



Challenges for Organising and Collective Bargaining in Care, Administration and Waste collection sectors in Central and Eastern European Countries

Bulgaria: Waste Management sector

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1. Methodological preface

The report is based on desk research and four interviews conducted in the spring of 2024 (data in annex). One of the particular difficulties in researching this sector is that the companies operate in different sectors. Waste management is almost not covered by trade unions or other forms of employee representation and collective labour agreements (CLAs) (Sørensen et al. 2018).

2. General characteristics of the sector

Until 1989, the waste collection sector in Bulgaria was public and operated by municipal companies. After the fall of the communist regime, the public service model continued for a few years. However, in the second half of the 1990s and early 2000s, many Bulgarian municipalities began to introduce private operators into the sector. There is a widespread belief that many of these local companies are close to organised crime groups and are used as a source of funding for political parties or to exert political pressure on local governments¹.

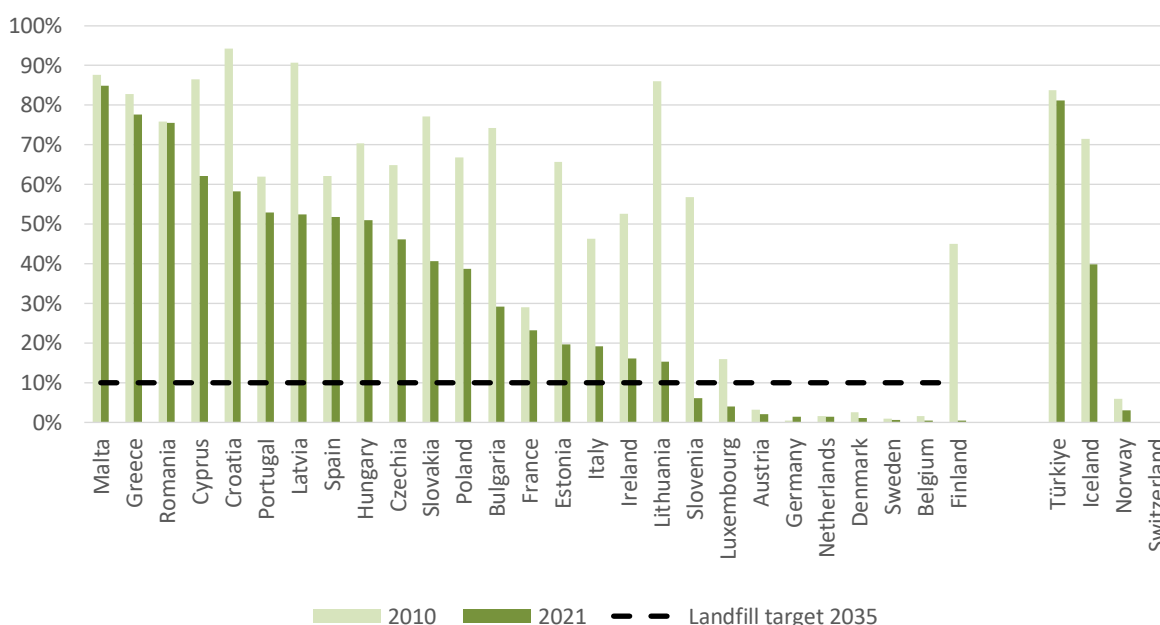
The move towards privatisation has not been universal and there are still a few municipalities that have kept this activity in-house, at least for certain periods. Foreign companies have tried to enter the sector, but their presence is still rare. All this means that in the current Bulgarian situation different business models coexist - there is a local sector that dominates tenders, there are few subsidiaries of multinational companies and some still have municipal companies or departments within municipalities. It was interesting to find that some municipalities have moved from one model to another, probably due to the ideological orientations and pragmatic decisions of the respective mayors and municipal councils.

For a long time, Bulgaria has been on the last place among the European Union (EU) 27 countries in the field of waste management, according to the

¹ https://www.capital.bg/politika_i_ikonomika/redakcioni_komentari/2024/01/04/4572170_komentar_be_gai_ottuka_be_bokluk/

European Environmental Agency Report “The European Environment. State and Outlook 2010. Synthesis” (EEA, 2010 <http://www.eea.europa.eu/soer/synthesis/synthesis>). Since then, however, the situation in the country in terms of landfilling has improved significantly, as shown in Figure 1.

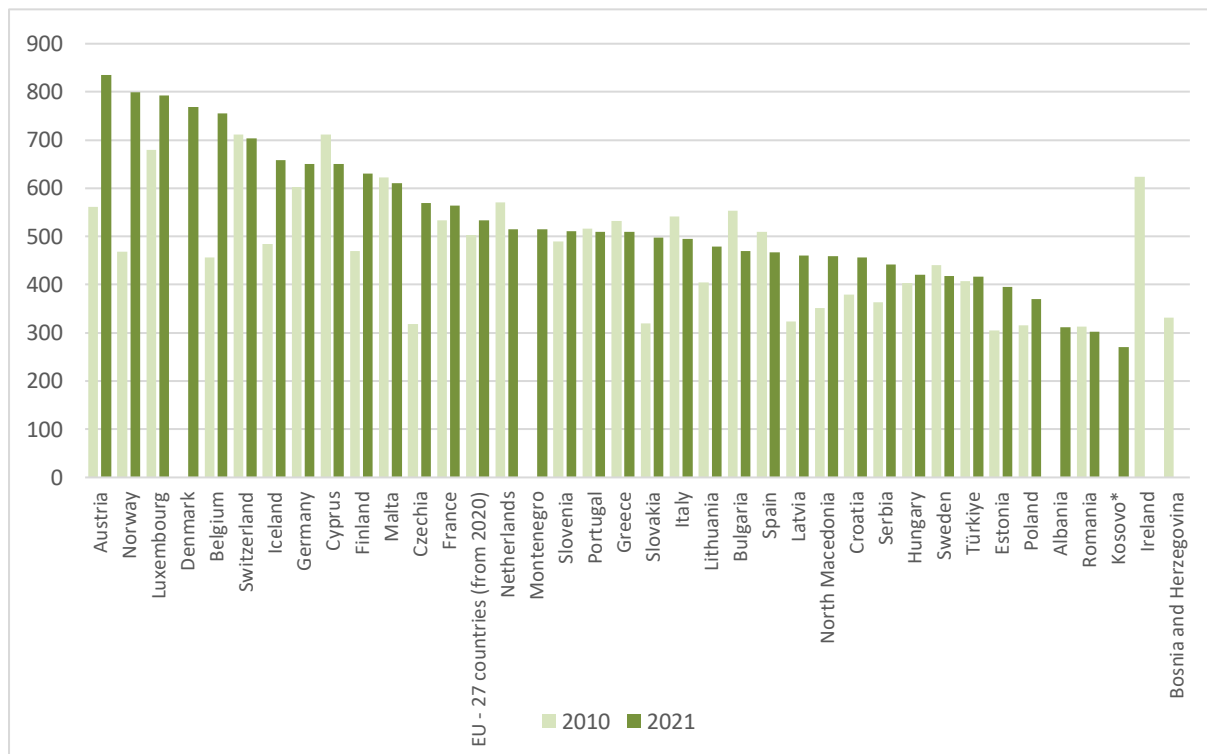
Fig. 1. Municipal waste landfill rates in Europe by country



Source: <https://www.eea.europa.eu/en/analysis/maps-and-charts/municipal-waste-landfill-rates-in-2>

Bulgaria has managed to increase recycling rates in recent years and now diverts just under a third of its municipal solid waste (MSW) to recycling (material recycling and composting/digestion), as shown in Figure 2.

Fig. 2. Recycling rate of municipal waste



Source: Early warning assessment related to the 2025 targets for municipal waste and packaging waste. <https://www.eea.europa.eu/en/analysis/maps-and-charts/municipal-waste-recycled-and-composted-7>

There are no recent comprehensive studies on the Bulgarian waste management sector. The availability of information is hampered by the fact that there are enterprises that carry out waste collection together with other (main) activities - e.g. transport activities or construction - and their employees are not counted in the sector, which makes the available statistics incomplete, as some of the enterprises in the sector are active in other sectors, such as transport.

Second, some municipalities still carry out this activity in-house, so their employees are counted as local government employees, as illustrated by the interview citation below. Thirdly, there is no sectoral organisation, and the estimates of different respondents are based on their limited experience.

Well, these are public enterprises and there is a peculiarity. Some of these companies, for example the waste management company here, it is called a municipal company, that is its form. A municipal enterprise,

well, a TSO, I'd have to see what its acronym is, but I emphasise that it's a municipal enterprise, not a commercial enterprise. And as such a municipal company, its costs are included in the municipal budget. Whereas there are other waste collection companies that are commercial companies. And they also get their funding from the municipal budget, but through what is called public procurement.
(Interview with trade union official at sectoral federation)

Earlier available data suggests that in 2024 around 17 000 employees were operating in the activity collection and treatment of other waste.

Table 1 Average annual number of persons employed in 2003-2004 by size and property of the enterprise

Year	Code by CNEA-2003 Collection and treatment of other waste (90.02)					
	2003			2004		
Size of enterprise	Total	Public sector	Private sector	Total	Public sector	Private sector
Total	15409	10067	5342	17387	11318	6069
up to 9 employees	150	62	88	188	57	131
from 10 to 49 employees	1138	645	493	933	507	426
from 50 to 249 employees	5883	4132	1751	6036	4332	1704
250 and more employees	8238	5228	3010	10230	6422	3808

Source: EU Walqing Project

In Bulgaria the employment in waste collection sector registered a decrease during the years 2000. The overall number of employees in the sector has been decreasing since 2004 and from 17837 it attains 11447 in 2009. There are no statistics based on ethnicity, but we could hypothesise that the majority of the sector employees are low educated Roma people.

According to the data obtained from the National statistics, in 2003 – 2004 the sector was still dominated by the public sector: e.g. in 2004 there were 11318 employees in the public sector and 6059 in the private sector. The overall



number of employees in the sector tends to decrease since 2004 and from 17837 it attains 11447 in 2009. Of these, only 2803 were in the public sector and 8644 in the private sector in 2009.

Most of the employees work in large enterprises in the years 2003 – 2004. In the years 2003 - 2004, most employees worked in large enterprises. In 2008 - 2009 the share of small and medium-sized enterprises increased. The number of enterprises in the sector has increased from 160 in 2003 to 282 in 2009.

3. Major problems and challenges in the sector

According to the interviewees, the introduction of technology and machinery is an important element in this sector, but manual physical work cannot be replaced. However, the workers are low-skilled, and the question is how to increase their wages and improve their working conditions. This is particularly challenging in the case of municipal enterprises, where wages depend on municipal budgets, as shown below:

“I think that this work is very hard and cannot be replaced by machine work. From there, the big problem is that municipal enterprises are mostly financed by the municipal waste levy and the budget that is collected from the municipal waste levy. Usually, mayors and city councils do not want to increase the funding for this process.” (Trade union leader, municipal company)

As discussed in the previous section, one of the main problems in the sector is the diversity of companies and organisations involved, which makes it very difficult to coordinate collective bargaining demands.

In parallel to the wages, working conditions are also problematic in some companies:

The most important thing is the working conditions. When I first arrived, I was not given work clothes and basic requirements were not met. Now the workers themselves have seen that it's little things like that that build trust. (Manager of municipal company)



A particular challenge for union organising is the low level of literacy among workers in these enterprises. Most of them belong to minorities (the sector is dominated by Roma workers).

The second major challenge is high staff turnover. Although, according to the interviewees, wage levels in the big cities and the capital are not so bad (their salaries are relatively close to the average in Sofia), these people, who have no higher education but less than secondary education, leave because they feel that what they get is not enough. Perhaps because there is a construction boom.

4. Characteristics of social dialogue organisations in the sector

The industrial relations in the sector are weakly developed. Previously (in the 1990s) the dialogue had been maintained in the municipal companies. At present, there is no employers' association in the sector. There are three trade unions at sectoral level, although their coverage in waste collection companies is extremely low. There is no sectoral agreement and only a few companies have company agreements.

4.1. Challenges for organising employees

On the trade union side, there are three federations, one of which is affiliated to CITUB (Independent Trade Union Federation of Employees in Commerce, Cooperatives, Tourism, Credit and Social Services (ITUFECCCTCS) - "CITUB") and two - CL "Podkrepa" (National Federation 'Trade, Services, Control Bodies and Tourism' (NFTSCBT) - CL "PODKREPA") and the Federation of Construction, Industry and Water Supply - Podkrepa (FCIW) - representing small numbers of employees in a few, still municipal companies.

Unions in the sector say that people are only willing to join a union if there is a serious conflict with the employer:

"No, we don't have [trade union sections] there. How to explain it, it sounds kind of ugly, but usually people are willing to become union members when there is a very serious problem with the employer. When workers' rights have been violated - whether it be in terms of industrial



relations, health, working conditions or whatever. Sometimes it is about payment of leave, maternity benefits. In such situations, people get ready for syndicalism.” (Trade union representative)

As the trade union federations covering the waste management are involved in many other spheres (mainly in services), their leaders do not have a very precise idea about the situation in the waste collection companies.

4.2. Good practices for organising employees

Good practices for organising workers in the sector are rare. However, trade union confederations have ideas on how to facilitate exchanges between union representatives in order to coordinate demands:

“This is my idea. This is my idea to do this thing so that there can be some comparability in terms of performance. If someone has negotiated something better somewhere, let's try to apply it to others. But I tell you again, the first thing is essential, this is for the future. So far there is no such thing, no such coordination. But the essential thing is this: one way you can reach agreements and levels in companies that are commercial companies, and another way you can reach them in companies that are municipal companies, because municipal companies depend directly on the budget. And to understand it, the municipal enterprise of the waste plant is a kind of department of the municipality of Sofia, of the greater municipality of Sofia.” (Interview, Trade union federation).

4.3. Characteristics of employer representation

In Bulgaria there is no employers' association in the waste sector (just an association of companies involved in recycling – but it declares itself to be a business and not an employers' organisation). The explanation of one of the interviewees is that the majority of the players in the sector are connected with different grey practices and interests and there are few companies that would really like to defend commonly their interests. According to one



interviewed expert: “...and in most of the cases the companies involved with this activity are competitors and fight for the concession or subcontracting contract in the same municipalities”.

5. Collective bargaining and other forms of social dialogue in the sector - characteristics

There is no collective bargaining and no CLAs in the sector at industry level, and there are only a few CLAs in companies (most of them municipal companies). In general, these agreements provide slightly better working conditions than the labour legislation. However, there are signs that companies in the sector are coordinating their wage and working conditions policies. As the case studies show, a very important element of working conditions is that wages are not delayed.

According to the interviewees, the room for manoeuvre in negotiating collective agreements in municipal enterprises is very limited because their budgets are voted by the municipal councils of the respective municipalities:

“Now, when we talk about the collective agreement, the real view of this company is that in its budget, which is part of the big budget, there is a provision for what the volume of, say, the wage bill should be. It is just that the volume of this wage bill is determined on the basis of the number of employees.” (Interview, Sectoral federation).

5.1. Content analysis of collective agreements

The collective agreements in the companies of the sector are not public. In one of the municipal enterprises with CLA, according to our respondent, the main issues regulated by the agreements are:

“These are the issues of days off, extra days off and paying those who toil with computers the funds for buying glasses.”

5.2. Other forms of social dialogue

In the sector there are no other forms of social dialogue.



5.3. Impact of European sectoral social dialogue

The impact of European sectoral social dialogue on social dialogue in the waste management sector in Bulgaria is almost inexistent.

6. Conclusions and recommendations

The Bulgarian waste collection sector has undergone significant changes over the last 30 years. A transition from municipal waste collection to a situation where the private sector is largely dominant. However, the size of the municipalities is important for the choice of service provider - the very small municipalities collect waste themselves, while large municipalities often delegate the activity to private providers. Tenders are based on terms of reference prepared by private consultancies. The main criterion for tenders is price. Even when transfers are not regulated, practice shows that the majority of employees find jobs with the new contractor. Employment is decreasing due to the rationalisation of work in privatised activities. The use of technology is still low, mainly due to the poor infrastructure in the country. Workers are poorly educated and mainly ethnic minorities. There is no sectoral employers' organisation and trade unions cover only a small proportion of the workforce. There are limited CLAs, which exist only at company level and in municipal enterprises, and where they exist, they provide little benefit to workers beyond the provisions of the Labour Code.

In this context, one of the recommendations to be formulated is to strengthen the capacity of trade unions to launch appropriate unionisation campaigns in the sector, at least in the other municipal enterprises and departments within the waste management sector. Secondly, the idea of coordinating demands in collective bargaining could be supported.



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