

Social Dialogue Status in Construction Industry in the Southeastern EU Region (Bulgaria, Croatia, Cyprus, Greece, Hungary, Slovenia)

Key SUSODCO Research Findings

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Construction industry

- The construction industry is the bedrock of the economy in most of the partner countries of the SUSODCO project.
- Behind a strong sector there are always active sectoral SD partner organizations, which are defining, fostering and developing SD.
- SD partners should be equipped with crucial capacities for supporting and facilitating the effective and efficient industrial relations.

DESK RESEARCH

- As part of the Preparatory Phase of the SUSODCO project, the partners carried out in April - June 2020 a special tailor-made desk research to obtain information about the SD situation and SD national initiatives and activities on the national SD status in the 6 countries involved, covering current needs and trends in sectoral SD.
- The results and conclusions were the basis for the 1st Report of the SUSODCO project.
- In the desk research respondents were asked to fill in a special questionnaire.

KEY FINDINGS

The key findings of the research phase of SUSODCO project

- unveiled the SD challenges faced by the construction industry in Bulgaria, Croatia, Cyprus, Greece, Hungary and Slovenia,
- highlighted specific sectoral SD topics as key needs on the agenda of national negotiations, essential factors contributing to effective SD, and main thematic groups of SD priorities in line with the Multiannual Action Programme for the Sectoral European SD of the Construction Industry.

KEY FINDINGS

- The report focuses on the SD structure in the participating countries – at EU level, at national level, and at sectoral level.
- It concludes that sectoral social partners in the construction industry need some support in SD when creating measures to disseminate, promote, monitor, and evaluate European SD activities and outcomes

SOCIAL DIALOG

According to ILO (<https://www.ilo.org/ifpdial/areas-of-work/social-dialogue/lang--en/index.htm>), prerequisite conditions which enable, facilitate and foster social dialogue are:

- Strong, independent workers' and employers' organizations with the technical capacity and the access to relevant information to participate in social dialogue;
- Political will and commitment to engage in social dialogue on the part of all the parties;
- Respect for the fundamental rights of freedom of association and collective bargaining;
- Appropriate institutional support.

SD Structure in Participating Countries

1. Sectoral social partners of the construction industry at EU level:

- ✓ European Federation of Building and Woodworkers (EFBWW), representing workers' interests
- ✓ European Construction Industry Federation (FIEC), representing employers' interests

2. SD in participating countries at national level : Tripartite SD at national level in all partner countries involves representatives of sectoral TUs, EOs and the State.

3. SD partners at sectoral level – involved organizations

SD in participating countries at national level :

- **BG (Bulgaria)** – a Sector Council for Tripartite Cooperation in Construction, involving nationally representative TUs – FCIW-Podkrepa and FITUC, the EO BCC and the MRDPW;
- **SL, HR (Slovenia, Croatia)**– Economic and Social Councils, composed of Government representatives, EOs, TUs;
- **CY (Cyprus)** – Department of Industrial Relations of the Ministry of Labour, Welfare and Social Insurance;
- **GR (Greece)** – Arbitration Body: Organization for Mediation and Arbitration which intervenes in cases when negotiations between TUs and EOs fail to come to a common ground. The decision of the Arbitration Body is to be ratified by the Ministry of Labour and Social Affairs;
- **HU (Hungary)** – Permanent Consultation Forum of the Government and Private Sector and the National Economic and Social Council (NESC), which is a consultative, proposal-making and advisory body independent of Parliament and the Government.

Conclusions made by comparing country results

❖ **Common strengths**

- Slovenia, Croatia, Greece and Bulgaria identify the long tradition in SD. All these countries have established a sectoral collective bargaining framework and enjoy freedom of bargaining;
- Bulgaria and Greece declare that strong relationships and closer links with the government are being established with good public discussions. The parties are listening to their problems and approaching a moderate compromise to find a solution;
- Only Croatia identifies the professional support due to experts' advice as the strength of SD in the sector at national level;
- Only Hungary shares the opinion that there are no real strengths of SD in the construction industry.

Conclusions made by comparing country results

❖ **Common weaknesses**

- Low level of representation (BG) and lack of representation (GR);
- The government does not treat social partners as important stakeholders; indifference on the part of the government (HU); not sufficiently recognized by the government (HR);
- The Collective labour agreements have a very limited impact – only 30-35% of the workers are included (BG); low collective agreement coverage (GR);
- Small number of members on both sides of the SD (SL); declining membership in social partner organisations (GR);
- The other identified weaknesses are specific and diverse, and no common conclusions could be reached. The common problem of lack of qualified staff mobilizes countries for common action.

Recommendations:

Comparing the most common barriers and difficulties specified by the respondents, the following recommendations could be made:

- SD at inter-company level should be expanded, attracting smaller companies which are not represented by TUs as members of the social partners' institutions;
- Reducing the share of the grey sector in the industry should be a priority;
- Policies have to be made, projecting measures against unfair competition & conflict of interest amongst MEs, SMEs and SEs;
- Encouraging the establishment of regional organisations;
- Active support of the state is needed for an efficient and sustainable SD;
- EU level SD partners need to be more active at national level, especially in activities with public authorities.

Recommendations:

- Implementation and application of the European Green Deal, promoting sustainable employment, tackling the challenges of ageing workforce should become SD issues;
- Speed up implementation of TUs' recommendations at national level;
- Diversification of financial and human resources;
- Application of flexible approaches to negotiate on key topics of SD interest;
- Setting up a stable SD framework;
- Attracting new members;
- Support the organisational and operational capacity.

The Construction Industry at Times of Crisis

- Joint recommendations of EFBWW and FIEC “to counteract the negative impact and consequences of the current COVID-19 crisis for the construction industry”, prioritizing the health, safety and hygienic conditions of the constructions workers.
- Steps to prepare the recovery from the COVID-19 crisis – EFBWW’s motion and demands focusing on 3 subjects:
 - *Occupational safety and health*
 - *European Green Deal and economic relaunch*
 - *Better protection and treatment of Posted workers*
- Urgent measures undertaken by the social partners in the construction industry at national and at European level for operation at times of crisis

Multiannual Action Programme for the Sectoral European SD of the Construction Industry (2020 – 2023)

- In their Programme the European social partners, EFBWW and FIEC, confirm the importance of a strong and autonomous European social dialogue for the construction industry in order to develop a sustainable construction industry.
- They underline the importance of the construction labour market for the whole EU labour market, creating new jobs, driving economic growth, and providing solutions for societal, climate and energy challenges.

Multiannual Action Programme for the Sectoral European SD of the Construction Industry (2020 – 2023)

Main priorities:

1. Horizontal matters

- Strengthen, reinforce and promote industrial relations in the construction industry at all levels;
- Contribute to the implementation and application of the European Green Deal in the European Construction industry;
- Promote digitalisation in the construction industry;
- Promoting a positive image of the construction industry

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2. Improving the functioning of the labour market

- Posting of workers
- Tackling undeclared works
- Fighting against cases of cross border social fraud, none-compliance of applicable laws, regulations and collective agreements) and unfair competition
- Assessing the impact of (digital) platform work in the construction industry
- Towards a better application of the European Regulation on the coordination of cross-border social security
- Ensuring the added-value of the European Labour Authority (ELA)
- Third countries companies on the EU construction market
- Third country posted workers on the EU construction labour market
- Internal Market of the construction industry
- Promoting sustainable employment and tackling the challenges of aging workforce

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3. Fostering VET and youth employment

- Initiatives for attracting and retaining young and female workers in the construction industry
- Addressing the problem of skills gaps/mismatches and corresponding adaptations of the training schemes due to the digitalisation of the construction industry
- “Greening” of the economy Increasing the number and the quality of apprenticeships of jobs
- Facilitating the mutual recognition of qualifications
- Validation of informal and non-formal training

Multiannual Action Programme for the Sectoral European SD of the Construction Industry (2020 – 2023)

4. Fostering a culture of H&S

- An ambitious new OSH strategy for the EU
- Implementation, participation and a stronger prevention culture
- Assessment of the EU H&S legislative framework
- Our focus on specific hazards
- Co-operation with all stakeholders and institutions
- Harmonisation of statistics on H&S

Conclusions

Social partners in the construction sector need some support in SD when creating:

- measures to disseminate, promote, monitor and evaluate European SD activities and outcomes, e.g. through European or national events, peer learning or reviews, studies and (paper or electronic) publications (including the translation), and
- measures to improve the coordination, functioning and effectiveness of European SD, including through the identification and development of joint approaches by the SD committees, such as the exchange of good practices and related joint training events.

Conclusions

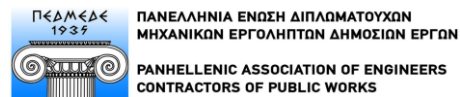
- *Promoting a positive image of the construction industry and digitalisation in the sector*
- *Improving the functioning of the labour market*
- *Reducing undeclared labour and ensuring equal working conditions in the construction industry*
- *The establishment of paritarian funds is a priority for most of the syndicates and employers' organizations.*
- *The need for professional qualification and VET has been recognized by all respondents*
- *Health and safety at work is an important topic for SD with a strong social impact*



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КАМАРА НА СТРОИТЕЛИТЕ В БЪЛГАРИЯ
BULGARIAN CONSTRUCTION CHAMBER