

UNIVERSITE CATHOLIQUE DE LOUVAIN

Institut des Sciences du Travail



**THE SITUATION OF TRADE UNIONS AND EMPLOYERS' ORGANISATIONS IN  
THE ELECTRICITY SECTOR  
IN THE 10 NEW MEMBERS OF THE EUROPEAN UNION AND IN BULGARIA,  
ROMANIA AND TURKEY**

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## ABBREVIATIONS

CEEP:	European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest
EMCEF:	European Mine, Chemical and Energy Workers' Federation
EPSU:	European Federation of Public Service Unions
ETUC:	European Trade Union Confederation
EURELECTRIC:	Union of the Electricity Industry
EUROFEDOP:	European Federation of Public Service Employees
Euroheat and Power:	International Association for District Heating, District Cooling and Combined Heat and Power
ICEM:	International Federation of Chemical, Energy, Mine and General Workers' Union
ICFTU :	International Confederation of Free Trade Unions
IOE :	International Organisation of Employers
PSI:	Public Services International
WCL :	World Confederation of Labour

# INTRODUCTION

This report was drawn up within the framework of a study on the institutional representativeness of the trade unions and employers' organisations in the European Union UE15 and the situation of trade unions and employers' organisations in the new member States and in the candidate countries. The study is carried out by the Institut des Sciences du Travail (IST) of the Université catholique de Louvain (UCL) at the request of the European Commission's DG Employment and Social Affairs (Call for tenders No. VT/2002/83).

This report aims to examine the process of social dialogue and the situation of trade unions and employers' organisations participating in that dialogue in the electricity sector in the 10 new member States and in Bulgaria, Romania and Turkey.

## 1. Context of the study

This study takes place in the context of the European Commission's promotion of social dialogue at Community level.

The question of the representativeness of European organisations emerged within the framework of the promotion of social dialogue at Community level. In a Communication published in 1993<sup>1</sup>, the European Commission set out three criteria determining the access that employers' and workers' organisations had to the consultation process under Article 3 of the Agreement on Social Policy. According to the terms of this communication, the organisation must: (1) *be cross-industry or relate to specific sectors or categories and be organised at European level;* (2) *consist of organisations which are themselves part of Member States' social partners structures and with the capacity to negotiate agreements, and which are representative of all Member States, as far as possible;* (3) *have adequate resources to ensure their effective participation in the consultation process.*

In 1996, the Commission adopted a consultation document<sup>2</sup>, with the objective of launching as wide as possible a debate in order to find ways to promote and strengthen European social dialogue. Given the fact that the employees and employers' organisations, at European level, were (and still are) in the process of restructuring and accepting new members, the European Commission launched, at that time, a study on the representativeness of inter-professional and sector organisations in the European Union.

In a new Communication published in 1998<sup>3</sup>, the European Commission set out the means it intended to use to adapt and promote social dialogue at European level. On this occasion, it specifically reasserted the three criteria, laid down in the Communication of 1993, for European organisations to be recognised as representative in terms of the consultation process under Article 3 of the Agreement on Social Policy. The organisations must: (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.*

Lastly, in 2002 the European Commission reasserted its commitment to reinforcing the European social dialogue in its Communication *The European social dialogue, a force for innovation and change*<sup>4</sup>. In the respect of the three criteria set up

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

<sup>2</sup> COM(96) 448 final of 18 September 1996, Communication from the Commission on *the development of social dialogue at Community level*.

<sup>3</sup> COM(98) 322 final of 20 May 1998, Communication from the Commission on *adapting and promoting the social dialogue at Community level*.

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

by the Commission, as had been observed in previous studies<sup>5</sup>, *the changes focus on the disappearance of demands relating to the inter-sector nature of organisations and on the fact that they are established in all Member States; the new rules have not been formulated in a very restrictive manner, they only require employers' and workers' organisations to represent "several" Member States. This relaxation of the implementation condition might pose a demarcation problem in the sense that there is no criterion setting out a minimum number of Member States to activate it.*

Against this background, it is clear that one of the main issues at the moment, for the Commission, is the enlargement of the European Union and its impact on the process of social dialogue at Community level. The development of social dialogue, therefore, formed 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*<sup>6</sup>.

Indeed, 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. The role played by collective bargaining is vastly inferior to the traditions of which we are aware, for example, in Germany, Sweden or Italy. In particular, social dialogue does not exist in all countries at a sector level*<sup>7</sup>. By and large, most of the national situations are notable for strongly developed tripartism, but weakness at central bipartite level, in social dialogue at sector level, and at the level of organisations, particularly employers' associations. Enlargement will have consequences on social dialogue, both at inter-sector and at sector levels. In particular, it will have consequences on the European organisations representing employees and employers and their institutional representativeness.

The European Commission has recently reaffirmed its concern for the enhancing of European social dialogue in the context of an enlarged Europe in August 2004<sup>8</sup>: *Enlargement will reinforce the need for social dialogue and partnership. Enlargement created new opportunities for EU economies and enterprises, but major adjustments are still necessary, particularly in the economies of the new member States. Partnership will therefore be of particular importance to managing the impact of continuing restructuring in these countries. However, the enlargement of the EU also presents a challenge for the European social dialogue. Social dialogue in the new Member States is characterised by the predominance of tripartism, relatively new social partner organisations, and under-developed bipartite social dialogue at national and sector levels. The question of the technical capacity of the social partners is of importance in this context. Enlargement will also challenge the technical capacity of the European social partners organisations. It will increase the variety of industrial relations traditions and simply larger negotiating delegations, which may make it harder to reach agreement.*

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 in the electricity sector.

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<sup>5</sup> Spineux A., Walthery P. et al., *Report on the representativeness of European social partners organisations*, Report coordinated by the Institut des Sciences du Travail of the Université catholique de Louvain, for the European Commission, Directorate General for Employment, Industrial Relations and Social Affairs, Louvain-la-Neuve, 1998.

<sup>6</sup> *Enlargement of the European Union. Guide to the negotiations. Chapter by chapter*, European Commission, DG Enlargement, June 2003.

<sup>7</sup> Léonard E., Spineux A., *Les relations industrielles en Europe aujourd'hui*, Institut des Sciences du Travail, UCL, 2003 (unpublished).

<sup>8</sup> COM(2004) 557 final of 12 August 2004, Communication from the Commission: *Partnership for change in an enlarged Europe – Enhancing the contribution of European social dialogue*.

## 2. Research approach and comments on methodology

For the purposes of this study, a network of University researchers, throughout the 13 countries taken into account, was set up. These researchers are independent of both the European Commission and employers' and workers' organisations. Each researcher was charged with drawing up a report based on a common template. A questionnaire tailored to the specific realities of the public sector was elaborated to that effect (cf. annex). The IST took charge of coordinating the study and drawing up the summaries. The IST wishes to stress its independence with regard to the political consequences and decisions which may be made on the basis of this study.

The research process, in its design, comprises a phase of collection of quantitative and qualitative data on the players and the social dialogue in which they participate, but also an *active approach embracing the building of a consensus, which is an integral part of the process of social dialogue itself*. Thus, whereas in a good number of cases the data collected do not permit total objectification of the role played by the organisations, the contacts made during the data collection and the discussions with the different players concerned should be an *integral part of a process of mutual recognition*<sup>9</sup>. The main sources used within the framework of this study were thus the trade unions and employers' organisations themselves.

As regards delimitation of the scope of the study, the main criteria defined *a priori* with a view to determining the organisations to be taken into account are their role in the negotiation processes in the sector collective bargaining.

The interviews with the organisations and the drafting of the national reports took place during February-June 2004.

Lastly, a few words on the consultation process involving the European social partners. The following organisations have been consulted (they also elected to send us their comments, and those of their members, on the draft report): EPSU, EMCEF and Eurelectric. This consultation took place during the months of November and December 2004. We accordingly received comments on the national summaries, and we have tried to include as many as possible. These observations have been incorporated in different ways, depending on the kind of information received: the comments have been inserted in the form of footnotes or in the main body of the text, depending on the kind of information received.

## 3. The national summary reports

The national summary reports presented in this report depict the situation in the 15 European Union Member States, under the following headings:

- For each country, delimitation of the range of activities included in the sector of industrial cleaning
- Description of the general characteristics of the sector (employment, enterprises)
- Overview of the social dialogue at the sector level: structures, collective agreements, principal topics of negotiation, and players.
- Description of the trade union organisations and of the employers' organisations that operate in the social dialogue in the cleaning sector: representativeness and recognition of the organisations; participation in collective bargaining; national, European and international affiliations.

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<sup>9</sup> 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.

# BULGARIA

## 1. Description of the sector

### Delimitation of the sector

From a statistical point of view, the electricity industry in Bulgaria corresponds to the NACE classification. It is worth noting that some data cannot be provided because of the confidentiality of some information concerning monopoly sectors<sup>10</sup>.

Employees' federations and employers' organisations in the sector operate on a broader basis than the electricity branch since they cover branches belonging to the whole energy sector. Collective bargaining at sub-sector level covers the electricity sector.

### Socio-economic characteristics of the sector

#### Companies

The biggest company in the electricity industry is a state-owned company, the National Electrical Company (NEC). It employs about 7,000 workers. For a long period of time, it was the only company in the sector. In 2000, there were some structural changes in the NEC due to which some of its enterprises left the holding and the number of enterprises officially increased.

#### *Number and size of companies in the electricity industry (2002)*

Year	2001	2002
<b>Number of companies (total)</b>	<b>92</b>	<b>107</b>
Companies without employees	10	7
1-9 employees	10	15
10-100 employees	22	23
> 100 employees	50	62
<b>Number of companies in the private sector</b>	<b>30</b>	<b>40</b>
<b>Number of companies in the public sector</b>	<b>62</b>	<b>67</b>

Source: the National Statistical Institute (NSI)

The number of private companies has risen but they are predominantly small companies. 67 public companies employ around 31,200 salaried workers, while 40 private companies employ only 320 salaried workers.

#### Employment

The branch employment represents 1.1% of the total employment in Bulgaria.

#### *Number of workers in the electricity sector (2001 and 2002)*

	Number of total workers	Employees	Other than employees	Employees in the public sector	Employees in the private sector
<b>2001</b>	31,635	31,511	124	31,189	322
<b>2002</b>	33,005	32,876	129	31,492	384

Source: the National Statistical Institute (NSI)

Employees are mainly blue-collar workers. Atypical work practices are not widespread in the electricity sector since it is a state-owned sector: employment is characterised by full-time and stable jobs. There are 23,852 male and 9,024 female salaried workers in the electricity branch.

#### *Employees by professional categories (2002)*

Categories	Number
1. Managers, senior officials, legislators	1,905
2. Professionals (analytical specialists)	1,755
3. Technicians, applied specialists and associated professionals	3,168

<sup>10</sup> Cf. the Law for Statistical data in Bulgaria, Chap. 6.

4. Clerks (supporting personnel)	2,652
5. Service workers, shop and market sales workers and guards	250
6. Agricultural, forestry and fishing workers	0
7. Craft and related workers (in manufacturing)	12,570
8. Machine operators and assemblers	8,150
9. Elementary occupations / non-qualified workers	2,288
Non-classified workers	138
<i>Total</i>	32,876

Source: the National Statistical Institute (NSI)

In the ranking of branches by the level of *average wages* the financial intermediation, the production and distribution of electricity and heating and the mining industry always have been in the first three places. Actually, the remuneration in this sector is about twice as high as the country average.

#### ***Wages in the energy sector compared with the country average (September 2002)***

Economy-wide Gross average monthly salary	272 Bg Leva
Gross average monthly salary in Electricity, fuel, gas and water supply	477 Bg Leva

Source: *Living Standards Journal*, CITUB, 3/2002, p. 30-32.

#### **Developments**

As a whole, the sector tends to remain stable in terms of employment. The number of workers has been around 33,000 from 1998 until now. Big changes are going to be witnessed after the privatisation procedure expected in the second half of 2004 and 2005. The privatisation probably will increase the number of SMEs.

The privatisation process will lead to the following proportion of property: 33% will remain public and 67% will be privatised. For the moment, the potential new owners are preparing themselves for severe competition in the tender procedure. In May 2004 trade unions organised some significant protests actions: they protested against the government attempts to avoid the Memorandum concluded in July 2003 (see the § on outcomes of social dialogue) and they put under question the whole process of privatisation.

## **2. Social dialogue**

### **Tripartite concertation**

In many sectors, tripartite concertation at sector and branch (sub-sector) levels seems to be an exception in Bulgaria, but tripartite concertation in the electricity sector is an established practice (such practices are also typical in the construction and in the agricultural sectors). The Labour Code provides a place for tripartite concertation at sector level and at sub-sector (branch) level. Tripartite concertation takes place within the so-called "Sector / Branch Councils for Tripartite Cooperation". This concertation is organised by the State and depends on the Government and the relevant ministry, the Ministry of Energy and Energy Resources (MEER) in this case. Actors participating in this concertation are:

- Two representatives of the relevant Ministry or another State institution responsible for the sector or the branch
- Two representatives of every representative trade union federation
- Two representatives of each representative employers' organisation.

The criteria for representativeness of employers' and trade union organisations at branch / sector levels is their affiliation with nationally representative trade union confederations and employers' organisations. These criteria apply both for tripartite concertation and bipartite collective bargaining.

The parties involved in the work of the Branch Council for Tripartite Cooperation (BCTC) in the electricity branch are the following:

- The Bulgarian Branch Chamber of Energy, on the employer's side
- The National Federation of Energy Workers (member of the Confederation of Independent Trade Unions in Bulgaria, CITUB, at national level)

- The Independent Trade Union Federation of Workers in the Energy Industry in Bulgaria (member of the CITUB at national level)
- The Federation of Energy Workers Podkrepa (member of the Confederation of Labour PODKREPA at national level), on the trade union's side
- Representatives from the Ministry of Energy and Energy Resources (MEER), on the Government's side.

The BCTC is a consultative body. Its activities focus on labour relations in the branch, salaries and incomes, employment, social assistance, social insurances, health and safety at work, social consequences of privatisation, etc. In the electricity branch, there is an overlap between the tripartite concertation and bipartite social dialogue. It is due to the fact that most of enterprises in the sector are state-owned, and the parts of the State administration responsible for state-owned enterprises and the Bulgarian Branch Chamber of Energy are not well delimited. The work of the BTCT is regulated by a Branch Collective Agreement.

Besides the BCTC, a Consultative Council in the electricity sector was established in 2001 but does not involve the trade union's side in its work. It consists of representatives of the MEER and of the Bulgarian Branch Chamber of Energetics. This council overlaps to some extent with the prerogatives of the tripartite BCTC. The privatisation process will probably lead to a shift from tripartite to bipartite practices.

## **Bipartite social dialogue**

Collective bargaining in Bulgaria takes place at branch (sub-sector) and enterprise levels. The Branch Collective Agreement (BCA) gives the minimum framework for further negotiations at enterprise level. Enterprise Collective Agreements must include provisions that are better for the workers than those included in the Branch Collective Agreement. Both levels were considered as functioning successfully in the electricity branch over recent years. For the moment, branch and company levels are equally developed in terms of coverage rate. The companies which are engaged in the BCA must conduct collective bargaining at enterprise level.

From a short-term perspective, privatisation issues will be an obstacle in the social dialogue process<sup>11</sup>. From a more long-term perspective, it can be expected that the possible new owners and employers will be doubtful about the efficiency of the employers' branch chamber. Therefore, there will probably be a shift from branch bipartite collective bargaining to enterprise level collective bargaining. The role of the State since 1993 may be seen as a facilitator of social dialogue in the sector since the State has been supporting bipartite social dialogue. Trade unions are another driving force in this direction.

### ***At sector level***

Trade unions and employers' organisations which are allowed to negotiate at branch level are those which are affiliated with the representative organisations at national level. The BCAs apply to all the companies (1) which are members of the signatory employers' organisations; (2) which contain trade union organisations members of CITUB or Podkrepa.

According to the Bulgarian Branch Chamber of Energy, 13% of the enterprises are covered by BCA. These enterprises are the largest enterprises in the sector. About 50-55% of employees<sup>12</sup> are covered by BCA. BCA would cover 17,000 employees, of which 75% are blue-collar workers. Coverage rate in the electricity sector has been very high compared with most of other sectors in Bulgaria.

The Labour Code gives the right for the Ministry of Labour and Social Policy to make extensions of BCA to the all branch. This procedure has not been used at all in Bulgaria.

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<sup>11</sup> The trade unions accuse the government in selling the companies of the sector "for few pennies", this way betraying the national interest. The trade unions embraced a slogan that "there is not legal prescription for high treason" and insisted on blocking the privatisation in the branch. Also they insisted on the opening of nation wide debates on the future of electricity branch. Of course, trade unions have reasonable fears about the possible cut of jobs in the electricity branch and certain disruption of the social dialogue due to the privatisation.

<sup>12</sup> Estimate of trade unions.

### ***At company level***

All trade union organisations can negotiate with the employer at enterprise level, no matter whether they are sections of organisations representative at national level or not. In some cases, it is considered that the trade union sections of nationally representative confederations use different techniques to “eliminate other small trade unions” from the collective bargaining process.

The duration of enterprise level collective agreements can not be shorter than one year and can not be longer than two years.

At least 13% of companies in the sector have signed collective agreements at enterprise level. These are the 14 large-scale companies which are members of the Bulgarian Branch Chamber of Energy. However, there is no information about companies that are not members of the Branch Chamber. According to the estimates proposed by employers’ and trade union organisations, at least 55-60% of employees (about 20,000 employees) are covered by an enterprise level collective agreement. At least 75% of them are blue-collar workers.

Collective agreements at enterprise level cannot be extended to parties that are not signatory to the agreement. There is, however, a legal procedure for joining an ECA on a personal basis: non-unionised employees and employees who are members of non representative trade unions have the possibility to join the BCA by paying a “solidarity fee”. This procedure is effectively used by individual employees.

### **Outcomes of social dialogue at branch level**

In the period 2002-2003, 10 collective agreements were concluded, of which 3 of them are the most important. They were concluded within the BTCT:

- The first one is the Branch Collective Agreement that regulates the work of the BTCT. It contains provisions that establish obligations of information and consultation of employers’ and employees organisations by the government on issues such as the restructuring of enterprises, the privatisation, alternative employment, etc. It was signed on 2 June 2003 by the afore-mentioned three trade unions and the employers’ chamber. It is valid for two years.
- The second one was also signed on 2 June 2003 and is a separate agreement dealing with the consequences of privatisation (protective mechanisms for employees, collective negotiations planned after the privatisation). It was concluded by the same signatories.
- The third one is a Memorandum concluded on 24 July 2003 by the three relevant trade unions, the Ministry of Energy and Energy Resources and the Agency of Privatisation. It contains articles regulating the process of privatisation, the social consequences of privatisation (employment, incomes, training, working conditions, social policy of enterprises, etc.) The parties agreed to involve trade unions in the discussions and negotiations dealing with the “social chapter” of privatisation. On the other hand, trade unions committed themselves to keeping social peace.

One typical BCA has the following structure:

- General issues
- Implementation of the collective agreement
- Obligations of the parties
- Employment issues
- Professional recruitment
- Working time, rest periods, days off, leave and holidays
- Payments, salaries, additional payments and compensations
- Health and safety
- Social assistance and social insurance
- Social cooperation and partnership
- General provisions, techniques for changing and amending the branch labour collective contract

- Final provisions

### 3. Employers' organisations and trade unions

#### Employers' organisations

***The Bulgarian Branch Chamber of Energetic, BBCE (Bulgarska branshova kamara na energetizite / Българска браншова камара на енергетиците)***

This is the only employers' organisation, which plays a role in social dialogue in the electricity branch. The Chamber was founded in 1993. It covers the following fields: all activities of production and distribution of electricity (NACE E40.1), as well as branches like the heating branch (E40.3), building (installation of electrical wiring and fitting, F45.31), nuclear energy (DF23.3) and manufacture of electrical equipment (DL31.62).

The Chamber represents 116 enterprises, of which 14 in the electricity branch (13% of the companies in the electricity industry). These companies employ more than 15,000 employees in the electricity industry (more than 47% of employment)<sup>13</sup>. More than 50% of its members are SMEs and more than 50% of its members belong to the private sector.

The organisation concludes collective agreements at branch level (1 agreement<sup>14</sup>) and it participates in tripartite concertation for the branch of electricity.

Funding is provided by membership fees. Services provided by the Chamber to its member are training, technical support and legal advice.

#### Trade unions

The following organisations take part in sector social dialogue in the electricity sector:

- The National Federation of Energy Workers (member of CITUB at national level)
- The Independent Trade Union Federation of Workers in Energy Industry in Bulgaria (member of CITUB at national level)
- The Federation of Energy Workers Podkrepa (member of Podkrepa at national level).

The only source for quantitative data about organisations is internal statistics of the organisations themselves. However, they can be considered as reliable since a counting procedure was set up in October 2003 by the Government in order check representativeness of the organisations.

***The National Federation of Energy Workers (Nazionalna Federatzia na Enegetizite, NFE / Национална федерация на енергетиците)***

The National Federation of Energy Workers (NFE) was established in 1992. It covers all activities of NACE E40.1 (production and distribution of electricity), as well as other branches such as the heating branch (E40.3), building (installation of electrical wiring and fitting, F45.31) and manufacture of electrical equipment (DL31.62).

The NFE has 3,690 members, of which 3,000 in the electricity sector. It corresponds to 9.1% of the employees working in the sector. 18% of its members are white-collar staff and 91% are manual / blue-collar workers.

The organisation concludes collective agreement at inter-sector (1 agreement<sup>15</sup>), sector (1 agreement<sup>16</sup>) and branch (1 agreement<sup>17</sup>) levels. Its company sections conclude collective agreements at enterprise level. It takes part in tripartite concertation.

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<sup>13</sup> Estimate of the organisation.

<sup>14</sup> For the years 2002-2003.

<sup>15</sup> For the years 2002-2003.

<sup>16</sup> For the years 2002-2003.

<sup>17</sup> For the years 2002-2003.

The organisation employs 7 people. It is funded through membership fees. Services provided by the organisation to its members include training, legal protection and technical support.

***The Independent Trade Union Federation of Workers in Energy Industry in Bulgaria (Nezavisima Syndikalna Federazia na Enegetizite v Bulgaria / Независима синдикална федерация на енергетиците в България)***

The Independent Trade Union Federation of Workers in the Energy Industry in Bulgaria was founded in 1990. It covers all activities of NACE E40.1 (production and distribution of electricity), as well as other branches such as the heating branch (E40.3), building (installation of electrical wiring and fitting, F45.31) and manufacture of electrical equipment (DL31.62).

The organisation represents 4,200 employees, of which 4,000 in the electricity sector (12.1% of the employment in the sector). Its membership is composed of 30% of white-collar workers and 70% of blue-collar workers.

It participates in collective bargaining at sector (1 agreement<sup>18</sup>) and branch (1 agreement<sup>19</sup>) levels. Its enterprise level sections conclude collective agreements at this level. It takes part in tripartite concertation.

The organisation employs 5 people. It is funded through membership fees. It offers the following services to its members: training, legal protection and technical support.

***The Federation of Energy Workers Podkrepa (Federatzia "Energetika" – Podkrepa / Федерация "Енергетика" - Подкрепа)***

The Federation of Energy Workers Podkrepa was set up in 1990. It covers all activities of production and distribution of electricity (NACE E40.1) and the heating branch (E40.3).

The Federation has 6,103 affiliates, of which 5,818 members in the electricity sector (3,188 work in the production of electricity). It represents 17.7% of the employment in the sector. 25% of its members are white-collar workers, 70% are blue-collar workers and 5% are retired workers.

It concludes collective agreements at sector (1 agreement<sup>20</sup>) and branch (1 agreement<sup>21</sup>) levels, and indirectly at enterprise level, via its company sections. It participates in branch tripartite concertation in the electricity branch.

The Federation employs 3 people. It is financed through membership fees. It provides the following services to its members: training, legal protection and technical support.

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<sup>18</sup> For the years 2002-2003.

<sup>19</sup> For the years 2002-2003.

<sup>20</sup> For the years 2002-2003.

<sup>21</sup> For the years 2002-2003.

## Organisations

### Employers' organisations

Organisation	Sub-sectors covered	Companies	SW	Density Companies	Density SW	T	CB	National affiliations		European affiliations		International affiliations*	
		number	number	%	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Bulgarska branshova kamara na energetizite (Bulgarian Branch Chamber of the Energetics, BBCE)	E40.1, E40.3, F45.31, DF23.3 and DL31.62.	(116) 14 in the electricity branch	>15,000 (estimate)	13%	≥47% (estimate)	Yes	Yes	BIA <sup>22</sup>	No	No	No	No	No

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

### Trade unions

Organisation	Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations		International affiliations	
	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Nazonalna Federatzia na energetizite (The National Federation of Energy Workers)	Mainly blue collars	3,690	3,000	9.1	yes	yes	CITUB <sup>23</sup>	no	EMCEF EPSU	-	ICEM PSI	-
Nezavisima syndikalna fedetazia na energetizite v Bulgaria (The Independent Trade Union Federation of Workers in Energy Industry in Bulgaria)	Mainly blue collars	4,200	4,000	12.1	yes	yes	CITUB	no	EPSU	-	PSI	-
Federatzia "Energetika" - Podkrepa (The Federation of Energy Workers Podkrepa, FEW Podkrepa)	Mainly blue collars	6,103	5,818	17.7	yes	yes	CL Podkrepa <sup>24</sup>	no	EMCEF EPSU	-	ICEM PSI	-

SW: salaried workers

<sup>22</sup> The Bulgarian Industrial Association

<sup>23</sup> The Confederation of Independent Trade Unions in Bulgaria, CITUB

<sup>24</sup> The Confederation of Labour PODKREPA

Density: number salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

# CYPRUS

## 1. Description of the sector

### Delimitation of the sector

The electricity sector in Cyprus includes the generation, transmission and distribution of electrical energy for sale to household, industrial and commercial users, as well as the extension and maintenance of the electricity network. The sector corresponds to the NACE Rev. I Classification Group E40.1: Production and distribution of electricity.

The electricity sector in Cyprus consists of one public corporation, the Electricity Authority of Cyprus (EAC), which was established in 1952 and is accountable to the Ministry of Commerce and Industry.

The data published officially by the Statistical Service of Cyprus refer to the electricity sector in the Government controlled area, excluding the area under Turkish control.

### Socio-economic features of the sector

#### *The sector*

The electricity sector is one of the smallest sectors of the economy of Cyprus. Its annual contribution to GDP at current market prices in 2002 was 1.8%, and 0.7% of the working population. The electricity sector's capacity was 1,011 MW at the end of 2003, of which 988 MW was in public utilities (the EAC) and 23 MW in other establishments. Consumption of electricity generated by EAC in 2003 was 35.4% for domestic purposes, 40.2% for commercial, 19.7% for industrial (including construction), 3.1% for irrigation and 1.6% for public lighting.

#### *Employment*

According to the 2000 Census of Establishments, 2,110 full-time employees were engaged in the sector, of which 228 were females. This figure includes 905 people engaged in the extension and maintenance of the electricity grid. In April 2004, 2,017 people were engaged in the sector.

#### *Workers (April 2004)*

Sub-sectors (NACE.Rev 1)	Number of workers	Number of SW	Number of SW/number of SW in the country (%)	Number of SW in companies <10 SW/number of SW in the sector (%)	Number of SW in companies 10-100 SW/number of SW in the sector (%)	Number of SW in companies >100 SW/number of SW in the sector (%)
E 40.1	2,017	2,017	0.6	0	0	100

SW: salaried workers

#### *Occupational structure of employment*

Managerial	2%
Engineering sciences professionals and associate professionals	23%
Other associate professionals, clerks and related workers	17%
Supervisors and foremen	7%
Metal machinery and related trades workers	13%
Plant, drivers and related operators	12%
Service and unskilled workers	26%

The educational level of employees is relatively high. About 49% were graduates of a secondary /technical/vocational school, 2% from a lower secondary school (3 years secondary), 2% post-secondary (but not tertiary), 9% tertiary (2-3 years), 22% university or college (3-4 years), 12% primary and 5% did not complete primary school.

#### *Developments*

The electricity sector has experienced significant growth during the last two decades reflecting the growth of the economy, the rising standards of living and the high income elasticity of demand for electricity. The production index rose from 100

units in 1980 to 191 in 1990 and 391 in 2003. Installed capacity of electricity generation rose from 269 MW in 1980, to 471 MW in 1990 and 1,011 MW in 2003. This was the result of a modernisation and extension programme by the Electricity Authority of Cyprus, completed in 2000, which aimed to extend and reinforce the electricity grid to meet the demand for additional load.

The establishment of the Cyprus Energy Regulatory Authority in 2004 aimed at introducing and encouraging competition, licensing the production and sale of electricity and pricing. It should contribute to a more rational energy policy. During the last decade, the EAC has been implementing a development programme involving high investment and structural changes, liberalisation of the market, price policy, environmental protection and harmonisation with the European acquires.

## **2. Social dialogue in the sector**

### **Tripartite social concertation**

There is a tripartite concertation in Cyprus for the country's overall economic and social policy, which also embraces a concertation at sector level.

The main actors in the tripartite concertation for the electricity sector are the Ministry of Labour and Social Insurance, the Electricity Authority of Cyprus and four trade unions of the EAC's employees. These four trade unions are the following:

- The Free Pancyprian Union of Electricity Authority Employees (EPOPAE)
- The Trade Union of the Professional Staff of EAC (SEPAEK)
- The Trade Union of Shift Employees of EAC (SIVA EK)
- The Semi-government, Municipal and Local Authority Workers' and Employees' Trade Union of Cyprus (SEDEKEK-PEO).

The policy of the Ministry of Labour and Social Insurance in the area of labour relations is centred on the development and preservation of sound industrial relations and the maintenance of industrial peace. This policy is pursued by safeguarding the freedom of association and the encouragement of free collective bargaining, the provision of assistance for the prevention and settlement of labour disputes. Usually, tripartite concertation in labour disputes takes place when bipartite social dialogue fails to resolve a dispute. The social dialogue often goes from bipartite to tripartite, with the State getting engaged in such negotiations. Thus, 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. Tripartite concertations lead to the conclusion of agreements. The signatory parties are the representatives of employers and trade unions (see the section "bipartite social dialogue"). There is also a link between tripartite concertation and bipartite social dialogue since the electricity industry is a public corporation. In consequence, the Ministry of Commerce, Industry and Tourism has to give its approbation during the preparation of collective agreements.

### **Bipartite social dialogue**

Collective bargaining in Cyprus is based on the enterprise level, which also corresponds to the sector level since there is only one company in the electricity sector. There is an obligation to participate in the social dialogue at the sector level in Cyprus.

The four trade unions mentioned above take part in the social dialogue in the electricity sector. On the employer's side, the negotiations are held by the EAC's Personnel Services under the guidance of the EAC's Board of Directors, which is appointed by the Government for a period of three years. These actors recognise each other and are recognised by the State as being representatives.

The number of collective agreements signed in the electricity sector since the establishment of the Electricity of Cyprus amounts to about 25. These collective agreements cover wages, working time, working conditions, collective issues, cost of living and other allowances, etc. The duration of these collective agreements is now three years (previously, it was mostly

two years). The agreements cover all unionised categories of employees. Each agreement is formed of a “ set “ of agreements which consists of the separate agreements signed by each trade union.

The formal procedure for negotiating in the electricity sector is as follows: before the expiration of a collective agreement, the four Trade Unions representing the EAC's employees submit their claims to EAC. The EAC can also submit counter-claims to the trade unions. Usually negotiations follow the provisions of a Governmental guiding framework used by the Government. If these consultations reach a consensus, then after prior consultation and approval by the Ministry of Commerce , Industry and Tourism, an agreement is prepared, incorporating the agreed claims of all four trade unions. This agreement is signed by the EAC's Director-General or the Director of Personnel Services and the Chairmen of all four unions and then its implementation begins. If no agreement is reached at the enterprise level, then the issues are referred to tripartite concertation under the chairmanship of the Ministry of Labour and Social Insurance (arbitration process). A copy of the final agreement is also sent to the Ministry of Finance.

The coverage rate of collective agreements in the electricity sector is nearly 100% of the employees. The number of employees covered by collective agreements is estimated to be 2,700: 2,000 in service and 700 retired employees. The agreements have island-wide coverage.

The positions of the actors with regard to future developments in the social dialogue in the electricity sector are positive and they believe in negotiations “in a spirit of good faith and mutual understanding”.

### **3. Employers' organisations and trade unions**

#### **Employers' organisations**

##### ***The Electricity Authority of Cyprus, EAC (Archi Electrismou Kyprou, AEK)***

There is no employers' organisation in Cyprus. However, the Electricity Authority of Cyprus, the public corporation in the electricity industry, plays the role of an employer's organisation in the electricity sector. It was established in 1952 under the Electricity Development Law Cap 171 as an independent, semi-governmental corporation in order to exercise and perform functions relating to the generation and supply of electrical energy in Cyprus<sup>25</sup>. The EAC takes part in consultations and collective bargaining. It has the authority to sign collective agreements. The last agreement was concluded for a three years period (01/01/2001-31/12/2003). EAC also takes part in tripartite concertation and has signed about 15 agreements in this framework.

The EAC employed 2,000 people at the end of 2002 (276 professionals, 356 clerical, 1,368 technical).

The EAC is governed by a Board of Directors, appointed for a period of 3 years. The Government, through the Minister of Commerce, Industry and Tourism, is empowered to give directives to the EAC. The Authority advises the Government through the Minister of Commerce, Industry and Tourism on matters connected with the generation, transmission, distribution and use of electrical energy.

At the national level, the EAC is affiliated to the Employers and Industrialists Federation (*Omospondia Ergodoton kai Viomihanon Kyprou*, OEV) and the Cyprus Chamber of Commerce and Industry (*Kypriako Emporiko & Viomihaniko Epimeliterio*, KEVE). At the European level, it is affiliated to EURELECTRIC.

#### **Trade unions**

The employees of the Electricity Authority of Cyprus are organised in four trade unions.

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<sup>25</sup> In November 2000, the Electricity Law was changed and the EAC is eligible to diversify into activities other than electricity power. This includes telecommunication and desalination industries.

***The Free Pancyprian Union of Electricity Authority Employees, FPUEAC (Eleftheri Pankypria Organosi Prosopikou Archis Electrismou, EPOPAE)***

This organisation was created as a federation of the Cyprus Workers' Confederation (*Sinimospondia Ergaton Kyprou*, SEK) and registered in 1962 as a trade union by the Ministry of Labour and Social Insurance. Its members are permanent, temporary and retired employees of the Electricity Authority of Cyprus. Its membership is about 2,290 people, of which about 620 are retired, 1,450 are permanent workers and 220 are temporary workers. It represents 72% of the permanent personnel in the sector.

The trade union takes part in consultations and collective bargaining. It has the authority to sign collective agreements. The last agreement was concluded for a three-year period (01/01/2001-31/12/2003). It also takes part in tripartite concertation and has signed about 10 agreements in this framework.

Every four years, the trade union hold a Congress and a Conference is organised every two years. The trade union's funds mainly come from the membership subscriptions. It employs one person.

At the national level, it is affiliated to the Federation of Semi-Government Employees (FSGE), which belongs to the Cyprus Workers' Confederation (SEK). At the European level, it is a member of the EMCEF and, indirectly to EPSU (through the FSGE). At the international level, it is a member of the IFCEM. Through the FSGE, it is indirectly affiliated to the PSI and the ICFTU.

***The Semi-Government, Municipal and Local Authority Workers Trade Union of Cyprus – Electricity Authority of Cyprus - PEO (Synthenia Emikratikon, Demotikon kai Kinotikon Ergatoipalilon Kyprou - Archis Electricismou Kyprou - PEO, SEDEKEK-PEO)***

It was established and registered in 1984 by the Ministry of Labour and Social Insurance, as a branch of the Pancyprian Workers' Federation (*Pagipria Ergatiki Omospondia*, PEO). In 1986, a section of this trade union was created in the Electricity Authority of Cyprus.

Its membership is about 300 people, including retired people, clerical and technical personnel and skilled workers. All of them are in the electricity sector.

This organisation participates in consultations and in collective bargaining. It signs collective agreements. The most recent collective agreement concluded was for the years 2001-2003. It takes part in tripartite concertation and has signed two collective agreements in this framework.

Its funding comes from subscriptions of its members. It employs 1 person.

At the national level, it is a member of the Pancyprian Workers' Federation (PEO). At the European level, it is affiliated with the EMCEF.

***The Trade Union of Professional Staff of the Electricity Authority of Cyprus (Syntehnia Epistimonikou Prosopikou Archis Electrismou Kyprou, SEPAEK)***

This trade union was created and registered in 1957 as a trade union by the Ministry of Labour and Social Insurance. Initially, it was named EMAEK (The Union of Engineers of the Electricity Authority of Cyprus) and was an engineers' union. Now, this trade union has members in all disciplines of the EAC's professional staff.

The trade union has about 240 members, of which 200 are professional staff and 40 are retired professionals. They represent about 100% of all professionals and 10% of all employees of the Electricity Authority of Cyprus.

The trade union takes part in consultations and in collective bargaining. It can conclude collective agreements. The last agreement signed was for the years 2001-2003. It also participates in tripartite concertation and it has concluded 10 agreements in this framework.

Its funding comes from membership subscriptions. The organisation employs two people.

The organisation is affiliated to the Coordinating Committee of Independent Trade Unions of Semi-Government Organisations (SEAS), which is not registered as an official trade union organisation.

***The Trade Union of Shift Employees of the Electricity Authority of Cyprus (Syntehnia Ipalilon Vardias Archis Electrismou Kyprou, SIVA EK)***

The Trade Union was created and registered in the Ministry of Labour and Social Insurance as a trade union in 1980. Its membership consists of people working in power stations on a shift roster. It has about 105 members, representing about 5% of the employees of the Electricity Authority. Its membership consists of professionals and technicians. This figure does not include retired people.

It takes part in consultations and in collective bargaining. The last agreement concluded was for the years 2001-2003. It also participates in tripartite concertations and has signed four agreements in this framework.

Its funds come from membership subscriptions. It does not employ any staff.

The organisation is affiliated to the Coordinating Committee of Independent Trade Unions of Semi-Government Organisations (SEAS), which is not registered as an official trade union organisation.

## Elements relating to the organisations

Note: these data correspond to the situation as in April 2004

### Employers

Organisation	Sub-sectors covered	Companies	SW	Density Companies	Density SW	T	CB	National affiliations		European affiliations		International affiliations	
		Number	Number	%	%	Yes/no	Yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Archi Electrismou Kyprou (Electricity Authority of Cyprus, EAC)	Generation, transmission and distribution of electrical energy	1	2,017	100	100	Yes	Yes	OEV <sup>26</sup> KEVE <sup>27</sup>		EURELECTRIC			

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

### Trade Unions

Organisation	Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations*		International affiliations*	
	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
EPOPAE (The Free Pancyprian Union of Electricity Authority Employees)	Professional staff; white collar and blue collar	2,290*	1,446	72	Yes	Yes	FSGE <sup>28</sup> SEK <sup>29</sup>		EMCEF	EPSU	IFCEM Workers	PSI ICFTU

<sup>26</sup> The Employers and Industrialists Federation (*Omospondia Ergodoton kai Viomihanon Kyprou*, OEV).

<sup>27</sup> The Cyprus Chamber of Commerce and Industry (*Kypriako Emporiko & Viomihaniko Epimeliterio*, KEVE).

<sup>28</sup> The Federation of Semi-Government Employees

<sup>29</sup> The Cyprus Workers' Confederation (*Sinimospondia Ergaton Kyprou*, SEK).

Syntechnia Emikratikon, Demotikon Ergatoepallion Kyprou - Archis Electrismou Kyprou -P.E.O (The Semi-Government, Municipal and Local Authority Workers' and Employees' Trade Union of Cyprus - EAC - PEO)	Clerical, technical Personnel; skilled workers; retired people	300*	248	12	Yes	Yes	PEO <sup>30</sup>		EMCEF				
SEPAEK (The Trade Union of Professional Staff of the Electricity Authority of Cyprus)	Professional Staff; retired Professional staff	240*	195	10	Yes	Yes	SEAS <sup>31</sup>						
SiVAEK (The Trade Union of Shift Employees of the Electricity Authority of Cyprus)	Employees working at power stations on a shift roster	105	105	5	Yes	Yes	SEAS						

SW: salaried workers

Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* This figure includes retired people and temporary workers

NB: The column "members working in the sector" refers to permanent employees of the Electricity Authority of Cyprus, in April 2004. It excludes retired people and temporary employees. Densities are calculated on this basis.

<sup>30</sup> The Pancyprian Workers' Federation (*Pagipria Ergatiki Omospondia*, PEO).

<sup>31</sup> The Coordinating Committee of Independent Trade Unions of Semi-Government Organisations (SEAS).

# CZECH REPUBLIC

## 1. Description of the sector

### Delimitation of the sector

The scope of activity of the actors is broader than just the electricity sector. Specifically, besides the generation, transmission and distribution of electricity, the employer federation ČSZE also covers the generation and distribution of heat, trading in electricity and heat, power research, assembly, installation and power engineering. Besides electricity, the biggest trade union federation also covers heat generation, power engineering and other minor areas.

From the point of view of collective bargaining, the Electricity sector in the Czech Republic includes enterprises whose business ranks them in the following divisions of the NACE classification:

- Division 40.1 Electricity Generation and Distribution
- Division 40.3 Heat Generation and Distribution

### Socio-economic features of the sector

#### Employees

The electricity and heat production and distribution sector is the smallest in terms of number of employees and has remained so in recent years. In future, a decline in employment is expected in the electricity generation and distribution industries as a result of the approved State Energy Policy of the Czech Republic<sup>32</sup>. In 2003, there were 22,893 people employed in the sub-sector 40.1 and 14,681 employed in the division 40.3.

Given the nature of production in the sector, male employees predominate, chiefly technicians and skilled workers in manual professions with secondary school education with or without the school-leaving examination. Work contracts in the sector are usually concluded for an indefinite period and almost all employees work full-time, i.e. a 40-hour week. The following table shows the categorisation of employees in greater detail.

NACE	40.1	40.3	40.1+40.3
Total (%)	100.0	100.0	100.0
<b>ISCO</b>			
Legislators and managers (1)	5.9	2.2	4.7
Professionals (2)	4.6	5.1	4.8
Technicians (3)	29.6	32.9	30.6
Clerks (4)	6.7	7.6	7.0
Service and sales workers (5)	2.2	1.1	1.9
Craft and related trades workers (7)	30.9	28.8	30.2
Plant and machine operators (8)	16.5	18.9	17.2
Elementary occupations (9)	3.6	3.4	3.5
<b>Education</b>			
Elementary - ISCED 1,2	2.8	5.0	3.5
Secondary incomplete. - ISCED 3	39.9	48.1	42.5
Secondary complete - ISCED 3,4	46.9	37.2	43.9
university - ISCED 5,6	10.3	9.6	10.1
<b>Work contract:</b>			
permanent contract	95.1	96.4	95.5
Fix term contract	4.9	3.4	4.4
<b>Full-time/part-time</b>			

<sup>32</sup> In "The State Energy Policy of the Czech Republic" is planned privatisation and restructuring the state share of generation and distribution companies in electricity sector. Accompanying factor of mentioned process is generally a decline in employment.

full-time	99.5	99.1	99.4
part-time	0.4	0.7	0.5
<b>Sex</b>			
men	77.6	79.6	78.3
women	22.4	20.4	21.7

Source: Czech Statistical Office's Labour Force Survey 2003

### Companies

As of 31.12.2003, there were 955 business units operating in the sector (NACE 40.1: 527 units; 40.3: 428 units) divided into various categories of legal form and workforce size (see the following table). Self-employed people without employees account for a large proportion of electricity generators and distributors (about 50%). Heat generators and distributors are, by contrast, dominated by bigger firms employing from 10 to 100 employees. For the divisions 40.1 and 40.3, there were in 2003 442 enterprises with salaried employees.

category by legal form:	NACE 40.1		NACE 40.3		total	
	absolute	%	absolute	%	absolute	%
self-employed	252	47.8	83	19.4	335	35.1
commercial companies	150	28.5	326	76.2	476	49.8
co-operatives, state firms, other	125	23.7	19	4.4	144	15.1
total	527	100.0	428	100.0	955	100.0
category by workforce:	NACE 40.1		NACE 40.3		total	
	absolute	%	absolute	%	absolute	%
no employees	343	65.1	73	17.1	416	43.6
1 – 9	77	14.6	117	27.3	194	20.3
10 - 100	27	5.1	165	38.6	192	20.1
100 and more	19	3.6	37	8.6	56	5.9
not stated	61	11.6	36	8.4	97	10.2
total	527	100.0	428	100.0	955	100.0

Source: Czech Statistical Office's Register of Economic Subjects 2003

## 2. Social dialogue in the sector

### Tripartite social concertation

An institutionalised tripartite concertation does not exist in any sector in the Czech Republic. However, some organisations mention the existence of some forms of tripartite concertation in the power sector. On the one hand, the OSE (The Trade Union of Power Industry Workers) mentions the beginnings of sector tripartite consultations, based on the existence of direct contacts with the Ministry of Industry and Trade of the Czech Republic, focusing on the issue of state energy strategy. The ČSZE (Czech Association of Employers in the Energy Sector) puts the question of a sector tripartite concertation in the context of the former work of one of the committees of the Council of Economic and Social Agreement, concerning mass redundancies in the power sector as a consequence of the privatisations of the České energetické závody a.s. (ČEZ). In this context, a tripartite commission was established. For the employers, it was a one-off event that should not reoccur.

### Bipartite social dialogue

Generally speaking, the actors agree that cooperation in the area of social dialogue is good. In addition to collective bargaining, ČSZE works with the trade unions (in particular OSE and ČOSSE) in the area of occupational safety, vocational schooling, organising social and sports events etc. Obstacles to collective bargaining tend to ensue from (according to ČSZE) specific situations, such as a change of ownership, changes in the standing of the power sector and the impacts of transformation in general etc. The OSE draws attention to the tendency for corporate management to tackle key questions of social dialogue solely at corporate level. ČOSSE regards the absence of any legal obligation to practice collective bargaining

and the related attempts by employers to issue their own regulations in place of a collective agreement, particularly in the wage area, as an obstacle. Employers (according to OSZJE) tend to take little heed of trade union arguments.

### ***At sector level***

Collective bargaining at sector level takes place between the employers' association ČSZE and three trade unions: the biggest trade union federation, OSE, the Czech Trade Union of North-western Power Workers (ČOSSE) and the Trade Union of Nuclear Power Workers (OSZJE). The outcome of collective bargaining at sector level is the higher-level collective agreement (HLCA). At the moment, one HLCA is concluded between ČSZE and OSE, whereas another one is concluded between ČSZE, and ČOSSE and OSZJE. The content of these two collective agreements is quite similar. The HLCA signed by ČSZE and OSE is concluded for two years and the one concluded between ČSZE and ČOSSE and OSZJE has a duration of one year.

HLCAs have applied in the power sector since the start of the 1990s. Formerly only one HLCA was concluded between the players. HLCAs apply to all members of the employer organisation, as it is empowered to act on behalf of all its members. The content structure of HLCAs had already been stabilised in previous years, in particular as regards the following issues: the formulation of provisions affecting the definition of the subject and scope of the HLCA, the rights and duties of the parties, and safety and provisions regarding the protection of health at work. These provisions do not tend to be updated fundamentally. Although wage issues tend to be formulated in a more specific manner in ELCAs, negotiations on wages often cause the greatest complications in concluding HLCAs: wage bargaining presents the biggest problem in negotiating HLCAs.

The coverage rate of HLCAs is between 8.3 and 9.3%<sup>33</sup> of the enterprises in the sector, according to the sources. Between 58.6 and 76.4%<sup>34</sup> of salaried workers of the sector are covered by these HLCAs.

Adoption of the Act on collective bargaining in 1991<sup>35</sup> sets up the legal conditions for extending HLCAs to other subjects in the Czech Republic. But since the relevant provisions were rescinded in 2004, this practice has been suspended until a new legislation is adopted. In the power sector, there were practically no extension procedures, with the exception of one case in 1993, which had a minimal quantitative impact. However, the social actors consider this practice positively.

### ***At company level***

At enterprise level, the employer negotiates with a trade union organisation or with several trade union organisations and negotiations lead to enterprise-level collective agreements (ELCA). The current legislation<sup>36</sup> allows more than one trade union organisations to operate in parallel in the same enterprise. In that case, trade union bodies can only negotiate a collective agreement jointly, unless they agree otherwise with the employer. Trade union organisations operating at this level are either organisations, which are members of the sector federations mentioned above, or they are autonomous trade union organisations. ELCAs are much more specific and substantive in their provisions than HLCAs since they are linked to the relevant corporate practice. All actors consider that enterprise-level collective bargaining is more developed than at sector level. However, a number of smaller employers do not enter into collective bargaining or do not contain active trade unions. In these cases, provisions of HLCAs are applied in these enterprises, if the employer is a member of the ČSZE.

ELCAs are not centrally monitored in the Czech Republic. Thus data on ELCAs are estimates of the representatives of employees' and employers' organisations. According to OSE, its member organisations concluded a total of 60 ELCAs. In 2003, ELCAs concluded by OSE covered about 24,500 employees. ČOSSE member organisations concluded a total of 6 ELCAs, which would cover about 5,000 employees. OSZJE member organisations take part in collective bargaining in ČEZ,

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<sup>33</sup> Between 9.05% and 9.28% according to the data of trade unions, 8.37% according to the data of employers (calculated on the basis of the number of enterprises with employees, i.e. 442).

<sup>34</sup> 76.38% according to data of trade unions, 58.55% according to data of employers.

<sup>35</sup> Act no. 2/1991 Coll., on collective bargaining.

<sup>36</sup> Act no. 120/1990 Coll., regulating certain relations between trade union organisations and employers ("trade union plurality act").

the biggest enterprise in the sector (one ELCA, already included in the numbers above). The number of ELCAs concluded by autonomous organisations operating in the sector is not entirely known, but it would not exceed the number of 5. From the point of view of ČSZE, about 15 ELCAs were concluded by its member companies, covering about 18,000 employees. To summarise, it can be estimated that about 70 to 75 ELCAs, which would cover over than 30,000 employees. Most of them are concluded for one or two years.

According to the organisations, these ELCAs cover between 16 and 17.2%<sup>37</sup> of the enterprises in the sector<sup>38</sup>, and between 81.2 and 83.8%<sup>39</sup> of salaried workers in the sector.

### 3. Employers' organisations and trade unions

#### Employers' organisations

##### ***Czech Association of Employers in the Energy Sector (Český svaz zaměstnavatelů v energetice, ČSZE)***

The Czech Association of Employers in the Energy Sector covers the fields of electric generation, transmission and distribution, heat generation and distribution, electricity and heat trading, power research and power engineering.

ČSZE was formed in 1991 and now affiliates 37 companies and institutions employing about 22,000 employees.

The objective of the ČSZE is to be a strong employer organisation, to contribute to a good image of the Czech power industry, and to represent and defend the interests of its members. In this context, social dialogue activities and the conclusion of HLCAs are considered as an important role by the organisation. A Collective bargaining Commission was created in 1993. ČSZE concludes collective agreements with three trade unions at sector level. Federation members have concluded about 15 ELCAs (data 2000). Besides, it also takes part in preparing materials for sessions of the Council of Economic and Social Agreement on behalf of the electricity and heat sector. In particular, ČSZE has the following objectives:

- seeking to create a stable and non-discriminatory business environment in conformity with EU legislation, based on a high-quality and long-term state energy policy and related legislation;
- putting in place the right conditions for incorporating the power sector into EU structures and for ensuring that member subjects are competitive within the EU;
- unifying its members' interests and co-ordinating their opinions before presenting them outside the federation;
- representing its members' interests in international employer and professional organisations;
- taking part in harmonising legal and other norms for the power sector and ensuring they are applied in the Czech Republic's power industry;
- promoting reliable, effective and environmentally friendly generation, distribution and rational use of electricity and heat;
- supporting the development of professional training from the point of view of the needs of the power industry.

At the moment, ČSZE is dealing with the following issues:

- Forming and applying energy policy
- Legislation on the electricity and heat industries
- Promoting the development of co-generation, renewable and secondary sources of energy and energy saving, environmentally friendly technologies.
- Price and tariff policies
- Tax issues
- Social issues and issues of health and injury insurance, work safety, etc.

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<sup>37</sup> Calculated on the basis of the number of enterprises with employees, i.e. 442

<sup>38</sup> Members of ČSZE covered by ELCAs represent 3.4% of enterprises of the sector (source: ČSZE).

<sup>39</sup> Members of ČSZE covered by ELCAs employ 47.9% of the salaried workers of the sector (source: ČSZE).

- Etc.

The ČSZE is a member of the Confederation of Industry and Transport of the Czech Republic at national level. Since 2002, the federation has been a member of EURELECTRIC.

The federation publishes *Energetika* monthly, a trade magazine for the electricity industry, heat industry and use of energy. The federation's income comes from the contributions of regular members and revenues for some services rendered, including services to non-members. The federation employs 12 people.

## Trade unions

### ***The Trade Union of Power Industry Workers (Odborový svaz energetiků, OSE)***

OSE is the biggest trade union federation in the power sector, covering electricity, heat and power engineering. The OSE's statutes define it as an independent, voluntary and open trade union organisation. It is politically and organisationally independent of political parties and movements. Its membership is composed of local trade union organisations in the power-sector and it can also be individual.

The OSE was founded shortly after the 1989 revolution as a federal trade union body. In February, the funding Congress of the Federal Trade Union of Power Workers (FOSE) was held in Brno. In December 1992, FOSE responded to the collapse of the Czechoslovak Republic by winding up at an extraordinary Congress. Trade union federations based on the territories became its successors: OSE was founded for the Czech Republic. In 2000, OSE issued declarations calling for the integration of trade unions. OSE's own integration was prepared in 2003 and the first half of 2004, taking the form of a merger with OS Chemie. In December 2003, the two trade union federations approved joint draft of key documents of the new OS ECHO: statutes, financial management principles and guidelines, election rules, etc. As far as collective bargaining, the new federation will possess two sections for each of the sectors. It is expected that the foundation of the new federation will be followed by a stabilisation period of about two years.

The federation's supreme body is the general meeting. The general meeting elects the board of directors and supervisory board.

OSE has negotiated HLCAs with ČSZE since the start of the 1990s to the present day. According to the representatives of OSE, the organisation the HLCAs, signed in 2003, covered 40 employers and 23,500 employees. The OSE provides legal aid and advice to its members for the negotiation of ELCAs. Other objectives of the organisation touch on the area of legislation and labour law, employment, unemployment, retraining, social aid in cases of serious and fatal injuries, etc.

The OSE possesses a total of 152 basic trade union organisations in enterprises. Overall, the OSE represents 15,640 people, of which 3,630 women, 609 young people and 5,930 pensioners (data 2003). According to the OSE, composition of the membership is the following: 75% manual professions, 25% white-collar workers. Since 1993, there has been a 50% decline in membership. In 2001, the member base stagnated, with a slight increase registered since 2003. The highest rate of trade union membership is in electricity distribution, followed by electricity generation, heat generation, and other sub-sectors.

The OSE is a member of the Czech-Moravian Confederation of Trade Union (CMKOS) at national level, of the European Mine, Chemical and Energy Workers' Federation (EMCEF) and of the European Federation of Public Services (EPSU) at European level, and it is a member of the International Federation of Chemical, Energy, Mine and General Workers' Union (ICEM) and of the Public Services International (PSI) at international level.

The OSE publishes, jointly with OS KOVO (metalworkers' trade union federation), a magazine called *Energetik-Kováč* (Power Worker – Metalworker). The OSE maintains direct contacts with government departments, in particular with the Ministry of Industry and Trade, and it takes part in sessions of the Economic Committee of the Chamber of Deputies and the government consultative team dealing with the issue of social impacts in the power sector. The OSE's funding comes from membership dues, but also the OSE's financial resources including incomes from the federation property. The OSE's staff is composed of nine people.

***The Czech Trade Union of North-western Power Workers (Český odborový svaz severozápadních energetiků, ČOSSE)***

This organisation operates in the field of electricity generation, power engineering (maintenance and repair of power station facilities), plant-based rail transport, etc.

When the Federal Trade Union of Power Workers (FOSE) wound itself up after the breaking up of Czechoslovakia, the OSE was established in the Czech Republic. This newly formed trade union was considered as not accepting the ideas and demands of representatives of the trade unions from North-West Bohemia. That is why the ČOSSE was created. ČOSSE failed with its bid for membership in CMKOS and therefore operated autonomously until the creation of ASO in July 1995.

ČOSSE negotiates, jointly with OSZJE, with ČSZE and its member organisations conclude ELCAs. HLCAs concluded by ČOSSE and OSZJE apply to four employers and to 10 trade union member organisations and cover about 4,000 employees working in enterprises in which ČOSSE's member organisations operate and to about 1,200 employees in Dukovany Nuclear Power Plant, where OSZJE operates, i.e. 5,200 people in total. At enterprise level, the federation's member organisations concluded 6 ELCAs, covering about 5,000 workers.

ČOSSE is a founding member of ASO and is a member of the North Bohemian regional trade union association. The federation is not a member of any European and international organisation. It takes part in cross-boarder co-operation with Polish and German trade unions.

The federation associated 10 trade union organisations. The average rate of trade union membership in the enterprises where the member trade union organisations operate is higher than two-thirds and is no longer declining. The membership base (only active members) consists of about 3,400 people. Since the year 2000, the membership base has weakened slightly, but it has become stable again since the year 2002. According to ČOSSE, the professional structure of its members is the following: 50% of manual workers, 25% of administrative staff and 25% of technical professionals. Most members (80%) are men.

ČOSSE offers labour-law advice to its members via the legal services of the Association of Independent Trade Unions (ASO), which is a member of. The federation's income is formed from dues amounting to 15% of the funds of the affiliated trade union organisations.

***The Trade Union of Nuclear Power Workers (Odborový svaz zaměstnanců jaderné energetiky, OSZJE)***

This federation covers the professional field of nuclear power workers (nuclear power professions, power engineering and electricity-related professions).

The Trade Union of Shift Workers (OOSP) and the Trade Union of Dukovany Power Plant Workers (OOZEDU) left respectively ČOSSE and OSE in order to found a joint federation, OSZJE, on 1 January 2000. This new federation became a member of the ASO umbrella federation.

OSZJE takes part in HLCA negotiations. At enterprise level, the two main member organisations take part in concluding ELCAs in ČEZ.

The federation comprises 4 trade union organisations, with a total member base of about 750 people (about 2% of the employment in the sector). The composition of the membership base corresponds to the structure of employees at the nuclear power plant: most are technical and technical-administrative staff with secondary school (60%) and university (35%) education. Manual workers' make up a small proportion of the power station's workforce.

OSZJE is a member of ASO at national level. It is not a member of any European and international organisation.

The federation have no staff, thus its activities are minimal. Its income is derived from membership fees from member trade union organisations.

## Elements relating to the organisations

### Employers' organisations

Organisation	Sub-sectors covered	Companies	SW	Density Companies	Density SW	T	CB	National affiliations		European affiliations		International affiliations	
		number	number	%	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
ČSZE (The Czech Association of Employers in Energy Sector Czech)	40.1, 40.3	37	22,000	8.37*	58.55	Yes, indirectly	Yes	Svaz průmyslu a dopravy ČR <sup>40</sup>		Eurelectric			

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* Calculated on the basis of the number of enterprises with salaried workers, i.e. the whole number of enterprises, minus the number of enterprises without salaried workers (416) and minus those who did not give the number of their employees (97): 442

### Trade unions

Organisation	Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations		International affiliations*	
	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
OSE (Trade Union of Power Industry Workers)	¾ blue-collar workers, ¼ white-collar workers.	21,570	15,640*	41.62*	Yes, indirectly	Yes	ČMKOS41		EMCEF, EPSU		ICEM, PSI	

<sup>40</sup> The Confederation of Industry of the Czech Republic

<sup>41</sup> The Czech-Moravian Confederation of Trade Unions

ČOSSE (The Czech Trade Union of North-western Power Workers)	½ blue-collar workers, ½ white-collar workers	3,400	3,400	9.05	Yes, indirectly	Yes	ASO <sup>42</sup>		Not affiliated		Not affiliated	
OSZJE (The Trade Union of Nuclear Power Workers)	white-collar workers mainly	750	750	2,0	Yes, indirectly	Yes	ASO		Not affiliated		Not affiliated	

SW: salaried workers

Density: number salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* Including non active members (pensioners, etc.)

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<sup>42</sup> Asociace samostatných odborů, Association of Independent Trade Unions

# ESTONIA

## 1. Description of the sector

### Delimitation of the sector

The electricity sector includes the following activities (NACE 40.1):

- Production of electricity (NACE 40.11)
- Transmission of electricity (NACE 40.12)
- Distribution and trade of electricity (NACE 40.13)

The Statistical Office of Estonia publishes data only for the whole energy industry, namely electricity, gas, steam and hot water supply (NACE E) and does not separate data by sub-sectors. Therefore, the statistical data presented also include the following activities:

- Manufacture of gas; distribution of gaseous fuels through mains (NACE 40.2)
- Steam and hot water supply (NACE 40.3)
- Collection, purification and distribution of water (NACE 41).

### Socio-economic features of the sector

#### General overview of the sector

The share of the electricity, gas, steam and water supply as a percentage of GDP decreased during the 1990s, but since 2001, it has remained at 3.1%. In 2002, production and consumption of electricity slightly increased when compared to the previous years. Electricity generation amounted to 8,527 GWh. Both domestic consumption and electricity export increased. At the same time, they managed to cut down losses and despite growth in capacity, the power plants' maintained their use at the level of the previous year. Therefore, the energy system efficiency also improved slightly.

Amongst consumption of fuels for electricity generation, the share of oil shale, which had been decreasing in five previous years, rose again in 2002. At the same time, the share of natural gas diminished. The share of other fuels remained the same. The small production of electricity from renewable energy sources fell to 7 GWh.

#### Companies

In the 4<sup>th</sup> quarter of 2003, the energy sector of Estonia comprised around 253 enterprises, which is 0.88% of all companies in Estonia. According to the Statistical Office of Estonia, there were in 2002, 3 enterprises owned by the state, 118 owned by local government, 149 firms owned by Estonian corporate bodies and 6 by foreign corporate bodies.

#### Number of enterprises in energy sector, 2002-2003

Enterprises	2002				2003			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
All enterprises in Estonia	30,190	29,422	28,731	27,725	30,691	30,215	29,474	28,712
Enterprises in energy sector	277	277	272	262	259	256	254	253
% of all enterprises	0.92	0.94	0.95	0.94	0.84	0.85	0.86	0.88

Source: Statistical Office of Estonia

The following table describes the number of enterprises in electricity, gas, steam and hot water supply (excluded collection, purification and distribution of water (NACE 41)). The majority of enterprises have 1-19 employees (74.3%) while 5.3% of enterprises employ 100 employees and more. However, large enterprises employ 69% of employees of the energy sector. In the electricity sector, *AS Eesti Energia* is the major producer and the only transmission grid owner, while distribution services are rendered by more than sixty smaller utilities. *AS Fortum Elekter* and *AS Narva Elektrivõrgud* are the largest among the smaller distribution utilities.

**The size of enterprises in energy sector (NACE 40.1, 40.2, 40.31), 2002-2003**

Enterprises	2002				2003			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1-19 employees (%)	72.3	72.3	72.1	72.5	74.7	74.3	74.2	74.3
20-49 employees (%)	19.2	19.2	19.7	19.0	17.4	17.6	17.7	17.1
50-99 employees (%)	3.8	3.8	3.8	4.0	3.2	3.2	3.2	3.2
100 and more employees (%)	4.7	4.7	4.3	4.5	4.7	4.8	4.8	5.3
TOTAL	100	100	100	100	100	100	100	100

Source: Statistical Office of Estonia

**Employment**

According to the Statistical Office of Estonia, 9,099 people (full-time units) were employed in the energy sector at the end of 2003. According to the Estonian Labour Force Survey, there were 10,200 employees aged 15-74 in the energy sector in 2003. During the last seven years, the number of employees decreased steadily.

**Number of employees in energy sector and their share by firm size, 2002-2003**

Number of enterprises	2002				2003			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Number of employees in energy sector*</b>	9,856	9,735	9,654	9,569	9,098	9,046	9,049	9,099
1-19 employees (%)	13.6	13.3	12.8	13.5	13.8	13.3	12.4	13.0
20-49 employees (%)	14.7	14.7	14.7	14.0	14.0	14.1	14.1	13.5
50-99 employees (%)	5.4	5.3	5.4	5.5	4.6	4.7	4.6	4.4
100 and more employees (%)	66.4	66.7	67.1	67.0	67.6	68.0	68.8	69.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Statistical Office of Estonia, Enterprise Survey

\* In full-time employment

The Total number of women working in the energy sector was 2,200 and the number of men was 8,000, in 2003. Between 1999 and 2002, the share of female workers decreased. Lastly, it is worth noting that the majority of workers in the sector are not of Estonian origin. Particularly in electricity production, Russian speakers dominate.

**Employees aged 15-74 by sex and economic activity, 1998-2003 (annual average, thousand)**

	1998	1999	2000	2001	2002	2003
All employees	606.5	579.3	572.5	577.7	585.5	594.3
<b>Employees in the energy sector</b>	17.2	16.5	14.7	11.4	10.5	10.2
% of all employees	2.8	2.8	2.6	2.0	1.8	1.7
<b>Male</b>	12.4	11.1	10.6	9.1	8.6	8.0
% of employees in energy sector	72.1	67.3	72.1	79.8	81.9	78.4
<b>Female</b>	4.8	5.5	4.1	2.3	2	2.2
% of employees in energy sector	27.9	33.3	27.9	20.2	19.0	21.6

Source: Statistical Office of Estonia

Wages in the energy sector have been higher than average national wages. In 2002, the share of wage in energy sector was 119.2% of national average wage. According to the data, this difference is decreasing.

**The average national wage and wage in energy sector, 1998-2002 (EEK)**

Wage	1998	1999	2000	2001	2002
Average wage in Estonia	4,021	4,440	4,907	5,510	6,144
Average wage in energy sector	5,450	5,705	5,916	6,727	7,321
The share of energy sector wage from average wage	135.5	128.5	120.6	122.1	119.2

Source: Statistical Office of Estonia

## 2. Social dialogue in the sector

### Tripartite social concertation

In the energy sector, as in majority of sectors in Estonia, tripartite concertation does not exist. However, the two sector organisations are represented in tripartite concertation at national level, through the confederations they are affiliated with.

### Bipartite social dialogue

In the energy sector, there is one trade union, the Association of Estonian Energy Industry Workers Trade Unions (*Eesti Energeetikatöötajate Ametiühingute Liit*, EEAÜL) and two employers organisations: the Estonian Power and Heat Association (*Eesti Jõujaamade ja Kaugkütte Ühing* - EJKÜ) and the Association of Estonian Electrical Industry (*Eesti Elektritööstuse Liit*).

Bipartite social dialogue takes place only at enterprise level, between employers and trade unions. Besides the Association of Estonian Energy Industry Workers Trade Unions, there are several trade unions in the enterprises, which are involved in the bipartite social dialogue at enterprise level:

- The Baltic Power Plant Trade Union (*Balti Elektrijaama Ametiühing*)
- The Energy Service Trade Union (*Energiateeninduse Ametiühing*)
- The Kohtla-Järve Heat Trade Union (*Kohtla-Järve Soojuse Ametiühing*)
- The Trade Union of North Electricity Distribution Network (*Põhja Elektrivõrkude Ametiühing*)
- The Narva Energy Trade Union (*Narva Energia Ametiühing*)
- etc.

According to the Register of Collective Agreements, there were four collective agreements in the energy sector in 2002 (they covered together 4,080 employees). Two collective agreements were concluded at enterprise level in 2003 (covering 4,842 employees) and two collective agreements were signed in 2004 (covering 580 employees). Duration of most agreements in Estonia is generally one year, while few of them are concluded for two or three years. According the Collective Agreement Act, the validity of a collective agreement is one year, unless stated otherwise. Each year, a new agreement must be concluded. During the period of validity, the parties are under obligation to refrain from calling a strike in order to change the provisions of the collective agreement. Collective agreements apply to all those belonging to the organisations concluding the agreement, unless another scope of application is described in the agreement. In practice, most collective agreements apply to all the workers within the enterprises regardless of their trade union membership.

The Association of Estonian Energy Industry Workers Trade Unions has signed three collective agreements at enterprise level:

- Collective agreement with *Eesti Elektrivõrkude Ehituse AS*. The agreement came into force on 21. December 2001 and was valid until 31. December 2003. The agreement covered 350 workers.
- Collective agreement with *Eesti Energia AS*. The agreement came into force on 01. February 2002 and was valid until 31. March 2004. The agreement covered 3,000 employees.
- Collective agreement with *AS Elektriteenused*. The agreement came into force 01. April 2004 and is valid until 31. March 2005. The agreement covers 328 employees. The previous collective agreement was concluded on 28. April 2003 and was valid until 01. April 2004.

### 3. Employers' organisations and trade unions

#### Employers' organisations

##### ***The Estonian Power and Heat Association (Eesti Jõujaamade ja Kaugkütte Ühing - EJKÜ)***

The Estonian Power and Heat Association was founded in September 1995. EJKÜ is an association of 50 enterprises from the energy sector, which is about 19.8% of all enterprises in the sector. In 2003, the association, through its members, accounted for 60% of the heat energy market and 7% of the electricity market.

The main objective of EJKÜ is to centralise all enterprises in the energy sector for protection of joint interests and to forward specialised information, know-how and experience. EJKÜ represents members' interests, participates in the elaboration of legislation and energy policy and arranges training concerning in energy. It does not take part in bipartite collective bargaining, since the negotiations take place at enterprise level.

EJKÜ is a member of Estonian Employers' Confederation (*Eesti Töandjate Keskliit*, ETTK) and World Energy Council-Estonia member together with Ministry of Economic Affairs and Communications, Ltd. Estonian Gas (*AS Eesti Gaas*), Ltd Estonian Energy (*AS Eesti Energia*)<sup>43</sup>, Estonian Academy of Sciences (*Eesti Teaduste Akadeemia*), Tallinn University of Technology (*Tallinna Tehnikaülikool*, TTÜ). The objective of the World Energy Council-Estonia is to represent the interests of all its members in World Energy Council and to be the central organisation of all the interest groups in the energy sector.

EJKÜ is member of The International Association for District Heating, District Cooling and Combined Heat and Power (Euroheat and Power), which represents the interests of the sector at the political level, in particular in relations to the European institutions and other international organisations.

##### ***The Association of Estonian Electrical Industry (Eesti Elektritööstuse Liit)***

The Association of Estonian Electrical Industry is a non-profit organisation and was founded by 9 enterprises on 30 April in 2004. The main objective of the organisation is to bring together all employers in the electrical industry and to represent and protect its members' interests both in Estonia and in European Union.

On 25th of May 2004 the EJKÜ made a co-operation proposal to the Association of Estonian Electrical Industry. The Association of Estonian Electrical Industry belongs to the Estonian Employers' Confederation (*Eesti Töandjate Keskliit*, ETTK).

#### Trade unions

##### ***The Association of Estonian Energy Industry Workers Trade Unions (Eesti Energeetikatöötajate Ametiühingute Liit, EEAÜL)***

The Association of Estonian Energy Industry Workers Trade Unions is the worker' organisation in the sector of electricity, gas and water supply. In January 2004, there were 4,270 members in AEEWTU and this represents about 41.9% of all workers in electricity-, gas- and water supply.

The Organisation takes part in consultation at sector level and it has the ability to sign collective agreements at enterprise level. In 2002, the organisation signed two collective agreements, which covered 3,350 workers, and in 2004 it signed one collective agreement, which comprises 328 workers.

AEEWTU is member of the Confederation of Estonian Trade Unions (*Eesti Ametiühingute Keskliit*, EAKL), the EMCEF-Energy and EPSU as well as PSI.

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<sup>43</sup> *AS Eesti Energia* is a member of EURELECTRIC.

## Elements relating to the organisations

### Employers' organisations

NB: All densities are calculated on the basis of the entire energy sector, and not on the basis of the electricity sector.

Organisation	Sub-sectors covered	Companies	SW	Density Companies	Density SW	T	CB	National affiliations		European affiliations		International affiliations	
		Number	Number	%	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
EJKÜ (The Estonian Power and Heat Association)	Energy sector	Energy: 50	ND	Energy: 19.8	ND	No	No*	ETTK <sup>44</sup>		Euroheat and Power			
Eesti Elekritööstuse Liit (The Association of Estonian Electrical Industry)	Electricity sector	Electricity: 9	ND	Energy: 3.5	ND	No	No*	ETTK					

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* There is no collective bargaining at sector level.

Furthermore, it is worth noting that the company *Eesti Energia AS*, the electricity major producer and the only transmission grid owner, is a member of Eurelectric at European level.

### Trade unions

NB : All densities are calculated on the basis of the entire energy sector, and not on the basis of the electricity sector.

Organisation	Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations		International affiliations*	
	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
EEAÜL (The Association of Estonian Energy Industry Workers Trade Unions)	Energy sector	Energy: 4,270	ND	Energy: 41.9	No	Yes	EAKL <sup>45</sup>		EMCEF EPSU		PSI	

<sup>44</sup> The Estonian Employers' Confederation (*Eesti Töandjate Keskliit*, ETTK).

<sup>45</sup> The Confederation of Estonian Trade Unions (*Eesti Ametiühingute Keskliit*, EAKL)

SW: salaried workers

Density: number salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

# HUNGARY

## 1. Description of the sector

### Delimitation of the sector

The Hungarian statistical specification of electricity is in accordance with the NACE activity codes used by EUROSTAT; on this basis, electricity consists of the following sub-sectors and branches:

### Section E: Electricity, Gas and Water Supply

40 – Electricity, Gas, Steam and Hot Water Supply

40.1 – Production and Distribution of Electricity

40.2 – Manufacture of Gas, Distribution of gaseous fuels through mains

40.3 – Steam and Hot Water Supply

41 – Collection, Purification and Distribution of Water

In the course of the case-study, we followed a dual logic in respect of sector demarcation. As statistical data were not always available on sub-sector 40.1, the narrow focus of the paper, we occasionally had to present the whole of NACE sub-sector No. 40 in the quantitative analysis. The interviews were, however, carried out in sub-sector No 40.1 proper.

## 2. The national characteristics of the sector

### 2.1. Importance of the sector within the national economy: a strategic industry undergoing structural change

According to data from 2003, the energy sector's share of GDP was 6%. These data are higher than the European average, which at that time stood at 3.5%<sup>46</sup>. The development of the energy market has been fundamentally affected by the economic transformation that followed the social and political changes in Hungary in the late 1980s. Firstly, on the one hand, with a 20–25% fall in GDP following the rationalisation of energy-dependent industries, the economy's demand for energy showed a parallel decrease, and as a result, the energy sector's contribution to the GDP, which was still above 8% in 1991, also fell. Secondly, compared with European trends, the proportion of industries producing low added value is still higher in the total of the national economy, and the energy consumption needed to produce a unit of GDP therefore exceeds the OECD average by 50%: "There has been a fundamental change in the relationship between economic growth and energy consumption: the economy can grow alongside decreasing energy consumption, the reason for this being partly the structural change of the industry, and partly the fact that the energy consumption in several activities such as services and commerce is not linked to the added value produced in a given sector"<sup>47</sup>. Thirdly, per capita energy consumption remains well below the European and OECD averages.

**Table 1. Gross output and sales in the electricity sector at current prices, in 2003 (million HUF)**

	2003			
	Gross output	Sales		
		Total	Domestic	Export
Production & Distribution of Electricity (NACE 40.1)	674,920	672,909	663,131	9,779
Manufacture of Gas, Distribution of gaseous fuels through mains (NACE 40.2)	440,883	440,909	439,568	1,341
Steam and Hot Water Supply (NACE 40.3)	126,623	126,531	126,531	None

46 Cf. Dr Hegedűs, 2003, p47.

47 Idem. p 44.

Electricity, Gas, Steam and Hot Water Supply (NACE 40)	1,242,426	1,240,349	1,229,229	11,120
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Source: KSH 2004(a), p 82.

As the above table shows, the sector's productivity largely covers the energy demand of the national economy, and the proportion of export and import is negligible. However, due to the country's geography, the sector's import-dependency in the area of energy sources is well above the European average: on the one hand, this brings about a considerable risk in maintaining the security of supply in the long run; on the other, it decreases the profitability of export<sup>48</sup>. In addition to the Hungarian economy's wasteful practices of energy consumption, a further problem lies in the fact that self-consumption energy use within the energy sector together with network losses exceeded the whole of energy production in 2000 by 30%. According to experts, this area has the greatest potential for saving. As we have already pointed out, there were significant changes in the structure of energy consumption in Hungary between 1990 and 2000: in each of the two largest consumer sectors (i.e. the industrial and household sectors), energy demand decreased while consumption in the transport and tertiary sectors increased slightly. Consumption in agriculture, itself a sector marked by insignificant energy demand, fell away further still during the 1990s.

## 2.2. Role of the sector in employment, the composition of the work force and wage levels: the high road of development – a high proportion of skilled workers, high wages, but an ageing workforce

In 2003, 0.6% (around 25,000 people) of those employed in the national economy worked in the production and distribution of electricity sub-sector (NACE 40.1), while 1.0% of them (about 39,000 people) worked in the electricity, gas, steam and hot water supply sub-sector (NACE code 40). The most important feature of the composition of the workforce is the high proportion of white-collar employees: in the production and distribution of electricity sub-sector, almost 43% of employees are on white-collar grades; there are only about 22% in industrial companies.

**Table 2. Total average wages in the sub-sector 2002 and 2003**

Sub-sector	Total (gross) income (HUF)	
	2002	2003
Production & Distribution of Electricity (NACE 40.1)	189,177	211,240
Manufacture of Gas, Distribution of gaseous fuels through mains (NACE 40.2)	175,630	194,353
Steam and Hot Water Supply (NACE 40.3)	141,685	157,653
Electricity, Gas, Steam and Hot Water Supply (NACE 40)	178,332	198,854
<b>National economy average</b>	<b>122,453</b>	<b>137,187</b>

Sources: KSH 2004(a), Munkaerőpiaci Tükör 2004

Table 2 shows how average wages everywhere in the sector are higher than the national economy average. There are several reasons for this: firstly, continuous shift and emergency duty, which push wages up sharply, are typical in the sector; secondly, interviewees report that the proportion of employees with higher education degrees in the sector is relatively high - according to a trade union leader, they account for about 20% of the workforce. Because of these characteristics to be found within the sector, the differences between the wages of blue-collar and white-collar workers are lower than the industry average: in the Production and Distribution of Electricity Sector (NACE 40.1), the wages of the blue-collar employees are 63% that of white-collar workers, and 43% of the industry average. It is important to note that miners are also employed in the sector in nearby pits that were organisationally attached to some power plants in 1994. Their numbers continue to fall,

<sup>48</sup> The structure of the energy structure underwent change in such a way that the proportion of imports increased dynamically: in 1960, 25.6%, in 1980 51.8% of the energy resources originated from abroad, this proportion rose to 62.6% by 2002" (ib. id. p. 43).

but from the point of view of social dialogue, it is important to remember that they have a separate miners' trade union; it naturally takes part in collective bargaining. According to the latest report from the KSH (Hungarian Central Statistical Office), average wages in the electricity industry are the third highest among national economy industries, behind the finance and chemical industry sectors <sup>49</sup>. It is unfortunate that there are no data available with respect to the education, gender and age distribution of those employed in the sector. According to expert estimates, the proportion of those with a higher education degree in sector NACE code No 40.1 stands at approximately 25%, those with a secondary school degree, 50%, and the remaining 10% have lower qualifications. As far as distribution based on sex is concerned, it is not surprising (according to estimates) that women account for only 20%; they are also typically employed in administrative jobs. The composition by age has been significantly influenced by the large number of layoffs that have taken place in the last decade and a half : this will be addressed in more detail in the next section. Because of the "hiring freeze" and the large number of layoffs over a long period of time, the composition of employees by age is dominated by older workers. The share of the underground economy in the sector is negligible (i.e. 0%).

### **2.3 Ownership structure, privatisation and market structure: how to survive a deep restructuring**

The most important change in the electricity industry in the last decade and a half has been privatisation: it not only brought about basic changes in the ownership structure, but also fundamentally affected both the average size of companies in the sector and the institutional framework of social dialogue. Until the early 1990s, companies in the sector came together in a state-owned company grouping in the form of a trust, which they transformed into a system of joint-stock companies in 1991. 1994 saw the birth of new electricity legislation, and privatisation of the companies in the sector got the green light. The scope of the privatisation exercise included six electricity suppliers that covered the whole of the Hungarian electricity supplier market. The overwhelming majority of power plants were also privatised <sup>50</sup>. Most investors were companies operating in EU member states (two German companies, one French company and a Belgian one), but there were also companies from abroad. In addition, the state hung onto companies that either play an outstanding role in regulating the sector or have strategic significance: they include the country's only nuclear power plant at Paks, and the whole of the basic high-voltage network. The privatisation process ended by 1996, but changes affecting companies were still taking place, as the management in companies, now in private hands, started to reorganise working arrangements in order to increase efficiency. Efficiency was particularly important as far as employment was concerned, partly because it triggered a whole wave of outsourcing of individual activities, and partly because it meant a drastic decrease in the number of employers. Outsourcing came in a variety of forms: sometimes, the joint-stock companies are the exclusive owners of the companies to whom work is outsourced, but there are also limited liability companies where the owner is not directly the joint-stock company but (as may be the case with multinational companies) it is one of the service-type subsidiaries of the mother company, which has also set up in the country and where various services have been outsourced. By law, the Hungarian company is no longer the owner at this stage. Otherwise, it can also happen that a joint-stock company and an additional company are the owners, or that the link between the limited liability company and the joint-stock company ceases completely. There are also differences between individual forms of outsourcing. These depend on the nature of the relationship between the mother company and the outsourced subsidiary and whether the newly set-up company still only serves the mother company, or whether they extend their original activities together with one or more new companies. All this is of crucial importance in the development of social dialogue practice partly because, with the outsourcing of certain activities (at corporate level) some workers may fall outside the scope of the collective agreement, and partly because it is questionable whether the outsourced company can still be regarded as part of the sector (e.g. if it also opens its service activity to other markets) and therefore whether the sector collective agreement still applies to it. Nevertheless, the sector trade union association has also tried to conclude a collective agreement for employees of these companies; it also wishes to keep these outsourced companies within the scope of the sector collective agreement.

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<sup>49</sup> KSH (2004b), p 19.

<sup>50</sup> Only the Paks Atomic Power Plant and some smaller, unprofitable plants remained in state hands.

In part due to outsourcing, and in part due to other measures introduced to increase efficiency, the number of employees in the sector has dramatically decreased: in 1991, there were still 50,000 people working in the sector, but their number has now fallen below 25,000. Layoffs and related trade union strategies will be discussed in detail later on.

As for the size of the structure of the Electricity, Gas, Steam and Hot Water Supply sector (NACE 40) companies significantly differ from the national economy average, since in addition to the dominance of micro-companies, there are a great number of medium-sized and large companies: this obviously has a favourable effect on social dialogue since these companies often have a so-called norm-setting role whereby they serve as a model for smaller companies.

**Table 3: The size structure of companies in the Electricity, Gas, Steam and Hot Water Supply sector (NACE 40) and in the industry as a whole (NACE C, D, E)**

Branch	0-9 <sup>51</sup>	10-49	50-249	More than 250	Total
	People (%)				
Electricity, Gas, Steam and Hot Water Supply (NACE 40)	59.3	17.6	13.5	9.5	100 (N=327)
Industry (sector C, D, E)	65.8	24.0	7.9	2.3	100 (N=25,821)

Source: KSH (2004a), p. 51.

To summarise the discussion so far, we may say that medium-sized and large multinational companies typically play a decisive role in the sector (even if the number of micro- and small companies is dominant, their relative weight compared to the whole industry sector is low), and the proportion of state ownership in certain strategic companies is still significant. There are also Hungarian and foreign-owned micro-companies (there are very few of them) that were established through outsourcing following the privatisation era.

### **3. Renewal of the Tripartite Collective Bargaining System in the sector: the Case of Managing the Privatisation Process**

There are three trade union organisations and one employers' association in the electricity sector. The most important trade union is the Trade Union Association of Electricity Industry Workers (VDSZSZ), which won 60–70% of the votes at the most recent Works Council elections (which were held in 2004 and the votes have therefore not been counted yet – the data are the VDSZSZ President's estimates). The second most important trade union is the Trade Union of Mine Industry Workers, which, as we have already described, organises the miners in the sector and which, according to the estimates referred to above, might reach 20–25%. The third largest trade union is the Liga Electricity and Heat Energy Industry Trade Union (Liga VHSZ), which is a member of the trade union confederation of Liga trade unions, and is expected to win 5–10% of votes at Works Council elections<sup>52</sup>. The relationship of the three trade unions may be described as harmonious. This is because they are not in competition with each other; cooperation between them is also strengthened by the fact that the three associations have been participating, usually together, in sector negotiations for over ten years, and they therefore have good personal relations as well. The logic of the way that trade union confederations in Hungary are structured does not fully reflect the sector structure, and as a result, all three trade unions in the sector belong to different trade union confederations. To eradicate the problems arising from this, VDSZSZ, the Trade Union of Mine and Energy Industry Workers, the MOL Chemicals Trade Union (MOL is the only Hungarian firm operating in the oil industry) and the Hungarian Oil and Gas Industry Miners' Trade Union established the Hungarian Association of Energy Industry Trade Unions in June 2003. In the statement published by the trade union association, they say that “[the association's] aim and task , in addition to adopting a

<sup>51</sup> Including institutions with unknown staff number.

<sup>52</sup> In the Hungarian labour relations system (LRS), the representativeness of trade unions is measured by the results they achieve at Works Council elections. For a short description of the Hungarian LRS and of the functions of works councils see Annex 1!

common viewpoint, shall be to act on behalf of employees in mining, the oil industry and the electricity industry, and in issues affecting employees of the companies linked to them"<sup>53</sup>.

In sector collective bargaining, the employers are represented by an employers' association, the Employers' Association of Electricity Industry Companies. According to the its President , the Association covers about 80% of employers. There are other employers' associations in the sector, but they do not qualify as representative, that is to say they cannot participate in sector collective bargaining, but operate in the field of professionally-related interest representation instead. Generally speaking, the recognition system does not cause serious problems in the sector as there are only three trade unions and one employers' association. In the electricity sector, the social partners have no formal reciprocal recognition system. In 2004, the social partners agreed at national level to implement new measures designed to make the representativeness of the social partners in all sectors transparent and measurable. However, the law defines some preconditions for the social partners, which have to be fulfilled if organisations want to be able to participate in collective bargaining at sector level. In fact, as there has been high quality collective bargaining in the electricity sector for more than ten years, reciprocal recognition is based mainly on tradition and on the shared experience of that time.

In the Hungarian system of labour relations, tripartite dialogue is only organised at national level; national interest representation organisations are not organised according to the logic of the sector, either on the employers' side or on that of the employees, and they therefore do not represent sector interests in tripartite collective bargaining either. This, however, is only partly true of the electricity industry as the trade unions succeeded in having a clause in the electricity industry law setting up a general consultation body that acts in a tripartite way: its participants are the interest representation associations of the employers and the employees, together with the Minister of the Economy. This body was operated by the government in power between 1998 and 2002, but not by the current one. Tripartite agreements are also reached on decisive processes affecting the sector, such as legislative changes affecting it.

The most important of the tripartite agreements was the tripartite collective agreement that began to operate at the start of the privatisation process; significant results were achieved by the parties. Negotiations began after the government decree on privatisation of the sector was promulgated in 1994. By then, all three parties had gained enough experience in the privatisation practice of the post-socialist era, in guarantees (given but not complied with) concerning employment, and in other pitfalls. For this reason, the trade union tried to reach prior agreement on certain issues, and these agreements were subsequently inserted in privatisation contracts. The agreement<sup>54</sup> was reached between the State Property Agency (ÁV Rt.), Hungarian Power Companies Ltd (MVM Rt.) and the representative trade unions of the sector (the Trade Union Association of Electricity Industry Workers and the Trade Union of Mine Industry Workers) on 14 November 1994. Under an extended sector collective agreement operating in the sector at the time, specifically one of the basic conditions that the parties agreed on was that the privatisation agreement must contain a clause whereby the employer promises to comply with the sector collective agreement. Under the other guarantee element, which has also been included in privatisation contracts, the owner as employer remains a member of the employers' association: this ensures that the practice of sector dialogue is retained. Because of over-employment during the state socialist era, layoffs have seemed inevitable, and the negotiating parties have accordingly concentrated on mitigating the resulting damage, and have set up an employment fund (the Electricity Industry Employment Fund), which is still operative today. As a result of the tripartite negotiations, the parties agreed that ÁV Rt. (one of whose tasks was to lead the privatisation process) should give 5% of privatisation income to the employment fund, with the proviso that the sum was to support employees that had to leave the sector, and no others. The most important forms of support include unemployment benefit supplement, training support and relocation support<sup>55</sup>. The fund has been operating since 1995, and has spent around 10 billion HUFs on such purposes; according to the trade union leader, this is unparalleled in Europe. In collective bargaining during privatisation, the trade union relied heavily on its significant international relations (for example, the President of the sector trade union was simultaneously Vice-President of the union's sector trade union

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<sup>53</sup> FigyelőNet: *Energiapari szakszervezeti szövetség alakult*, 16 June 2003.

<sup>54</sup> "Agreement on the human political issues of the government decree 'The future structure and privatisation of the electricity industry'".

<sup>55</sup> In cases where employees' are laid off somewhere else in the country.

association). Therefore, outside the privatisation experience in Hungary, the trade union mainly followed the model of Swedish ship industry layoffs; the fund referred to above is also a product of this, having been adapted to Hungarian conditions by employers and state organisations responsible for privatisation. It is also as a result of these international experiences that several hundred trade union officials have taken part in training sessions in Western Europe during the last few years, and especially in Italy, France, and Germany. There is no intention on the part of the social partners to make bipartite social dialogue tripartite.

#### **4. Bipartite Social Dialogue in the Sector : a strong tradition of meso (sector) level collective bargaining**

Collective bargaining takes place at two levels in the electricity industry sector: corporate and sector. In the latter, there are long traditions of bipartite social dialogue, and therefore this level is more developed. It follows that at corporate-level collective bargaining, sector-level collective agreements are again the authoritative documents: at corporate level, it is only possible to deviate in favour of the employee. According to one of our interviewees, there is a noticeable shift, at the present time, towards a mutual relationship between corporate and sector collective bargaining. At one time, the tendency at sector-level was for the parties to try and define a minimum, and put it into the collective agreement; by contrast, company-level collective bargaining occasionally gave considerable bonuses to employees – although there were naturally significant differences between companies. As a result of these processes over the past five years, the parties now aim to agree on the highest bonuses possible at sector level, and rarely diverge from them at corporate level. The background to this is the fact that trade unions can exert greater influence on employers at sector level and, by extending the sector collective agreement<sup>56</sup>, they can make its achievements accessible to employees whose workplace has a weak trade union or none at all. This tendency, together with the extension of sector-level collective agreements, devalues the importance of company-level collective bargaining, but we have no reliable data on the coverage rate of company-level collective agreements (it is estimated to be above 95%) or on the number of the company-level collective agreements. However, in 2002, 39,093 salaried workers (i.e. 96.7% of the workforce) were covered by such agreements. One of our interviewees reported that nearly all companies have a collective agreement whose content rarely digresses from that of the sector-level agreement.

The employers, on the other hand, are interested because it enables them to regulate competition for employees. It is more profitable for them that way. Labour relations at both levels are therefore more developed than the national average, and there are neither obligations nor obstacles in respect of the development of, or participation in, sector collective bargaining.

The organisational morphology of the sector also favours developed social dialogue, as the larger companies are relatively more important than those in other economic sectors. This favours high-quality organisation. On the other hand, the interviewees felt that there is a kind of professional and work culture in the sector, which also favours the development of relationship systems that are fundamentally based on cooperation. This is also very evident in the various organisational indices.

**Table 5: The distribution of employees based on organisation (%)**

Branch	In operation at the work place		Trade union members	Valid collective agreement in existence	Total number of answers
	Trade union	Works Council			
Electricity, Gas and Water Supply (E)	60.5	43.1	31.5	47.8	60,284
Average for the national economy	33.0	22.30	16.9	25.2	3,246,662

Source: KSH (2004c), p 15.

<sup>56</sup> "When multi-employer collective agreements are concluded by representative trade unions and employers' associations, they can be extended across the sector by the Minister of Labour, at the request of signatory parties" Héthy, idem, p 21.

The relationship between the trade unions and employer-interest representation may be described as balanced. As they now have more than ten years of experience in sector collective bargaining, they also know and respect one another. Their relationship is not conflict free, of course. The fact that there is a greater propensity to take industrial action in the electricity industry than anywhere else is evidence of this, but both sides are pleased with each other's preparedness and willingness to negotiate. One of the indices of success in sector social dialogue is that although notice has been given of strike action on several occasions, the strikes themselves have always been called off.

As can be seen from the discussion above, social dialogue is intensive, and there is a long history of it at sector level. However, it is not always clear in the Hungarian system of social dialogue why the parties (and especially the employers) find it worthwhile to keep going. We accordingly asked about this during the interviews. The main reason why the employers' association continues with dialogue in the sector is its legal duty; we have partly mentioned the second reason, which is that the relatively few and easily identifiable competitors are not interested in initiating unregulated competition to attract employees. The background motive is that even with the relative development of the system of wages and bonuses, it is still not easy to retain skilled staff. In a very small number of jobs (in the past, they have included ones where qualifications in economics were necessary; today they include jobs where technical qualifications are needed) there is something of a draining effect coming from member states of the Union and other sectors that are hard to compete with. The third and last reason why employers hang onto sector dialogue is that by extending sector collective agreements, they can regulate the behaviour of newcomers to the market and ensure that these new players, too, bear the same social and wage costs as the longer-standing ones, thus making it even more expensive for them to enter the market.

Following this dialogue, the negotiating partners conclude collective agreements in the sector, and so-called sector wage agreements, part of which consists of a social agreement, dealing with issues such as holidays, the discount price of company shares available to employees, and keeping on the company's rented apartments. They also operate a so-called "social net" which consists of a sector pension fund, a sector health fund, and a sector benefit fund (which is what "inherited" the employment fund that was established on the basis of 5% of the privatisation income). On top of all this, there is a trade union fund that supports the victims of work-related illnesses and accidents.

As we have already described, the VTMSZ signs the sector collective agreement and the sector wage agreement on behalf of the employers; it is signed by the three trade unions (VDSZSZ, BDSZ and the Liga VHSZ) for the workers. These collective agreements have been extended to the whole sector: when multi-employer collective agreements have been concluded by representative trade unions and employers' associations, they can be extended across the sector by the Minister of Labour at the request of signatory parties. In this way, all enterprises and all salaried workers are covered by a collective agreement. The core material of the collective agreement was accepted by the labour partners in 1995. The agreement regulates both content-related (e.g., wages, working conditions, working hours, and social and welfare benefits) and procedural issues (e.g., the steps followed when terminating the collective agreement, the principles of the wage and social policy, and the order of its procedures), and also regulate the relationship between sector and corporate collective agreements, the order of the cooperation of the parties and, of course, strikes. The partners have concluded a collective agreement every year since 1995. The core material above has remained unchanged since then, and the agreements have separately regulated only the amount of average gross wage adjustment and the sector minimal wage (and the means of increasing it), the extent of the increase of per capita welfare costs, and questions relating to working hours and holidays. The extent of wage adjustment is usually linked to the amount of expected annual inflation. Provisions are also made in case inflation rises more than anticipated. The amount of the increase in the minimum wage usually depends on educational qualifications. A sector collective agreement is therefore concluded every year, and both sides jointly call on the Minister of Economics to extend it to all other employers and employees in the sector. Under Hungarian labour law, the Minister is not allowed to consider the matter if both sides ask for the extension; he simply has to do it, and that is why the sector collective agreement includes all employees in the sector, even those whose workplaces have no trade union or the employer is not represented in sector social dialogue. This is an additional motivation for the employers to participate.

One of the most important changes in the system of the Hungarian labour relations has been the mandatory establishment of sector dialogue committees. All of those interviewed said that because there have been balanced and well developed labour

relations in the electricity sector for ten years, the establishment of sector dialogue committees will not bring about any significant changes. In addition to this, the trade unions have important relations with foreign bodies; this pushes them towards maintaining intensive dialogue. The employers' association does not have such relations and, as our interviewee said, they do not consciously aim to create any.

### **5. Company-level social dialogue: the pattern-setting role of sector collective agreements**

We have already described the relationship between sector- and corporate-level collective agreements several times. It is a basic principle that it is only possible to deviate from the measures of corporate-level agreements in favour of the employee, but this is not typical of current practice since the employers also provide employees with high-quality support at sector level. The operation of the sector collective agreement is being continuously monitored by the trade union, and if necessary, it presents a debated issue before the court (although the sector trade union discusses the matter with the employer beforehand), but this is not typical: both sides confirm that companies usually keep to the regulations set out in sector collective agreements. This demonstrates quite clearly that the trade union model in the electricity industry has been relying on the high-standard sector collective bargaining system for a long time.

### **Description of employers' and workers' organisations active in the sector (brief report for each organisation)<sup>57</sup>**

#### **5.1. Worker's organisations**

Three trade unions play significant roles in sector level collective bargaining.

#### **Villamosipari Dolgozók Szakszervezeti Szövetsége, (VDSZSZ)** (Trade Union Association of Electricity Industry Workers)

Sub sector: 40.1 – Production and Distribution of Electricity. The VDSZSZ is the largest and oldest trade union in the sub-sector with approximately 65% of all trade union members in the sub-sector. The VDSZSZ is an association of independent trade unions that are independent legal entities and can freely join the association by paying the membership fee. The trade union has no paid employees, but has staff who work for it on a voluntary basis. The Alliance was set up in 1990, its members having belonged to the Vasas (another trade union association, and one that still exists) before that. The Association is a member of the EU-level sector alliance of trade unions. Officials, the trade union committee and its President at company level are elected every four years. The main decision-making body is the Congress: officials are elected at these meetings of Congress, the last one having been held in 2004. Congress is also empowered to elect the President and to amend the rules. The Presidency reports on its work every four years. VDSZSZ president Reszo Gal is a vice-president of EPSU energy committee (standing committee on public utilities) and a member of the EPSU Executive Committee. The union's members are mainly blue-collar workers. At international level, the VDSZSZ is a member of the EMCEF (European Mine, Chemical and Energy Workers' Federation, [www.emcef.org](http://www.emcef.org)), EPSU (European Federation of Public Service Unions', <http://www.epsu.org/>) and PSI (Public Services International, <http://www.world-psi.org/>); at national level, it belongs to the Federation of Autonomous Trade Unions ([www.aszsz.hu](http://www.aszsz.hu)).

#### **Bánya- és Energiaipari Dolgozók Szakszervezete-, (BDSZ)** (The Mining and Energy Workers' Trade Union) Sub sector:

40.1 – Production and Distribution of Electricity. The Mining and Energy Workers' Trade Union was founded in 1918. Membership has been falling over the last 20 years as a result of the closure of several mines; there are now 6000 members, two thirds of whom (approximately 4000 workers) work in the electricity sector. The trade union's activities are funded out of members' contributions. The main decision-making body in the organisational structure is Congress, which meets every four years. Congress approves the union's Constitution and work programme, and elects officers for the following four years. Between Congresses, the main decision-making body is the National Council, which meets at least every three months. Operational tasks are managed by the Management Board. As a trade union, the BDSZ is empowered to sign collective agreements at both sector and enterprise level. In the electricity sector, the social partners (including the BDSZ) sign sector collective agreements every year. We have no reliable data on the number of enterprise-level collective agreements signed by the BDSZ. All of the BDSZ's members are miners: there is no distinction between different members, and they all have to

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<sup>57</sup> In this part we haven taken into consideration only the dominant workers' organisations operating in the sector.

accept the BDSZ Constitution and pay their contributions. The BDSZ is a member of the National Confederation of Hungarian Trade Unions (Magyar Szakszervezetek Országos Szövetsége), Hungary's largest trade union confederation, and through it, is represented in national tripartite social dialogue. At international level, the BDSZ is a member of the ICEM and the EMCEF.

**LIGA Villamosenergia és Hőenergia-ipari Szakszervezetek (Liga VHSZ)**, English name: Liga Electricity and Heat Energy Industry Trade Union: Sub sector: 40.1 – Production and Distribution of Electricity. Liga VHSZ was founded in 1990. The trade union has 1200 members, all of them work in the electricity sector. The budget of the trade union is financed by membership fees. The primary decision-making body in the organisational structure is the congress, which meets every four years. The congress approves the constitution and the programme of the trade union, and elects the officers for the next four years. Between two congresses, the main decision-making body is the Federal Council of trade unions. The Liga VHSZ, as a trade union, has the right to sign a collective agreement at both sector and enterprise level. In the electricity sector the social partners – and among them, the Liga VHSZ – sign a sector collective agreement each year. At enterprise level, Liga VHSZ signs 8-10 collective agreements each year. The members of the Liga VHSZ are exclusively miners. There is no distinction between different memberships, members have to accept the constitution of the trade union and have to pay a subscription. Liga VHSZ, as a trade union confederation, is not a member of the Liga Confederation because of some historical circumstances, namely: the member organisations of the Liga VHSZ first joined Liga Szakszervezetek (Liga Trade Unions) which is a trade union confederation at national level. After being members in the same trade union confederation, they founded their confederation at sector level, which is the Liga VHSZ. In order to avoid the problem of double membership, officially Liga VHSZ is not a member of the national confederation (Liga Szakszervezetek). At international level, Liga VHSZ is member of ICFTU

#### Trade Unions

Organisation		Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations*		International affiliations*	
Original name	English name	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Villamosenergia-ipari Dolgozók Szakszervezeti Szövetsége	Trade Union Association of Electricity Industry Workers	Blue collar workers, technicians employed mainly in power plants	14000	14000	23.1	yes	yes	Autonóm Szakszervezetek Szövetsége (Federation of Autonomous Trade Unions)	no	EMCEF, EPSU, PSI	ND	ND	No
LIGA Villamosenergia és Hőenergia-ipari Szakszervezetek	Liga Electricity and Heat Energy Industry Trade Union	Blue collar workers	1200	1200	2.0	yes	yes	Liga Szakszervezetek (Liga Trade Unions)	No	No	No	No	No
Bánya- és Energia-ipari Dolgozók Szakszervezete	Mining and Energy Workers' Union	Blue collar workers, miners	6000	4000	6.6	yes	Yes	Magyar Szakszervezetek Országos Szövetsége (National Confederation of Hungarian Trade Unions)	No	EMCEF	No	No	No

## 5.2. Employers' organisations

**Villamosenergia-ipari Munkaadók Szövetsége (VMSZ)** (Employers' Association of the Electricity Industry Companies). Sub-sector: 40.1 – Production and Distribution of Electricity The VMSZ was founded in 1993 by the largest enterprises operating in sub-sector 40.1. It has no paid employees: all staff work on a voluntary basis.

The Association's coverage is currently around 80%. The main reason why it continues to conduct high-level sector bargaining is the legal obligation to do so; the second most important reason is that through collective bargaining it is able to effectively regulate competition for the available skilled manpower; the third reason is that it can also set the rules for newcomers, and thereby ensure the existence of a high-level welfare institution. The Association is not represented on the Interest Reconciliation Committee at national level, and nor is it represented at European level: this is for strategic reasons, namely that, over and above the legal obligation, the Association is not really interested in maintaining sector social dialogue. The Association's other aim is to represent the sub-sector's operators' professional interests. The first sector collective agreement was signed in 1993. The Association has a good relationship with the association of trade unions.

### Employers' organisations

Organisation		Sub-sectors covered	Companies	SW	Density Companies	Density SW	T	CB	National affiliations		European affiliations*		International affiliations*	
Original name	English name		number	number	%	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Villamosenergia-ipari Munkaadók Szövetsége	Employer Association of Electricity Industry Companies	40.1 Production and Distribution of Electricity	ND	ND	80	ND	no	yes	no	no	no	no	no	No

# LATVIA

## 1. Description of the sector

### Delimitation of the sector

In Latvia, Latvenergo is the monopoly supplier in the power transmission and distribution branches of the electricity sector. At present, electricity generation in Latvia is undertaken by hydro power plants (HPPs) and combined heat and power plants (CHPs). HPPs produce cheap energy while CHPs generate electricity as a heat by-product. In 2002, Latvenergo supplied around 93% of the total electricity generated in Latvia (3,672 GWh); while small CHP facilities, small hydro plants and wind turbines produced the rest. The quantity of electricity produced by small companies is so negligible, that Latvenergo can be considered as the only company in the industry producing electricity. Latvenergo is also the only company transmitting and distributing electricity. Moreover, the Energy Law of the Republic of Latvia also obliges Latvenergo to purchase the excess of electricity generated by small renewable power producers. Although the amount of electricity produced by small HPP and wind turbines is still relatively low (0.32% and 0.07% respectively), this area is developing rather fast and electricity generated by these systems should increase threefold over the next three years.

The Central Statistical Bureau of Latvia often treats electricity, gas and water supply as a single sector, therefore, the figures given often refer to these three sectors together.

### Socio-economic features of the sector

#### *The market*

The volume of electricity generated by Latvenergo covers 58% of the total demand for electricity in Latvia. To ensure the supply of electricity to households and industries, Latvenergo buys electricity from small independent HPPs and CHPs in Latvia, but also imports electricity from neighbouring countries (Estonia, Lithuania and Russia). In the annual electricity balance, Latvia is a net importer of electricity. In 2000, Latvia, Estonia and Lithuania created a Common Baltic Electricity Market (CBEM) in order to obtain the benefits from a mutual co-operation. In February 2001, the Baltic States also signed a multilateral technical agreement with Russia and Belarus on the parallel operations in their power systems.

The sector covered by electricity, gas and water supply has produced a rather stable share of Latvian output, with a percentage share of GDP of around 5% over the last 8 years.

#### *Employment*

In 2002, the sector covered by electricity, gas and water supply employed 2.2% of the working population, i.e. 22,000 people. On the 1<sup>st</sup> January 2003, Latvenergo employed 6,547 people, of which 5,500 were in electricity generation, transformation and distribution (no information on the classification of employees is available).

#### *Developments*

The Energy Law of the Republic of Latvia came into force in 1998 with the aim to transpose and implement the EU Directive 96/92/EC<sup>58</sup>. An independent Public Services Regulation Council (including energy supply) has been set up under the auspices of the Ministry of Economy. In September 2000, the Latvian Parliament (*Saeima*) complemented Energy Law with an article stating that Latvenergo assets are strategically important objects owned by the state. They cannot be either assigned to third parties or used as a pledge. Latvenergo was excluded from the register of companies to be privatised.

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<sup>58</sup> Directive 96/92/EC of the European Parliament and of the Council of 19 December 1996 concerning common rules for the internal market in electricity.

## **2. Social dialogue in the sector**

Social dialogue in the Latvian electricity sector is unique, in comparison with other sectors, because of the structure of the sector. The Latvian Trade Union Enerģija represents the side of employees. There is no social organisation representing employers since Latvenergo, the state joint stock company, is the virtually the only producer and, at present is the only distributor of electricity in Latvia.

### **Tripartite social concertation**

There is no tripartite concertation in the sector of electricity production, transmission and distribution.

### **Bipartite social dialogue**

#### ***General features***

Bipartite negotiations in the sector take place only at the enterprise level, between the trade union LTU Enerģija and Latvenergo. However, since Latvenergo produces more than 90% of electricity generated in Latvia, the LTU Enerģija and Latvenergo have agreed that all agreements concluded between them apply to the whole sector and should also cover small electricity producers. Therefore, it can be said that the social dialogue conducted at enterprise level also covers the whole industry.

#### ***Collective agreements***

The main document that regulates the relationship between LTU Enerģija and Latvenergo is the General Agreement signed in 2002. This agreement covers the employment conditions of all Latvenergo employees, mainly relating to social issues that are not covered by the Labour Law of the Republic of Latvia.

The main areas covered by this General Agreement are:

- Insurance for all workers
- Special rules for vacation payments
- Partly or fully covered study expenses of employees
- Special programmes for invalids and elderly former workers
- Procedures that need to be followed before decreasing the number of employees
- Latvenergo payment of 5% of every worker's monthly salary to the First Closed Pension Fund. The fund is open only to workers from Latvenergo and Lattelekom (the main fixed line telephone operator).

This General Agreement covers all Latvanergo workers, but also the small producers in the industry.

#### ***Current issues discussed***

Currently, the LTU Enerģija and Latvenergo are working on the development a new work pay system. Under the new system workers will be divided into 5 categories and for each category a special social package will be designed, as well as minimum and maximum salary levels. For those workers for whom professional growth is impossible (due to very narrow specialisation), the new system provides a 10% yearly increase in salary.

## **3. Employers' organisations and trade unions**

### **Employers' organisations**

#### ***Latvenergo***

There is no employer organisation operating at sector level. Latvenergo supplied around 93% of the total electricity generated in Latvia and employs about 90% of the employees in the electricity sector. Therefore, Latvenergo is the main actor of social dialogue in the electricity sector. It is all the more true since agreements negotiated by Latvenergo also cover the rest of small electricity producers. According to Latvenergo, the company understands its role as an organisation

representing the employers' side of the industry. At the national level, it is affiliated with the Latvian Employers' Confederation (*Latvijas Darba devēju konfederācija*, LDDK). Since 2000, Latvenergo has been a full member of EURELECTRIC.

Among its various activities, the following ones may be quoted:

- Latvenergo undertakes several activities and events to ensure the development of the industry, and it is very much involved in the scientific developments in the field
- Latvenergo cooperates with Riga Technical University, the Latvian Agricultural University, the Latvian Educational Fund and Riga Technical College in order to support students who might be potential Latvenergo employees
- It participates to the evaluation of professional standards and study programmes in collaboration with the LDDK and the Centre for Professional Education (under the Ministry of Education and Science)
- It cooperates with European and international organisations in order to ensure information and experience exchange for the development of the energy market in Europe
- It has been an active member of the World Energy Council; it is a founder of the Baltic Ring Electricity Co-operation Committee (BALTREL) and it is a member of the Baltic Development Forum.

## Trade unions

### ***The Latvian Trade Union Enerģija (Latvijas Arodbiedrība "Enerģija", LAB "Enerģija")***

The Latvian Trade Union Enerģija was established in 1990 with the aim of representing the interest of its members. Currently, the LTU Enerģija has around 7,000 members employed in the following sectors: electricity production, transmission and distribution; heating; manufacturing; and building and related industries.

According to statistical data from the LTU Enerģija, 68.5% of workers in the sector (electricity production, transmission and distribution; heating; manufacturing; and building and related industries) are union members and the electricity supply industry has the largest number of members (5,500 people), all of them being employed by Latvenergo. That means that 84% of the Latvenergo employees are members of the LTU Enerģija. According to the LTU Enerģija, Latvenergo workers who are not members of the trade union typically work in administrative positions. Becoming a member of the trade union is voluntary. The membership fee is 1% of the monthly salary of each member.

The main aim of the LTU Enerģija is to provide its members with legal advice on matters connected with employment. Services offered by the trade union to its members are the following:

- legal consultation
- educational programmes in Latvia and abroad
- development of proposals for the General Agreement and participation in the negotiations with the employer
- Supervising the employment process of every single worker and manages the employment contract process
- Furthermore, the LTU Enerģija is a full member of the First Closed Pension Fund board, where it protects workers' interests

The LTU Enerģija employs 4 salaried workers, of which 3 are responsible for organisational tasks and one is a lawyer. The organisation organises an annual board meeting, in which strategies and working procedures of the union are discussed.

The LTU Enerģija is a member of the Free Trade Union Confederation of Latvia (*Latvijas Brīvo arodbiedrību savienība*, LBAS), which represents workers at the inter-sector level. At the European level, it is a member of EMCEF and EPSU, and at international level it is affiliated with the ICEM and the PSI.

The trade union has also established co-operation links with similar organisations from Lithuania, Estonia, Denmark, France, the Czech Republic and Ukraine.

## Elements relating to the organisations

### Company

Organisation	Sub-sectors covered	Companies	SW	Density Companies	Density SW	T	CB	National affiliations	European affiliations*	International affiliations*
		number	number	%	%	yes/no	yes/no			
Latvenergo	All	1	Total: 6,547, E: 5,500*	Almost 100% (as it owns the infrastructure)	90%	No	Yes	LDDK <sup>59</sup>	EURELECTRIC	

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* E: in the electricity generation, transformation and distribution

### Trade Unions

Organisation	Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations	European affiliations*	International affiliations*
	Type	Number	Number	%	yes/no	yes/no			
LBAS "Enerģija" (The Latvian Trade Union "Enerģija")	Electricity production, transmission and distribution; Heating; Manufacturing; Building related industries	7,000	5,500	~ 75%	No	Yes	LBAS <sup>60</sup>	EMCEF, EPSU	ICEM, PSI

<sup>59</sup> The Latvian Employers' Confederation (*Latvijas Darba devēju konfederācija*, LDDK).

<sup>60</sup> The Free Trade Union Confederation of Latvia (*Latvijas Brīvo arodbiedrību savienība*, LBAS),

SW: salaried workers

Density: number salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

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<sup>4</sup> Latvenergo employs 6,547 people (that is 90% of the electricity industry workers), thus the whole industry consists of approximately 7270 employees. In this case 5500 members of the LUT Enerģija represent 75% of people employed in the whole electricity industry.

# LITHUANIA

## 1. Description of the sector

### Delimitation of the sector

Concerning the delimitation of the sector, it has to be noted that the national statistics in Lithuania group electricity supply together with gas and water supply. Statistics for these three sub-sectors are not disaggregated. The electricity sector in Lithuania corresponds to the NACE classification.

### Socio-economic features of the sector

#### *The market and the companies*

The electricity sector in Lithuania represents about 4% of gross value added and 2% of the employment of the country. The sector is dominated by five large firms which employ 60% of the workers of the energy sector. Small firms are mostly engaged in construction of technical facilities. Almost all employment in the sector is within the state sector. The only significant privatisation, to date, was the distribution network of Western Lithuania (one of the two distribution firms). The Eastern distribution network is scheduled for privatisation soon. However, production and transmission are still almost entirely in state hands. Exceptions are the Kaunas electricity generating plant, which has been bought by Gazprom, there has been foreign direct investment by ABB (Finland), and a joint venture between Russian and Lithuanian capital.

#### *Companies in the energy sector*

Sub-sectors	Number of Companies	% companies without SW	% companies with < 10 SW	% Companies 10-100 SW	% companies with > 100 SW
Total of the sector	141	0	40	49	11

SW: salaried workers..

#### *Employment*

There are 25,119 salaried workers in the energy sector, of which 70% are manual workers. Workers have labour contract and generally have a higher educational level than the average of industrial workers. In the electricity sector, there are between 15,500 and 17,500 workers.

#### *Workers in the energy sector*

Sub-sectors	Number of workers	Number of SW	Number of SW/number of SW in the country (%)	Number of SW in companies <10 SW/number of SW in the sector (%)	Number of SW in companies 10-100 SW/number of SW in the sector (%)	Number of SW in companies >100 SW/number of SW in the sector (%)
Total of the sector	25,119	25,119	2	1	13	87

SW: salaried workers

Source: Smulkiu, vidutiniu ir dideliu imoniu pagrindiniai rodikliai 2001. Data only available for NACE 40: Electricity, gas, steam and hot water supply together.

#### *Developments*

The future of the industry is connected to the EU. There are plans for connecting the Lithuanian and Polish grids. The closure of the nuclear power facilities demanded by the EU means that it is unclear if Lithuania will continue to be an exporter of electricity in future. Negotiations with the EC are proceeding on delaying the closure of the second reactor. They proceed more generally within the EU to gather support for construction of a new reactor.

## 2. Social dialogue in the sector

### Tripartite social concertation

There is no tripartite concertation at the sector level. Some meetings occur when the union submits documents to both the government and parliament on issues important to it. The Association was involved in drafting new laws and consultations with the Ministry of Economy on environmental questions and privatisations of the Eastern distribution network.

### Bipartite social dialogue

#### *General features*

Collective bargaining in the electricity sector takes place at enterprise level. The sector organisations do not participate in collective bargaining. The Lithuanian Electricity Association is not granted by its members to negotiate on their behalf. The Federation of Energy Workers Trade Union has to negotiate with each firm to establish the recognition for a new local union. These enterprises unions negotiate collective agreements with employers and monitor their implementation.

#### *Collective agreements*

About 40 collective agreements have been signed in the electricity industry (collective agreements concluded since 2002, currently valid). The agreements include detailed tables on hourly and monthly wages for different classes of workers, conditions on employment and firing, working time, rest time, vacations, working conditions and agreement not to call strikes. They are valid for up to 2 years, usually one year, but can be rescinded by vote of the workers after 6 months. These agreements are signed mostly by medium-sized and large enterprises. All workers of a company are covered once a collective agreement has been concluded by their employer. About half of firms and 90% of workers are covered by collective agreements.

## 3. Employers' organisations and trade unions

### Employers' organisations

#### *The Lithuanian Electricity Association (Lietuvos energetikos sąjunga)*

The Lithuanian Electricity Association was established in 1998 by 10 members. It now has 39 member enterprises with 14,000 employees and a turnover of 3 billion LT (about 0.9 billion EUR). Most of the companies affiliated have between 50 and 100 employees. They were state owned companies, until recently. Now there has been a privatisation process in the distribution and some joint ventures with Russian and Finnish firms. Similarly, the Kaunas generator was bought by Gazprom.

The organisation does not take part in collective bargaining. It is not a part of its statute and it is not granted by its members to negotiate on their behalf. The Association has various contacts with the government through advising on new laws, consultations with the Ministry of Economy and on environmental concerns.

The Lithuanian Electricity Association is financed primarily by membership fees which depend on the member's turnover. There is also a fee required to join the association. The Association employs three salaried workers.

The association is not affiliated with higher-level organisations. However, it is a member of the World Energy Council.

### Trade unions

#### *The Lithuanian Federation of Energy and Electrical Workers Trade Unions (Lietuvos energetikos darbuotoju profesine sąjunga federacija)*

The Lithuanian Federation of Energy and Electrical Workers Trade Union was established in 1992 and covers the electricity production and distribution, heat distribution and construction associated with the energy sector. The Federation has 45 member unions. They represent 5,500 workers, of which 3,500 in the electricity sector.

The organisation prepares methodological material for its member unions' participation in collective bargaining at enterprise level. The member unions have signed 40 collective agreements at enterprise level.

The way of funding of the organisation is based only on member dues. The Federation employs three people: the president, an assistant and an accountant.

The Lithuanian Federation of Energy and Electrical Workers Trade Unions is a member of the Lithuanian Trade Union Confederation (*Lietuvos profesiniu sąjungu konfederacija*, LPSK) at national level, of EPSU and EMCEF at European level, and of ICEM and PSI at international level.

## Elements relating to the organisations

### Employers' organisations

Organisation	Sub-sectors covered	Companies	SW	Density Companies	Density SW	T	CB	National affiliations		European affiliations		International affiliations	
		number	number	%	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Lietuvos energetikos sąjunga (The Lithuanian Electricity Association)	Electricity	39	14,000	90%*	90%*	No	No	No		No		No	

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* Estimate of the organisation.

### Trade unions

Organisation	Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations		International affiliations*	
	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Lietuvos energetikos darbuotojų profesinė sąjunga federacija (The Lithuanian Federation of Energy and Electrical Workers Trade Unions)	Electricity, heat distribution, construction associated with the energy sector	5,500 (energy sector)	3,500 (electricity)	20%*	No	No**	LPSK		EPSU, EMCEF		ICEM, PSI	

SW: salaried workers

Density: number salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* Estimate of the organisation.

\*\* Its member unions negotiate at enterprise level.

# MALTA

## 1. Description of the sector

### Delimitation of the sector

The electricity sector in Malta is characterised by the monopoly of Enemalta Corporation. Enemalta Corporation was set up in 1977 and its mission statement is "to meet the energy needs and expectations of the customer in a safe, efficient and profitable manner whilst safeguarding the environment". Its board of directors is appointed by government and one of them is elected directly by the workers. The Corporation offers a broad range of services to industrial, commercial and domestic sectors in the energy field. Its services are the importation and distribution of petroleum products and liquefied petroleum gas as well as the generation and distribution of electricity to all sectors of Maltese society. The Corporation has three main divisions:

- The Electricity Division
- The Petroleum Division
- The Gas Division

The Electricity Division is responsible for production, distribution, transmission and trade of electricity for Maltese Islands.

### Socio-economic features of the sector

#### *Weight and description of the industry*

The Electricity sector contributes about 0.95 to the Gross domestic Product (National Statistics Office). All the electrical energy that is required is generated in Malta by two power stations situated on the mainland, which together have a total nominal generating capacity of 576 megawatts. As Malta has no indigenous primary energy resources, Enemalta Corporation relies entirely on imported fuels, mainly heavy fuel oil and light distillate. About 50% of the whole Maltese importation of Petroleum is burnt at the power station for the generation of electricity.

#### *Employment*

The total number of employees at Enemalta on May 2004 was 1,848 full-time workers (excluding trainees). It corresponds to about 1.4% of the total gainful employed people in Malta. Enemalta does not employ part-time workers. 1,303 workers are employed in the Electricity Division:

Section	Employees
Administration	213
Finance	91
Electricity Division	1,303
Petroleum Division	180
Gas Division	61
Trainees	28
<i>Total</i>	<i>1,876</i>

Source: Enemalta (human resources)

The Enemalta register of employees shows the following categories of workers (April 2004):

	Males	Females	Total
Managerial	23	1	24
Professional	82	6	88
Supervisory	131	-	131
Industrial	1,375	23	1,398
Clerical	111	96	207
<i>Total</i>	<i>1,722</i>	<i>126</i>	<i>1,848</i>

Source: Enemalta (human resources)

NB: Trainees are not included in this table.

### **The Malta Resources Authority**

The Malta Resources Authority (MRA) is a public corporate body. It was set up in 2000 and has regulatory functions relating to water, energy and mineral resources in the Maltese Islands. For the electricity area, it has to regulate, among others:

- the use of any equipment for the transmission of electricity, such as a generator for home or business use
- the registration and issuing of licences to electricians

### **Developments and trends**

With the accession to European Union, the Maltese electricity sector will be subject to change. The Petroleum and Gas divisions might be sold to private organisations. The Electricity Division will be subdivided into two business units, namely generation, on the one hand, and transmission and distribution on the other. Furthermore, Enemalta's monopoly over all operations in the electricity sector may be challenged. In accordance with the Electricity Directive of the European Union<sup>61</sup>, Enemalta will not retain the legal monopoly in electricity generation, and in theory, alternative generating companies might be set up.

Another stake for the electricity sector is the use of more environmental friendly power generation methods. However building another power station on the island would be controversial.

## **2. Social dialogue in the sector**

### **Tripartite social concertation**

The form of tripartite concertation that exists in the electricity sector is linked to the collective bargaining process due to intervention of the state as an actor in the public sector. Actually, the Collective Bargaining Unit (CBU)<sup>62</sup> was set up to monitor the financial aspects of the collective agreements negotiated in the enterprises or corporations which are run / owned by government. Locally, this category of enterprises which include Enemalta is referred to as parastatal. Each of the parastatal corporations or enterprises receives *ad hoc* instructions from the CBU, which serve as guidelines to be followed during the collective bargaining process. The aim is to streamline salaries and wages in these parastatal enterprises in relation to the wage policy of the government and to maintain relativity with the scales of salary governing public sector employees.

As soon as negotiations start, the management is obliged to inform the CBU of the claims being put forward by the trade union. The CBU, according to its chairperson, adopts a very vigilant stance by scrutinising every clause in the agreement that may have financial implications. If agreement is not reached about salaries or any other financial aspect, the issue may be referred to arbitration. The role of the CBU is a vigilant one and there are no agreements concluded at this level.

### **Bipartite social dialogue**

#### **Actors**

Collective bargaining is conducted at enterprise level. The main players involved in this process are the following:

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<sup>61</sup> Directive 2003/54/EC of the European Parliament and of the Council of 26 June 2003 *concerning common rules for the internal market in electricity and repealing Directive 96/92/EC*.

<sup>62</sup> The Collective Bargaining Unit (CBU) was set up officially, following a decision by the Cabinet of Ministers in 2003. Between 1987 and 2003, with a break between 1996 and 1998, most of the duties that, at present, are being handled by the CBU were handled by an official under the guidance of the Ministry of Finance. The first committee that was appointed by the Ministry of Finance when it was first set up, consisted of four officials: a chairperson, a representative of the Office of the Prime Minister (OPM), another representative of the then Ministry for Social Policy and another official represented Malta Investment Management Company Limited (MIMCOL). It does not employ any salaried staff and operates from the offices of MIMCOL. However there are two other officials who represent the CBU and assist the managements when meetings are held with the unions during the negotiation talks. Although any disapproval on its part about a clause in the collective agreement may stall negotiation it is not a signatory party to the agreement.

- The General Workers' Union (GWU) through its Chemicals, Energy and Printing Section. This section of the GWU represents all non-professional grades (from scale 20 to scale 7)<sup>63</sup> and some of the professional grades. The representative of this section in collective bargaining is the secretary of the "Chemicals, Energy and Printing Section", aided by a core group of three or five shop stewards chosen in the three branches of the enterprises.
- The Enemalta Professional Officers Union (EPOU), representing the professional grades (from scale 9 to scale 4a). This organisation is represented in collective bargaining by its president and secretary.
- The Union of United Workers (*Union Haddiema Magħqudin*, UHM) has a minority of workers as members and does not play an active part in collective bargaining.
- Enemalta Senior Staff Union is a house union, which incorporates within its fold the managers employed at Enemalta. It does not play an active part in collective bargaining but has a lobbying role.

On the employers' side, the following people take part in collective bargaining:

- Enemalta Corporation is represented by the Assistant Human Resource Manager and the Deputy Chairman

Furthermore, the CBU is represented by its chairman or a delegated official.

The Enemalta Act specifies that when the management and the CBU are in disagreement; the minister has the final say.

### **Collective agreements**

A separate collective agreement is concluded with each trade union (GWU and EPOU) covering the grades, which they represent. The collective agreement for non-professional grades is concluded by Enemalta and GWU, and the collective agreement for professional workers is signed by Enemalta and EPOU. Therefore, all workers are covered by these collective agreements.

Each of these collective agreements normally covers a period of three years. However, the last agreement concluded between GWU and Enemalta covers a period of four years (2002-2005 included). According to the GWU, this more important period would favour more stability to workers at a time when changes in the structure of the enterprise are imminent. The EPOU is also in the process of signing a four-year agreement.

The last collective agreements concluded both by the GWU and EPOU were divided into 11 articles:

- (1) General conditions which deal with problem solving procedures and duties and behaviour of employees
- (2) Employment and career progression (including probationary period, promotions, resignations and redundancies)
- (3) Working time (hours of work, time recording, absence from work, overtime working hours, reduced working hours)
- (4) Payment conditions (including rate of pay, increments, payment for overtime)
- (5) Human resource developments (training and incentive schemes)
- (6) Leave of absence (including public holidays, annual leaves, special leave, sick leave, injury leave)
- (7) Corporation property, identity card, tools, equipment
- (8) Disciplinary procedures and sanctions
- (9) Occupational health and safety (protective clothing, personal insurance against accidents)
- (10) Grievance (report and procedures)
- (11) Other items

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<sup>63</sup> The salaries of the public sector employees are governed by a salary scale from 1 to 20; the lowest grade being 20.

### **3. Employers' organisations and trade unions**

#### **Trade unions**

##### ***General Workers' Union (GWU) – Chemical, Energy and Printing Section***

The GWU has 47,254 members and represents all categories of workers in 11 sections. The Chemical, Energy and Printing Section of the GWU has 1,200 members in the energy sector. It corresponds to 65% of the workers in the energy sector. This section takes part in collective bargaining with Enemalta for non-professional grades. It is affiliated with ICEM, EMCEF, EPSU and PSI.

##### ***Enemalta Professional Officers Union (EPOU)***

The house union EPOU was set in 1991 as the professional employees of the Corporation, mainly engineers, felt that they were not adequately represented by the GWU. The EPOU participate in collective bargaining for professional employees. Since its inception, the EPOU has signed two collective agreements (1995-1997; 1998-2001). Due to a deadlock during the negotiations, the third agreement has not been signed. The number of members is 66, of which 5 are female (Registrar of Trade Unions, December 2003). The density, calculated on the basis of the professional workers (they are 88 in Enemalta), is 75% (and 3.6% is we take into account the entire sector). The only source of funding is the membership fee. The union does not employ any salaried workers. The EPOU does not have any affiliations with higher-level organisations.

##### ***Enemalta Senior Staff Union***

The Enemalta Senior Staff Union is a house union for managers and assistant managers within Enemalta. It was set up in 1999 to defend the interests of the managers who all have an individual contract. Its main aim is to redress the grievances of this group of workers within the enterprise and adjust any anomalies, which may arise in salaries as a result of the collective agreements. Its declared membership in 2003 was 17 out of 24 staff members in the managerial grades (a density of 71% and 0.9% on the basis of the entire energy sector). For funds the house union depends entirely on its membership fees. It does not take any active part in the collective bargaining process at any level. It is not affiliated to any organisation at national, international and European level.

##### ***Union of United Workers (Union Faddiema Magħqudin, UHM)***

Established in 1978, the UHM is the Malta's second largest union. It has 25,882 members in 2002 and represents all categories of workers. Its Public Entities Section has a few members working at Enemalta. The exact figure was not divulged by the organisation. It does not take part in collective bargaining in the energy sector. It is affiliated with ETUC, EUROFEDOP and WCL at European and international level.

#### **Employers' organisations**

##### ***Employers' organisations***

There is no employer organisation. Collective bargaining takes place with the Assistant Human Resource Manager and the Deputy Chairman of Enemalta.

## Elements relating to the organisations

### Company

Organisation	
Enemalta	There is no employer organisation. Collective bargaining takes place with the Assistant Human Resource Manager and the Deputy Chairman of Enemalta.

### Trade unions

NB: All the densities are calculated on the basis on the energy sector (workers of Enemalta) and are therefore broader than the electricity sector

Organisation	Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations		International affiliations*	
	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
General Workers Union - Chemical, Energy and Printing Section	Non professional grades	(GWU : 47,254)	Energy sector : 1,200	65%	No*	Yes	GWU		EMCEF, EPSU	ETUC	ICEM, PSI	ICFTU
Enemalta Professional Officers Union	Professional grades	66	66	75% of the professional workers 3.6% (entire sector)	No*	Yes	No	No	No	No	No	No
Enemalta Senior Staff Union	Managers	17	17	71% of the managers 0.9% of the entire sector	No*	No	No	No	No	No	No	No
The Union of United Workers (UHM) – Public Entities Section	All categories	(UHM: 25,882)	ND	No*	No	No	No		EUROFEDO P	ETUC		WCL

SW: salaried workers

Density: number salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* There is no tripartite concertation

# POLAND

## 1. Description of the sector

### Delimitation of the sector

The Polish electricity sector covers the NACE classification group 40.1 (production and distribution of electricity). This includes the classes 40.11 (production of electricity), 40.12 (transmission of electricity), and 40.13 (distribution and trade of electricity). However, two points must be made concerning the presentation of statistical data about this sector.

- The Polish electricity production system has been developed around a double network of power stations and thermo-electric power stations. Thermal-electric power stations are classified in the NACE group 40.1 and in group 40.3 (steam and hot water supply). The steam and hot water, which is used for urban central heating, is a by-product of the production of electricity.
- Generally, it is not always possible to obtain statistical data concerning NACE sub-categories. Therefore, some data are presented for division 40 (electricity, gas, steam and hot water supply) and for section E (electricity, gas, and water supply).

### Socio-economic features of the sector<sup>64</sup>

In 2003, the whole of section E (electricity, gas, and water supply) accounted for approximately 3.5% of the GNP. This section's share has been growing slightly for a few years. In the country's industrial production the supply of electricity, gas and water has also been increasing over recent years, from 10% in 1995 to 12% in 2002. Poland is self-sufficient in electrical power and has had a positive energy balance over recent years. The production and consumption of electricity are relatively stable. Poland almost exclusively produces its energy from coal and brown coal (lignite) (96%).

### Employment

In 2003, the electricity production and distribution sector employed, on average, 99,200 people, about 1.1% of the total employed workforce. This number is less than that of 2002 following a loss of 3.7% of the jobs in the sector between 2002 and 2003.

To characterise this employment, it can be underscored that, on September 30, 2003, for the whole of section E, 88% of jobs were in the public sector and 12% in the private sector. On December 31, 2003, for division 40, 21.7% were women and 78.3% were men. Apart from that, one can note that employees in the electricity group (40.1) had above average salaries. So, in 2003, the average gross monthly salary for personnel employed in the sector was generally 60% higher than the average salary. Within the sector, workers employed by private companies had an average salary that was 17% higher than those employed by public companies. Finally, on the subject of security, working in section E seemed to be slightly more dangerous than the average (9.17 accidents per 1,000 employees in 2003 against 8.14 for all sectors combined), but this proportion is distinctly less than that in most of the primary and secondary sectors.

### Companies

In 2003, there were 883 companies in the electricity group (40.1):

#### Companies in 2003

Sub-sectors	Number of Companies	% companies with no salaried workers	% companies with < 10 salaried workers	% Companies with 10-250 salaried workers	% companies with > 250 salaried workers
NACE 40.1	883	No data	717	105	61

<sup>64</sup> Source: Central Statistical Office

One can note a slight growth in the total number of companies between 2000 and 2004: the increase in the number of private companies has been greater than the reduction in the number of public companies.

Year	Public sector		Private sector				TOTAL
			Legal entities		Self-employed		
	A.N.	%	A.N.	%	A.N.	%	A.N.
2001	104	13.8	209	27.7	441	58.5	754
2002	106	12.7	266	31.7	466	55.6	838
2003	94	10.7	296	33.5	493	55.8	883
2004	93	10.3	313	34.7	497	55.0	903
Index*	89.4	-	149.8	-	112.7	-	119.8

A.N.: Absolute Numbers

\* Trend index for the four years: 2001=100

A breakdown of these companies according to their size shows a slow decrease in the number of companies with more than 50 workers and an increase in the number of smaller companies.

Year	0 to 9 workers	10 to 49 workers	50 to 249 workers	250 workers or more	Total
2001	No Data	-	-	-	754
2001 (%)	-	-	-	-	100
2002	666	51	56	65	838
2002 (%)	79.4	6.1	6.7	7.8	100
2003	717	52	53	61	883
2003 (%)	81.2	5.9	6.0	6.9	100
2004	735	55	53	60	903
2004 (%)	81.4	6.1	5.9	6.6	100
Index*	110.4	107.8	94.6	92.3	107.8

\* Trend index for the three years: 2002 = 100.

### Developments

Generally, one can note that a large majority of companies in the sector have experienced very significant growth in their profits between 2002 and 2004. Therefore, the electricity sector is in a comfortable financial situation even though it still in a process of transformation and privatisation which is largely uncompleted. In fact, the share capital is still essentially in public hands<sup>65</sup>.

In such a context, the intentions to privatise are still important. The employer's organisations in the sector consider that the sector is still too closed and rigid towards privatisation. The employers are counting on a consolidation of the sector and the arrival of private investors<sup>66</sup>. On the worker's side, the Engineers and Technicians Union<sup>67</sup> also sees a reinforcement and stabilisation of the sector in the current consolidation which should allow a modernisation of the production and distribution of electricity in the years to come. On the other hand, most of the other workers' organisations<sup>68</sup> are harshly critical of the current privatisation process: according to them, the current process is inducing accelerated competition (dumping) which does not take account of all the costs involved in the process of supplying electricity, government privatisation programmes are not always coherent and the few actual privatisations have deteriorated working conditions (increased workload, deteriorated security).

<sup>65</sup> Source: Monthly Journal "Nowy Przemysł" – New Companies, No 4 (72), April 2004.

<sup>66</sup> Interview with Madame Marta Goroszkiewicz, Department of Social Dialogue, Polish Confederation of Private Employers.

<sup>67</sup> Interview with Marek Solecki, President of the Energy Section of this Union.

<sup>68</sup> Source: Notably, Karzimierz Drabnik and Leszek Kasinski, President and Vice-President of the National Alliance of Trade Unions for Unceasing Work and Eugeniusz Jaroszewski, President of the Heat and Power Plant Workers' National Section - NSZZ Solidarnosc.

## 2. Social dialogue in the sector

### **Tripartite social concertation**

The tripartite consultation in Poland is based on the law of July 6, 2001 on the “Tripartite Commission for social economic affairs and commissions for social dialogue in the voivodie”. Article 11 of this law foresees that the Tripartite Commission can create several permanent or temporary working groups which are structured around specific themes or particular sectors of activity. The current permanent groups are dealing with eight sectors that are being restructured. Questions related to the electrical energy sector are dealt with by the sector working group on Energy. This group, created on the joint initiative of the government and the trade unions and employers’ organisations in the sector, has been operational since March 1998. It has met 32 times since its creation, at the rate of 5-6 times a year in recent years.

The government is represented by:

- the Vice Minister for the Economy, Employment and Social Policy,
- the Vice Minister of Finances and Public Treasury,
- the President of the Office of Energy Regulation,
- the President of the Polish Energy Network.

The workers are represented by the following sector organisations, in the name of the three confederations of unions recognised as partners in the tripartite inter-sector dialogue (the first five organisations are active in the electricity sector):

- the Association of Trade Unions of Power Industry Employees,
- the Heat and Power Plant Workers’ National Section of the trade union “Solidarnosc”,
- the Energy Workers’ National Section of the trade union “Solidarnosc”,
- the Energy Workers’ Section of the Engineers and Technicians Union,
- the National Alliance of Trade Unions for Continuous Work,
- the National Section of Brown Coal Producers of the trade union “Solidarnosc”,
- the Forum of the Brown Coal Producers Union.

As far as the employers are concerned, they are represented by the following sector organisations (the first five organisations are active in the electricity sector):

- the Federation of Polish Power Industry Employers Unions,
- the Union of Power Industry Back-up Facilities Employers,
- the Power Station Employers Union,
- the Heat and Power Plant Employers Union,
- the Power Plant Employers Union,
- the Association of Employers that are members of the ‘Brown Coal Producers Agreement’.

This sector working group considers general questions on the organisation and restructuring of the sector and proposals for modifications to the two existing sector collective agreements (see the following point). No protests have been reported about the representativeness of the organisations participating in this working group.

### **Bipartite social dialogue**

#### ***General provisions***

Polish employment law provides for the possibility of concluding collective agreements above the level of companies (sectors or branches), at the level of companies, and at the regional level. In practice, collective agreements are negotiated at the company level or higher. There is no obligation for organisations to participate in collective bargaining. Nevertheless, all organisations that are entitled to participate must be invited to do so. The representativeness of national organisations

(confederations and federations) induces the representativeness of the unions and associations of companies of which it is composed.

There is a possibility of extending the collective agreements that have been concluded at a level above companies. In practice, the Ministry of Labour does not use this extension ability in order to guarantee the autonomy of the employers' and trade unions' organisations and to avoid the imposition of costly social conditions on economically weak companies<sup>69</sup>.

#### ***At the sector level***

In the electricity sector, the organisations that are recognised for the bipartite social dialogue are, on the employer's side:

- the Federation of Polish Power Industry Employers Unions,
- the Union of Power Industry Back-up Facilities Employers<sup>70</sup>,
- the Power Stations Employers Union,
- the Heat and Power Plant Employers Union,
- the Power Plant Employers Union.

And for the organisations representing the workers:

- the Association of Trade Unions of Power Industry Employees,
- the Heat and Power Plant Workers' National Section of the Trade Union "Solidarnosc",
- the Energy Workers' National Section of the Trade Union "Solidarnosc",
- the Energy Workers' Section of the Engineers and Technicians Union,
- the National Alliance of Trade Unions for Continuous Work.

On May 13, 1993, a supra-company collective labour agreement was concluded for all the workers in the energy sector. This was registered with the Ministry of Labour on September 26, 1995. At the time this agreement was being negotiated, the State, represented by the Ministry of Commerce and the Economy, was still acting as the principal employer. In 1996, the employers' organisations being better structured and formally recognised as being interlocutors authorised to sign collective agreements, this single collective agreement was split into two. The first agreement was concluded between the five trade union organisations and three employers' associations (the Heat and Power Plant Employers Union, the Power Stations Employers Union, and the Power Plant Employers Union) while the second was concluded between the five trade union organisations and the Federation of Polish Power Industry Employers Unions and the Union of Power Industry Back-up Facilities Employers. These two collective agreements were almost identical but dealt with different groups of workers: the first one covers workers in the production and distribution of electricity and the second one covers people working in peripheral activities of back-up facilities. Since then, they have been regularly renewed with minor modifications. The principal feature of these agreements is the complementary advantage granted to workers in form of electricity supplied free of charge or at advantageous rates. Today, there is a question mark hanging over this advantage. In 2004, the Union of Power Industry Back-up Facilities Employers cancelled the collective agreement in their sub-sector because they deemed that they could not provide the same benefits as the electricity producers and distributors. Because the unions did not accept this cancellation, negotiations have been broken off. The representativeness of the organisations in this sector has not been put into question.

#### ***At the company level***

In the electricity sector, the conclusion of collective agreements at the company level is also a well established and structured practice. These agreements generally concern classical aspects of labour relations: working conditions, salaries, working hours, overtime, etc. In principle, these agreements aim to provide advantages that are superior than or specific to

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<sup>69</sup> Interview with Mr. Pawel Targonski, Ministry of the Economy, Labour and Social Policies, Social Dialogue Department.

<sup>70</sup> This acts for employers in the sub-sector that includes companies that construct, renew, repair, and service electrical installations and networks. They are professions associated with the production and distribution of electricity in the narrower sense.

what has been agreed at the sector level. These agreements are regularly renewed and or modified according to agreements between the parties.

The union delegations in companies negotiate these agreements with their employers in an autonomous manner. Therefore, as much on the trade unions' side as on the employers' side, there is little reliable information in the national organisations about the number and nature of collective agreements at the level of companies. The only precise information is that provided by the Labour Inspectorate at the Ministry of Labour<sup>71</sup>, which is the authority responsible for registering the agreements. Thus, for the year 2003, 12 collective agreements concerning 17,973 workers were signed and officially registered by the Labour Inspectorate for the whole of NACE group 40.1.

Some more detailed data allows some precisions to be made about the situation covering specifically the electricity sub-sectors:

Sub-sector	Number of agreements	Workers concerned	Workers/agreement
40.1 Production and distribution of electricity (combined)	6	4,093	682
40.10A Production of electricity	5	13,252	2,650
40.10B Distribution of electricity	1	628	628
<i>Total for the electricity sector</i>	<i>12</i>	<i>17,973</i>	<i>1,498</i>

This number of agreements is relatively weak but it only covers new agreements: most of the other companies have agreements signed in previous years and possibly modified in 2003 and so are not included in these statistics. The new agreements in 2003 normally concern large companies, in line with the nature of the sector. These collective agreements concluded at the company level in the electricity sector in 2003 and registered with the Labour Inspectorate cover 18% of the workers in the sector.

In this sector all of the company union delegations are affiliated to a branch of a nationally recognised union. There is no independent union which is autonomous of the national confederations and so there is little dispute about representativeness.

### 3. Employers' organisations and trade unions

#### Employers' organisations

Most of the organisations representing employers in the sector were created shortly after the transformation of the Polish political system (end 1991-1992), in the months that followed the publication of the law organising the employers. These groupings of employers are principally organised according to activities. In 1996, all employers' organisations were grouped in a federation of employers' organisations for the sector. This federation coordinates the other organisations and allows a greater consistency without substituting the employers' organisations.

#### ***The Federation of Polish Power Industry Employer Unions (Federacja Związków Pracodawców Energetyki Polskiej)***

This federation unites the four employers' organisations in the sector. Its objective is to protect the employers' interests versus the trade unions notably by giving training and legal assistance to employers. The federation covers the NACE group for electricity (40.1) and also the NACE class for the supply of steam and hot water (40.3). It was created on June 18, 1996.

According to the federation's data, the different associations of which it is composed unite the following organisations:

Associations	Number of member companies in 2002	Number of member companies in 2003
Power Plant Employers Union	123	110
Power Station Employers Union	22	23
Heat and Power Plant Employers Union	25	24
Union of Power Industry Back-up Facilities Employers	93	87

<sup>71</sup> Source: Interview with Mr. Zbigniew Kowalczyk, civil servant at the Ministry of Labour, Labour Inspectorate.

In an indirect manner, the Federation represents all the companies that are members of the associations of which it is composed. Its indirect representativeness could therefore be estimated as 70.7% in 2002 and 62.6 % in 2003<sup>72</sup>. Representation is very important in large companies and weaker in the smaller ones; important in the production and distribution sub-sectors and weaker in the installation maintenance sector (this is confirmed by the description of the different associations below). The total number of workers employed by the companies that are members of the unions that are in the Federation totalled 119,914 in 2002 and 99,633 in 2003 (density: 100%)<sup>73</sup>. Without being able to be more precise than these estimates, one can nevertheless consider that, in the electricity sector, the employers are largely represented, as much by the number of workers employed as by the number of companies.

The Federation participates in the social dialogue at the sector level and at the supra-company level. In its function of umbrella organisation of employers' associations, it organises and conducts negotiations with trade unions concerning the interpretation of the content of the collective agreements that have been signed. However, it does not conclude the agreements on behalf of the employers' associations. The Federation also takes part in the tripartite negotiations in the framework of the tripartite group for the energy sector.

The Federation's financial resources come exclusively from the subscriptions paid by the four associations. The Federation employs seven people full-time and two people part-time.

At the national level the Federation is a member of the Confederation of Polish Employers (*Konfederacja Pracodawców Polskich, KPP*). Indirectly, via this Confederation, the Federation is associated with the European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest (CEEP).

#### ***The Power Station Employers Union (Związek Pracodawców Elektrowni)***

This employers' organisation groups the power station employers and all other companies whose objectives are the production of electricity and thermo-electric energy. Essentially, it acts in the sub-sector of electricity production and in a subsidiary manner in the production of hot water. This organisation was created on January 7, 1992.

In 2003, the Power Station Employers Union grouped 23 companies (exclusively electricity power stations), corresponding to an estimated density of 5.9 %. These 23 companies employed about 28,000 workers in 2002 and about 27,100 workers in 2003, corresponding to an estimated density of 27.3% in 2003. The members of this Union are mainly large electricity production companies (employing more than 4,000 workers).

The Union participates in the bipartite social dialogue at the sector level and at the supra-company level and has the authority to sign collective agreements. It is the signatory party of the collective agreement which covers workers in the production of electricity. The Union also takes part in the tripartite dialogue in the framework of the tripartite group for the energy sector.

The Union is financed exclusively by subscriptions paid by the member companies.

At the national level, the Union is a member of the Confederation of Polish Employers and the Federation of Polish Power Industry Employers Unions. Through these affiliations it is indirectly associated with the International Organisation of Employers (IOE) and the CEEP.

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<sup>72</sup> The estimated density is calculated by relating the number of member companies reported by the organisation to the total number of companies in the sector reported by the Central Statistical Office and excluding those economic entities in the private sector which are thought to be mainly self-employed people, i.e. 263 companies out of 372 in 2002, and 244 companies out of 390 in 2003.

<sup>73</sup> The estimated density is calculated by relating the number of workers reported by the union (99,633) to the total number of workers reported by the Central Statistical Office (99,200). This density of 100% is explained by the fact that some workers in some companies are in the steam and hot water production sector (NACE group 40.3) and not in the electricity sector, without the possibility of operating a breakdown.

### ***The Heat and Power Plant Employers Union (Związek Pracodawców Elektrociepłowni)***

This employers' organisation is essentially active in the sub-sector of electricity production and production of hot water for central heating. The Union was created and registered in 1991. Its general objective is to protect the rights of its members and to represent its members' interests versus the trade unions, the State, and the public administrations. The organisation is working to improve the production and consumption of electrical and thermo-electrical energy, the development of production sources, the operational harmonization of the different employers, and the harmonization of members' salary policies. The Union's national office ensures an active participation in the employers' delegations, the interpretation and application of collective agreements, informing and representing the member companies, etc.

This employers' union had 25 company members in 2002 and 24 in 2003, corresponding to an estimated density of 6.1% in 2003, essentially medium and large companies. The union's member companies employed 15,700 workers in 2002 and 14,500 workers in 2003. Therefore, the union's density of workers can be estimated as being 14.6% in 2003.

The Union participates in the bilateral social dialogue at the sector level and at the supra-company level. It is authorised to sign collective working agreements. It is the signatory party of the collective agreement which cover workers in the production of electricity. Its member companies are authorised to sign collective agreements at the company level but the Union cannot give a precise number of how many agreements have been signed. The Union participates in the tripartite consultations in the sector working group for the energy sector.

The Union is financed exclusively by subscriptions paid by its company members. The Union's secretariat has five full-time workers employed by the Wyrzeze Heating Station, partially seconded for this work

At the national level the Union is a member of the Federation of Polish Power Industry Employers Unions (*Federacja Związków Pracodawców Energetyki Polskiej*) and the Confederation of Polish Employers (*Konfederacja Pracodawców Polskich*, KPP). Indirectly, through this confederation, it is associated with the IOE and the CEEP.

### ***The Power Plant Employers Union (Związek Pracodawców Zakładów Energetycznych)***

This employers' organisation essentially groups employers whose principal activity is in the distribution and supply of electricity and the co-operatives that came out of the restructuring of these sectors of activities. The Union was created and registered in 1991. The Union's area of activities is the representation, legal support, institutional reinforcement, training and defending its members' interests.

The Union groups 34 member companies, corresponding to an estimated density of 8.7%<sup>74</sup>, which employ 83,041 workers (51,612 workers in the actual distribution companies and the rest in subsidiaries that are more in the installation support sector). The density of workers can therefore be estimated as being 52%.

The Union participates in the social dialogue and is authorised to sign collective working agreements at the sector level. It is a co-signatory of two existing agreements in the sector. It participates in the tripartite discussions.

The Union is financed exclusively by subscriptions paid by its members. The Union's permanent secretariat has three salaried people.

At the national level the Union is a member of the Federation of Polish Power Industry Employers Unions (*Federacja Związków Pracodawców Energetyki Polskiej*) and the Confederation of Polish Employers (*Konfederacja Pracodawców Polskich*, KPP). Indirectly, through this Confederation, it is associated with the IOE and the CEEP

### ***The Union of Power Industry Back-up Facilities Employers (Związek Pracodawców Zaplecza Energetyki)***

This Union was created in 1994 and registered in 1995. It groups the employers that carry out an economic activity in the construction, reconstruction, modernisation, renovation, operation and equipment production for energy systems, rural electricity, telecommunications and radio-communications, as well as research, consultancy and training in these sectors. It

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<sup>74</sup> This union estimates that there are 81 companies in the electricity distribution sector alone and therefore estimates its density to be 42% (34/81).

acts on behalf of employers working in equipment support sector for electricity distribution but also for telecommunications and radio communications. The area of activities of its members is thus wider than that of the electricity sector.

The Union grouped 93 companies in 2001 and 87 in 2003<sup>75</sup>, corresponding to an estimated density of 22.3%. The member companies employed 14,500 workers in 2002 and 13,900 workers in 2003, corresponding to an estimated density of 14%. As a general rule, the Union groups large and medium sized companies (on average they employ around 150 workers) but of a size distinctly smaller than the electricity production and distribution companies.

The Union participates in the social dialogue at the sector level and at the supra-company level and is authorised to negotiate and conclude collective working agreements at the sector level. In 2003, it signed an agreement concerning workers in this sub-sector. The Union also participates in tripartite discussions at the level of the working group for the energy sector.

The Union's finances are assured exclusively by the subscriptions paid by its members. A permanent secretariat, composed of two part-time employees, performs the Union's administrative tasks.

The Union is indirect member of the Confederation of Polish Employers (*Konfederacja Pracodawców Polskich*, KPP) through its affiliation with the Federation of Polish Power Industry Employers Unions (*Federacja Związków Pracodawców Energetyki Polskiej*). The Union does not claim to have any other affiliations whether at the national, European or international level.

## Trade unions

The organisations that represent workers in the electricity sector are all members of a confederation. Only the two unions that are members of NSZZ "Solidarnosc" are structured according to sub-sectors. The other unions group workers more transversally, particularly by professions. In this sector, the tradition of social dialogue and the continued existence of relatively large companies partially explain the important representativeness of the trade unions.

### ***The Association of Trade Unions of Power Industry Employees (Zrzeszenie Związków Zawodowych Energetyków)***

Workers affiliated to this Association of trade unions are employed in power stations, thermo-electric stations, and distribution and support companies. The Association was created in 2000. It was created by the merger of two unions: the Federation of Professional Unions of Energy Workers' Companies (*Federacja Zakładowych Związków Zawodowych Pracowników Energetyków*) which existed since 1983 and the Confederation of Energy Professional Unions (*Konfederacja Związków Zawodowych Energetyków*) created in 1986.

In 2004, the organisation had 21,780 affiliated working members (about 22,800 if non-active members – unemployed and retired – are included). Therefore the density of the Association can be estimated as being around 21.9%<sup>76</sup>.

The Association of Trade Unions of Power Industry Employees is authorised to take part in negotiations at the sector level and to conclude collective agreements at the supra-company level. It has signed two collective agreements at the sector level. The Association's company delegations are also authorised to negotiate and conclude collective company agreements: without being able to supply precise figures, the Association claims that "there are collective agreements in all the companies with which it is involved and that working conditions have been maintained even in those companies which have been privatised". The Association participates in the tripartite discussions in the sector energy committee.

The Association's finances come entirely from subscriptions paid by the workers. The union is also the owner of its registered office. It also owns two holiday resorts/sanatoriums, which are autonomous from a management point of view and financially separate, but are part of the Association's assets. The Association has four full-time employees and uses the services of an accountant and a legal expert.

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<sup>75</sup> Currently (June 2004), 96 companies are listed on the union's website.

<sup>76</sup> The Association estimates that its density is around 20.7% because it estimates that there are about 105,000 workers in the sector, for the companies with which it is concerned: 15,000 in support companies and 90,000 in the energy sector strictly speaking, which has seen important restructuring because, according to the Association, there were 120,000 workers in 2001.

The Association of Trade Unions of Power Industry Employees is affiliated at the national level to the All-Poland Alliance of Trade Unions (*Ogólnopolskie Porozumienie Związków Zawodowych*, OPZZ). At the European level, via its affiliation to the national confederation, it is indirectly associated to the European Trade Union Confederation (ETUC)<sup>77</sup>.

### ***The Energy Workers' National Section - NSZZ "Solidarnosc" (Sekcja Krajowa Energetyki NSZZ "Solidarnosc")***

The union "Solidarnosc" was created in 1980. It was during this same period (1980/1981) that the first outlines of a sector structure were created; the National Commission for the Mining Industry NSZZ "Solidarnosc" (*Krajowa Komisja Gornictwa NSZZ "Solidarnosc"*) which at the time represented the electricity sector workers, was registered on February 20, 1981. In 1989 "Solidarnosc" undertook an important internal reorganisation by a more systematic structuring of the branch secretariats. On June 13, 1991, on the basis of a decision made by Solidarnosc's National Commission, the "National Commission's Mining Industry Secretariat – National Commission for the Mining Industry NSZZ "Solidarnosc" (*Sekretariat Gornictwa Komisji Krajowej - Krajowa Komisja Gornictwa NSZZ "Solidarnosc"*)" was registered as a sector branch of the union. In June 1993, "Solidarnosc's" congress integrated the national sections for energy, power stations and thermoelectric stations into this secretariat. The secretariat then became the "Secretariat for the Mining and Energy Industries" within which the energy union is located today. The objectives of the union are broad: harmonization of working conditions and protecting rights but also protecting the family, culture, training, etc. The National Energy Section of the Union "Solidarnosc" groups, on a voluntary basis, the NSZZ "Solidarnosc" union sections for companies in electricity distribution, production, and support equipment.

The Union has 20,830 members (an estimated density of 21%) divided into 102 company union committees<sup>78</sup>: they are all workers in the electrical energy sector.

The Union takes part in the social dialogue at the sector level and at the company level through the base-line union committees. The section takes part in the negotiation of collective agreements but it is the Secretariat for the Mining and Energy industries that is authorised to sign the agreements. The Union takes part in the working group's tripartite negotiations.

The Union's financing comes from member subscriptions, members' financing for certain specific activities, gifts and contributions, revaluation of assets, and undertaking of activities (cultural, sporting ...). The secretariat is staffed with six people employed by the Union.

The national section is an indirect member (through the Secretariat for the Mining and Energy Industries) of the Independent Self-governing Trade Union Solidarnosc (*Niezależny Samorządny Związek Zawodowy Solidarność*, NSZZ Solidarność). Through this affiliation it is also an indirect member of the European Mine, Chemical and Energy Worker's Federation (EMCFF)<sup>79</sup>, and the International Federation of Chemical, Energy, Mine and General Workers' Union (ICEM).

### ***The Heat and Power Plant Workers' National Section - NSZZ "Solidarnosc" (Sekcja Krajowa Elektrowni i Elektrociepłowni NSZZ "Solidarnosc")***

The history of Solidarnosc's National Section for Heat and Power Plant Workers is comparable to that of the Energy Section given above. It came out of the restructuring into branches of Solidarnosc in 1989 and constitutes one of the national sections of Solidarnosc's Secretariat for the Mining and Energy Industries. This union groups essentially the workers in the sub-sector of electricity production. According to the Union, this sub-sector includes 46 companies and the Union is in 45 of them. It groups about 13,000 workers (including about 1,000 pensioners) and its density is estimated as being 12.1%<sup>80</sup>. Given the technological evolution in the sector, the union militants are shared equally between blue and white collars.

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<sup>77</sup> The union also claims that it is a member of the International Trade Union of Workers of Energy, Metal, Chemistry, Oil and Related Industries, but this has not been confirmed by this international federation.

<sup>78</sup> This union's website lists the names of 34 distribution companies and 31 installation support companies in which there is a union committee.

<sup>79</sup> It is Solidarnosc's secretariat for Mines and Energy which is a member.

<sup>80</sup> The union estimates that there are 60,000 workers in the electricity production sub-sector and therefore it has a density of 20%.

The Union does not employ any full-time workers for its operations. The Union's financing comes almost exclusively from the subscriptions.

The National Section participates in the tripartite consultations in the energy working group and its representative assumes the function of co-president on behalf of the workers. Because of the way it is structured in two separate branches for workers in the production and distribution of electricity, Solidarnosc has two delegations at this level of consultation, which is sometimes disputed by other union representatives. At the bilateral level of negotiations, it is the Secretariat of the Mining and Energy Industry which is authorised by Solidarnosc to sign agreements even though they are negotiated by the sections. At the company level, the Union reports that a collective agreement exists in all the companies in which it is present.

The National Section is an indirect member (via the Secretariat of the Mining and Energy Industry) of the Confederation of the Independent Self-Governing Union "Solidarnosc". Through this affiliation it is also an indirect member of the European Mine, Chemical and Energy Workers' Federation (EMCEF)<sup>81</sup> and of the International Federation of Chemical, Energy, Mine and General Workers' Union (ICEM).

***The Engineers and Technicians Union – Energy Workers' Section (Sekcja Energetyczna Związkow Zawodowych Inżynierow i Technikow)***

This National Section was created in 1994 in the Engineers and Technicians Union. It groups workers from the electricity production, transmission and distribution sectors.

The National Section has 1,637 members of which 26 are retired. This section's density in the energy sector can be estimated as being 1.6%. This union's members are mainly personnel from senior and middle management and specialists (technicians): in principle, affiliated members should have at least a diploma of secondary education.

The National Section's financing rests uniquely on the member's subscriptions. This financing is relatively minimal and does not allow the financing of salaried personnel for the section: this is therefore administered by voluntary workers.

The Union's national section is authorised to negotiate and sign supra-company collective agreements on behalf of the Engineers and Technicians Union and it has signed the two existing agreements in the sector. The section is also authorised by the Union to represent it in the tripartite consultations on questions which concern it and which are treated by the working group for the energy sector. Finally, the Union's company committees which are members of the section (present in 24 companies) have all signed company agreements, which are regularly renewed. The number of new agreements in 2003 is not known.

The Energy Section is an indirect member of the Confederation Forum of Unions, the Engineers and Technicians Union is an actual member. It cannot list any other European or international affiliations, given the high cost of these affiliations at the international level.

***The National Alliance of Trade Unions for Continuous Work (Ogólnokrajowe Zrzeszenie Związkow Zawodowych Ruchu Ciągłego)***

This union groups essentially those people working at a continuous rate<sup>82</sup> in different sectors: energy, mining, coking, steel, chemicals, etc. The Alliance was created and registered in 1990. The organisation started out in the steel industry before spreading to other sectors that employ people in continuous work.

The Alliance has 18,000 members that are workers engaged in continuous work in different sectors. Among these, 9,000 are working in the electricity sector (an estimated density of 9%).

The Alliance participates in the tripartite dialogue at the level of the working group for electricity. The Alliance is authorised to sign collective agreements at the sector level and has signed the two existing agreements. This Alliance's member

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<sup>81</sup> It is Solidarnosc's Secretariat for Mines and Energy which is a member.

<sup>82</sup> This Union is organised around the specificity of continuous work in periods of eight hours per day, for all professions that use this way of organising working time, independently of the sector.

organisations are authorised to sign collective company agreements, according to the Alliance an agreement exists in each company, but it cannot specify how many agreements exist.

The subscriptions collected are this union's method of financing. The Alliance's office employs two people full-time.

The Alliance is a member, at the national level, of the Forum of Trade Unions (*Forum Związków Zawodowych*, FZZ) but is not affiliated with any European or international organisations.

## Elements relating to the organisations

Note: The estimated density is calculated on the basis of the total number of companies in the sector reported by the Central Statistical Office and excluding those economic entities in the private sector which are thought to mainly represent self-employed people, i.e. 390.

### Employers' organisations

Organisation	Sub-sectors covered	Companies	SW	Density Companies	Density SW	T	CB	National affiliations		European affiliations		International affiliations	
		number	number	%	%	yes/ no	yes/ no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Federacja Związków Pracodawców Energetyki Polskiej (Federation of Polish Power Industry Employers Unions)	NACE 40.1 (and 40.3)	244 (Indirect)	99,633 (Indirect)	62.6	100 <sup>83</sup>	yes	no	KPP <sup>84</sup>	-	-	CEEP	-	IOE
Związek Pracodawców Elektrowni (Power Station Employers Union)	NACE 40.11	23	27,100	5.9	27.3	yes	yes	KPP	-	-	CEEP	-	IOE
Związek Pracodawców Elektrociepłowni (Heat and Power Plant Employers Union)	NACE 40.11 (and 40.3)	24	14,500	6.1	14.6	yes	yes	KPP	-	-	CEEP	-	IOE
Związek Pracodawców Zakładów Energetyczny (Power Plant Employers Union)	NACE 40.12 and 40.13	34	51,612	8.7 <sup>85</sup>	52.0	yes	yes	KPP	-	-	CEEP	-	IOE
Związek Pracodawców Zaplecza Energetyki (Union of Power Industry Back-up Facilities Employers)	NACE 40.1 (and 40.3)	93	13,900	22.3	14.0	yes	yes	-	KPP	-	-	-	-

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

<sup>83</sup> The estimated density is calculated by relating the number of workers reported by the union (99,633) to the total number of workers reported by the Central Statistical Office (99,200). This density of 100% is explained by the fact that some workers in some companies are in the steam and hot water production sector (NACE group 40.3) and not in the electricity sector, without the possibility of operating a breakdown.

<sup>84</sup> The Confederation of Polish Employers (*Konfederacja Pracodawców Polskich*, KPP).

<sup>85</sup> This union estimates that there are 81 companies in the electricity distribution sector alone and therefore estimates its density to be 42% (34/81).

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

Furthermore, it is worth noting that the company *Beskidzka Energetyka SA* is a member of Eurelectric at European level.

### Trade unions

Organisation	Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations*		International affiliations*	
	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Zrzeszenie Związków Zawodowych Energetyków (Association of Trade Unions of Power Industry Employees)	NACE 40.1 (and 40.3)	22,800	21,780	21.9 <sup>86</sup>	yes	yes	OPZZ <sup>87</sup>	-	-	ETUC	-	-
Sekcja Krajowa Energetyki NSZZ Solidarnosc (Energy Workers' National Section - NSZZ Solidarnosc)	NACE 40.12 and 40.13	20,830	20,830	21.0	yes	yes	-	Solidarnosc <sup>88</sup>	-	EMCEF	-	ICEM
Sekcja Krajowa Elektryków i Elektrociepłowni NSZZ Solidarnosc (Heat and Power Plant Workers' National Section – NSZZ Solidarnosc)	NACE 40.10	13,000	12,000	12.1 <sup>89</sup>	yes	yes	-	Solidarnosc	-	EMCEF	-	ICEM
Sekcja Energetyczna Związków Zawodowych Inżynierów i Techników (The Engineers and Technicians Union – Energy Workers' Section)	NACE 40.1	1,637	1,611	1.6	yes	yes	-	Forum of Trade Unions	-	-	-	-
Ogólnokrajowe Zrzeszenie Związków Zawodowych Ruchu Ciągłego (National Alliance of Trade Unions for Continuous Work)	NACE 40.1 (and 40.3 and others)	18,000	9,000	9.0	yes	yes	FZZ <sup>90</sup>	-	-	-	-	-

<sup>86</sup> The union estimates that its density is around 20.7% because it estimates that there are about 105,000 workers in the sector, for the companies with which it is concerned: 15,000 in support companies and 90,000 in the energy sector strictly speaking, which has seen important restructuring because, according to the union, there were 120,000 workers in 2001.

<sup>87</sup> The All-Poland Alliance of Trade Unions (*Ogólnopolskie Porozumienie Związków Zawodowych*, OPZZ)

<sup>88</sup> The Independent Self-governing Trade Union *Solidarność* (*Niezależny Samorządny Związek Zawodowy Solidarność*, NSZZ *Solidarność*).

<sup>89</sup> The union estimates that there are 60,000 workers in the electricity production sub-sector and therefore it has a density of 20%.

<sup>90</sup> The Forum of Trade Unions (*Forum Związków Zawodowych*, FZZ)

SW: salaried workers

Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

# ROMANIA

## 1. Description of the sector

### Delimitation of the sector

The delimitation of the electricity sector in Romania corresponds to the NACE code delimitation: electrical power production, transport, distribution and trade. Besides these activities, the sector also contains maintenance and services enterprises whose goal is to ensure specialised and support services needed for the development of specific activities, which are: the production of a type of nuclear fuel, contributing to Romanian energy generation, heating energy production, mining enterprises, specialised units for reading / registering and collecting the payments of electricity for household consumers. Except for these activities, there are no divergences with the NACE classification.

It should be mentioned that official statistics represent the group NACE 40 as a whole (production and supply of electric power, heating energy, gas and water) and are not always disaggregated into sub-sectors.

Concerning the structuring of employees' and employers' organisations, their fields may cover only some parts of the electricity sector (electricity production for example), the whole electricity sector or a broader sector in the energy industry. Sector social dialogue covers electric power, heating energy, and petrol and gas sectors altogether.

### Socio-economic features of the sector

#### *Structure of the sector*

After 1990, the Romanian electric industry was subject to a complex period of restructuring and reorganisation. From a sector with one enterprise in charge of all activities, it has become a sector with independent structures of production, distribution and transport. In 1998<sup>91</sup>, the Autonomous Electricity Administration (RENEL) and the new National Electricity Company (CONEL) were established, with its three subsidiary companies: S.C. Electrica S.A., S.C. Termoelectrica S.A. and S.C. Hidroelectrica S.A. The same year, the National Society Nuclearelectrica was settled. In 2000, the National Electricity Company was divided into the following units<sup>92</sup>: Transelectrica S.A. (National Company of Electric Power Transport), Termoelectrica S.A. (Commercial Society of Electric Power and Heating Energy Production), Hidroelectrica S.A. (Commercial Society of Electric Power Production, Electrica S.A. (Commercial Society of Electric Power Distribution and Supply).

The electric power production is achieved within plants with thermal<sup>93</sup> (coal, liquid, fuel and gas), hydro and nuclear regimes. Electric power producers are structured as follows: 5 thermal producers (5T), 14 cogeneration (14CoGen) producers, 1 nuclear source producer, 1 hydro producer, other small producers and auto-producers (AP). The ratio of electric power production within the different types of plants was the following in 2002: coal plants: 40% of the total national production; liquid fuel and gas plants: 21%; hydro-systems: 29%; nuclear plants: 10%.

The transport of electric power is achieved by a single company: the National Company Transelectrica. 8 independent societies function within its structure.

Electric power and distribution is realised by the company Electrica, which also has 8 independent companies.

#### *Economic features of the sector*

The ratio of the sector to GDP and other similar data are not calculated for the electricity sector, but for the group NACE 40. as a whole.

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<sup>91</sup> See the Governmental Decision HG 365/1998

<sup>92</sup> Governmental Decision HG 627.

<sup>93</sup> Some of the thermo plants produce both electric and heating energy, but most of them produce only electric power.

## Companies

There are 45 enterprises in the sector: 29 in the production; 8 in transport; 8 in distribution and supply sub-sector. Most of them are large companies, with more than 250 employees. There are 6 enterprises with foreign capital.

## Companies

Sub-sectors	Number of Companies	% companies without SW	% companies with < 10 SW	% Companies 10-100 SW	% companies with > 100 SW
Code NACE 40.11	29 <sup>94</sup>	6,8	-	13,8	79,3
Code NACE 40.12	8 <sup>95</sup>	-	-	37,5	62,5
Code NACE 40.13	8 <sup>96</sup>	-	-	-	100,0
<b>Total of the sector</b>	45	4,4	-	15,6	80,0

SW: salaried workers

## Employment

Employment in the electricity industry represents 13.4% of the total employment in the country (2002, National Institute of Statistics). There are 61,320 working people in the industry, of which 61,159 are employees. Within the sector, blue-collar workers represent about 70% of the personnel, while people with higher education (engineers, economists, other specialists) represent about 10% and those with technical studies (technicians, foremen, economic and administrative personnel) are about 20%. The sector has also 1% of non-qualified personnel. The qualification level of employees within the sector represents a constant interest for company directors. That is why the S.C. Electrica organised its own Centre of Professional Training (CPT). About 75% of the workers are men and 25% are women, with some variations according to the enterprises. The minimum salary within the sector is about EUR 100 and the medium salary is about EUR 200. The average salary for all the economic activities in the country is 143 (August 2004).

## Workers

Sub-sectors	Number of workers	Number of SW	Number of SW/number of SW in the country (%)	Number of SW in companies < 10 SW/number of SW in the sector (%)	Number of SW in companies 10-100 SW/number of SW in the sector (%)	Number of SW in companies >100 SW/number of SW in the sector (%)
Code NACE 40.11	29.075 <sup>97</sup>	28.914	0,60	-	0,06	47,3
Code NACE 40.12	2.145 <sup>98</sup>	2.145	0,04	-	0,10	3,4
Code NACE 40.13	30.100 <sup>99</sup>	30.100	0,65	-	-	49,2
<b>Total of the sector</b>	61.320	61.159	1,34	-	0,1	99,9

## Developments

The activity within the electricity sector is developed on a commercial basis. Enterprises have commercial company status and work according to the rules of the market economy. The development of the energy sector in Romania is based on targets planned in the "Road map for energy sector of Romania". This plan was elaborated by the Ministry of Economy and Commerce and approved by the Government and concern the period 2003-2015. The strategy establishes the main directions to be taken over different durations (2003-2004, 2005-2007, and 2008-2015) and have the aim to develop and

<sup>94</sup> National Institute of Statistics; Hidroelectrica, Annual Report, 2002, pag. 11,16; Termoelectrica, [www.termoelectrica.ro](http://www.termoelectrica.ro); Nuclearelectrica, [www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)

<sup>95</sup> Transelectrica S.A. , Annual Report, 2002, pag.7

<sup>96</sup> Electrica S.A., Annual Report, 2002, pag. 72 - 73

<sup>97</sup> National Institute of Statistics

<sup>98</sup> Transelectrica S.A. , Annual Report, 2002, pag.. 41

<sup>99</sup> Electrica S.A. , Annual Report, 2002, pag. 44

NB. Number of Employees of National Economy, on December 31, 2002 : 4.568.000, Romanian Statistical Yearbook , 2003, pag.106

increase the efficiency of the electricity industry, to create an energy market based on competition and to integrate the national market into the internal market of the European Union. Investments should be made in order to modernise the national energy system and the privatisation of the sector has been planned and has begun. Other issues of the “road map” are the pricing policy, social protection, environmental protection, closure programs for some plants, nuclear safety, etc.

## **2. Social dialogue in the sector**

### **Tripartite social concertation**

There is no formal tripartite concertation in the sector. However, it does happen that the Government consults or meets the participants in social dialogue, operating in the industry, in particular cases (one-off problems or long-term issues that concern the sector), such as restructuring in the sector. These activities do not have a permanent and formal character but are occasional. Sometimes, protocols are signed specifying measures or directions to be taken, but the social organisations consider that authorities do not respect the terms of such agreements in every case. There is a strong link between tripartite activities and bipartite social dialogue, since most enterprises of the sector are still state-owned.

### **Bipartite social dialogue**

#### ***General features***

Collective bargaining takes place both at sector and enterprise levels. Provision of collective work contracts concluded at sector level is minimal and compulsory for the negotiations at enterprise level. Both levels are similarly developed, because there is interdependence between the two levels. Collective bargaining, at enterprise level, only takes place after the negotiations at sector level. The general and minimum background is established in sector work collective contracts, while concrete provisions which take into account specificities of each unit are negotiated at enterprise level. Agreements that are concluded have the power of law.

From a general point of view, the participants consider that there are no obstacles facing the development of bipartite social dialogue at sector level. On the contrary, employees' and employers' organisations are interested in expanding it. Trade unions intend to gain more and more rights for their employees, while employers want to maintain a climate of social peace, permitting the achievement of their economic objectives. Furthermore, due to the fact that most of enterprises within the energy sector are still state companies, the authorities are in favour of developing social dialogue at sector level: on the one hand, this sector has a national strategic importance, and on the other hand, social convulsions would have occurred in the sector without a consistent and constructive social dialogue, since the sector suffered profound transformations (including personnel cuts).

#### ***At sector level***

Organisations that negotiate at sector level are trade unions and employers' organisations which fulfil some legal conditions. Employers' organisations must have organisational independence and freedom from vested interests and must represent employers whose units comprise at least 10% of the employees of the sector. Trade unions must have the legal status of a trade union federation, they must have organisational independence and be free from vested interests and their local trade union members have to represent at least 7% of employees of the sector. In some situations, local trade unions may build cartels in order to conclude collective work contracts.

Collective bargaining at sector level is compulsory. In 2002, 2003 and 2004, three additional acts (one for every year) to the collective work contract of 2000 were concluded.

Collective work contracts negotiated at sector level cover a broader field than just the electricity sector. They cover electric power, heating energy, petrol and gas. Therefore, signing parties to these agreements are two employers' organisations (one for electric power and heating energy and the other one for petrol and gas) and the trade unions representative in the sector of electric power, heating energy, petrol and gas.

The content of collective work contracts touches on the following issues: work conditions, protection of work, working time, rest, salary level and other salary rights corresponding to specific conditions of work, training, pension conditions, etc. There are no specific changes regarding the content of the collective contracts. The validity of a collective work contract is one year. Collective work contracts apply to “all units within the sector for which the collective work contract has been signed”. The coverage rate of the sector collective work contract is more than 90% of enterprises and more than 95% of employees. In the electricity sector, almost 60,000 employees are covered by the sector collective work contract. These employees belong to all professional categories.

Most of the trade unions and employers’ organisations consider that social dialogue at sector level functions well.

#### ***At enterprise level***

Actors that take part to collective bargaining at enterprise level are:

- The employer, represented by the collective leading body of the factory
- The employees represented by the local trade union organisations, legally constituted or, when there is no representative trade union, by the elected delegates of the employees.

The negotiation of collective work contracts at enterprise level is compulsory for all enterprises with at least 21 employees. About 38 collective work contracts are signed in the electricity sector every year (estimate). Collective work contracts at enterprise level apply to all employees of a unit, no matter whether they are affiliated to a trade union organisation in the enterprise or not. The coverage rate of the sector collective work contract is more than 90% of enterprises (this figure corresponds to enterprises with 21 and + employees; if we take into account all enterprises, it would make 84% of enterprises) and more than 95% of employees. The number of employees covered by these collective contracts is about 60,000.

The content of collective work contracts at enterprise level is similar to the collective work contracts concluded at sector level (salaries, working conditions, working time, work protection, etc.) but they are adapted to specific conditions of every enterprise. The evolution of the number and the content of collective work contracts will depend on the long-term structure and organisation of the sector, and on changes that will take place within industrial relations in the sector.

### **3. Employers’ organisations and trade unions**

#### **Employers’ organisations**

##### ***The Employers’ Federation “Energetica” (Federatia Patronala “Energetica”, FPE)***

This employers’ organisation is representative for the electricity sector and covers all the sub-sectors (production, transport and distribution). It was founded in 2003, on the basis of organisations operating in the electricity sector since 1992-93. Its founding members have been ENERGIA, the Romanian Energy Union (UER) and ELCO Muntenia employers’ organisation and they remain independent organisations.

The Federation represents 78 economic entities in the energy sector. 39 of them belong to “Energia”, 16 to the UER, and 23 to ELCO Muntenia. 31 of its member enterprises belong to the electricity sector: 26 of the enterprises belong to the electricity production sub-sector, 4 to the electricity transport and 1 to the distribution. It corresponds to 68.9% of companies in the sector.

The total number of employees of all the member companies is 70,000 (60,000 in “Energia”, 8,000 in UER, 2,000 in ELCO Muntenia). In the electricity sector, the total number of employees is 61,159 (NACE 40.11, 40.12, 40.13). It corresponds to 92.5% of employees in the electricity sector.

The Federation participates in collective bargaining at sector level : it concluded additional acts to the collective work contract of 2001.

Its financing sources are enlisting fees and membership dues. The Federation employs six people.

At national level, the Federation is affiliated to the Employers' Confederation of Industry, Services and Commerce in Romania (*Confederatia Patronala a Industriei Serviciilor si Comertului*, SPISC). It is not affiliated to any organisation at European level.

## Trade unions

### ***The Hydroelectric Trade Union Federation "Hidrosind" (Federatia Sindicala Hidroelectrica "Hidrosind")***

"Hidrosind" was established in 2003, following the restructuring and the reorganisation of the energy sector. It covers mostly the electric power production based on hydro systems. It has 16 affiliated trade unions, of which 12 belong to the electric power production sub-sector.

The Federation represents almost 5,200 individual members belonging to all professional categories: manual workers, technicians, economic, administrative staff, specialised personnel, etc. Manual workers represent 70% of the members. The Federation's membership corresponds to 8.5% of employees in the electricity industry.

"Hidrosind" participates in collective bargaining at sector level through the Atlas Federative Syndicate Union (UFS ATLAS)<sup>100</sup>, a professional structure comprising trade union federations affiliated to the National Confederation of Free Trade Unions in Romania – Fratia (*Confederatia Nationala a Sindicatelor Libere din Romania – Fratia*, CNSLR Fratia), that negotiates and signs collective work contracts at this level. Local sections of "Hidrosind" participates in collective bargaining at enterprise level. In 2002 and 2003, "Hidrosind" did not sign any collective work contracts because it did not have the present organisational structure. It concluded collective work contracts in 2004. The Federation participates indirectly in the tripartite concertation through the confederation to which it is affiliated.

The Federation's leading structure is the following: the National Conference, the Executive Committee and the Operative Bureau. Its financing sources are member's fees.

At national level, it is affiliated to CNSLR Fratia. At European and international levels, it is indirectly affiliated to the ETUC and the ICFTU (via CNSLR Fratia).

### ***The Energy of the 3<sup>rd</sup> Millennium (FEM III) Trade Union Federation (Federatia Sindicala Energia Mileniului III, FEM III)***

The Energy of the 3<sup>rd</sup> Millennium (FEM III) Trade Union Federation was settled in June 2001. The Federation covers trade unions of the three sub-sectors of electric power sector (production, transmission, distribution and trade). It contains 25 trade unions and it represents 15,500 individual members in all professional categories. It corresponds to 25.3% of the employees of the sector.

The Trade Union Federation participates in collective bargaining at sector level through UFS Atlas. In 2002, 2003 and 2004, the Federation signed additional amendments to the labour work contract concluded in 2001. The Federation also participates in collective bargaining at enterprise level, via its local sections. The Federation participates indirectly in the tripartite concertation.

The leading bodies of the Federation are the Congress, the Federal Council and the Federal Bureau.

At national level, it is affiliated to the CNSLR Fratia. At European level, it is affiliated to EPSU and, indirectly to the ETUC via CNSLR Fratia. At international level, it is a member of the PSI a,d, indirectly, it is affiliated to the ICFTU (via CNSLR Fratia).

### ***The National Federation of Electricity Trade Union "Universe" (Federatia Nationala a Sindicatelor din Electricitate "Univers")***

The National Federation of Electricity Trade Union "Universe" was founded in 1990 and covers two sub-sectors of the electricity industry: it represents 9 trade unions in the electric transport sub-sector and 36 trade unions in the distribution sub-

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<sup>100</sup> UFS ATLAS is not a confederation but a professional structure representing trade unions federations members of CNSLR Fratia in the electric power, petroleum and natural gas sector.

sector. It has almost 23,000 individual members (20,000 in the distribution sub sector and 3,000 in the transport sub-sector). It corresponds to 37.6% of employees in the electricity industry. The members belong to all professional categories.

The Federation participates in collective bargaining at sector level and at enterprise level. At sector level, the Federation has not concluded any new collective agreement over the last three years (2002,2003,and 2004) but it has signed additional acts to collective work contracts concluded four years ago. The Federation has been mandated by its member trade unions to negotiate and sign collective work contracts at enterprise level. In 2001 and 2003, the Federation concluded four collective work contracts at enterprise level. The Federation participates in the tripartite concertation.

The leading bodies of the Federation are the Congress, the Representatives' Council and the Federal Bureau. The financing source of the organisation is its membership fees. The Federation has three employees.

At national level, the federation is affiliated to the National Trade Union Block, NTUB (*Blocus National Sindical*, BNS). At European level, it is directly affiliated to EPSU and indirectly to ETUC (via the NTUB). At international level, it is affiliated to the PSI and indirectly to the ICFTU.

***The Federation of Free and Independent Trade Unions "Energetica" (Federatia Sindicatelor Libere si Independente "Energetica")***

The Federation of Free and Independent Trade Unions "Energetica" was founded in March 1990 (it had almost 40,000 individual members). It covers the following sub-sectors: electric power production, heating energy distribution and transport, services in the field (repairing for production societies). The Federation comprises 41 trade unions which represent 22,000 individual members (almost 20,000 of them work in the production of electricity). It represents 36% of the electricity sector. The Federation's members belong to all professional categories.

The Federation "Energetica" participates in collective bargaining at sector level and has concluded additional amendments to the collective work contract of 2001. The Federation representatives also participate in signing collective work contracts at the higher level (the employers' group level). At this level, it concluded 26 contracts or additional amendments. It concludes collective work contracts at enterprise level when its members ask for this. The Federation participates in tripartite concertation.

The leading bodies of the organisation are the Leading Council and the Executive Bureau. The financing source of the Federation is membership fees. The Federation has 5 employees.

At national level, the Federation is affiliated to the National Trade Union Block, NTUB (*Blocus National Sindical*, BNS). At European level, it is affiliated to EPSU and, indirectly, to the ETUC. At international level, it is affiliated to the PSI and indirectly to the ICFTU.

## Elements relating to the organisations

### Employers' organisations

Organisation	Sub-sectors covered	Companies	SW	Density Companies	Density SW	T	CB	National affiliations		European affiliations*		International affiliations*	
		number	number	%	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Federatia Patronala "ENERGETICA" (The Employers' Federation "Energetica")	All the electricity sector	(78) 31 in the electricity sector	(70.000) 56.600 in the electricity sector	68.9%	92.5%	No	Yes	SPIISC <sup>101</sup>	No	No	No	No	No

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

Furthermore, it is worth noting that the companies *Electrica SA* and *Transelectrica SA* are members of Eurelectric at European level.

### Trade unions

Organisation	Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations*		International affiliations*	
	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Federatia Sindicala "Energia Mileniului III" ("The Energy of 3 <sup>rd</sup> Millennium" Trade Union Federation)	All categories	15,500	15,500	25.3	Yes, indirectly	Yes	CNSLR-Fratia <sup>102</sup>	No	No	ETUC	No	ICFTU
Federatia Sindicala Hidroelectrica "Hidrosind" (The Hidroelectrica Trade Union Federation "Hidrosind")	All categories	5,200	5,200	8.5	Yes, indirectly	Yes	CNSLR-Fratia	No	No	ETUC	No	ICFTU

<sup>101</sup> The Employers' Confederation of Industry, Services and Commerce in Romania (*Confederatia Patronala a Industriei Serviciilor si Comertului*, SPIISC).

<sup>102</sup> The National Confederation of Free Trade Unions in Romania – Fratia (*Confederatia Nationala a Sindicatelor Libere din Romania – Fratia*, CNSLR Fratia)

Federatia Sindicatelor Libere si Independente "Energetica" (The Federation of Free and Independent Trade Unions "Energetica")	All categories	22,000	22,000	35.9	Yes	Yes	BNS <sup>103</sup>	No	EPSU	ETUC	PSI	ICFTU
Federatia Nationala a Sindicatelor din Electricitate "Univers" (The National Federation of Electricity Trade Unions "Universe")	All categories	23,000	23,000	37.6	Yes	Yes	BNS	No	EPSU	ETUC	PSI	ICFTU

SW: salaried workers

Density: number salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

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<sup>103</sup> The National Trade Union Block, NTUB (*Blocus National Sindical*, BNS).

# SLOVAKIA

## 1. Description of the sector

### Delimitation of the sector

The electricity sector is undergoing a vast restructuring and there is a general tendency towards structuring it according to the NACE classification, i.e. the separation of production, transmission and distribution and trade, while the former sector included all assembly, manufacturing plants, research and development, apprentice schools, etc. At the moment, as well as the production, distribution and trade of electricity, the sector also includes other power producers (natural gas, brown coal, crude oil and heat, etc.) and distributors along with assembly, manufacturing plants, etc. Since 2003, apprentice schools, from a social dialogue point of view, belong to the local authority sector and are part of the public administration. However, individual remains members of the trade unions active in the electricity sector.

The restructuring of the sector has an impact on the number of companies and on the number of employees working in the sector. Therefore, the data presented below follows the NACE classification. However, it is worth noting that sector collective bargaining covers a broader area than the electricity sector.

### Socio-economic characteristics of the sector

Even if in financial terms, it does not form a crucial economic pillar, the electricity production, distribution and trade sector represents an important strategic element.

#### Companies

At the moment, the dominant electricity producer is *Slovenske elektrarne a.s.* which covers hydro-electric power stations (23%), thermal power stations (27%) and nuclear power stations (50%).

Distribution of electricity is provided by three joint stock companies, which are 49% privatised as follows: *Zapadoslovenska energetika, a.s.*, with German EON; *Stredoslovenska energetika, a.s.*, with French Electricité France; *Vychodoslovenska energetika, a.s.*, with German RWES.

#### Companies

Sub-sectors	Number of Companies	% companies without SW	% companies with < 10 SW	% Companies with 10-100 SW	% companies with > 100 SW
Production	1				100
Distribution	3				100
Total NACE 40.1	4				100

SW: salaried workers

CA: Collective agreement

Furthermore, other companies are covered by the collective agreement in the sector: heat-supply plants are a part of the power sector. Six joint-stock companies are present in this sub-sector: *Bratislavská teplarenska, a.s.*; *Teplaren Kosice, a.s.*; *Zilinská teplarenska, a.s.*; *Zvolenská teplarenska, a.s.*; *Martinská teplarenska, a.s.*; *Trnavská teplarenska, a.s.* Three other companies are covered by sector collective bargaining: *Elektrovod Bratislava and Senec*, one construction and assembly plant, and one distribution manufacturing plant.

Restructuring of the companies in the electricity sector is in progress and some electricity production or distribution plants are not fully privatised. In these cases, privatisation projects are being worked out and the selection of strategic investors is being prepared. The competitive strategy of the companies in the sector lies in cost cutting. It is influenced by the sector restructuring and the legislative changes liberalising the electricity market.

#### Employment

16,400 salaried workers work for companies in the production, distribution, and trade of electricity. Generally, there is one blue-collar worker for each white-collar worker in the sector. The structure of the white-collar positions accounts for 60% of

university-degree holders to 40 % of secondary school leavers. Most of the workers in the sector are men, women generally occupy administrative positions or provide professional services. The employees in the power sector occupy approximately the 5<sup>th</sup> position in pay levels of the overall national economy.

Employment in the sector is falling rapidly.

### Workers

Sub-sectors	Number of workers	Number of SW	Number of SW/number of SW in the country (%)	Number of SW in companies <10 SW/number of SW in the sector (%)	Number of SW in companies 10-100 SW/number of SW in the sector (%)	Number of SW in companies >100 SW/number of SW in the sector (%)
Production	9,700	9,700	0.27%			59.15%
Distribution	6,700	6,700	0.19%			40.85%
<i>Total NACE 40.1</i>	<i>16,400</i>	<i>16,400</i>	<i>0.46%</i>			<i>100%</i>

SW: salaried workers

CA: Collective agreement

There are no data on the number of employees working in the remaining 9 companies covered by the sector collective agreement (outside of the NACE code 40.1).

## 2. Social dialogue

### Tripartite concertation

In Slovakia, there is a sector tripartite concertation in the electricity sector in which the following participate: representatives of the Ministry of Economy of the Slovak Republic (*Ministerstvo hospodárstva Slovenskej republiky*, MH SR), the Union of Employers of Power Industry in Slovakia (*Zväz zamestnávateľov energetiky Slovenska*, ZZES), and trade union representatives in the power, gas, metallurgy, and mining sectors, namely the Slovak Trade Union of Workers in Energy (*Slovenský odborový zväz energetiky*, SOZE) and the Association of Trade Unionists in Nuclear Power of the Slovak Republic (*Združenie odborárov jadrovej energetiky*, ZOJES). The two trade unions have undertaken to form a strong common trade union organisation in the sector for the year 2005.

Tripartite concertation at the sector level is generally initiated by the trade unions and, less frequently, by the employers. Discussions deal with draft legislation concerning the power sector, core documents for operation of the power sector, and social issues in the sector. The results of sector concertations are recorded in writing but are not binding. However, all the parties of the concertation respect the results of the concertation. Tripartite concertation covers all employees in the power sector.

### Bipartite social dialogue

#### *At sector level*

Actors taking part in the bipartite collective bargaining are designated in the Act on Collective Bargaining No 2/1991. They are the Union of Employers of Power Industry in Slovakia, the Slovak Trade Union of Workers in Energy and the Association of Trade Unionists in Nuclear Power of the Slovak Republic.

At sector level, the parties conclude Higher Level Collective Agreements (*Kolektívna zmluva vyššieho stupňa*, KZVS), which provide the terms and conditions for employees in the sector and which establishes the relationships between the partners. The sector agreements have the power of law. They 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 of the Slovak Republic. Usually, one sector collective agreement was concluded each year. However, since 2000, the parties agreed to conclude one KZVS per two-year period (in 2003, one KZVS was concluded for a one-year period).

The Union of Employers of Power Industry in Slovakia concludes separate collective agreements with each trade union organisation:

### **Sector collective agreements concluded between the Union of Employers of Power Industry in Slovakia (ZZES)**

<b>With SOZE:</b>	<b>With ZOJES:</b>
2002-2003: 1 sector collective agreement with 5 supplements	2002, 2003 one-year sector collective agreements
2004-2005: 1 sector collective agreement with 1 supplement	2004-2005: 1 sector collective agreement

The supplements are reactions to the changes in legislation and new developments at the enterprise level in terms of restructuring, privatisation etc. To negotiate supplements, one party to the collective bargaining submits the proposal to be negotiated in writing and the bargaining has to begin during the following 15 days.

The collective agreement concluded with SOZE covers 22 companies which employ about 16,400 employees. Actually, the companies covered by this collective agreement are the member companies of the Union of Employers of Power Industry in Slovakia (ZZES). This collective agreement does not cover 450 employee members of SOZE. They work in the following two companies (which are not members of ZZES): *Elektrovod Zilina*, a.s. (300 employees) and *Elektrovod Senec*, a.s. (150 employees).

The collective agreement concluded between ZZES and ZOJES covers about 5,700 employees. Some employees, members of ZOJES, and working in two companies that are not members of ZZES, are not covered.

However, the companies that are not covered by these collective agreements respect the terms and conditions that are agreed by the employer's and trade union organisations.

The sector collective agreements usually cover the following issues:

- collective terms and conditions of employment
- different aspects of employment
- working time, overtime, shifts, etc.
- obstacles at work
- health and safety
- travel costs reimbursement
- employers' social policies
- remuneration, minimum wage etc.

Furthermore, the following issues have been addressed recently in bipartite sector discussions:

- dangerous places of work
- employability – endangered groups of young people
- redundancy pay
- dramatic cuts in employment
- pay issues etc.

#### **At enterprise level**

At enterprise level, the actors in collective bargaining are the enterprise management on one hand, and on the other hand, the local trade unions operating in enterprises. The partners conclude enterprise collective agreements. These agreements are directly linked to the sector collective agreement. The terms and conditions agreed in the enterprise collective agreement can only improve the terms and conditions contracted in the sector collective agreement. The period for which it is concluded is similar to that of the sector collective agreement. The enterprise collective agreement has the power of law. The terms and conditions of the collective agreement automatically cover all the employees of the given enterprise regardless of their membership of a trade union.

All major companies have now concluded enterprise collective agreements (about 90 %).

In addition to collective bargaining, the employers and employees' representatives cooperate in preparing legal documents and organising joint events (e.g. Power Industry Day held on 1 October).

## **Developments**

At present, it seems that the influence of new investors is tending to impair social dialogue. Foreign investors signal that they are willing to terminate their membership in the Union of Employers of Power Industry in Slovakia and they try to limit the social benefits agreed to on the part of the employers. Moreover, there is an endeavour to anchor the social dialogue at the lowest possible level – i.e. at the enterprise level.

The terms and conditions agreed upon in the sector collective agreement can be extended, under paragraph 7 of the Act on Collective Bargaining No. 2/1991 Coll. of Laws in its amendments, by the Ministry of Labour, Social Affairs and Family of the Slovak Republic (*MPSVaR SR*) to the employers who are not members of the employers' organisation which concluded the agreement in question. The attempts to extend the sector collective agreements to other subjects than the members of the Union of Employers of Power Industry in Slovakia have been unsuccessful so far.

## **3. Employers' organisations and trade unions**

### **Employers' organisations**

#### ***The Union of Employers of Power Industry in Slovakia (Zväz zamestnávateľov energetiky Slovenska, ZZES)***

The employers in the power industry are represented by the Union of Employers of Power Industry in Slovakia, established in 1991. The number of members varies due to a wide restructuring of the sector: some join the Union, others leave it. Membership of the Union is voluntary and currently it represents about 23 enterprises, which employ about 20,000 employees. The organisation covers all the employers in electricity production, distribution, and trade in Slovakia.

The Union of Employers participates in collective bargaining at the sector level.

The activities of the Union of Employers are financed exclusively from the membership fees. The Union does not employ any people, and some work is subcontracted.

Nationally, the Union of Employers of Power Industry in Slovakia is a member of the Federation of the Employers' Associations of the Slovak Republic (*Asociácia zamestnávateľských zväzov a združení Slovenskej republiky, AZZaZ SR*). At the European level, it is a member of Eurelectric.

### **Trade unions**

#### ***The Slovak Trade Union of Workers in Energy (Slovenský odborový zväz energetikov, SOZE)***

The Slovak Trade Union of Workers in Energy was established in 1992 after the federal Trade Union of Workers in Power Industry split into its Slovak and Czech counterparts. Currently the Slovak Trade Union of Workers in Energy represents 29 enterprise trade unions. The companies in which SOZE is present employ about 16,000 workers. Local trade unions in these companies have 10,100 members of which 4,000 are pensioners.

The Trade Union participates in collective bargaining at the sector level and its local sections conclude collective agreements at the enterprise level.

The main bodies of the organisation are the Congress (every four years), the annual Assembly and the Board. The financial source of the trade union is mainly membership fees, together with gifts and dividends. The trade union has four full-time employees.

The Trade Union of Workers in Energy is a member of the Confederation of Trade Unions of the Slovak Republic (*Konfederácia odborových zväzov Slovenskej republiky, KOZ SR*). Through the KOZ SR, the trade union is indirectly a member of ETUC. SOZE is also affiliated with EPSU and EMCEF at the European level, and with PSI at the international level.

***The Association of Trade Unionists in Nuclear Power of the Slovak Republic (Zdruzenie odborarov jadrovej energetiky na Slovensku, ZOJES)***

The original federal Trade Union of Workers in Power Industry split in 1991 and the Association of Trade Unionists in Nuclear Power of the Slovak Republic has existed as a separate subject since 1992. Its establishment was triggered by the specific needs of the workers in nuclear power plants. As of 31 December 2003, the Association had 3,837 members (of which 3,600 are in the NACE Group 40.1). According to estimates, about 35 % of these are young members (aged up to 35) and 30 % of them are women (mainly administrative workers). Estimates give the following proportions of members according to educational levels: 40% are university graduates; 20% are secondary school leavers; and 40% are primary school leavers.

Among the nuclear power stations workers, about 200 workers (100 workers from each of the two stations) are represented by the trade union.

The trade union participates in collective bargaining at the sector level and its local sections conclude collective agreements at the enterprise level.

The main bodies of the ZOJES are the Assembly and the Board. It employs one person. Membership fees are the trade union's exclusive source of financial resources. However, several of the trade union's enterprise units are financially supported by their employers who cover the events co-organized with the trade union, e.g. annual balls, sports games etc. The Association regularly organises training for its members.

The Association ZOJES is a member of the Confederation of Trade Unions of the Slovak Republic (*Konfederacia odborovych zväzov Slovenskej republiky, KOZ SR*). At present, ZOJES is not a member of any European or international organisation.

## Elements relating to the organisations

### Employers' organisations

Note: the densities are calculated on the basis of the companies and the workers in the NACE Group 40.1.

Organisation	Sub-sectors covered	Companies	SW	Density Companies	Density SW	T	CB	National affiliations		European affiliations*		International affiliations*	
		Number	Number	%	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
ZZES (The Union of Employers of Power Industry in Slovakia)	Electricity production	1	9,700	25%	59.15%	Yes	Yes	AZZaZ SR <sup>104</sup>		Eurelectric			
	Electricity distribution	3	6,700	75%	40.85%								
	Others (outside of NACE 40.1)	19	3,600	ND	ND								

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

It is worth noting that the *Slovenské Elektrárne a.s.* (SE, a.s.) is member of Eurelectric.

### Trade unions

Note: the densities are calculated on the basis of the companies and the workers in the NACE Group 40.1.

Organisation	Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations		International affiliations	
	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
SOZE (The Slovak Trade Union of Workers in Energy)	Electricity sector (except the nuclear power)	10,100	5,800 active members and 4,000 pensioners	35.36%*	Yes	Yes	KOZ SR <sup>105</sup>		EPSU, EMCEF	ETUC	PSI	MOP

<sup>104</sup> The Federation of the Employers' Associations of the Slovak Republic (*Asociacia zamestnavateľských zväzov a združení Slovenskej republiky, AZZaZ SR*).

<sup>105</sup> The Confederation of Trade Unions of the Slovak Republic (*Konfederacia odborových zväzov Slovenskej republiky, KOZ SR*).

ZOJES (The Association of Trade Unionists in Nuclear Power of the Slovak Republic)	Nuclear power	3,837	3,600	31.95%	Yes	Yes	KOZ SR		No	No	NONE	NONE
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SW: salaried workers

Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* The calculation has been made on the basis of active members (excluding pensioners).

# SLOVENIA

## 1. Description of the sector

### Delimitation of the sector

The electricity sector classification in Slovenia corresponds to the NACE classification:

- Production of electricity
- Transmission of electricity
- Distribution and trade of electricity

### Socio-economic characteristics of the sector

#### Employment

6,486 people are employed in the electricity sector in Slovenia. Employment in this sector represents 0.9% of all employed people in Slovenia, while the whole sector of Electricity, Gas and Water Supply (NACE Section E) represents 1.2% of all employed people in Slovenia. The majority of employees work in the sub-sector of distribution and trade of electricity as there are 3,388 people in this sub-sector.

#### Workers

Sub-sectors	Number of workers	Number of SW	Number of SW/number of SW in the country (%)	Number of SW in companies <10 SW/number of SW in the sector (%)	Number of SW in companies 10-100 SW/number of SW in the sector (%)	Number of SW in companies >100 SW/number of SW in the sector (%)
Sub-sector 40.1	2,605	2,605	0.4	0.03	1.9	38.3
Sub-sector 40.2	493	493	0.08	0	0	7.6
Sub-sector 40.3	3,388	3,388	0.5	0	0	52.2
Total of the sector	6,486	6,486	0.9	0.03	1.9	98.1

SW: salaried workers

Data prepared by the Ministry of Environment, Spatial Planning and Energy, 2003.

The majority of employees are men. Trade union representatives estimate the ratio to be 80% males and 20% females. All educational profiles are present in the sector, but employees with secondary school education or less are in the majority (73%). The other 27% have college, university or MA or PhD education. Increasing the level of education in the sector is an objective for both employers' and trade union organisations. Average salaries in the electricity sector are above the average salary in Slovenia: the lowest average salaries are in the distribution and trade of electricity and they are 107.4% of the national average salary; and the highest average salary is in the transmission of electricity since it represents 159.7% of the average salary in Slovenia. Salary differences according to the level of education are not very significant in comparison with other activity sectors. Permanent employment is the most usual form of employment in the sector: Permanent employment is a general rule in the sub-sector of production of electricity while there is slightly more temporary employment in the distribution of electricity.

#### Companies

There are 19 companies in the electricity sector. 13 of them are in the sub-sector of electricity production. The majority of companies are large companies, with more than 100 employees.

#### Companies

Sub-sectors	Number of Companies	% companies without SW	% companies with <10 SW	% Companies with 10-100 SW	% companies with > 100 SW
Production	13	0	2	3	8

Transmission	1	0	0	0	1
Distribution and trade	5	0	0	0	5
Total for the sector	19	0	2	3	14

SW: salaried workers

Data prepared by the Ministry of Environment, Spatial Planning and Energy, 2003

According to employers' and trade unions' representatives, the distribution of electricity is characterised by a competitive strategy based on prices. On the other hand, there is also a certain competition based on specialisation, according to the different types of clients of the enterprises.

In the production and the distribution sectors, the level of privatisation is 20%. The electricity transmission company, ELES, should not be privatised (this is decreed by law) and the Slovenian shareholding in the Nuclear Power Plant Krško should not be privatised either.

In the last decade, the sector was characterised by a phenomenon of merging of companies: an umbrella company has been established in the production of electricity, the Holding Slovenian Power Plant, and a similar trend will probably be observed in the distribution sub-sector.

## 2. Social dialogue

### Tripartite concertation

The situation of the electricity sector is particular because of the role of the State as the main employer in the sector. This role is given to the Ministry of Environment, Spatial Planning and Energy (*Ministrstvo za okolje, prostor in energijo*). The consequence is that the State is the signatory party of sector collective agreements. In the future, collective agreements will probably also be signed by sector employer associations, the Energy Association (*Združenje za energetiko*) and the Energy Section of the Association of Employers of Slovenia (*Zdruenje delodajalcev Slovenije, ZDS*)<sup>106</sup>. The State is also considered by some actors as an intermediary between companies' managements and trade unions. In this way, bipartite collective bargaining and tripartite process are mixed in this sector.

### Bipartite social dialogue

#### General provisions

In Slovenia, there is a hierarchy between the levels of negotiation: general tripartite agreement is a compulsory basis for bipartite social dialogue at the sector level and sector collective agreements are a basis for concluding collective agreements at enterprise level. The sector level is the more developed level of collective bargaining, even if there is a tendency to emphasise the enterprise level. The duration of collective agreements on the sector and the enterprise levels is limited to one year, with a possibility of automatic prolongation.

At the national level, the electricity sector (NACE Group 40.1) is covered by the general collective agreement for the private sector, despite the fact that the State is the main employer in the sector.

#### At sector level

Actors which take part in collective bargaining at sector level are:

- The Trade Union of Workers in Energy Activities of Slovenia (*Sindikat delavcev dejavnosti energetike Slovenije, SDE*) and
- The Ministry of Environment, Spatial Planning and Energy.

<sup>106</sup> The Energy Association works within the framework of the Slovenian Chamber of Commerce (membership is obligatory for all companies). In the Section of Energy of the Association of Employers of Slovenia, membership is voluntary. In the future, these two organisations are expected to become signatories of the sector collective agreements on the employers' side.

The first collective agreement concluded at the sector level for the electricity sector was signed in 1992, and the second in 1996. Trade union representatives are very satisfied of this collective agreement, automatically renewed each year since 1996: for the moment, they do not wish open new negotiations in this sector.

Collective agreements in Slovenia have a general validity and cover all companies and all employees in the sector.

Representatives of employers and employees estimate that the bipartite social dialogue at the sector level is well developed and continues to improve. Trade union representatives add that the State, as the employer, acknowledges more and more the trade union as an equal partner in social dialogue.

#### ***At higher than enterprise level***

According to employers' representatives, it can be considered that the higher than enterprise level (lower than the sector level) exists in a sense: companies from the sub-sector of the production of electricity negotiate together with the trade union and the Holding Slovenian Power Plants, as an umbrella company, also negotiates with the trade union.

#### ***At company level***

There is a hierarchy among levels of collective bargaining in Slovenia. Thus, enterprise-level collective agreements can only provide better conditions for employees than the sector collective agreement and the general collective agreement. Negotiations are held between the management of the company and trade union representatives. Collective agreements have been concluded in all companies in the sector (with one exception) and apply to all employees. The only company for which no collective agreement has been signed is the Nuclear Power Plant Krško, which has a special position since its owners are both Slovenia and Croatia. In this company, other types of acts regulates working conditions and salaries.

### **3. Employers' organisations and trade unions**

#### **Employers' organisations**

There is no employers' organisation taking part in collective bargaining in the electricity sector in Slovenia. The employer is represented by the State.

#### **Trade unions**

##### ***The trade Union of Workers in Energy Activities of Slovenia (Sindikat delavcev dejavnosti energetike Slovenije, SDE)***

The Trade Union of Workers in Energy Activities of Slovenia is a branch organisation of the Association of the Free Trade Unions of Slovenia (*Zveza svobodnih sindikatov Slovenije, ZSSS*). The SDE is composed of three sub-sections: the Conference on Electricity of Slovenia, the Conference of Mining of Slovenia and the Conference on the Oil and Gas Economy of Slovenia. This trade union was re-established in 1990.

The SDE represents 86% of all employees in the energy sector. It represents about 6,500 employees in the electricity sector (100% of employees in this sector).

The Trade Union participates in sector and enterprise collective bargaining. Both the trade union and the Conference on Electricity of Slovenia sign collective agreements. The first sector collective agreement was signed in 1992 and the second in 1996. The Trade Union participates in the tripartite concertation indirectly since it is represented by the Association of Free Trade Unions of Slovenia in national tripartite concertation.

The trade union's financing comes from membership fees (they represent 75% of all financial resources of the trade union) and from other sources (educational activities, international activities, and grants). Forty-five percent of financial resources gained from membership fees stay in company trade unions, while 55% is passed on to higher levels. The trade union employs one person.

The SDE is a full member of the EMCEF and EPSU. On the international level, it is a full member of the ICEM and the PSI.

## Elements relating to the organisations

### Employers

There is no employers' organisation taking part in collective bargaining in the electricity sector in Slovenia. The employer is represented by the State. The company ELES is member of Eurelectric.

### Trade Unions

Organisation	Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations*		International affiliations*	
	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
SDE (The Trade Union of Workers in Energy Activities of Slovenia), including the Conference on Electricity of Slovenia	All kinds of workers	ND (86% of the employees in the energy sector)	About 6,500	100%	No	Yes	ZSSS <sup>107</sup>		EMCEF EPSU	ETUC	ICEM PSI	

SW: salaried workers

Density: number of salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

<sup>107</sup> The Free Trade Unions of Slovenia (*Zveza svobodnih sindikatov Slovenije, ZSSS*).

# TURKEY

## 1. Description of the sector

### Delimitation of the sector

The electricity sector in Turkey is classified in the State Institute of statistics (DIE) and in the Ministry of Labour and Social Security (CSGB) statistics. DIE classification considers electricity, gas and water in the same statistical category, within which electricity is classified in terms of production, distribution and transmission.

### Socio-economic features of the sector

The electricity sector in Turkey has been one of the more rapidly growing sectors over the last two decades. Growth reached an average of over 8% per year in this period. The causes of this growth include a strong economic growth, rapid urbanisation, extension of electrification to the whole country and initially low but rising per capita electricity consumption.

Until recently, the Turkish electricity industry was dominated by a state-owned company, the Turkish Electricity Authority (TEK). From the 1980s, the government sought to attract private participation into the industry. The first law setting up a framework for private participation in the electricity industry was enacted in 1984. Thus, private participation was set up and then has been pursued. The State has remained a predominant actor in this process since the state entities were the only purchasers of privately generated electricity and kept ownership of the physical assets. In 1993, in an attempt to prepare TEK for the privatisation, the company was divided into the Turkish Electricity Generation and Transmission Company (TEAS) and the Turkish Electricity Distribution Company (TEDAS). IN 2001, the Electricity Market Law was passed and established the way for a free market in power generation and distribution in Turkey. This legislation calls for the following developments:

- TEAS to be broken into separate generation, distribution and trade companies (In 2001 TEAS was divided into three state-owned public enterprises, namely the Turkish Electricity Transmission Company, the Turkish Electricity Generation Company and the Turkish Trade and Contracting Company).
- Trade and generation to be privatised, whereas transmission remains in state hands
- The setting up of a new regulatory Board, the Energy Market regulatory Authority (EPDK) in order to oversee the Turkish power market, set tariffs, issue licenses and prevents uncompetitive practices. In 2002, the Energy Market Licensing Regulation and the Electricity Market Tariffs Regulation were set up within the EPDK.

The EPDK announced a four-stage approach to a competitive electricity market at the end of which the majority of potentially competitive segments will be taken up by the private sector.

Electricity companies produced 140,283 million kWh in 2003. 50% of total electricity generation was produced by the power plants of TEAS's affiliated partnerships. The rest was generated by privately owned production companies, car manufacturers and mobile power plants.

Turkey's electricity sector is characterised by a low level of productivity.

**Table 1. Number of Establishments and Employment in the Energy Sector (2003)**

Size of Establishment	Number of Establishments (A)	Average Number of Employees (B)	Total/ A %	Total/B %
1-9	3,909	11,268	71.5	8.4
10-24	717	10,753	13.1	8.0
25-49	330	11,627	6.0	8.6
50-99	196	13,793	3.6	10.3
100-249	202	31,334	3.7	23.3
250-499	69	23,195	3.1	17.2
500-999	34	22,708	0.6	16.9
1000-4999	8	9,832	0.1	7.3

TOTAL	5,465	134,510	100	100
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Source: CSGB, 2003

### *Companies in the electricity sector*

Sub-sectors	Number of Companies
Production	121
Transmission	38
Distribution and trade	389
Total of the sector	548

Source: DIE (2003) 2002 Genel Sanayi ve İşyerleri Sayımı, p.18; <http://www.teias.gov.tr>; <http://www.tedas.gov.tr/edm-bagistatistik.htm>

In 2002, 57,748 people were working in the electricity sector in Turkey, of which 37,029 were salaried employees. They are mostly blue-collar workers and employed in the public sector.

### *Workers*

Sub-sectors	Number of workers	Number of SW	Number of SW/number of SW in the country (%)
Production	14,159	10,649	0,2
Transmission	9,216	5,184	0,1
Distribution and trade	34,373	21,196	0,4
Total of the sector	57,748	37,029	0,8

SW: salaried workers

Source: DIE (2003) 2002 Genel Sanayi ve İşyerleri Sayımı, p.18; <http://www.teias.gov.tr>; <http://www.tedas.gov.tr/edm-bagistatistik.htm>

## 2. Social dialogue in the sector

### **Tripartite social concertation**

There is no tripartite concertation in the electricity sector.

### **Bipartite social dialogue**

#### **Main features**

Collective bargaining in the sector takes place at company (establishment) level and at workplace level.

The content of collective agreements mainly focuses on wage levels, including fringe and social benefits. Furthermore, many agreements also deal with redundancy compensations, arrangements concerning trade union activities, employment security and the handling and arbitration of grievances.

The duration of collective agreement is generally two years.

In 2003, 80 collective agreements were valid in the energy sector, including the electricity. They cover 64,529 workers in 2,078 workplaces (source: DIE workplace survey).

Collective agreements apply to members of the trade unions concerned and to non-members who may benefit the collective agreement's provisions if they pay a monthly "solidarity due" to the union.

Besides collective bargaining, joint meetings are organised by employers and trade unions in order to discuss problems of the industry arising from changes of legal regulations.

In the public sector, civil service trade unions conduct collective negotiations, but are not allowed to conclude collective agreements.

#### **Actors**

In the electricity sector, employees are represented by three trade unions, of which one is able to participate in collective bargaining (because it is able to pass the obligatory 10% threshold). The trade union is able to take part in collective

bargaining is the Union of Turkish Energy, Gas and Water Workers' Unions (*Türkiye Enerji, Su ve Gaz İşçileri Sendikası, Tes-İs*). The two other ones are the Dam, Energy, Water and Gas Workers' Union (*Yeni Bes-İş*) (3.234 members) and the Energy Industry Workers' Union (*Ensan-İs*) (3.615 members). There is no organisation that represents employers in the private sector.

In the public sector, there is one employer organisation that represents most of the Turkish public sector, the Public Industries Employers' Association of Turkey (*Türkiye Kamu İşverenleri Sendikası, Kamu-İs*). This organisation negotiates collective agreements for public sector workers under a Labour law contract (mostly blue-collar workers) with the trade unions mentioned above. There are also four public servants' trade unions, which operate under the Public Servant Trade Unions Act<sup>108</sup>:

- The Turkish Energy, Industry and Mining Service Branch Public Servants' Union (TÜRK ENERJİ – SEN)
- The Union of Energy Industry and Mining Public Servants (ESM)
- The Union of Energy, Industry and Mining Services Public Servants' (ENERJİ BİR - SEN)
- The Independent Union of Energy, Industry and Mining Services Public Servants' (BAĞIMSIZ ENERJİ – SEN).

These public servants' trade unions have no right either to participate in collective bargaining or to strike<sup>109</sup>.

### 3. Employers' organisations and trade unions

#### Employers' organisations

##### ***Public Industries Employers' Association of Turkey (Türkiye Kamu İşverenleri Sendikası, Kamu-İs)***

Kamu-İs represents public sector employers in Turkish Electricity industry. This organisation was founded in 1971. Kamu-İs has a membership of 169 public sector organisations (May 2004). These companies employ 167,486 workers. 60,131 of these workers are members of Tes-İs. These figures include electricity workers, but also gas and water workers. Kamu-İs represents 169 companies, of which 69 are in the electricity sector (therefore, 40% of its members are in the electricity sector). These companies employ 32,790 workers (it corresponds to 19.5% of the employees working in all its member companies). The organisation represents 12.6% of the companies and 88.5% of employees of the electricity sector.

Kamu-İs negotiates collective agreements for public sector workers under a Labour law contract (mostly blue-collar workers). It did not sign any collective agreements in 2002. In 2003, it concluded 94 collective agreements. Collective agreements are signed every two years in the electricity sector.

Kamu-İs is financed by the fees of its affiliates, which are determined on the basis of the number of the workers employed by the affiliated companies. The organisation employs 24 specialists and 10 administrative and auxiliary employees.

At national level, Kamu-İs is affiliated to the Turkish Confederation of Employer Associations (*Türkiye İşveren Sendikaları Konfederasyonu, TISK*). It does not have any European and international affiliations.

#### Trade unions

##### ***The Union of Turkish Energy, Gas and Water Workers' Unions, Türkiye Enerji, Su ve Gaz İşçileri Sendikası (Tes-İs)***

The origin of Tes-İs date back to early 1960s, then the trade union was founded in 1983. It is the only trade union in the energy sector that has the right to participate in collective bargaining.

Tes-İs has a total membership of 110,228, out of 137,206 unionised workers in energy industry (2004 January). It represents 80.3% of all workers in the energy sector. However, the data is inflated, since the union itself put the figure around 80,000

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<sup>108</sup> The Public Servant Trade Unions Act, No 4688, 2001.

<sup>109</sup> EPSU remind that they have written recently to the Commissioner Verheugen about this situation: trade unions in the public sector are excluded of collective bargaining despite of the fact that ILO has urged Turkey to apply ILO conventions (EPSU consultation, November-December 2004).

fee-paying members. It would correspond to 60% of the workers in the energy sector. According to Kamu-Is, only 32,790 of Tes-Is members are employed in the electricity sector. It corresponds to 88.5% of the workers of the sector.

Tes-Is has 36 branches nationwide and employs 380 people including experts, administrative and auxiliary staff. The main decision-making body of the Tes-Is is the General Congress, which convenes in every four years. There are three mandatory organs: the Management Board, the Auditing Board, and the Disciplinary Board, which are established under the Trade Union Act No. 2821.

In the energy sector, Tes-Is signed 53 collective agreements (10 establishment level agreements and 43 workplace level agreements) in 2003, whereas the corresponding figure was 42 (2 establishment, 40 workplace) in 2002.

The fees and donations from the members and incomes from its movable and immovable properties support Tes-Is. Members pay an equivalent of one-day's wages as membership dues.

Tes-Is is affiliated to the Confederation of Turkish Trade Unions (*Türkiye İsci Sendikaları Konfederasyonu*, Türk-İŞ) at national level, to EMCEF at European level and to ICEM at international level.

### ***The trade unions representing public servants***

The public servants' unions have no role in collective bargaining. However, their affiliated confederations take part in collective negotiations with the government. These negotiations only cover annual pay rise of public servants.

There are four organisations representing public servants in the energy sector. They are:

- The Turkish Energy, Industry and Mining Service Branch Public Servants' Union (*Türkiye Enerji Sanayi ve Madencilik Hizmet Kolu Kamu Çalışanları Sendikası*, TÜRK ENERJİ – SEN), which is affiliated to TURKIYE KAMU – SEN confederation. Türk Enerji Sen represents 11,052 public servants out of 44,998 in the energy sector. It has no international and European affiliation.
- The Union of Energy Industry and Mining Public Servants (*Enerji, Sanayi ve Maden Kamu Emekçileri Sendikası*, ESM), which is affiliated to KESK confederation. It represents 9,724 public servants. It has no international and European affiliation.
- The Union of Energy, Industry and Mining Services Public Servants' (*Enerji, Sanayi ve Madencilik Hizmetleri Çalışanları Birliği Sendikası*, ENERJİ BİR - SEN), which is affiliated to MEMUR-SEN confederation. It has a membership of 2,733. It has no international and European affiliation.
- The Independent Union of Energy, Industry and Mining Services Public Servants' (*Bağımsız Enerji, Sanayi ve Madencilik Hizmet Kolu Kamu Görevlileri Sendikası*, BAĞIMSIZ ENERJİ – SEN), which is affiliated to BASK. It has a membership of 337. It has no international and European affiliation.

## Elements relating to the organisations

### Employers' organisations

Organisation	Sub-sectors covered	Companies	SW	Density Companies	Density SW	T	CB	National affiliations		European affiliations		International affiliations	
		number	number	%	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Kamu-Is (Public Industries Employers' Association of Turkey)	Public sector (various)	(PS: 169)* Electricity: 69	(PS: 167,486)* Electricity: 32.790	Electricity: 12.6	Electricity: 88.5	No	Yes	TISK					

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* PS: Public sector

### Trade unions

Organisation	Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations		International affiliations*	
	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
Tes-Is (Turkish Energy, Gas and Water Workers' Union)	Blue-collar workers	110,228	32,790	88.5	No	Yes	Turk-Is		EMCEF		ICEM	
Turk-Enerji Sen (Turkish Energy, Industry and Mining Service Branch Public Servants' Union)	Public servants	11.052	ND	ND	No	No*	Turk-Kamu Sen					
ESM (The Union of Energy Industry and Mining Public Servants)	Public servants	9.724	ND	ND	No	No*	KESK					
ENERJİ BİR - SEN (The Union of Energy, Industry and Mining Services Public Servants')	Public servants	2.733	ND	ND	No	No*	MEMUR SEN					

BAĞIMSIZ ENERJİ – SEN (The Independent Union of Energy, Industry and Mining Services Public Servants')	Public servants	337	ND	ND	No	No*	BASK						
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SW: salaried workers

Density: number salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* There is no collective bargaining process in the public sector. However, their affiliated confederations take part in collective negotiations with the government.

# ANNEX 1: QUESTIONNAIRE

## 1. 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 sector level is not relevant in each country, the questionnaire is adapted to include different reality from each country.

## 2. Delimitation of the Electricity sector

The electricity sector include the production, the transmission and the distribution of electricity. It correspond to the NACE code 40.1:

40.1: Production and distribution of electricity

40.11 Production of electricity

40.12 Transmission of electricity

40.13 Distribution and trade of electricity

According to the national traditions, the sector delimitation can differ from a country to another. Indeed, the structuring of the employers' organisations and trade unions as well as the organisation of the social dialogue can cover sub-sectors or different trades / professions. This European definition is thus given to you as an **indication**. Item 1 of the questionnaire will aim to delimit the sector at the national level.

## 3. Methodological remarks

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

- the electricity sector from the national point of view
- the tripartite concertation in the electricity sector
- the bipartite social dialogue in the electricity sector
- employers' and workers' organisations active in the electricity 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 electricity 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 trade unions and employers' organisations within the relevant sector
5. Feedback of the trade unions and employers' organisations (contact, sending study, inclusion remarks)
6. Reply to the possible additional queries of the co-ordinator

### Reminder of the deadline

National experts sending of final report to IST : **Monday May 31, 2004.**

As the Monograph must be validated by National and European trade unions and employers' organisations, 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 31st of May 2004;
- to give the trade unions and employers' organisations one month in which to respond (June 2004);

## Quantitative data

The Commission has reaffirmed the importance of the quantitative data allowing the assessment of trade unions and employers' organisations 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).

## 4. Questionnaire

### A. 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?
- Possible subdivision of the sector in several branches and consequences for the collective bargaining

#### *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)
- Estimated importance of the underground economy
- Economic structuring of the sector (number, type [multinationals, SMEs...], size of the enterprises...) by sub-sectors (wholesale, retail, or others)
- Number of workers in the sector (salaried workers; other than salaried workers)
- Categories of salaried workers (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,...)
- Type of competing strategy mainly adopted by the firms (by the costs, by the specialisation / differentiation)
- Evolutions and trends: expansion or decline. Degree in process of privatisation. Change in the size of enterprises. Other significant evolutions

### B. Description of the tripartite concertation in the sector

Tripartite social concertation is defined as 'a process in which the state involves trade unions and employers' organisations in the policy debate and possibly in decision-making'<sup>110</sup>

Is there a tripartite social concertation at the sector (branch) level?

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<sup>110</sup>Industrial relations in Europe, European Commission (Directorate-General for Employment and Social Affairs), May 2002, p 92.

If yes:

- Which institutions organise this concertation?
- Which actors are involved in this concertation?
- What kinds of representativeness and / or recognition measures do social actors have at sector level?
- 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 procedures 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?)
- 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 sector level:

- Are there other kinds of consultation or meetings between the government and the trade unions and employers' organisations at the sector level? Which are the results of these meetings?

All these questions also apply if there is a regional sector level.

## **C. Description of the bipartite social dialogue in the sector**

### ***General features***

Bipartite social dialogue is defined as 'a process of cooperation and negotiation between employer and trade union representatives'<sup>111</sup>.

The field of this « sector 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 sector (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?
- Are there formal or informal reciprocal recognition systems on the part of trade unions and employers' organisations ?
- 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).
- Would there be obstacles to development of bipartite social dialogue at sector level? Which ones?
- Is there a promotion of the bipartite social dialogue at the sector level? Who is contributing to this development? (State? Other? ...).
- 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)?

### ***At sector level***

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

- How is the sector level defined in your country, in terms of what is a sector collective agreement, what kind of actors can negotiated at this level, what is the ability of this actors. Please, explain the legal provision.

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<sup>111</sup> Op cit.

- Identification of the players at this level (cartels of bargaining if any).
- Is there any obligation to participate at collective bargaining at sector 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. 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 salaried workers?
- Number and type of salaried workers covered by these collective agreements?
- Are there procedures for extending collective agreements to parties that are not signatories to the agreement? If yes, explain these procedures. Are these procedures effectively used? If not, what would the reasons be?
- Which are the players' positions with regard to future developments in the social dialogue in the sector?
- 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.
- All these questions also apply if there is a regional sector level.

***At « higher than enterprise » level***

If the collective bargaining in the 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 this actors. Please, explain the legal provision if any.
- 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 salaried workers?
- Number of enterprises who signed collective agreements at the "higher than enterprise" level? Type / size of these enterprises (SME?, multinationals?...)
- Number and type of salaried workers covered by these collective agreements?
- Are there procedures for extending collective agreements to parties that are not signatories to the agreement? If yes, explain these procedures. Are these procedures effectively used? If not, what would the reasons be?

***At enterprise level***

If the collective bargaining is not / very little developed at "higher than enterprise" and sector 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 salaried workers?
- Number of enterprises who signed collective agreements at the enterprise level? Type / size of these enterprises (SME?, multinationals?...)
- Number and type of salaried workers covered by these collective agreements?
- Are there procedures for extending collective agreements to parties that are not signatories to the agreement? If yes, explain these procedures. Are these procedures effectively used? If not, what would the reasons be?

#### **D. 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 sector,
- emerging organisations that are not recognised, but which play a role in the sector.

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

- What are the results of the last social elections?

##### **For each worker's organisations**

###### *Identification*

- Name, English name, statute, sub-sector.
- Give a brief historic of the organisation
- Way of funding
- Number of salaried workers working for the organisation (staff)?

###### *Quantitative elements of representativeness*

- Number of individual members (specify different categories. For example: workers, retired...)
- Number of members working in the sector.
- Density<sup>112</sup>
- Distinguish between different kinds of membership (e.g. staff/white-collar workers, manual/blue-collar workers, managers, and particular professional categories)
- 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 sector, 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 in 2002 and 2003, and for each level?

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<sup>112</sup> Density (worker's organisations): number of affiliated salaried workers divided by total number of salaried workers in the sector.

- 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, sub-sector
- Give a brief historic of the organisation
- Way of funding of the organisation
- Number of salaried workers working for the organisation (staff)?

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

- Total number of enterprises represented by the organisation?
- Total number of salaried workers represented?
- Density (companies)<sup>113</sup>, Density (salaried workers)<sup>114</sup>
- 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 sector, 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 sin 2002 and 2003, 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 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.

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<sup>113</sup> Density (companies): number of companies affiliated divided by total number of companies in the sector.

<sup>114</sup> Density (salaried workers): number of salaried workers in the affiliated companies divided by total number of salaried workers in the sector

## COUNTRY

### Contextual data in the sector

#### **Companies**

Sub-sectors	Number of Companies	% companies without SW	% companies with < 10 SW	% Companies 10-100 SW	% companies with > 100 SW
Sub-sector 1					
Sub-sector 2					
Sub-sector 3					
Total of the sector					

SW: salaried workers

#### **Workers**

Sub-sectors	Number of workers	Number of SW	Number of SW/number of SW in the country (%)	Number of SW in companies < 10 SW/number of SW in the sector (%)	Number of SW in companies 10-100 SW/number of SW in the sector (%)	Number of SW in companies >100 SW/number of SW in the sector (%)
Sub-sector 1						
Sub-sector 2						
Sub-sector 3						
Total of the sector						

SW: salaried workers

## COUNTRY

### Elements relating to the organisations

#### *Employers' organisations*

Organisation		Sub-sectors covered	Companies number	SW number	Density Companies	Density SW	T yes/no	CB yes/no	National affiliations		European affiliations*		International affiliations*	
Original name	English name				%	%			Direct	Indirect	Direct	Indirect	Direct	Indirect

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* Precise if it is an observant member

#### *Trade Unions*

Organisation		Type of SW Type	Members Number	Members working in the sector Number	Density %	T yes/no	CB yes/no	National affiliations		European affiliations*		International affiliations*	
Original name	English name							Direct	Indirect	Direct	Indirect	Direct	Indirect

SW: salaried workers

Density: number salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

\* Precise if it is an observant member

## ANNEX 2: CONSULTATIONS

### BULGARIA

In the framework of the redaction of the **Monographs on the situation of the trade unions and employers' organisations in the candidate in the ELECTRICITY sector**, the national expert of BULGARIA had consulted these people:

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Mrs. Elka Arnaudova	National Federation of Energy Workers, member of CITUB	Deputy President
Mr. Bozhidar Mitev	Independent Trade Union Federation of Workers in Energy Industry in Bulgaria, member of CITUB	President
Mrs. Aneta Kovachevska	Federation of Energy Workers Podkrepa, member of CL Podkrepa	Organisational Secretary
Mrs. Ivanka Tzonkova	Bulgarian branch chamber of Energetics	Organisational Secretary

National expert had organised a consultation of his/her report.

### CYPRUS

In the framework of the redaction of the study about the **Monographs on the situation of the trade unions and employers' organisations in the candidate in the ELECTRICITY sector**, the national expert of CYPRUS had consulted these people:

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 Officer
Mr Angelos Agathangelou	Statistical Service of Cyprus	Chief Statistical Assistant
Mr. Ioannis Ioannides	Electricity Authority of Cyprus	Personnel Officer
Mr Andreas Panorkos	Free Pancyprian Union of Electricity Authority Employees	President
Mr Sotos Savva	Trade Union of Professional Staff of the Electricity Authority of Cyprus	President
Mr Andreas Kareklas	Semi-Government, Municipal and Local Authority Workers and Employees Trade Union of Cyprus, PEO	Secretary
Mr Christos Kyriakides	Trade Union of Shift Employees of the Electricity Authority of Cyprus	Secretary

National expert had organised a consultation of his/her report.

### CZECH REPUBLIC

In the framework of the redaction of the **Monographs on the situation of the trade unions and employers' organisations in the candidate in the ELECTRICITY sector**, the national expert of the CZECH REPUBLIC had consulted these people:

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Pavel Chejn	ČSZE	Expert for collective bargaining
Vít Spurný	OSE	Deputy Chairman
Josef Plišek	ČOSSE	Deputy Chairman
Ing. Vladimír Pavlík	OSZJE	Deputy Chairman

National expert had organised a consultation of his/her report.

### ESTONIA

In the framework of the redaction of the **Monographs on the situation of the trade unions and employers' organisations in the new member States and in the candidate countries in the ELECTRICITY sector**, the national expert of Estonia had consulted these people:

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
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Sander Vaikma	EAKL - Confederation of Estonian Trade Unions	Secretary (organisational issues and youth)
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National expert had organised a consultation of his/her report.

The experts sent its report for consultation to the following organisations but did not get any comments from them: the Estonian Power and Heat Association (*Eesti Jõujaamade ja Kaugkütte Ühing*), the Association of Estonian Electrical Industry (*Eesti Elektritööstuse Liit*), and the Association of the Estonian Energetics Workers Trade Unions (*Eesti Energeetikatöötajate Ametiühingute Liit*).

## HUNGARY

In the framework of the redaction of the **Monographs on the situation of the trade unions and employers' organisations in the new member States and in the candidate countries in the ELECTRICITY sector**, the national expert of HUNGARY consulted these people:

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
R. G. male	Trade Union Association of Electricity Industry Workers	President
A. D., male	Employer Association of Electricity Industry Companies	President
K. G., male	Labour Arbitration and Mediation Service	Director
B. E., female	Ministry of Employment and Labour, Department for Industrial Relations	Head of Department
V. J., female	Ministry of Employment and Labour, Department for Industrial Relations	Advisor

National expert had organised a consultation of his/her report.

## LATVIA

In the framework of the redaction of the **Monographs on the situation of the trade unions and employers' organisations in the new member States and in the candidate countries in the ELECTRICITY sector**, the national expert of LATVIA consulted these people:

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Jānis Garaissils	Latvian Trade Union "Enerģija"	Chairman
Skaidrīte Vilistere	Latvenergo	Human resource manager

National expert had organised a consultation of his/her report.

## LITHUANIA

In the framework of the redaction of the **Monographs on the situation of the trade unions and employers' organisations in the new member States and in the candidate countries in the ELECTRICITY sector**, the national expert of LITHUANIA consulted these people:

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Igoris Sarakovas	Federation of Energy Workers Trade Union Lithuania	Chairman
Rimvydas Ruksenas	Lithuanian Electricity Association	President

National expert had organised a consultation of his/her report.

## MALTA

In the framework of the redaction of the **Monographs on the situation of the trade unions and employers' organisations in the new member States and in the candidate countries in the ELECTRICITY sector**, the national expert of MALTA consulted these people:

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
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Azzopardi Raymond	Enemalta	Assistant Human Resource Manager
Bonello Jesmond	UHM	Secretary of Public Entities Section
Buttigieg Charles	Enemalta Professional Union	President
Debono Michael	The Collective bargaining Unit	Chairperson
Mangion Joseph	Enemalta	Principal of Human Resource Section
Mercieca Gaetano	Chemicals, Energy and Printing Section of GWU	Secretary
Mizzi Robert	NSO	Officer in charge of Library and Information Unit
Vella Ronnie	Enemalta Senior Staff Union	Head of Electricity and ex-president and founder of the Enemalta Senior Staff Union

National expert had organised a consultation of his/her report.

## POLAND

In the framework of the redaction of the **Monographs on the situation of the trade unions and employers' organisations in the new member States and in the candidate countries in the ELECTRICITY sector**, the national expert of POLAND consulted these people:

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Marta Goroszkiewicz	The Polish Confederation of Private Employers	Adviser - Department of Social Dialogue
Marek Solecki	The Engineers and Technicians Union	President of the Section Energy
Karzymierz Drabnik	The National Alliance of Trade Unions for Unceasing Work	President
Leszek Kasinski	The National Alliance of Trade Unions for Unceasing Work	Vice- President
Eugeniusz Jaroszewski	The Heat and Power Plant Worker's National Section - NSZZ « Solidarnosc »	President
Jerzy Ciepluch	The Federation of Polish Power Industry Employer Unions	Director of the Permanent Bureau
Grazina Karpecka	The Power Station Employer Union	Collaborator of the President
Adam Witkowski	The Heat and Power Plant Employers Union	Assistant of the President
Tomaz Zawilinski	The Power Plant Employers Union	Coordinator of the Permanent Bureau
Wolciech Strojniak	The Union of Power Industry Back-up Facilities Employers	Member of the Secretariat
Stanislaw Narewski	The Association of Trade Unions of Power Industry Employees	President
Jan Kowalski	The Association of Trade Unions of Power Industry Employees	Vice- President
Barbara Stefaniak-Gnyp	The Energy Worker's National Section - NSZZ « Solidarnosc »	President
Zbigniew Kowalczyk	Ministry of Labour	Departmental head – Department of the Factory Inspectorate
Anna Koleczka	Ministry for the Economy and Social Policy	Adviser - Department of Social Dialogue
Pawel Targonski	Ministry for the Economy and Social Policy	Adviser - Department of Social Dialogue
Teresa Pietrowska	General Administration of Statistics	Adviser – Department Information and development

National expert had organised a consultation of his/her report.

## ROMANIA

In the framework of the redaction of the **Monographs on the situation of the trade unions and employers' organisations in the new member States and in the candidate countries in the ELECTRICITY sector** the national expert of ROMANIA consulted these people:

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Gheorghe Indre	Ministry of Economy and Commerce, General Direction of Energy Policies	General Director
Cristinel Ocnasu	S.C Electrica S.A., Human Resources Department	Director
Mihaela Maciuceanu	S.C. Transelectrica S.A., Department of Human Resource Management	Chief Department
Ileana Petre	S.C. Termoelectrica S.A. Human Resources Department	Adviser
Gheorghe Capatana	The Trade Union Federation « Millenium III Energy »	General Secretary
Ilie Rosu	Trade Union Federation Hidroelectrica "Hidrosind"	President
Vasile Domocos	The Federation of Free and Independent Trade Unions "Energetica"	President
Ion Pisc	The Federation of Free and Independent Trade Unions "Energetica"	Executive President
Nicolae Harjoaba	The Federation of Free and Independent Trade Unions "Energetica"	Vice-president
Aureliu Vancea	The National Federation of Electricity Trade Unions "Univers"	President
Iulia Bunescu	The National Federation of Electricity Trade Unions "Univers"	Lawyer
Laurentiu Sava	The Owners Association Federation "Energetica"	Executive Director

National expert organised a consultation of his/her report.

#### SLOVAK REPUBLIC

In the framework of the redaction of the **Monographs on the situation of the trade unions and employers' organisations in the new member States and in the candidate countries in the ELECTRICITY sector**, the national expert of the SLOVAK REPUBLIC had consulted these people:

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Vladimir Tonka	Union of Employers of Power Industry in Slovakia (ZZES)	Secretary General
Maria Kojsova	Association of Trade Unionists in Nuclear Power of the Slovak Republic (ZOJES)	Secretary
Vladimir Mojs	Slovak Trade Union of Workers in Energy (SOZE)	Chairman

National expert organised a consultation of his/her report.

#### SLOVENIA

In the framework of the redaction of the study about the of the **Monographs on the situation of the trade unions and employers' organisations in the new member States and in the candidate countries in the ELECTRICITY sector**, the national expert Alenka Krašovec had consulted these people:

Name of the person consulted	Name of the organisation consulted	Function of this person in this organisation
Franc Dolar	Trade Union of Workers of Energy of Slovenia	President
Jurij Žvan	Trade Union of Workers of Energy of Slovenia; Conference on Electricity	Vice-president of Trade Union of Workers of Energy of Slovenia; President of Conference on Electricity
Djordje Žebeljan	Ministry of Environment, Spatial Planning and Energy	Director General of the Energy Directorate

National expert organised a consultation of his/her report.

## TURKEY

In the framework of the redaction of the **Monographs on the situation of the trade unions and employers' organisations in the new member States and in the candidate countries in the ELECTRICITY sector**, the national expert of TURKEY consulted these people:

<b>Name of the person consulted</b>	<b>Name of the organisation consulted</b>	<b>Function of this person in this organisation</b>
Resul Limon	TES-IS	Head of Education Dept.
Gurtan Tasenur	TES-IS	Head of Collective Bargaining Dept.
Hasan Karslı	KAMU-IS	Senior Specialist

National expert had organised a consultation of his/her report.