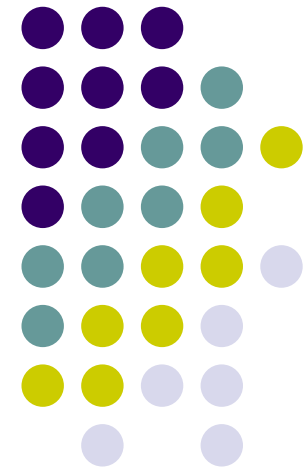


**Cedefop-Eurofound joint seminar on**  
*"The role of social partners in continuing vocational  
training in Europe: reviewing practices and sharing  
challenges"*

Thessaloniki, 09-10<sup>th</sup> of February 2009

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***The Regulation on company level bargaining  
on CVT: an employers' perspective***



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Head of CVT Department*

# Paper's structure



**Part 1- TRIPARTITE SOCIAL DIALOGUE in România**

**Part 2- The organization of the Romanian VET system  
and the participation of the SOCIAL  
PARTNERS in CVT**

**Part 3- Legislation and political approach for CVT  
related to the employers' motivation to invest in  
their employees' CVT**

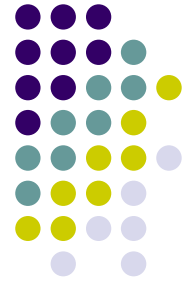
**Part 4- The LABOR CODE and its relation with CVT**

**Part 5- Specific legislation for collective bargaining**

**Part 6- The collective bargaining on CVT at company's level**

**Part 7- Conclusions and Challenges**

## Part 1



# TRIPARTITE SOCIAL DIALOGUE in România

# SOCIAL DIALOGUE LEGISLATION in Romania



- Trade Unions Law( 1992)
  - Collective Bargaining Law(1996)
- Economic and Social Council Law(1998)
  - Employers Organization Law(2001)
- Social Dialogue Infrastructure-GD(2002)
  -

# TRIPARTITE SOCIAL DIALOGUE BODIES (1)



## At National Level(1)

- FIVE National Recognized Trade Union Confederations
  - ELEVEN National Recognized Employers Confederations (EC).
- From 2008 the all Romanian Employers Confederations set up a unique employers umbrella” **BUSSINESS ROMANIA”**  
\*\*\*
- Social Dialogue Commissions of the main ministries
- Government’s Department for Social Dialogue with a State Secretary

# TRIPARTITE SOCIAL DIALOGUE BODIES (2)



## At National Level(2)

- Economic and Social Council
- **National Employment Agency**
- National Health Insurance House
- National Pension Insurance House
- **National Adult Training Board (NATB)**
- **National Consultative LLL Council**

# TRIPARTITE SOCIAL DIALOGUE BODIES (3)



## At Local Level

- Counties' Employment Agencies
- Counties' Health's Insurance Houses
- **Counties' Accreditation Commissions for Professional Training providers**

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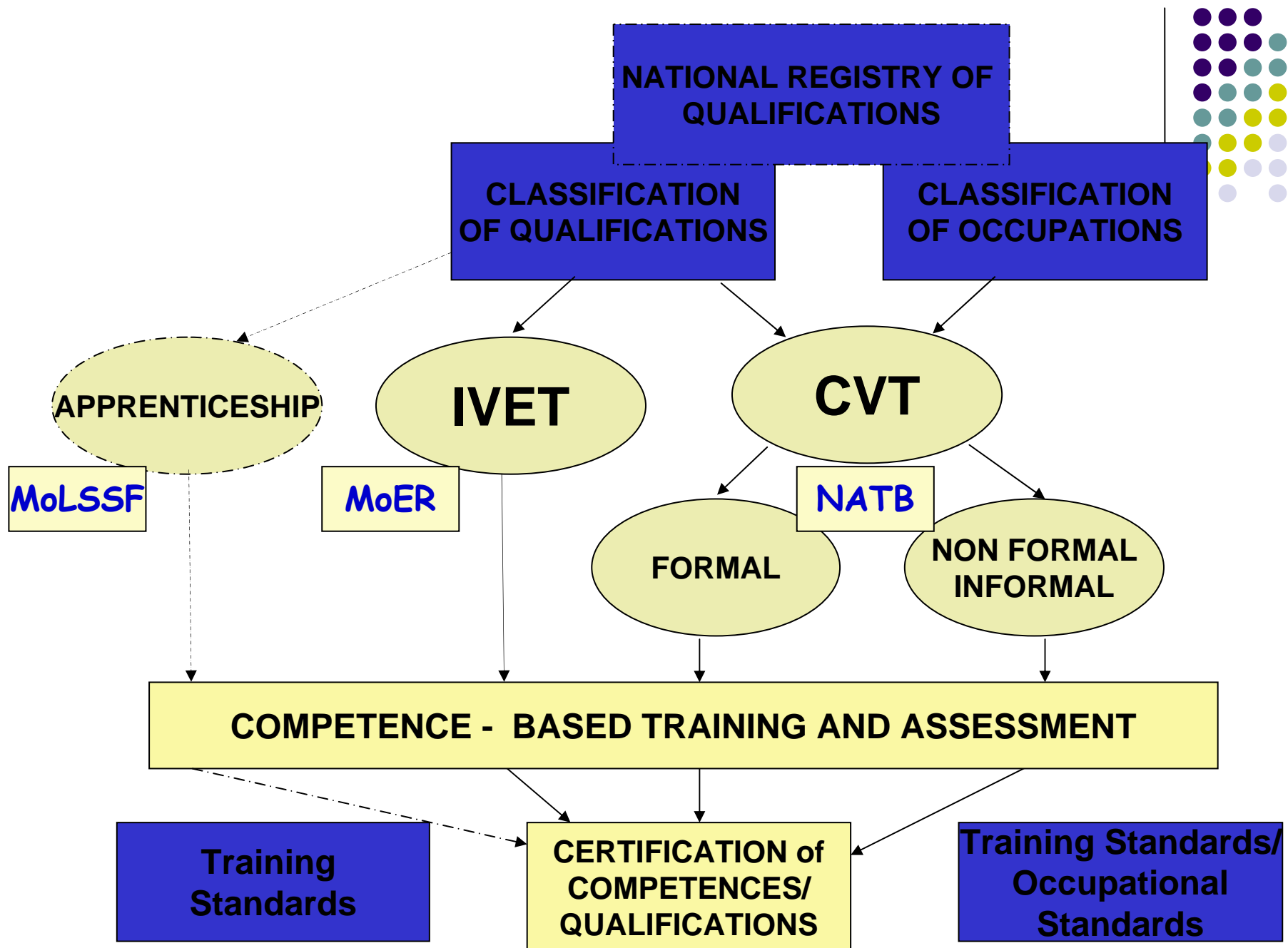
- Local Government Boards for Tripartite Social Dialogue

## Part 2



# **The organization of the Romanian VET system and the participation of the SOCIAL PARTNERS in CVT**





## Participation of the SOCIAL PARTNERS in CVT (1)



- a. participate in the Board of Directors of :
  - National Unemployment Agency
  - National Adult Training Board (National Qualifications Authority)
- b. are active members of the Economic and Social Council 's Commission for Education and Professional Training

## Participation of the SOCIAL PARTNERS in CVT(2)



c. are founding members of the NATB-National Adult  
Training Board- SECTORAL

COMMITTEES for CVT, being responsible for:

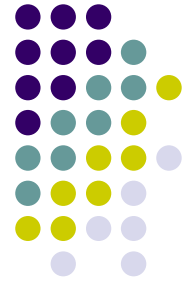
*-the definition of the qualifications in their  
sectoral fields*

*-the validation of the Occupational Standards*

Now there are defined 23 Sectoral Committees, acting  
as

Associations/Foundation

## Part 3



**Legislation and political approach for  
CVT related to the employers'  
motivation to invest in their employees'  
CVT**

# Legislation and political approach on CVT related to the employers' motivation to invest in their employees' CVT (1)



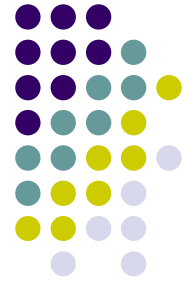
- 1999-The Law 132 for CVT
  - The ACCREDITED -by the NATB - CVT programs are exempted by VAT
  - The employees' participation to CVT programs is financed by:
    - *Employers ( no fiscal incentives)*
    - *Unemployment Fund*
    - *Employees*
    - *European Programs-Phare HR and ESF*
- 2003-LABOR CODE (will be developed later)
- 2003-FISCAL Code
  - The expenses made by employers for their employees' CVT are considered deductible before profit taxation.
  - **This is the ONLY fiscal facility for the employers when they pay the training for their employees.**

# Legislation and political approach on CVT related to the employers' motivation to invest in their employees' CVT (2)



- 2005-The National Strategy for developing the CVT
  - Identification of new fiscal incentives to encourage employers to invest more in the employees' CVT
  - Identification of new opportunities to increase the participation in CVT, by developing some sectoral funds, supplied by employers (% of their turnover ) and by employees (% of wages).
- 2008-Pact for Education-2008
  - 6% of GNP will be allocated for education.
- 2008-The Governing Program 2009-2012
  - *Fiscal stimulation of employers who invest in CVT*

## Part 4



# The LABOR CODE and its relation with CVT

# The LABOR CODE and its relation with CVT (1)



## **I. Obligations for employers:**

- 1.1. Employers have to ensure the participation of all their employees to a CVT program , as follows:
  - a. Once /every 2 years, for companies > 21 employees
  - b. Once /every 3 years, for companies < 21 employees



## The LABOR CODE and its relation with CVT (2)



1.2. The yearly CVT schemes are enclosed in the collective labor contract at company level.

1.3. Employers are obliged to pay all related training expenses of their employees.

1.4. Employers have also to pay the employees' wages during their participation to the CVT activities.

# The LABOR CODE and its relation with CVT (3)



## **II.OBLIGATIONS for EMPLOYEES**

2.1. Employees have to pay back all training expenses, if they decide to terminate the labor contract in other conditions than those mentioned in the individual labor contract.

2.2. They have to work for the employer who paid their training expenses for a period established by the individual labor contract. Otherwise they have to pay back all training expenses.

## Part 5

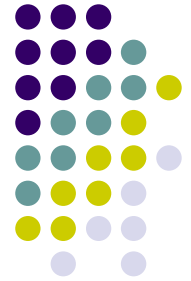


# Specific legislation for collective bargaining



## Specific Legislation(1)

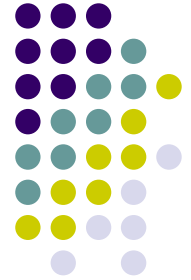
- Law 130/1996 for collective bargaining
- The collective bargaining is performed at:
  - Company level, between employer and trade union organizations (*in a company can be more trade unions*)/employees' representatives
  - Group of companies level, between employers organizations and trade unions federations
  - Sectoral level, between employers federations and trade unions federations
    - National level, between national level representative employers confederations and trade unions confederations.



## Specific Legislation(2)

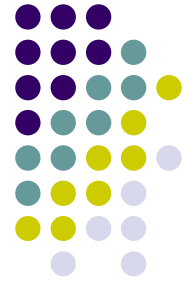
- The representatives of the Employers Confederations and the Trade Unions have to conclude (according to the law) a National Collective bargaining contract periodically. The last one was signed in 2007 for the 2007-2010 period.
- The collective bargaining contracts are registered by:
  - Ministry of Labor, for contracts concluded at group of companies / sectoral / national level.
  - County Labor departments, at company level

## Part 6



# The collective bargaining on CVT at company's level

## The collective bargaining on CVT(1)



- All collective bargaining contracts include specific requirements for CVT.
- The National Bargaining requirements are mandatory for all the sectors which are represented in the signatory confederations



## The collective bargaining on CVT(2)

### **Requirements for CVT introduced in the National Bargaining contract (chapter 7):**

- 1.Necesity and obligation of participation at CVT for all categories of employees, including the trade unions leaders.
- 2.The CVT is organized for occupations registered in the National Occupations Registrar and based on Occupational Standards approved at national level.
- 3.Both parts - trade unions and employers - will support the development of the sectoral committees.
- 4.All company members of the signatory employers confederations will fulfill mandatory requirements (*these will be presented in the chapter Company Level Collective Bargaining*)



## The collective bargaining on CVT at sectoral and company's level (3)



### **Mandatory requirements for CVT introduced at sectoral and company's level by the collective bargaining contract :**

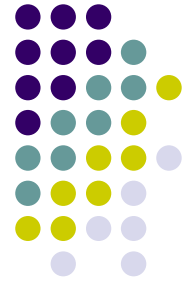
1. Identification of work positions requiring a CVT program
2. Yearly training program for the company's employees has to be adopted and controlled by the employer in cooperation with the Union.
3. The CVT program is included in the Company's bargaining contract.
4. The expenses for the employees' training have to be paid by the employer.
5. The trade union's representative will participate in the examination of the training programs organized inside the company.

## The collective bargaining on CVT at sectoral and company's level (4)



6. When the company changes its profile totally/partially, it has to support its employees to have a qualification/conversion training program.
7. The employer may support an employee who has identified on his own a specific training program
8. The employee has the right to request a study holiday (paid or not paid by the employer). The employer can refuse this request only with the union's approval.

## Part 7



## CONCLUSIONS and CHALLENGES



## 7.1.FISCAL and LABOR CODE

- The actual FISCAL CODE does not motivate Romanian employers to invest in training and improving the competences of their employees
  - From the beginning the LABOR CODE has been considered by employers being oriented more on trade unions requirements.
- From 304 labor rights , 246 were in favor of employees and only 58 in favor of employers
- The Romanian Employers consider this LABOR CODE NOT motivating the economic performances of companies.
  - The LABOR CODE generates the impression the employees' CVT is an obligation and NOT an opportunity to increase the company's competitiveness.

## 7.2.Unbalanced rapport between Trade Unions and Employers



There is a strong gap between Trade Unions and Employers organizations. Trade Unions are- *due to historical conditions* -stronger than employers organizations. They have much more resources and negotiation weapons against the Government as the Employers.

## 7.3. General context of VET-initial and continuous- in Romania(1)



- The outputs of the initial VET and general education do not fulfill satisfactory the requirements of the labor market
  - Polarization of the Romanian industry:
    - *Multinational companies - the largest companies, with a good CVT culture and with adequate resources.*
    - *Romanian companies- most of them are SMES- without an adequate CVT culture and without enough resources.*

## 7.2. General context of VET-initial and continuous in Romania(2)



- The actual COR-Classification of Occupations in Romania- is not updated.
- The National Registrar of Qualifications is not yet operational.
- The QUALIFICATIONS are not yet aligned to EQF
  - The sectoral committees are weak.
- There have been not elaborated enough Occupational Standards.

## 7.2. General context of VET-initial and continuous in Romania(3)



- There are a limited number of certified TRAINERS and EVALUATORS of professional competencies used in the authorized training activities
- The work-based learning is not satisfactory developed.
- Quality Assurance of CVT is not aligned to EQARF
- The Certification system for Competences achieved by NOT FORMAL ways is not satisfactory developed.





**Thank you for your attention!**

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