



**БЪЛГАРСКА АСОЦИАЦИЯ НА
МЕТАЛУРГИЧНАТА ИНДУСТРИЯ**



**СИНДИКАЛНА ФЕДЕРАЦИЯ
"МЕТАЛИЦИ"**



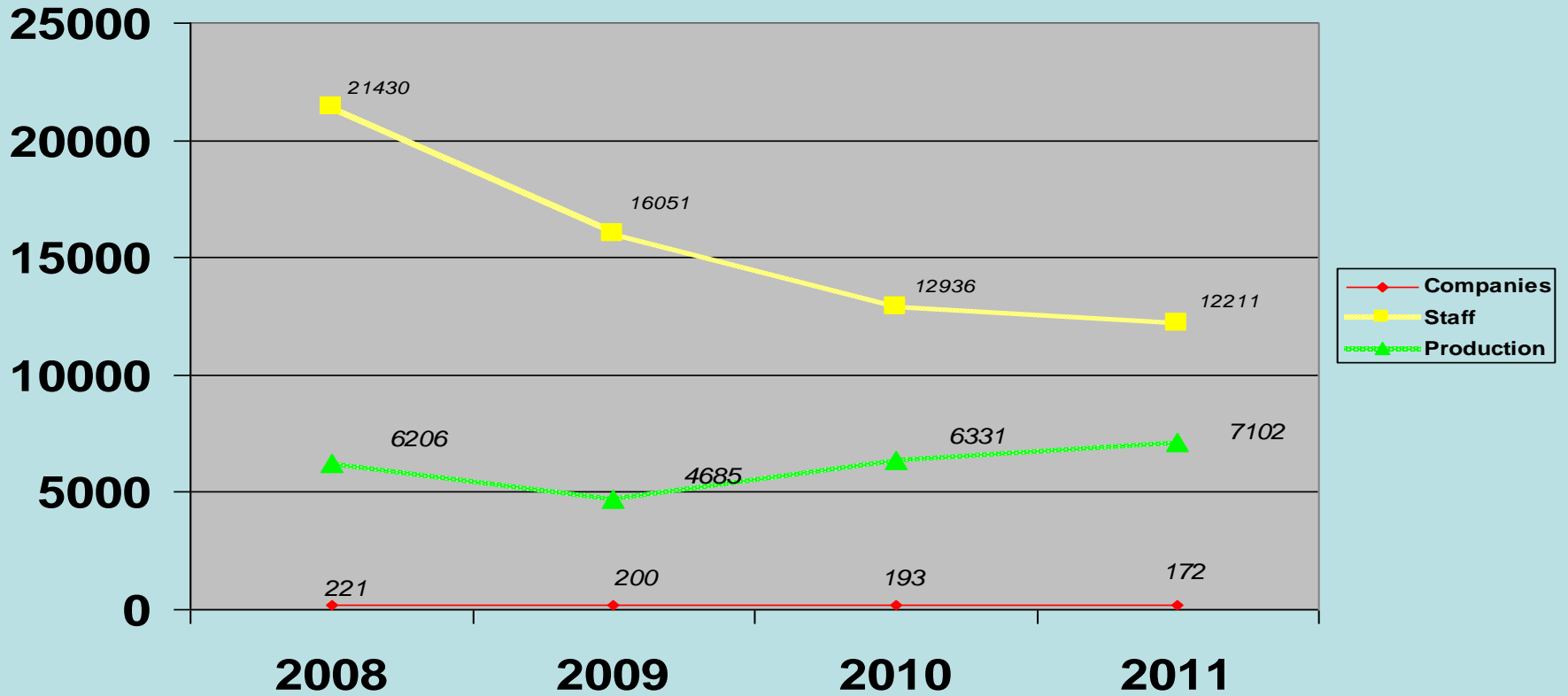
SECTOR ANALYSIS OF THE ECONOMIC ACTIVITY "BASIC METALS MANUFACTURING"

Main tendencies in the economic development, human resources and qualification.

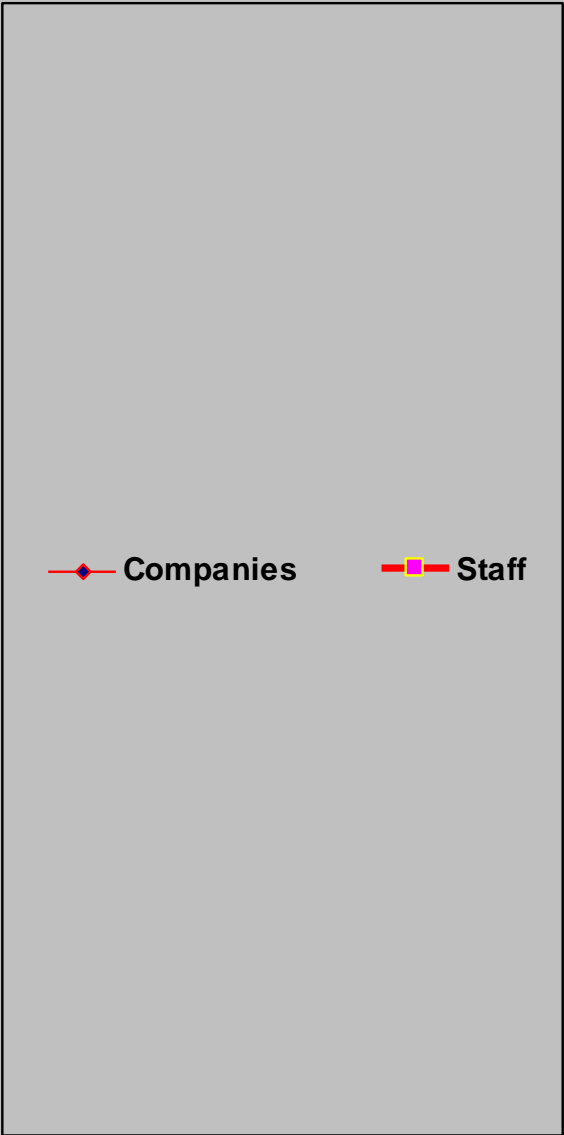
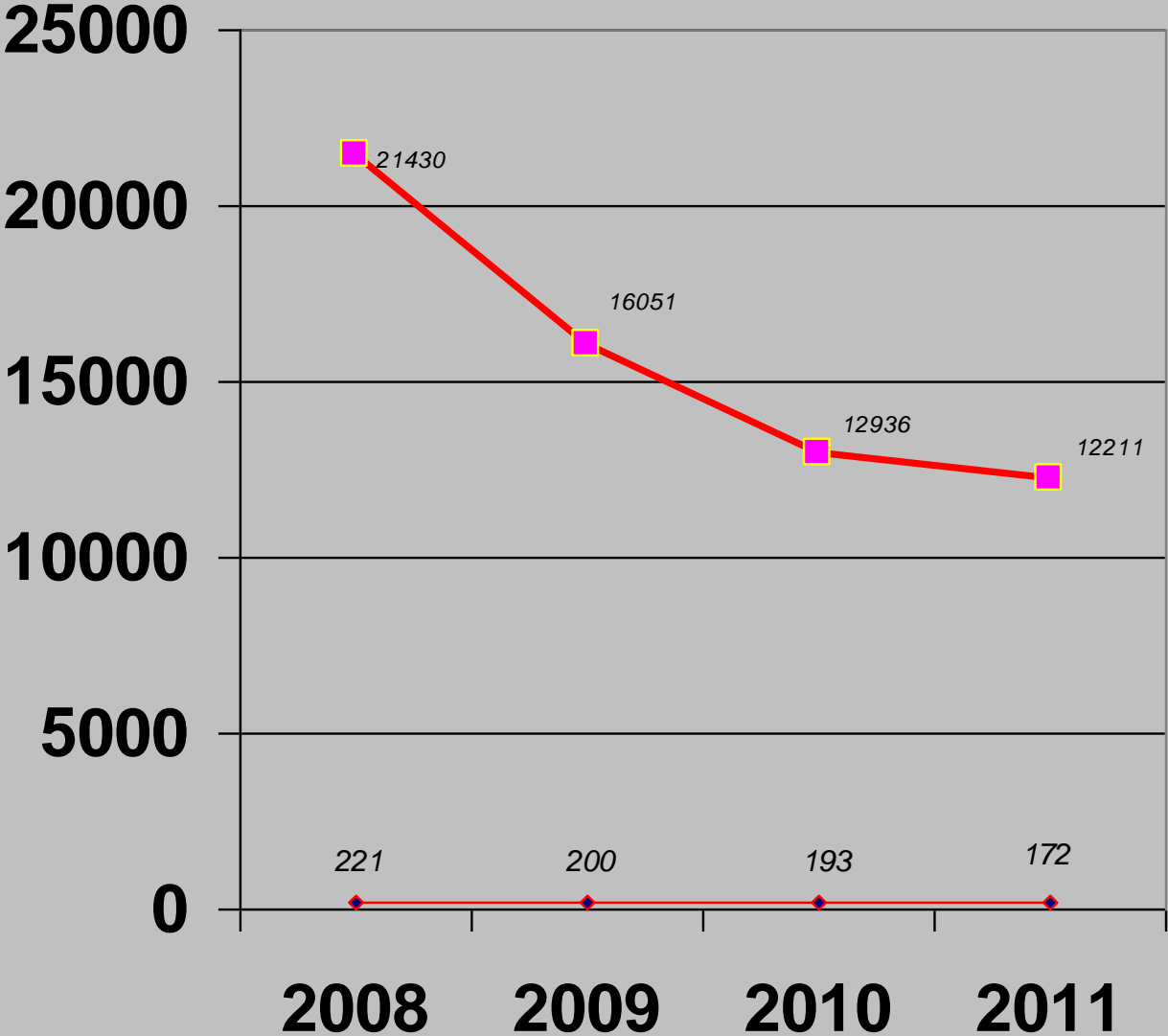
- The metal industry is completely privatized as in the last 10 years significant changes in the structure and technology of the production were carried out.
- The share of the metal production in the total industrial production of the country is high – about 10-12%.
- The global economic crisis impacted very negatively the production and exports in 2009 which led to closure of enterprises and dismissals. From 2010 a process of stabilization and upwards trends started.



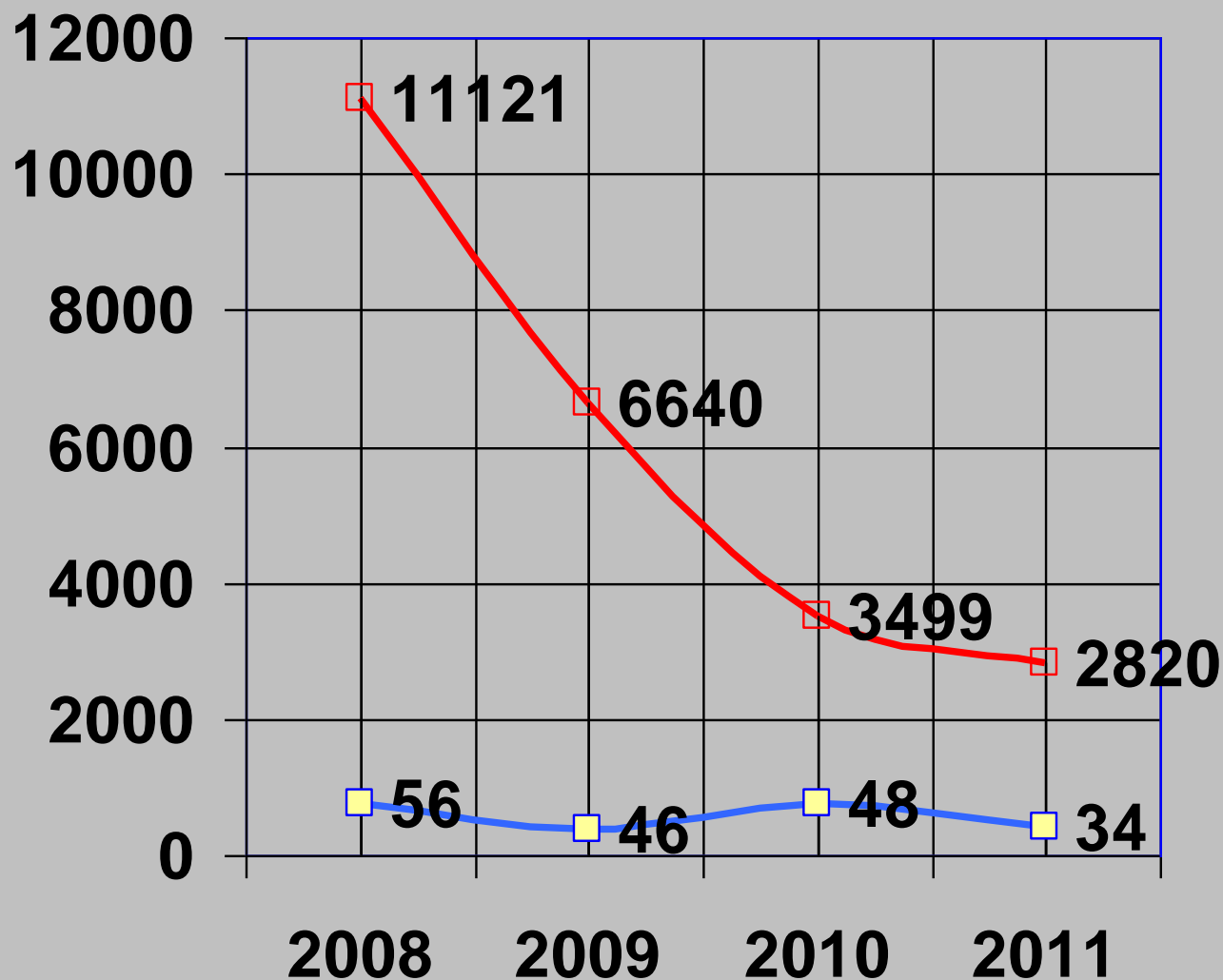
Number of companies in the sector



Number of companies in the sector

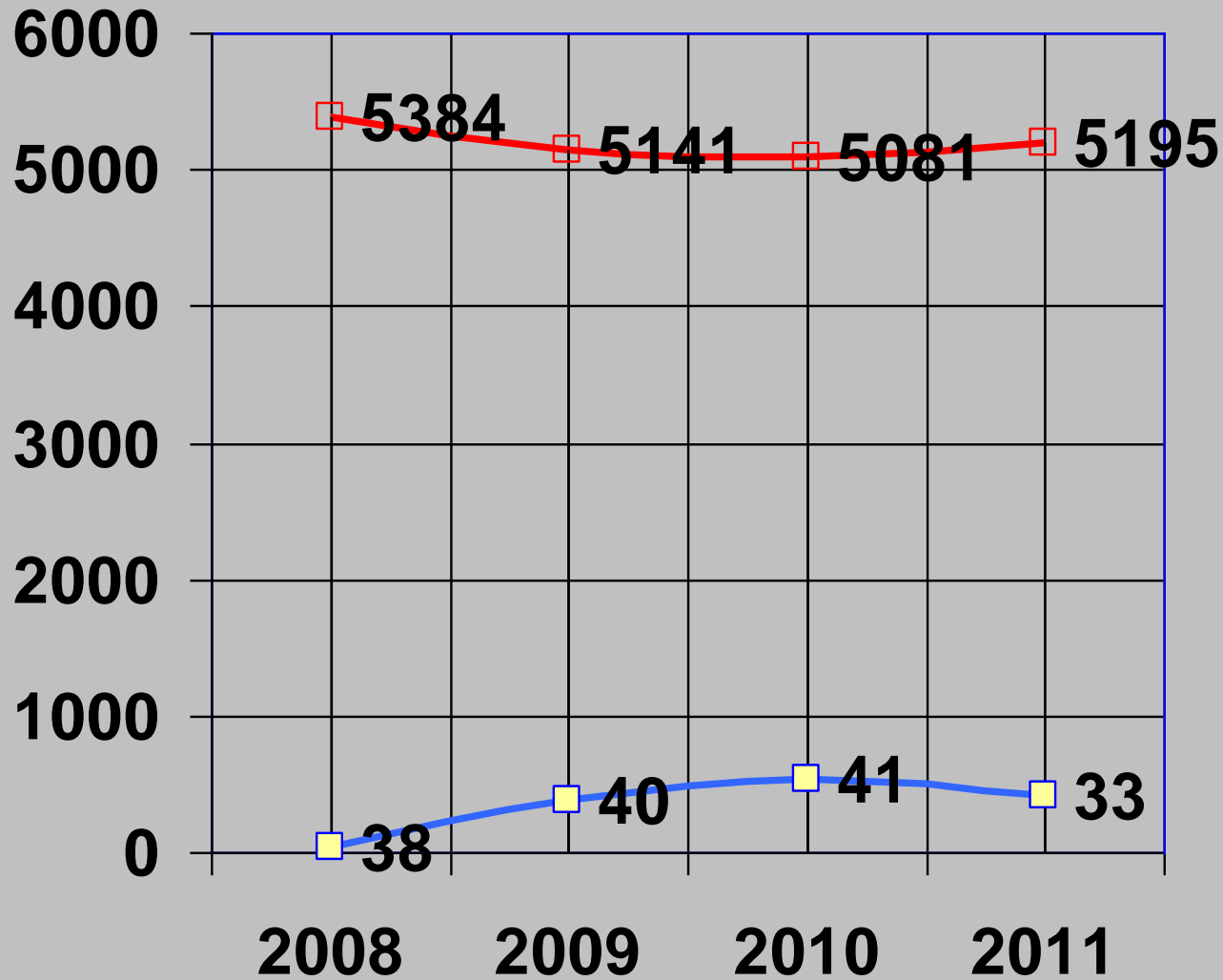


Производство на чугун, стомана и феросплави, тръби, кухи профили и фитинги ,други продукти при първична преработка на стомана.



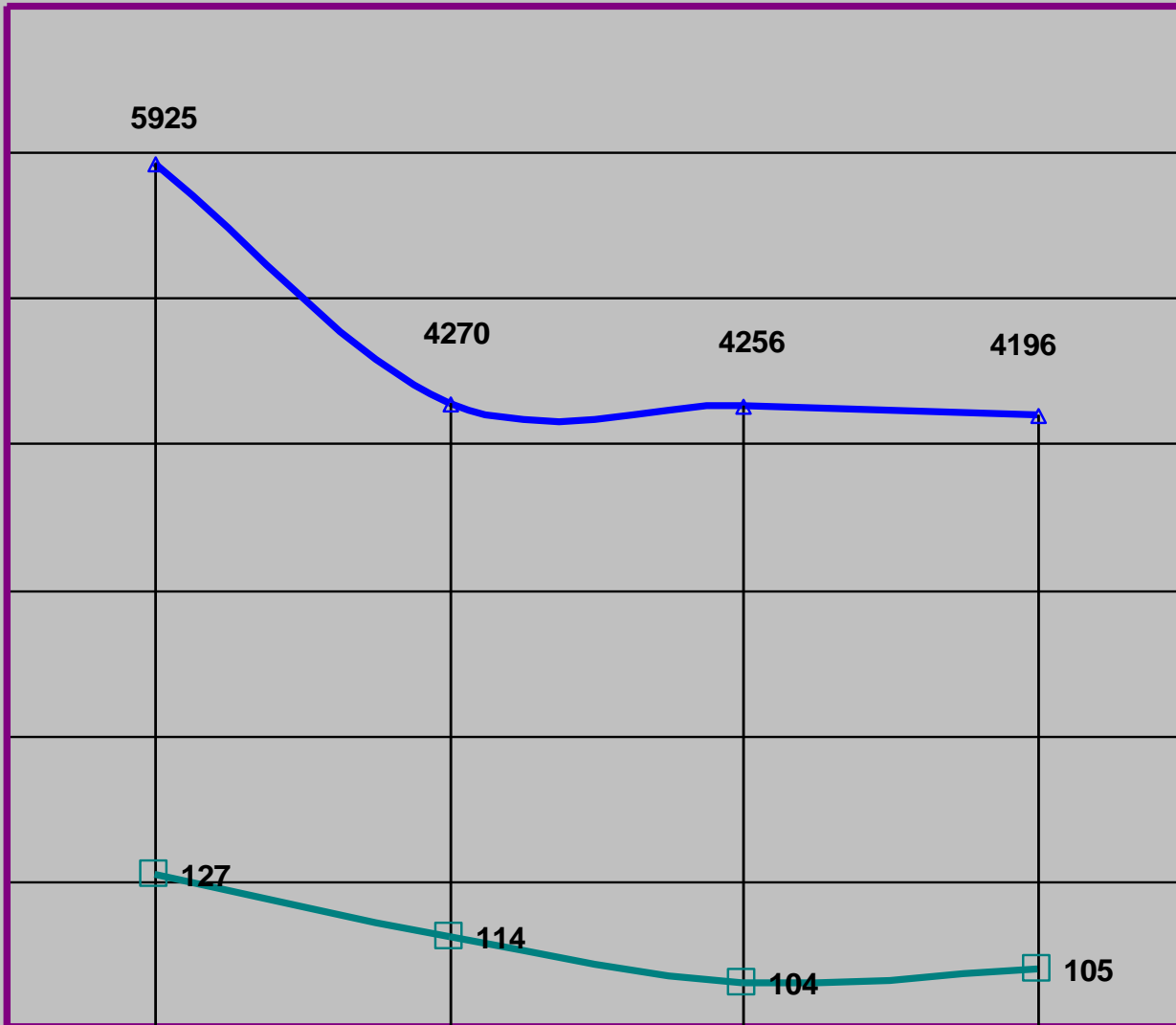
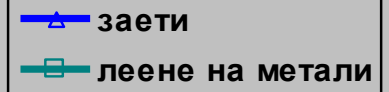
—■— предприятия черна металургия —■— заети

Precious and non-ferrous metals manufacturing



—■— благородни и цветни метали —■— заети

Metal casting



Number of companies in the sector

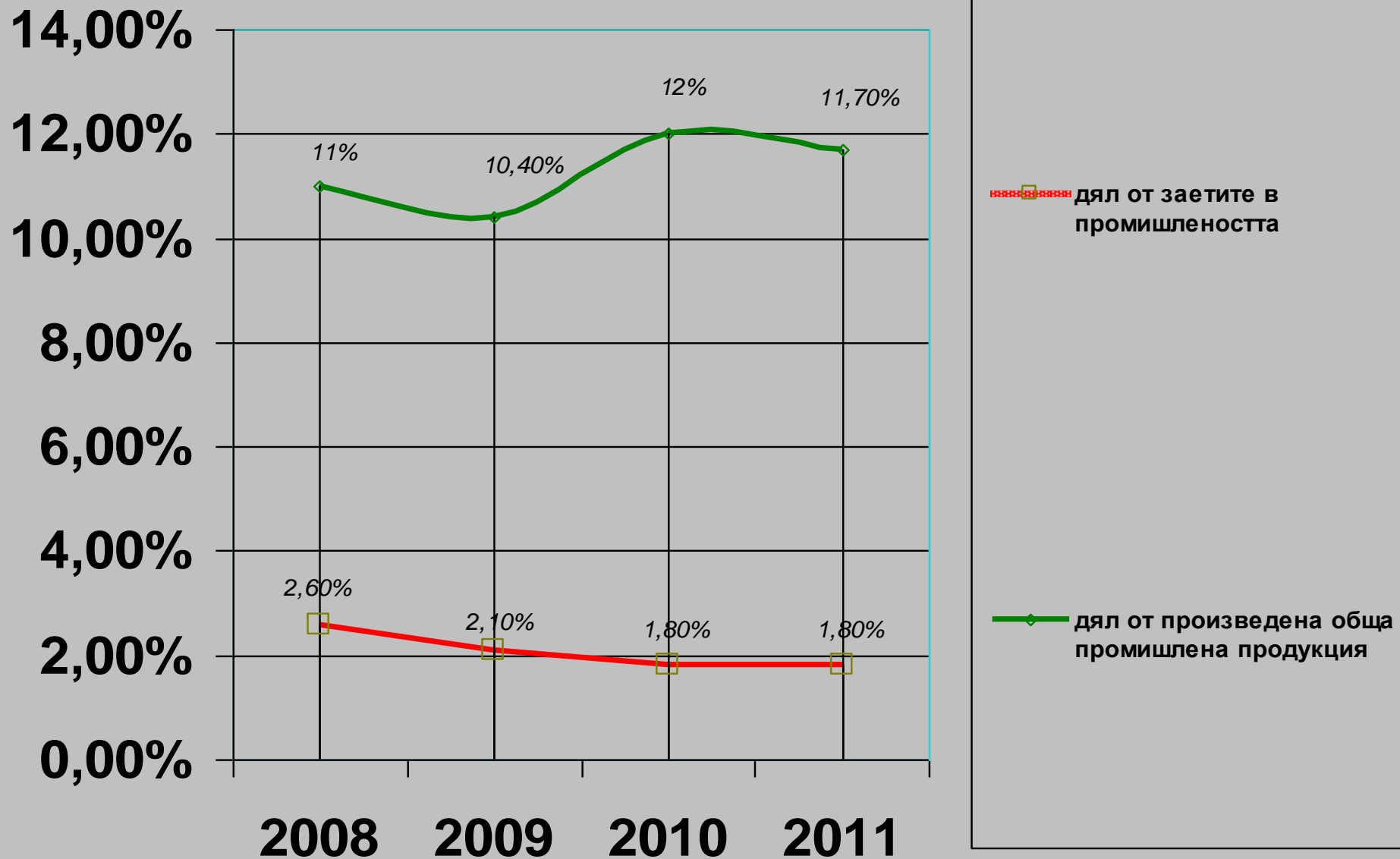
Sector 24

In the last few years there are significant changes in the labor market.

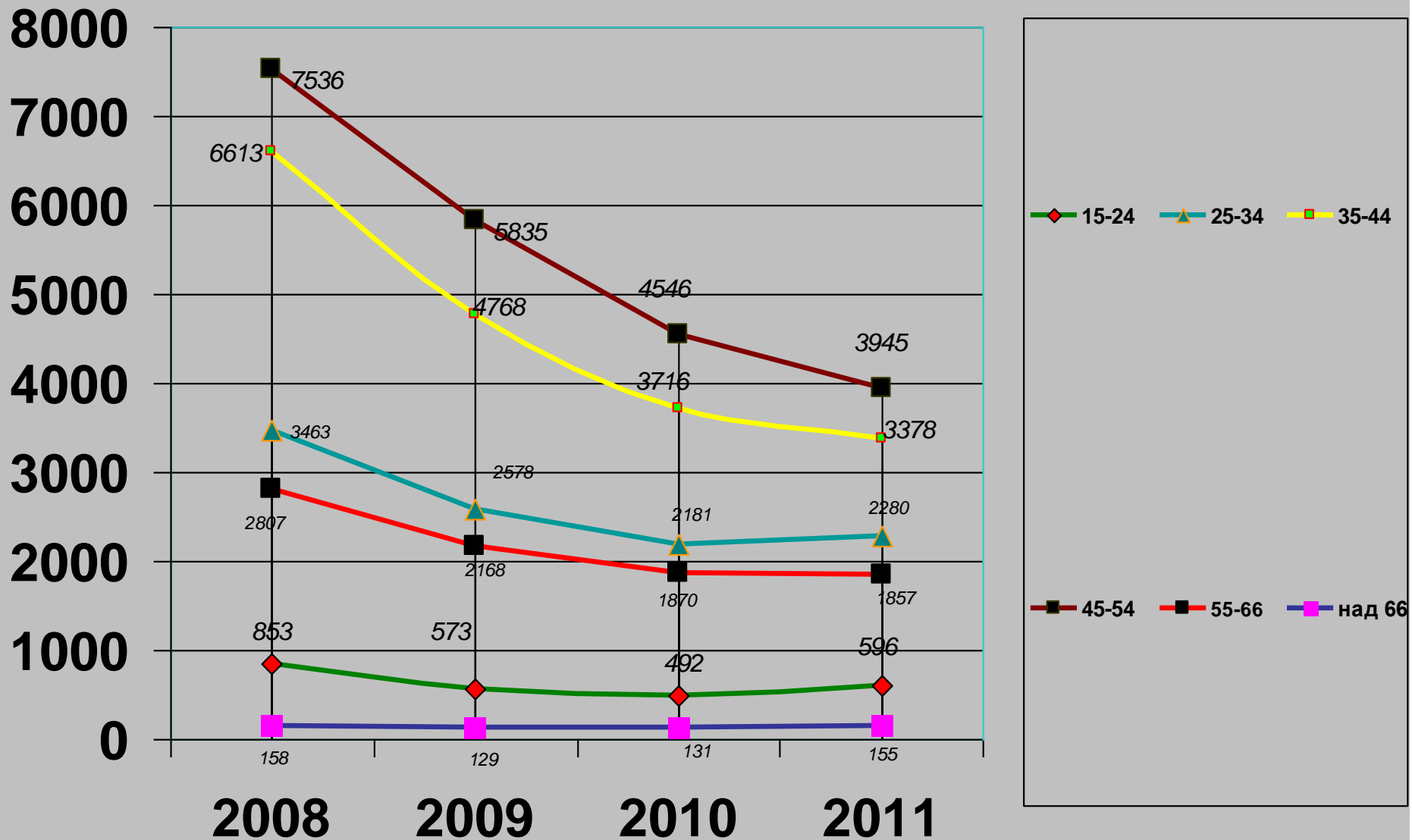
- For the last four years 49 factories were closed. Ferrous metallurgy and metal casting are the most affected with 22 companies less.
- Small and medium companies have the biggest share in the sector, according to number of employees and volume of production criteria.
- In the sector there are 7-8 big companies which produce about 80% of the whole production and determine the common indicators, high relative share and importance of this industry for the Bulgarian economy.



Despite the high proportion of total country production - over 10%, employed in this sector, as a share of total employed in industry are much less.



Employment structure – changes by age in 2008-2011 period



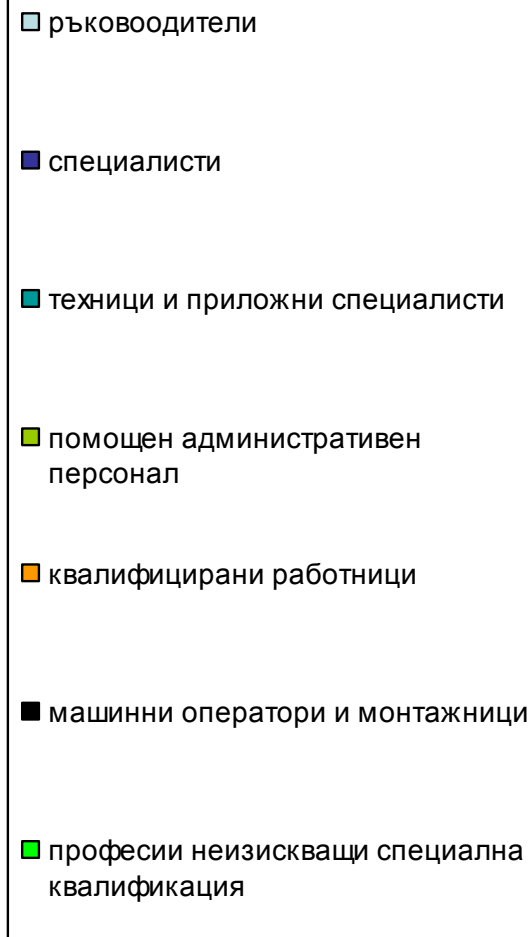
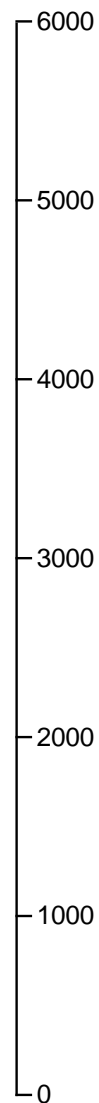
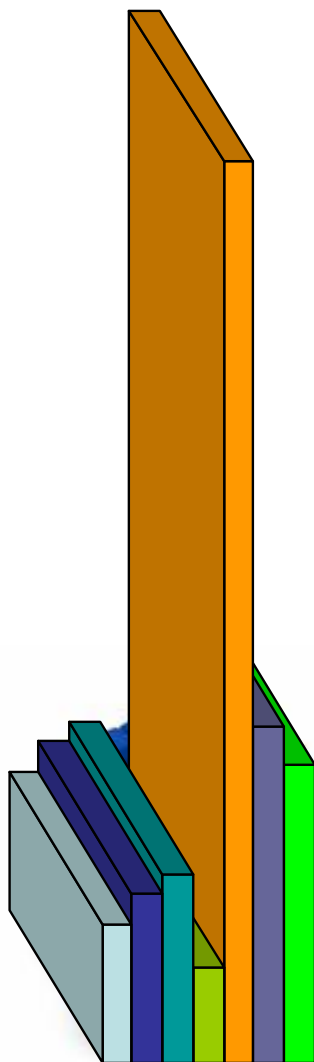
Employment structure

Data analysis reveals the following trends:

- young people share (up to 34) has increased over this period from 20.1% to 23.5%;**
- average age workers share (35 to 54) has decreased by 6%, respectively, from 66% in 2008 to 60% in 2011;**
- older staff share has increased from 13.8% to 16.5%.**



Employment structure – Metallurgy Sector qualification structure



Statute, structures and practices in the Social dialogue

(Sector and Company levels)

Social dialogue-**national, sector and company levels.**

Documents, that regulate sides' obligations in the dialogue

- **Labor Code;**
- **Law on Information and Consultation with Employees of Multinational (Community-Scale) Undertakings, Groups of Undertakings and Companies.**
- **Law on Health and Safety at Work;**
- **Social Security Code;**
- **Transposed EU Directives, ILO and World Health Organization requirements;**
- **Other legislation;**



Social dialogue – **National level.**

- **National Council for Tripartite Cooperation**, Government representatives, Trade Unions and Business representatives participation
- **National Council for Working Conditions**, developed to gather the Government, Trade Unions and Business around the table of negotiations.
- **Sectoral Councils for Tripartite Cooperation** – created and attached to the corresponding ministry, all sides participate
- **Sectoral Councils for Working Conditions**– created on the SCTC principle



Social dialogue-**sector and company levels.**

Sector level

- Contact groups for preparation and conclusion the sector collective agreements;
- Branch Council for Social Cooperation, based on an active branch collective agreement
- Concluding the annual agreements between employers and trade unions about the social security taxes for the minimum income for professional groups for each branch in the industry;
- Participate in the implementation of joint projects related to social partnership, improving the dialogue, recognizing the best practices and how they could be applied ; 7 projects done



Strong sides of industrial relation and social dialogue

1. Stability of labour relations
2. Freedom of association
3. Permanent forms at sector level, based on the European and national legislation.
4. Good relations with the employers in the tripartite sector councils for working conditions and social cooperation
5. Joint events with employers specifically related to working conditions, healthy and safe working environment
6. Negotiation and conclusion of sector collective agreements with two years duration; Minimum salary for the sector-205 EUR, compared to 158 EUR for the country. Additional remuneration – night work, overtime (0.13 euro/h for the country and 0.31/h under the branch collective agreement)
Compensatory mechanisms for yearly inflation over 8 %. Additional compensation for dismissal, sickness, retirement.
Special protection for union members against dismissal.

Weak sides of industrial relation and social dialogue

- 1.The social dialogue and collective bargaining still have a limited impact over the labor market.
- 2.There is inequality regarding the salaries, especially in the companies where there are no unions . Negotiation only for sector minimum wage. There is no agreements regarding the different group of workers by categories
- 3.Employers often do not observe the law – there is not enough effective control by the government, especially in the medium, small and micro companies which are a huge part of the economy (over 87% for Bulgaria)
3. Все още недостатъчно ефективна работа на всички органи на социалния диалог , по отношение на засилване на потока на информация към и от работниците/служителите.
- 5.There are problems with the monitoring of the company finances and the long- term business strategy

SECTOR POLICY–FRAMEWORK CONDITIONS FOR CONTINUING QUALIFICATION

- 1. Legislation in the sector / Collective agreements yield to promote training and CLE**
- 2. Support / assistance from trade unions to employers' associations and their members (workers / companies)**
- 3. Cooperation in the social dialogue at sector level (bipartite committees, regular meetings, current problems and issues, etc.)**
- 4. Role and functions of social dialogue about the CLE issues**
- 5. Main points for cooperation in Sector Skills Councils**

