotiating at these levels in the sector ?
- The ability of the social partners to conclude agreements relating to issues of the sector ?
- What are the procedures for putting agreements into practice (e.g. implementation under the law or according to the terms of a collective agreement, or by an undertaking of a moral kind?) (specify possible differences between levels)
- Are there procedures for extending collective agreements to parties that are not signatories to the agreement ?
- Are these procedure effectively used ? If not, what would the reasons be? (specify possible differences between levels)

At sectoral level

If the collective bargaining in the trade sector takes place at sectoral level, please answer to these questions. **If not**, go below, to the point: 'at higher than enterprise level'

- How is the sectoral level defined in your country, in terms of what is a sectoral collective agreement, what kind of actors can negotiate at this level, what is the ability of these actors. Please, explain the legal provision.
- Identification of the players at this level (cartels of bargaining if any).
- Identification of players who, although not recognised (or only partially recognised) by the dominant players or by public authorities, must be regarded as playing a role in industrial relations in the sector.
- Is there any obligation to participate at collective bargaining at sectoral level?
- Which are the players' positions with regard to future developments in the social dialogue in the sector?
- Are there conflicts between players regarding recognition issues?
- Number of collective agreements signed. Signatory parties. Content of these collective agreements (Wage? Working conditions? Working time? Collective issues...). Duration of these collective agreements. Which are the contents of the collective agreements that aren't covered by the legislation? Possible evolutions relating to the number and the content of the collective agreements.
- Coverage rate of the collective agreements in comparison with total number of enterprises and total number of employees?
- Number and type of employees covered by these collective agreements?
- All these questions also apply if there is a regional sectoral level.

At « higher than enterprise » level

If the collective bargaining in the trade sector takes place at higher than enterprise level, please answer to these questions. **If not**, go below, to the point: 'at enterprise level '

- How is the 'higher than enterprise level' defined in your country, in terms of what is a collective agreement at this level, what kind of actors can negotiate at this level, what is the ability of these actors. Please, explain the legal provision if any.

³ Op cit.

- Identification of the players at this level (cartels of bargaining if any). Identification of players who, although not recognised (or only partially recognised) by the dominant players or by public authorities, must be regarded as playing a role in industrial relations at this level.
- Are there conflicts between players regarding recognition issues?
- Number of collective agreements signed. Signatory parties. Content of these collective agreements (Wage? Working conditions? Working time? Collective issues...). Duration of these collective agreements. Possible evolutions relating to the number and the content of the collective agreements.
- Coverage rate of the collective agreements in comparison with total number of enterprises and total number of employees?
- Number of enterprises who signed collective agreements at the "higher than enterprise" level? Type / size of these enterprises (SME?, multinationals?...)
- Number and type of employees covered by these collective agreements?

At enterprise level

If the collective bargaining is not / very little developed at "higher than enterprise" and sectoral level, please answer to these questions:

- Identification of the players at this level (cartels of bargaining if any). Identification of players who, although not recognised (or only partially recognised) by the dominant players or by public authorities, must be regarded as playing a role in industrial relations at this level.
- Are there conflicts between players regarding recognition issues?
- Number of collective agreements signed at this level in the sector. Signatory parties. Content of these collective agreements (Wage? Working conditions? Working time? Collective issues...). Duration of these collective agreements. Possible evolutions relating to the number and the content of the collective agreements.
- Coverage rate of the collective agreements in comparison with total number of enterprises and total number of employees?
- Number of enterprises who signed collective agreements at the enterprise level? Type / size of these enterprises (SME?, multinationals?...)
- Number and type of employees covered by these collective agreements?

4. Description of employers' and workers' organisations active in the sector (brief report for each organisation)

NB: Organisations taken into consideration

The following organisations are to be analysed :

- organisations that are members of European organisations,
- organisations that negotiate in the trade sector,
- emerging organisations that are not recognised, but which play a role in the trade sector.

Please for the quantitative data, precise the counting method, the dates and the sources. The best is to find several sources.

For each worker's organisations

Identification

- Name, English name, statute, year of creation, sub-sector (wholesale, retail, other...)
- Does the organisation offer service to members? If yes, what kind? (insurance, juridical help...?)
- Do members pay subscriptions?
- Does the organisation have structures for internal spreading of decision stemming from concertation? (training services, publications...)

Quantitative elements of representativeness

- Number of individual members (specify different categories. For example: workers, retired...)
- Number of members working in the sector.
- Density⁴
- Distinguish between different kinds of membership (e.g. staff/white-collar workers, manual/blue-collar workers, managers, and particular professional categories)
- Number of delegates (those elected in the enterprises and those appointed by the worker's organisation)
- Does the organisation have elections? What is the nature of these elections? What are the outcomes?
- If there are no data, please make estimates (and if so, please specify)

Ability to negotiate collective agreements or take part in consultations

- Does the organisation take part in consultations at sectoral, higher than enterprise or enterprise level? (specify)
- Does the organisation negotiate, or does it have the ability to sign, collective agreements? Which ones? (specify the level)
- How many collective agreements have been signed by the organisation since January 1st, 2001, and for each level?
- Does the organisation take part in tripartite concertation? How many agreements has it signed in the framework of tripartite concertation?

Link/affiliation to higher-level organisations

- List of national organisations at a higher level to which the organisation is affiliated directly (precise if member or observant). And indirectly.
- List of European organisations at a higher level to which the organisation is affiliated directly (precise if member or observant). And indirectly.
- List of international organisations at a higher level to which the organisation is affiliated directly (precise if member or observant). And indirectly.

For each employers' organisations

Identification

- Name, English name, statute, year of creation, sub-sector...
- Does the organisation offer service to members? If yes, what kind?
- Do members pay subscriptions?

⁴ Density (worker's organisations): number of affiliated employees divided by total number of employees in the sector.

- Does the organisation have structures for internal spreading of decision stemming from concertation? (training services, publications...)

Quantitative elements of representativeness (for each sub-sector if possible)

- Total number of enterprises represented by the organisation?
- Total number of employees represented?
- Density (companies)⁵, Density (employees)⁶
- Types of enterprises (SME, multinationals, categories of activity...)

Ability to negotiate collective agreements or to take part in formal consultations

- Does the organisation take part in consultations at sectoral, higher than enterprise or enterprise level?
- Does the organisation negotiate and does it have the ability to sign collective agreements? Which ones? (specify the level)
- How many collective agreements have been signed by the organisation, and at which level?
- Does the organisation take part in tripartite concertation? How many agreements has it signed in the framework of tripartite concertation?

Link/affiliation with higher-level organisations

- List of national organisations at a higher level to which the organisation is affiliated directly (precise if member or observant). And indirectly.
- List of European organisations at a higher level to which the organisation is affiliated directly (precise if member or observant). And indirectly.
- List of international organisations at a higher level to which the organisation is affiliated directly (precise if member or observant). And indirectly.

Annex 1: Description of the Trade sector in NACE Code

SECTION G : WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES, MOTORCYCLES AND PERSONAL AND HOUSEHOLD GOODS⁷

50 SALE, MAINTENANCE AND REPAIR OF MOTOR VEHICLES AND MOTORCYCLES; RETAIL OF AUTOMOTIVE FUEL

50.1 Sale of motor vehicles

- 50.10 Sale of motor vehicles

50.2 Maintenance and repair of motor vehicles

- 50.20 Maintenance and repair of motor vehicles

50.3 Sale of motor vehicle parts and accessories

- 50.30 Sale of motor vehicle parts and accessories

50.4 Sale, maintenance and repair of motorcycles and related parts and accessories

- 50.40 Sale, maintenance and repair of motorcycles and related parts and accessories

50.5 Retail sale of automotive fuel

- 50.50 Retail sale of automotive fuel

51 WHOLESALE TRADE AND COMMISSION TRADE, EXCEPT OF MOTOR VEHICLES AND MOTORCYCLES

51.1 Wholesale on a fee or contract basis

- 51.11 Agents involved in the sale of agricultural raw materials, live animals, textile raw materials and semi-finished goods
- 51.12 Agents involved in the sale of fuels, ores, metals and industrial chemicals
- 51.13 Agents involved in the sale of timber and building materials

⁵ Density (companies): number of companies affiliated divided by total number of companies in the sector.

⁶ Density (employees): number of employees in the affiliated companies divided by total number of employees in the sector

⁷ Source: EN Official Journal of the European Communities 10.1.2002 L 6/23

- 51.14 Agents involved in the sale of machinery, industrial equipment, ships and aircraft
 - 51.15 Agents involved in the sale of furniture, household goods, hardware and ironmongery
 - 51.16 Agents involved in the sale of textiles, clothing, footwear and leather goods
 - 51.17 Agents involved in the sale of food, beverages and tobacco
 - 51.18 Agents specializing in the sale of particular products or ranges of products n.e.c.
 - 51.19 Agents involved in the sale of a variety of goods
- 51.2 Wholesale of agricultural raw materials and live animals: these groups include only wholesale on own account
- 51.21 Wholesale of grain, seeds and animal feeds
 - 51.22 Wholesale of flowers and plants
 - 51.23 Wholesale of live animals
 - 51.24 Wholesale of hides, skins and leather
 - 51.25 Wholesale of unmanufactured tobacco
- 51.3 Wholesale of food, beverages and tobacco
- 51.31 Wholesale of fruit and vegetables
 - 51.32 Wholesale of meat and meat products
 - 51.33 Wholesale of dairy produce, eggs and edible oils and fats
 - 51.34 Wholesale of alcoholic and other beverages
 - 51.35 Wholesale of tobacco products
 - 51.36 Wholesale of sugar and chocolate and sugar confectionery
 - 51.37 Wholesale of coffee, tea, cocoa and spices
 - 51.38 Wholesale of other food, including fish, crustaceans and molluscs
 - 51.39 Non-specialized wholesale of food, beverages and tobacco
- 51.4 Wholesale of household goods
- 51.41 Wholesale of textiles
 - 51.42 Wholesale of clothing and footwear
 - 51.43 Wholesale of electrical household appliances and radio and television goods
 - 51.44 Wholesale of china and glassware, wallpaper and cleaning materials
 - 51.45 Wholesale of perfume and cosmetics
 - 51.46 Wholesale of pharmaceutical goods
 - 51.47 Wholesale of other household goods
- 51.5 Wholesale of non-agricultural intermediate products, waste and scrap
- 51.51 Wholesale of solid, liquid and gaseous fuels and related products
 - 51.52 Wholesale of metals and metal ores
 - 51.53 Wholesale of wood, construction materials and sanitary equipment
 - 51.54 Wholesale of hardware, plumbing and heating equipment and supplies
 - 51.55 Wholesale of chemical products
 - 51.56 Wholesale of other intermediate products
 - 51.57 Wholesale of waste and scrap
- 51.8 Wholesale of machinery, equipment and supplies
- 51.81 Wholesale of machine tools
 - 51.82 Wholesale of mining, construction and civil engineering machinery
 - 51.83 Wholesale of machinery for the textile industry and of sewing and knitting machines
 - 51.84 Wholesale of computers, computer peripheral equipment and software
 - 51.85 Wholesale of other office machinery and equipment
 - 51.86 Wholesale of other electronic parts and equipment

- 51.87 Wholesale of other machinery for use in industry, trade and navigation
- 51.88 Wholesale of agricultural machinery and accessories and implements, including tractors

51.9 Other wholesale

- 51.90 Other wholesale

52 RETAIL TRADE, EXCEPT OF MOTOR VEHICLES AND MOTORCYCLES; REPAIR OF PERSONAL AND HOUSEHOLD GOODS

52.1 Retail sale in non-specialized stores

- 52.11 Retail sale in non-specialized stores with food, beverages or tobacco predominating
- 52.12 Other retail sale in non-specialized stores

52.2 Retail sale of food, beverages and tobacco in specialized stores

- 52.21 Retail sale of fruit and vegetables
- 52.22 Retail sale of meat and meat products
- 52.23 Retail sale of fish, crustaceans and molluscs
- 52.24 Retail sale of bread, cakes, flour confectionery and sugar confectionery
- 52.25 Retail sale of alcoholic and other beverages
- 52.26 Retail sale of tobacco products
- 52.27 Other retail sale of food, beverages and tobacco in specialized stores

52.3 Retail sale of pharmaceutical and medical goods, cosmetic and toilet articles

- 52.31 Dispensing chemists
- 52.32 Retail sale of medical and orthopaedic goods
- 52.33 Retail sale of cosmetic and toilet articles

52.4 Other retail sale of new goods in specialized stores

- 52.41 Retail sale of textiles
- 52.42 Retail sale of clothing
- 52.43 Retail sale of footwear and leather goods
- 52.44 Retail sale of furniture, lighting equipment and household articles n.e.c.
- 52.45 Retail sale of electrical household appliances and radio and television goods
- 52.46 Retail sale of hardware, paints and glass
- 52.47 Retail sale of books, newspapers and stationery
- 52.48 Other retail sale in specialized stores

52.5 Retail sale of second-hand goods in stores

- 52.50 Retail sale of second-hand goods in stores

52.6 Retail sale not in stores

- 52.61 Retail sale via mail order houses
- 52.62 Retail sale via stalls and markets
- 52.63 Other non-store retail sale

52.7 Repair of personal and household goods

- 52.71 Repair of boots, shoes and other articles of leather
- 52.72 Repair of electrical household goods
- 52.73 Repair of watches, clocks and jewellery
- 52.74 Repair n.e.c.