

Workshop: "Life Long Learning project: follow up of the joint declaration and promotion of the EU sectorial social dialogue"
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Collective Labour Agreement In Bulgarian Financial Sector

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Introduction Notes

- ❑ In Bulgaria's financial sector there is no employer organization, with which trade unions to conduct negotiations and to sign a collective labour agreement! The Association of banks in Bulgaria has no such prerogatives.
 - ❑ The Federation of financial sector trade unions is not represented nationwide, since its members approximate 5000 bank employees.
 - ❑ The Collective Labour Agreement (CLA) is signed separately for each particular bank!
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Structure Of CLA

Main Sections

1. General provisions
 2. Employment and job security
 3. Staff training, development and qualification
 4. Working hours, breaks and leaves
 5. Remuneration
 6. Social insurance and compensations
 7. Healthy and safe work environment
 8. Social policy and staff support
 9. Other staff benefits
 10. Terms and conditions for trade union activity
 11. Control on the implementation of the agreement
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CLA – 1. General Provisions

- Describe the effectiveness period and the parties to the agreement.
 - Negotiate the manner, through which employees, who are not members of the Trade Union, can join it – upon payment of an accession fee;
 - Negotiate the right of the Trade Union to determine the representatives in the European Work Councils.
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CLA – 2. Employment And Job Security

- ❑ Presents the general requirements for staff recruitment and career development;
 - ❑ Describes in detail the terms and conditions, upon which staff redundancies can be made and the amount of the indemnities to be paid;
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CLA – 3. Staff Training, Development And Qualification

- ❑ Agreement is made with the employer on the minimum amount of expenses for training of the bank's staff over a calendar year;
 - ❑ A commitment has also been agreed on the part of the trained employees to work in the bank for a minimum of 3 years after a qualification training;
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CLA– 4. Working Hours, Breaks And Leaves

- ❑ States the total working time duration - 8 hours per day and a five-day week;
 - ❑ The terms and conditions for compensation have been agreed upon extending the working day with 1 hour for fulfilment of urgent tasks, assigned by the employer – in such cases the employee can himself/herself specify the day, on which he/she will compensate himself/herself;
 - ❑ Agreement has been reached on the categories of employees, working in shifts (upon a 8-hour working day);
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CLA– 4. Working Hours, Breaks And Leaves

- ❑ With an order of the Employer particular employees are nominated, who work under a non-fixed working day – these negotiate their personal conditions for compensation with the Employer (additional leave or additional payment);
 - ❑ Leaves of employees are 22 business days;
 - ❑ Additional paid leave is used by mothers with children up to 18 years of age (depending on the number of children), upon entering into civil marriage, upon a death of a family member – in such cases payment of the full amount of the salary has been agreed;
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CLA – 5. Remuneration

- ❑ The employer undertakes to make annual review of the employees' remunerations and to update the remuneration amounts for the different employee categories in accordance with:
 - ❑ the current budget,
 - ❑ the achieved financial result and
 - ❑ the competitive conditions on the labour market in the banking sector;
 - ❑ This section includes a text for an extra monthly pay to each employee, who is substituting another employee, absent for a long period of time (due to sickness or training – over 1 month);
 - ❑ The contract also states the amount of the additional pay above the basic salary for length of service – in % (see table);
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Additional Pay Above The Basic Salary For Length Of Service – In %

Length of service - years	%	Length of service - years	%
3 to 6	3.0%	24 to 27	15.6%
6 to 9	4.8%	27 to 30	17.4%
9 to 12	6.6%	30 to 33	19.2%
12 to 15	8.4%	33 to 36	21.0%
15 to 18	10.2%	36 to 39	22.8%
18 to 21	12.0%	39 to 42	24.6%
21 to 24	13.8%	42 to 45	26.4%
Over 45 - 27.0% plus 0.6% for every year over 45			

CLA – 6. Social Insurance And Compensations

- ❑ The employer undertakes to pay all due social insurance contributions and compensations, as envisaged in the Labour Code and in the Social Insurance Code.
 - ❑ There are no established breaches and non-performance on these obligations in any bank in Bulgaria, including those, in which there is no Collective Labour Agreement;
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CLA – 7. Healthy And Safe Work Environment

- ❑ The employer establishes an in-house health care centre, headed by a physician with a private medical practice;
 - ❑ Centralized health files and medical treatment documentation is maintained for employees with chronic diseases and permanent disablement;
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CLA – 8. Social Policy And Staff Support

- This section has agreed on the one-off payment of the following support benefits:
 - upon entering into civil marriage;
 - upon birth of a child;
 - upon prolonged illness exceeding 30 days;
 - for treatment of a severe illness of a child of a bank employee;
 - upon a death of an employee or his/her spouse or child;
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CLA – 9. Other Staff Benefits

- ❑ In this section each bank negotiates:
 - ❑ Christmas salary;
 - ❑ preferential interest rates for the used banking products by all employees and retired such;
 - ❑ It has been agreed the employer to make monthly contributions into a pension insurance fund for each employee, equaling 10 % of the amount of the minimum salary for this country;
 - ❑ This section also stipulates complex life insurance and a health service package for all employees;
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CIA – 10. Terms And Conditions For Trade Union Activity & 11. Implementation Control

- ❑ The employer has agreed to provide:
 - ❑ an opportunity for trade union activity up to 4 hours monthly;
 - ❑ free-of-charge utilization of communication facilities and premises after business hours;
 - ❑ A Committee is established to control the implementation of the agreement comprising of equal number of members on the part of both the Employer and the Trade Union.
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