### SECTORAL ACTIVITIES PROGRAMME

### **Working Paper**

## SOCIAL DIALOGUE PERSPECTIVES IN ROMANIAN ROAD TRANSPORT

### Roxana Radu

Working papers are preliminary documents circulated to stimulate discussion and obtain comments

International Labour Office Geneva April 2008 Copyright © International Labour Organization 2008 First published 2008

Publications of the International Labour Office enjoy copyright under Protocol 2 of the Universal Copyright Convention. Nevertheless, short excerpts from them may be reproduced without authorization, on condition that the source is indicated. For rights of reproduction or translation, application should be made to ILO Publications (Rights and Permissions), International Labour Office, CH-1211 Geneva 22, Switzerland, or by email: <a href="mailto:pubdroit@ilo.org">pubdroit@ilo.org</a>. The International Labour Office welcomes such applications.

Libraries, institutions and other users registered with reproduction rights organizations may make copies in accordance with the licences issued to them for this purpose. Visit <a href="www.ifrro.org">www.ifrro.org</a> to find the reproduction rights organization in your country.

Radu, Roxana

Social dialogue perspectives in Romanian road transport / by Roxana Radu; International Labour Office, Sectoral Activities Programme. – Geneva: ILO, 2008.

ISBN: 978-92-2-121066-5 (web pdf)

ILO Cataloguing in Publication Data

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.

Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

ILO publications and electronic products can be obtained through major booksellers or ILO local offices in many countries, or direct from ILO Publications, International Labour Office, CH-1211 Geneva 22, Switzerland. Catalogues or lists of new publications are available free of charge from the above address, or by email: <a href="mailto:pubvente@ilo.org">pubvente@ilo.org</a>

Visit our website: www.ilo.org/publns

Printed in Switzerland

### Sectoral activities in the ILO

The Sectoral Activities Programme is managed by the Sectoral Activities Branch (SECTOR) within the Social Dialogue, Labour Law, Labour Administration and Sectoral Activities Department (DIALOGUE/SECTOR), Social Dialogue Sector of the ILO. Its objective is to promote social dialogue at the sectoral level and to facilitate the exchange of information among the ILO's constituents on labour and social developments concerning particular economic and social sectors. One of its means of action is practically oriented research on topical sectoral issues. This publication is an outcome of that research.

The particular characteristics of the various primary, manufacturing and service sectors account for the different form taken in them by issues such as globalization, flexible work organization, industrial relations, the implications of structural and technological change, trends in the number and nature of jobs, and the situation of special groups such as children and women workers. The Sectoral Activities Programme constitutes the principal ILO interface with its constituents at the sectoral level.

Continuing attention is given to eight groupings of major primary, industrial and service sectors: Agriculture and forestry; Education and research; Energy and mining; Infrastructure, construction and related industries; Manufacturing; Private sector services; Public services and utilities; and Transport.

The groupings include the following sectors: Agriculture, plantations, other rural sectors; Basic metal production; Chemical industries; Commerce; Construction; Education; Financial services, professional services; Food, drink, tobacco; Forestry, wood, pulp and paper; Health services; Hotels, tourism, catering; Mechanical and electrical engineering; Media, culture, graphical; Mining (coal, other mining); Oil and gas production, oil refining; Postal and other communication services; Public service; Shipping, ports, fisheries, inland waterways; Textiles, clothing, leather, footwear; Transport (including civil aviation, railways, road transport); Transport equipment manufacturing; Utilities (water, gas, electricity). These sectors are vital in virtually all national economies. Issues concerning other sectors or sub-sectors within groupings are addressed on an ad hoc basis.

The principal activities of the Sectoral Activities Programme are a mix of the development and undertaking of constituent-driven practical action programmes in various sectors in a number of countries, and the holding of international sectoral meetings that provide a forum for discussion and an exchange of views on current issues in the sector concerned. These activities are generally tripartite, with equal participation by governments, employers and workers. Where the government is the predominant employer, however, participation reflects this. From time to time, specialized meetings of experts are held. An outcome of most meetings is agreed conclusions that serve as guidelines for policies and measures for dealing with the issues and problems – at the national level and by the ILO.

The Programme undertakes follow-up activities to these meetings and provides various forms of technical assistance, including the promotion of tripartite sectoral dialogue on priority labour issues at national level, and the provision of advisory services on sectoral labour issues. It also collects, analyses and disseminates technical sectoral information and carries out studies, such as this one, on issues of concern to particular sectors or groups of sectors.

## TABLE OF CONTENTS

1.	Intr	oductionoduction	3
2.	Gen	eral background	3
	2.1	Definition of social dialogue	3
	2.2	Legal framework for social dialogue	5
	2.2.1	$\boldsymbol{c}$	
	2.2.2	$\epsilon$	
	2.2.3	1 1	
	2.2.4		
	2.3	History and framework of European social dialogue in transports	
	2.4	Romanian road transport market – trends and figures	11
3.	Soci	al dialogue in Romania	13
	3.1	Brief historical overview.	13
	3.2	Levels of social dialogue	15
	3.3	Social partners at national level	
	3.4	Tripartite and bipartite institutions for social dialogue	17
	3.5	Procedures and mechanisms – the representativeness requirement	18
	3.6	Main activities	19
4.	Soci	al dialogue in the Romanian transport industry	20
	4.1	Social partners at transport branch level	20
	4.1.1	r	
	4.1.2	$\mathcal{E}$	
	4.1.3		
	4.2	Main topics of social dialogue in the transport branch	
	4.3	Social dialogue institutions at transport branch level	
	4.4	Strengths and weaknesses of the social dialogue process at transport branch leve	
	4.5	Development directions and improvement proposals for the transport branch	
	4.6	Framework for social dialogue in the road transport sector	
	4.7	Challenges and opportunities for social dialogue in the road transport sector	
	4.7.1		
	4.7.2	1 5	
	4.7.3	Considerations for all parties	43
5.	Con	clusions	43

A 1	T . /	C 11	• •
Annex L	l 1¢f	of ahhi	reviations
линса і	டப்	OI abbi	i C v i a ii O ii s

Annex 2 ILO standards concerning social dialogue
Annex 3 Bibliography and Internet sources

## Acknowledgements

Our sincere thanks to:

ARR – Doina Filipoiu, Director

ASTR – Vasile Ionel, President

CDS-MT - Camelia Şerban, Deputy Director; Olteanu Adrian, Legal advisor

CNPR – Dinu Gheorghe, Vice President, Ramba Mircea, Director

CNSTR – Radmilo Felix, Secretary General

FNSSR – Dan George Stănescu, Secretary General

UNTRR – Radu Dinescu, Secretary General

### 1. Introduction

The present study examines the situation of sectoral social dialogue in Romanian road transports in the context of Romania's new status as a Member State of the European Union (EU) by considering the challenges and opportunities involved in improving existing social dialogue structures in order to make them a more efficient tool for the road transport sector.

The first part of the study describes Romania's social dialogue landscape at the beginning of 2007. The second, analytical part, examines current mechanisms and levels of dialogue according to their relevance for the road transport sector; it addresses social dialogue from the viewpoint of its international and EU definitions and framework, and looks at its organization and implementation in Romania at national, transport branch and road sector levels.

After a brief analysis of the general background and the legal framework underpinning social dialogue, the study concentrates on examining the participation of road transport stakeholders at different levels of social dialogue and their organization as social partners in bipartite and tripartite institutions. Special focus is placed on the social partners' involvement in tripartite and bipartite social dialogue at transport branch and road transport levels.

Information was gathered by means of questionnaires and interviews with the appropriate social partners and Romanian road transport stakeholders, as well as by consulting relevant studies produced by Romanian and EU experts in recent years.

## 2. General background

#### A. SOCIAL DIALOGUE

## 2.1 Definition of social dialogue

Social dialogue as **defined by the ILO** includes all types of negotiation, consultation or simply exchange of information between or among representatives of governments, employers and workers, on issues of common interest relating to economic and social policy.

The **main goal of social dialogue** is to promote consensus-building and democratic involvement of the main stakeholders in the world of work. Successful social dialogue structures and processes have the potential to resolve important economic and social issues, encourage good governance, advanced social and industrial peace and stability and boost economic progress.

Social dialogue can be conducted as a tripartite process, with the government as an official party to the dialogue, or it may consist of bipartite relations between labour and management (or trade unions and employer organizations), with or without indirect government involvement. The processes can be informal or institutionalized, and are often a combination of the two. Social dialogue can take place at national, regional or enterprise level. It can be inter-professional, sectoral, or a combination of the two.

The enabling conditions for social dialogue are: the political will and commitment to engage all of the parties in social dialogue; respect for the fundamental right of freedom of association and the right to collective bargaining, and provision of appropriate institutional support; and strong, independent worker and employer organizations with the necessary technical capacity to participate in social dialogue as well as proper access to relevant information.

Social dialogue and the quality of industrial relations are at the centre of the European social model. Today, the European social dialogue has two essential functions: consultation and negotiation.

In its broadest interpretation, the concept of the **European social dialogue** refers to the institutionalized consultation of the social partners by the European Commission and other Community institutions through tripartite and bipartite forms of social dialogue. European social partners play an important role in implementing European policy at national level. Thus, Article 137(4) EC<sup>1</sup> provides that directives can be implemented at national level through agreements between management and labour.

In its more restrictive interpretation, the European social dialogue refers only to bipartite dialogue between organized forms of management and labour<sup>2</sup> at European level. This dialogue can take place through the procedure established in Articles 138–139 EC, but also independently from any Community initiative, based on the autonomy of the social partners. "Autonomous" or "independent" social dialogue is used to describe various forms of the bilateral engagement of the European social partners in the conception and implementation of social policy at EU level.

**European sectoral social dialogue** is an instrument of EU social policy and industrial relations at sectoral level. It consists of negotiations between European trade union and employer organizations of a specific sector of the economy. In September 2006, there were 33 sectoral social dialogue committees<sup>3</sup>, which had produced a wide range of joint texts and agreements.

Effective participation in the European social dialogue machinery necessitates organized players and soundly established national practices; this means that the social partners' **structures in Romania** will need to be strengthened in the context of EU membership. Only with sufficiently robust national structures will the social partners be able to participate effectively in negotiations and other European social dialogue activities as well as implementing agreements at national level.

Social dialogue has entered a new era now that the tools enshrined in the Treaty (consultation on Community initiatives, possible negotiation of independent agreements) have been set in place. To cope with the strategy for economic and social modernization adopted at the Lisbon European Council in March 2000 and the new challenges that have emerged in conjunction with changes in society, employment and the world of work, there is a need to reinforce concertation on economic and social policy and independent social dialogue. Moreover, in

<sup>&</sup>lt;sup>1</sup> Treaty establishing the European Community (as amended by the Treaty of Amsterdam).

<sup>&</sup>lt;sup>2</sup> http://www.eurofound.europa.eu/areas/industrialrelations/dictionary/definitions/managementandlabour.htm

<sup>&</sup>lt;sup>3</sup> http://europa.eu.int/comm/employment social/social dialogue/sectoral en.htm

the light of EU enlargement, the importance of strong social dialogue structures as an integral part of the Community acquis cannot be overstated.

As a driving force for modernization of the European economy and the European social model,<sup>4</sup> social dialogue holds a unique, key position in the **democratic governance** of Europe. The social partners' active involvement in the decision-making processes of the Union and its institutions needs to be strengthened through closer consultation on the basis of procedures included in the Treaty as early as 1992. This is of special importance in view of the most recent enlargement, since the system of social partnership and independent social dialogue in new EU Member States like Romania is relatively weak, particularly at sectoral level

### 2.2 Legal framework for social dialogue

### 2.2.1 International legislation

At international level, the legal framework for social dialogue is to be found in a number of ILO Conventions and Recommendations.<sup>5</sup> Since 1992, Romania has ratified the main ILO standards concerning social dialogue, namely the Tripartite Consultation (International Labour Standards) Convention, 1976<sup>6</sup> (No. 144), and the Collective Bargaining Convention, 1981<sup>7</sup> (No. 154).

Under the European Union's most important legal document, the Treaty, the European Commission is responsible for enhancing and supporting the European social dialogue by "...promoting the consultation of management and labour at Community level and [taking] any relevant measure to facilitate their dialogue..." (Art. 138). The Treaty also recognizes the social partners' ability to undertake genuinely independent social dialogue, i.e., to independently negotiate agreements that then become law. The social partners may assume responsibility, if they so desire, for transposing directives into national law; directives often include provisions allowing them to be adapted to specific situations.

The Lisbon strategy, based on an integrated economic and social policy agenda, has extended and recast the scope of EU social dialogue. The Maastricht Treaty broke new ground in the social dialogue process by formalizing the social partners' participation in the elaboration of Community law.

### 2.2.2 National legislation

In Romania, the Constitution of 18–19 October 2003 sets forth the main rights of the parties involved in employment relations, including the right to work, the right to association in trade

<sup>&</sup>lt;sup>4</sup> EC Commission (2002).

<sup>&</sup>lt;sup>5</sup> www.ilo.org/ilolex; ILO Conventions ratified by Romania (Conventii ale Organizatiei Internationale a Muncii Ratificate de Romania); for a list of relevant ILO standards, see Annex 2.

<sup>&</sup>lt;sup>6</sup> http://www.ilo.org/ilolex/cgi-lex/convde.pl?C144

<sup>&</sup>lt;sup>7</sup> http://www.ilo.org/ilolex/cgi-lex/convde.pl?C154

unions, employers' organizations and professional associations, employees' right to social protection, the right to strike, etc.

The main legal norm regulating employment relations in Romania is the **Labour Code**, enacted by Law No. 53/2003 and amended and completed by Emergency Ordinance No. 65/2005.

In addition to these major laws, Romania has a number of national regulations dealing with industrial relations; these regulations fall into the following categories:

- a) Regulations ratifying **international instruments** used in social dialogue, information and consultation of employees:
  - Law No. 96/1992, ratifying ILO Convention No. 144 concerning tripartite consultations to promote the implementation of international labour standards;
  - Law No. 112/1992, ratifying ILO Convention No. 154 on consultations for the promotion of collective bargaining;
  - Law No. 74/1999, ratifying the revised European Social Charter, adopted at Strasbourg on 3 May 1996.
- b) Regulations on the organization and operation of **social partners**:
  - The organization and operation of trade union organizations are regulated by Law No. 54/2003 on trade unions which rescinds Law No. 54/1991, the first law after 1990 to regulate trade union activities in Romania;
  - The organization and operation of employers' organizations are regulated by Law No. 356/2001, titled Employers Law.
- c) Regulations governing relations between trade unions and employer organizations:
  - Provisions on the negotiation, conclusion, execution and termination of collective agreements are set forth in Law No. 130/1996 on collective agreements, amended and completed by Law No. 143/1997 and the Law on Security and Health at Work (No. 319/2006), which replaces the Labour Protection Law (No. 90/1996);
  - The settlement of labour conflicts is regulated by Law No. 168/1999 of the same name (replacing Law No. 15/1991), Government Ordinance No. 138/2000, and Law No. 219/2005 on the amendment and completion of the Civil Code.
- d) Regulations on the organization and operation of **bipartite institutions and structures**:
  - Collective agreements at national and sectoral levels regulating the establishment of joint trade unions and employers' commissions for the resolution of issues deriving from the implementation of the agreement;
  - The organization and operation of Health and Safety at Work Committees at unit level are regulated by MMSSF Order No. 187/1998 on the approval of the Regulation on the organization and operation of the Health and Safety at Work Committee;
  - Government Decision No. 1210/2003 (rescinding Decision No. 1086/2001 and Government Decision No. 1083/2001) regulate the organization and operation of joint commissions and disciplinary commissions in public administration.

- e) Regulations on the organization and operation of certain **tripartite institutions and structures**:
  - Law No. 58/2003 regulates the organization and operation of the Economic and Social Council (CES), amending and completing Law No. 109/1997;
  - Law No. 145/1998, completed by Emergency Ordinance No. 294/2000, regulates the organization and operation of the National Employment Agency (ANOFM);
  - Law No. 253/2003, which amends and completes Law No. 132/1999, regulates the organization and operation of the National Adult Training Board (CNFPA);
  - The organization and operation of the National Pensions and Social Insurance Fund (CNPAS) are regulated by the Law on the public system of pensions and other social insurance (No. 19/2000);
  - Government Decision No. 314/2001, completed and amended by Government Decision No. 569/2002, regulates the organization and operation of Social Dialogue Commissions (CDS) within ministries and prefectures;
  - Decision No. 276/2002 regulates the organization and operation of the National Tripartite Maritime Committee (CMNT);
  - Law No. 202/2002, Ordinance No. 84/2004 and Regulation of 5 October 2005, regulate the organization and operation of the National Agency for Equal Opportunities for Women and Men (ANES) and of the National Committee for Equal Opportunities for Women and Men (CONES).

## f) Legislation regulating the organization and operation of other institutions and structures with responsibilities in the area of industrial and employment relations:

#### At national level:

- Law No. 108/1999, completed by Decision No. 238/2002 and Emergency Ordinance No. 137/1999, regulates the organization and operation of Labour Inspection, a specialized body which supervises the application of legally valid employment relations, procedures and norms;
- Government Decision No. 412/2005 regulates the organization and operation of the Ministry of Labour, Social Solidarity and Family (MMSSF), which coordinates relations between the Government and the social partners, i.e., employers' organizations and trade unions;
- Government Decision No. 296/2005 instituted a special department for social dialogue in the General Secretariat which is managed by a secretary of state and empowered to represent the government and manage dialogue with social partners' representatives at national level.

### • At transport branch level:

- Transport, Constructions and Tourism Ministry Order No. 17 of 10 January 2007 (Annex 4), concerning the Department for Relations with the Parliament, Trade Unions, Employers' Organizations and NGOs (DRPSPON);
- Government Ordinance No. 95 of 27 August 1998 concerning the establishment of certain public institutions subordinated to the Transport Ministry;
- Government Decision No. 625 of 24 September 1998 concerning the organization and operation of the Romanian Road Authority (ARR).

### 2.2.3 EU road transport acquis

Road transport-related acquis covers a vast area of social, technical, fiscal, safety and environmental requirements.

Road transport is a highly regulated sector of the economy both in Romania and the EU, so that issues concerning employers' and workers' activity in this sector are very clearly regulated in a set of laws dealing with working time, professional training, conditions for admission to the occupation, etc.

Council Directive 96/26/EC on admission to the occupation of road transport operator and Regulations (EEC) No. 881/92, (EEC) No. 3118/93, (EEC) No. 684/92 and (EC) No. 12/98 on access to the road transport market are the pillars of the sector's internal market. The Directive introduced minimum quality standards which must be met in order to enter the profession, while the four Regulations liberalized international road haulage and occasional passenger services and established regulated competition between regular passenger services and for cabotage/haulage operations by non-resident carriers. On certain issues, road hauliers have to cope with different national rules and a degree of legal uncertainty; this entails additional cost for them when they operate in several Member States.

The European Agreement concerning the Work of Crews of Vehicles engaged in International Road Transport of 1 July 1970 (AETR), as amended, applies to the carriage by road of goods and passengers by vehicles registered in any Member State or any country which is a contracting party to the AETR, for the whole of the journey where that journey is between the Community and a third country other than Switzerland and countries which are contracting parties to the Agreement on the European Economic Area or through such a country.

Council Regulation (EEC) No. 3820/85 of 20 December 1985 on the harmonization of certain social legislation relating to road transport seeks to harmonize the conditions of competition between modes of inland transport, especially with regard to the road transport sector, and to improve working conditions and road safety.

Directive 2002/15/EC of the European Parliament and of the Council of 11 March 2002 on the organization of the working time of persons performing mobile road transport activities requires Member States to adopt measures which limit the maximum weekly working time of mobile workers.

Difficulties have arisen in interpreting, applying, enforcing and monitoring certain provisions of Regulation (EEC) No. 3820/85 relating to driving time, break and rest period rules for drivers engaged in national and international road transport within the Community in a uniform manner in all Member States. The basic rules on driving times need to be clarified and simplified to allow effective and uniform enforcement by means of the digital tachograph, as provided for in Council Regulation (EEC) No. 3821/85 of 20 December 1985 on recording equipment in road transport. In this regard, Regulation (EC) No. 561/2006 of the European Parliament and of the Council of 15 March 2006 on the harmonization of

**certain social legislation relating to road transport** amends Council Regulations (EEC) No. 3821/85 and (EC) No. 2135/98.

Under **Directive 88/599/EEC**, **roadside checks** are confined to daily driving time, daily rest periods and breaks. By introducing digital recording equipment, driver and vehicle data are stored and evaluated electronically on the spot.

The **legislation relating to the digital tachograph** is spread among Council Regulations (EEC) No. 3821/85 regarding the actual recorder and (EC) No. 561/2006 regarding driving time and rest periods, and Directive 2006/22/EC regarding the checks. The Regulations concerning driving time, rest periods and monitoring also have an autonomous effect on the operation of the (digital) tachograph.

**Provisions concerning the minimum age of drivers** are laid down in **Directive 2003/59/EC** and must be transposed by 2009.

The conditions governing transport of dangerous goods by road are harmonized across the Community as all Member States except Ireland are Contracting Parties to the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR), the geographical scope of which extends beyond the Community and which lays down uniform rules for the safe international transport of dangerous goods by road.

### 2.2.4 EU transport acquis as transposed into Romanian legislation

In the transport sector, Romania faced the challenge of taking over and implementing a very substantial body of transport law, which represents about 10 per cent of the total EU acquis. The acquis in Chapter 9, "Transport policy", is based on Articles 70–80 EC. The transport acquis consists mainly of secondary legislation, i.e., several hundred regulations, directives and decisions. Implementing it requires not only adopting legislation but also having an adequate level of administrative capacity.

In Romania, passenger and goods transportation is subject mainly to Law No. 102/2006 for the approval of Government Ordinance No. 109 issued on 14 July 2005 and to the norms regarding road transportation and connected activities (as stipulated in Order No. 1892/2006).

A series of other conventions and agreements complete the overview of regulations that have a bearing on Romanian road transport:

- TIR Customs Convention (international goods transportation on the basis of TIR carnets), transposed by Decree No. 420 of 5 December 1979;
- CMR Convention (refers to the contract of international transportation of goods on motorways), transposed by Decree No. 451 of 20 November 1972;
- INTERBUS Agreement on occasional international passenger transportation by bus, transposed by Law 439 of 7 June 2002;
- AETR European Agreement concerning the Work of Crews of Vehicles engaged in International Road Transport – Law No. 101 of 12 November 1994;
- Maximum weight and dimensions admitted on the roads within Romania Ordinance 26 of 30 January 2003;

Circulation restrictions currently in force.

Romania has made significant progress in implementing the EU transport acquis and strengthening its administrative structures. It has made sustained efforts to align with the acquis concerning road transport by adopting specific regulations on dangerous goods, transport licences, tests for travel preparation, speed limit devices and tachographs. Improved procedures and increased number of inspections have brought about considerable progress in respect of driving time and rest periods, travel preparation and transport of dangerous goods.

Romanian professional associations of road hauliers were involved in the process of implementing the EU transport acquis; they were consulted on relevant draft legislation by the Romanian Transport Ministry within the scope of its Social Dialogue Commission.

At the same time, Romanian social partners were very active in making the authorities aware of the problems their members faced in complying with the new legislation, due to the economic situation of transport companies, on the one hand, and the contradictory provisions of the national legislation, on the other.

In this context, as a professional organization of employers, the National Union of Road Hauliers from Romania (UNTRR) has organized several seminars in order to inform as well as consult its member companies about the most relevant draft laws relating to road transport. It has also facilitated direct dialogue between Romanian authorities and representatives of transport companies by organizing ad hoc joint meetings and seminars.

The social partners in the Romanian road sector also negotiate collective agreements at transport branch and road sector levels.

### B. ROAD TRANSPORT

# 2.3 History and framework of European social dialogue in transports

Road transport is by far the largest of the transport industries in Europe. It covers passenger transport as well as road haulage and own-account transport. The latter sector is the largest in terms of employment and passenger transport the smallest.

The European Joint Committee on Road Transport was originally established in July 1965. Employees' interests in the sector are represented by the European Transport Workers' Federation (previously the Committee of Transport Workers' Unions of the European Community) which currently represents 86 transport trade union organizations from 19 member countries of the EU and EFTA. European road transport employers, for their part, are represented by the International Road Transport Union (IRU). The Union's active members are the most representative national road transport associations, representing passenger transport, professional goods transport and own-account transport sectors. The IRU currently has 180 members in 70 countries on five continents.

-

<sup>&</sup>lt;sup>8</sup> <a href="http://ec.europa/eu/transport/road">http://ec.europa/eu/transport/road</a> (-> Directorate-General for Energy and Transport -> road transport-> social partners).

<sup>9</sup> IRU (2007).

A significant part of the European Joint Committee's activity consists in monitoring all Community-level policy affecting the transport sector. The impact of such policy measures on employment and working conditions in the sector is a particular concern. Discussion is focused mainly on vocational training, health and safety, working time and working conditions, and monitoring of working time arrangements.

## 2.4 Romanian road transport market – trends and figures

Starting 1 January 2007, the date of Romania's official integration into the EU, the country's transport market opened up to both opportunities and challenges.

Since 1990, road transport services have grown geometrically. This is due mainly to the fact the road transport was one of the first sectors of activity to change from state to private ownership. Nowadays, about 86 per cent of road transport companies active in Romania's market economy are privately owned.

In Romania, goods and passenger transport is within the remit of the Transport Ministry as the representative of the central public administration (<a href="www.mt.ro">www.mt.ro</a>). Every company requires a transport licence issued by the Romanian Road Authority (<a href="www.arr.ro">www.arr.ro</a>), while vehicles are checked and certified by the Romanian Auto Registry (<a href="www.arr.ro">www.rarom.ro</a>).

Internal market development has contributed to the improvement of the country's general economic situation, as reflected by a GDP increase of 8 per cent (€97 billion) in 2006. The transport sector represents 10 per cent of Romania's GDP.

As regards market share of the different modes of transport in Romania, road transport represents 75 per cent of the transport market, railway transport 17 per cent, sea and inland waterways 4 per cent, and other modes 4 per cent.

While the market development of most Romanian transport modes has been uneven, the **road transport sector** has enjoyed a steadily increasing trend: in 2006, international road transport had doubled compared to 2003, and national transport had risen by 66 per cent.<sup>10</sup> Still, in comparison to the EU, where a haulier covers 140,000 km per year, in Romania a haulier covers only 80,000 km. Also, Romania's vehicle fleet works out at 20 trucks per 1,000 inhabitants, while in the EU there are 63 trucks per 1,000 inhabitants.

Upon joining the EU, Romania gained access to the market in the carriage of goods by road within the EU to or from the territory of a Member State or passing across the territory of one or more Member States. However, there are specific sensitivities over the issue of immediate national **cabotage** market opening upon accession. In order to achieve a smooth integration, the EU has therefore proposed a transitional arrangement whereby access of non-

\_

<sup>&</sup>lt;sup>10</sup> Compass Consulting (2007).

<sup>&</sup>lt;sup>11</sup> Council regulation (EEC) No. 881/92 of 26 March 1992 on access to the market in the carriage of goods by road within the Community to or from the territory of a Member State or passing across the territory of one or more Member States.

resident hauliers to the national road transport market of other Member States would in certain cases be phased in gradually.<sup>12</sup>

Along with its recent significant economic growth, Romania has been experiencing strong **competition** in the road transport field, mainly in the international environment.

Under these market conditions, characterized by significant export volume shortfalls compared to imports and consequent pressures on international transportation pricing, Romanian operators are facing difficult times.

### Main characteristics of the Romanian market:13

- Low profitability levels even for big transport companies (high level of investment decreases short-term profitability);
- Decreasing level of debt but still high (>80 per cent debt instalment/total assets),
   posing significant limitations on financial management (reduced flexibility);
- Gas price variations influenced by international petrol prices, and these are still at peak level;
- Increased market competition, particularly for medium-size clients;
- Lower chances of profitability for small companies in an increasingly competitive market;
- A growing number of transport operators act mainly or exclusively as subcontractors of large transport operators or forwarding companies (otherwise they would be unable to attain a properly balanced capacity to work on their own).

According to a 2003 study of Romanian transport branches, at the time 402,000 persons were employed in the **transport and communication branch**, accounting for 7.5 per cent of the total number of employees in Romania.<sup>14</sup>

The number of **work accidents** registered in the transport branch in 2004 represented 5 per cent of the total number of accidents in the Romanian economy.

The investments made in this branch represent 13.5 per cent of the total investments made in Romania in the period 1990–2003. In 2003, **labour productivity** amounted to €14,070 per transport employee. The net average salary for a transport employee equalled €274 in 2005, while the minimum wage amounted to €180 on 1 January 2007.

Compared to 1990, when there were registered 55 **work conflicts** in the branch, in 2004 their number had fallen to 11.

### Trends for future development of Romania's road transport market:

- A transport market dominated by large companies;
- Difficulties for medium-sized companies to develop and overcome this stage;

\_

<sup>&</sup>lt;sup>12</sup> Council Regulation (EEC) No. 3118/93 of 25 October 1993 laying down the conditions under which non-resident carriers may operate national road haulage services within a Member State.

<sup>&</sup>lt;sup>13</sup> Compass Consulting: Analyses of non-audited 2004–2005 financial statements of 61 Romanian road transport companies.

<sup>&</sup>lt;sup>14</sup> Preda (2006a).

- Attention to be paid to over-investing = debt -> over-capacity on the market = tariffs decrease and loss of clients = bankruptcy;
- Opportunities for development only in market niches or large investments made on several plans simultaneously: fleet, but also strategy and know-how.

## 3. Social dialogue in Romania

### 3.1 Brief historical overview

Since becoming manifest in the early 1990s, the social dialogue in Romania has gone through several stages of development.

In the **first stage**, the bases of social partners' organizations were set. Economic and social conditions were not favourable, however, owing to a major economic decline accompanied by a fall in employment and erosion of the employees' purchasing power as a result of double- and even triple-digit annual inflation. It was a time of social unrest, marked by numerous strikes and large-scale protests, with the State and trade unions as the main interlocutors in social dialogue. Practically, in the early 1990s, over 90 per cent of employees in the economy worked in the state sector.

**Trade unions** got off to a better start than employers' organizations because they have existed for much longer and have had a law of their own since 1991 (Law No. 54/1991). The former General Union of Trade Unions in Romania (Uniunea Generală a Sindicatelor din România, UGSR), which had brought together all unionists into a single, national level organization, separated into several organizations and subsequently underwent various regroupings or divisions.

The establishment of **employers' organizations** began in 1990, based on a law dating back to 1924 (Law No. 21/1924), but the latter proved inadequate for current needs. Government Decision No. 503/1991 marked the beginning of employers' organizations set up for the express purpose of representing state companies in social dialogue. The relatively slow pace of privatization hindered the progress of the employers' movement, but several employers' organizations were still set up. Late in 1995, the employers' organizations agreed to merge and the following year applied for membership in the International Organisation of Employers (IOE).<sup>16</sup>

This is when the first forms of social dialogue were established, with the setting up of the Tripartite Secretariat for Social Dialogue (Government Decision No. 349/1993), which was subsequently dissolved. The social partners were involved in discussing laws with direct relevance for industrial relations, paving the way to further progress.

The **second stage** began in 1997, with the adoption of several laws on industrial relations. A number of **tripartite institutions** were set up, the most important of which was the Economic and Social Council (CES). The law on the establishment and operation of CES was

<sup>&</sup>lt;sup>15</sup> Compass Consulting (2007).

<sup>&</sup>lt;sup>16</sup> PHARE Program for Social Dialogue (1997).

adopted in 1997. The same year saw the emergence of Social Dialogue Commissions (CDS) within ministries and prefectures. New laws were promulgated, stipulating the criteria for granting representative status to social partners at various levels (national, sectoral, group of companies, company level).

In 1999 Romania ratified the revised European Social Charter and initiated negotiations for accession to the European Union.

The Employers Law was passed in 2001 and a new law on trade unions in 2003.

The first **Social Agreements** between the government, trade unions and employers were signed in 2001 and 2002, establishing the guidelines for the development of employment relations (later denounced by the trade unions allegedly because the government had failed to keep its promises). At this stage social dialogue became widespread and permanent; within the framework created by many bipartite and tripartite institutions, the social partners became more and more experienced.

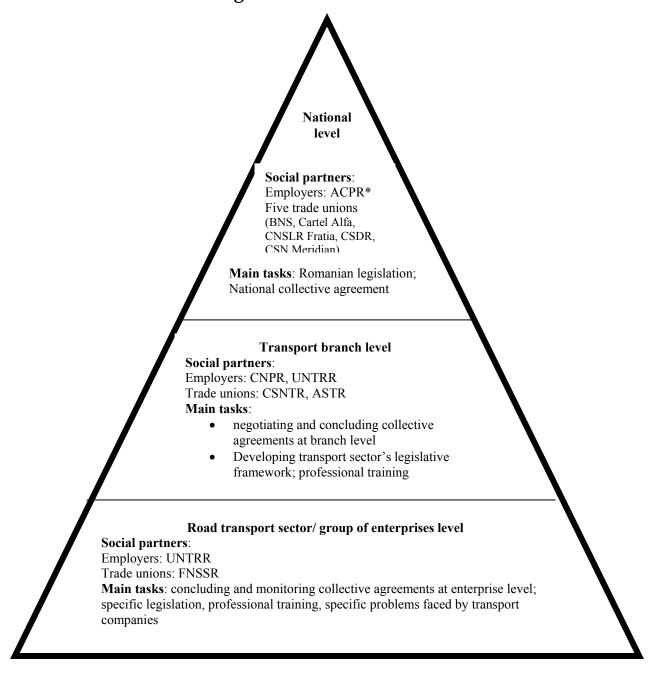
In 2003, according to the statistical data available, 63.2 per cent of the total number of employees in the national economy worked in the private sector, accounting for 70.4 per cent of the gross domestic product (GDP) that year. The share of the private sector continued to grow at a brisk pace. Major state-owned companies were privatized (oil, cement, power system, banking system, etc.), while multinationals continued to make greenfield-type investments.

The **new Labour Code** (2003), although not meeting entirely the social partners' needs, represented a start for ensuring the legal framework in Romania in respect of European industrial relations and compliance with the 'acquis communautaire'.

In 2005, at the request of employer organizations and the International Monetary Fund, some amendments were made to the Labour Code. Employer organizations have also asked for representativeness criteria to be revised in order to encourage potential mergers between existing organizations (in particular employer organizations, deemed to be too numerous), thus enhancing the efficiency of social dialogue.

With its accession to the EU, Romania is set to enter a **new stage** of social dialogue development. After the relatively difficult emergence of social dialogue followed by extensive development, the emphasis is currently on enhancing quality.

### 3.2 Levels of social dialogue



<sup>\* 11</sup> employers' organizations members of CDS-MT (see section 4.3)

The hierarchical negotiation of agreements (i.e., from the national level to the lower levels) has the advantage of vertical coherence: any amendment to or update of the national agreement brings about adjustments in the branch agreements. Similarly, amendments to the sectoral agreement require adapting enterprise collective agreements or individual contracts. Benefits obtained at a higher level usually become minimum negotiating terms for the next level down. Some sectoral provisions can thus be more beneficial than national ones.

The major disadvantage of this approach is that it favours an escalation in employees' rights, 17 especially with regard to remuneration (directly, through wages, and indirectly through exemptions, compensations and financial allowances) and other provisions on working conditions. As a result, the minimum industry wage is higher than the national minimum wage, and employees benefit from further increases or bonuses also at enterprise level.

#### 3.3 Social partners at national level

Under the regulatory framework, in order to be granted representative status at national level, social partners' organizations are required to cover at least half the number of counties and 25 per cent of national economy sectors.

There are five national trade unions (BNS, Cartel Alfa, CNSLR Fratia, CSDR, CSN Meridian) that have grouped in the first four years after 1989, with no major changes since 1994. Four of them have international affiliation to ETUC, ICFTU and WCL.

Thirteen employers' organizations in Romania are active at central level, 18 displaying a wide range of organizational structures. On 23 May 2006, eight nationally representative employers' confederations became associative members of the Romanian Alliance of Employers' Confederations (ACPR<sup>19</sup>), which is an umbrella-type structure representing employer organizations at both national and international levels. This associative alliance of representative employers' organizations is based on the freely expressed consent of its constituent bodies. Each member retains statutory autonomy of organization, management, financing and representation in all social dialogue institutions and local and international relationships. ACPR fulfils the representativeness criteria BusinessEurope-UNICE<sup>20</sup> and the International Labour Organization (ILO<sup>21</sup>). It is an active member of BusinessEurope-UNICE and IOE, and participates in the International Labour Conference of the ILO.

In Romania, the social partners receive **no financial support from the State**. As a rule, trade union members pay a monthly membership fee, the equivalent of 1 per cent of the national minimum gross wage. Membership fees are automatically deducted from wages by the employer and transferred to the trade union account. A part of the amounts collected by company-level trade union organizations is then passed on to federations and confederations. The statute of each confederation stipulates a policy for distributing funds among the various hierarchical levels (company, sector, national).

Human resources are not made up only of employees. In some employer organizations, representatives of affiliated federations may hold management positions so that staff size appears to be smaller than it actually is. The daily tasks of the permanent staff of employers' organizations in particular are completed through various other means: employing temporary personnel, outsourcing certain services or resorting to various experts, as the case may be.

<sup>&</sup>lt;sup>17</sup> Ghellab and Vaughan-Whitehead (2003).

<sup>&</sup>lt;sup>18</sup> Preda (2006b).

<sup>19</sup> http://www.acpr.ro/index-en.htm

<sup>&</sup>lt;sup>20</sup> http://www.unice.org/

<sup>21</sup> http://www.ilo.org/

Cooperation between the central level and lower hierarchical levels also results in certain employees having to operate at several levels simultaneously. The same is true of trade unions.

**Women** make up a substantial share of the total number of employees (26–69 per cent).<sup>22</sup> Some occupy management positions in employer organizations, while management positions in trade union organizations at national level are held exclusively by men.

In both employers' organizations and trade unions, most employees are familiar with at least one foreign language, usually English, followed by French.

## 3.4 Tripartite and bipartite institutions for social dialogue

Tripartite social dialogue emerged in Romania with the establishment of the Tripartite Secretariat for Social Dialogue in 1993, and developed further when the Secretariat was replaced by the Economic and Social Council (CES) five years later and a number of other tripartite consultation structures were set up.

There are currently eight major tripartite bodies in Romania.<sup>23</sup> The main one at national level is the **Economic and Social Council** (CES), set up in 1998, which has an advisory role in devising economic and social strategies and policies, settling conflicts and initiating, promoting and developing social dialogue and solidarity. The social partners are involved in its plenary sessions.

In 2005, to provide optimum conditions for the social dialogue process, a **Department for Social Dialogue** was set up at **government level**, coordinated by a secretary of state whose responsibilities include managing the activities of social dialogue commissions in ministries and organizing meetings between the Prime Minister and CES representatives.

Another tripartite body, the **National Agency for Employment** (ANOFM), set up in 1998, manages the unemployment fund in order to implement active and passive employment measures. The social partners are members of its Board of Administration.

The Romanian Training Board (CNFPA) was set up in 1999. A national tripartite body with a tripartite Board of Administration, it elaborates and promotes continuing vocational training policies and strategies. Starting in 2007 it is to become the National Authority of Qualifications, with the overall objective of creating a transparent qualification system at national level for vocational education and training, benefiting from the social partners' active participation through sectoral partnerships. A specific objective for the new authority is to enhance the institutional capacity of Sectoral Committees; these have a bipartite/tripartite structure and are composed of the main social partners from a particular sector that cooperate in professional training programmes and strategies for that sector. Occasionally, depending on the complexity of the issues under debate, ad hoc tripartite structures will be set up to discuss specific aspects (e.g. the tripartite inter-ministerial commission for improvement of the business environment).

\_

<sup>&</sup>lt;sup>22</sup> Ibid.

<sup>&</sup>lt;sup>23</sup> These are: CES, ANOFM, CNFPA, CDS, CNAS, CNPAS, CNPOFM and CONES.

Ministry level discussions within social dialogue commissions are the main form of **tripartite sectoral dialogue**. They concretely contribute to improving the social partners' access to the legislative system and decision-makers via representatives of the ministries.

Bipartite autonomous social dialogue complements tripartite social dialogue. The main **bipartite structures of social dialogue** are the commissions for the negotiation of collective agreements at national, branch and sectoral levels. These commissions are composed of representatives of the national or branch trade unions and employer organizations that meet the representativeness criteria for the respective level of dialogue.

# 3.5 Procedures and mechanisms – the representativeness requirement

Under Romanian law, collective bargaining takes place at national, sectoral, group of companies and company levels. If they are not nationally representative for a certain level, the social partners cannot take part in the relevant bargaining process.

In order to be **representative at national level**, a trade union organization must meet all of the following conditions: it must operate in at least half of the total of 42 counties and in at least 25 per cent of the total number of sectors, and the number of its members must represent over 5 per cent of the total number of employees in the national economy. The same conditions apply to employers' organizations, the only difference being that their membership must equal at least 7 per cent of the total number of employees in Romania.

**Representative status at sectoral level** is granted to trade union organizations that include over 7 per cent of the total number of employees in the respective sector of activity. Employer organizations are recognized as being representative at sectoral level if they include employers that employ at least 10 per cent of the workforce in the respective sector.

Trade unions also have to be representative in order to take part in collective bargaining at **company level**: the number of trade union members must be over one-third of the total number of company employees.

The law provides that organizations recognized as being representative for a certain level are implicitly representative for lower levels. For instance, national level social partners are also entitled to participate in sectoral, group-of-companies and company bargaining processes.

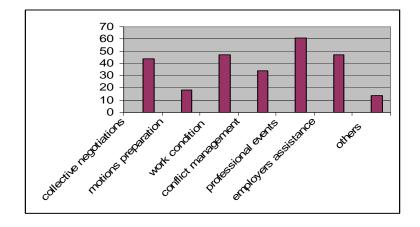
Since all trade union and employer organizations at the central level have obtained representative status, they take part in national collective bargaining.

The concept underpinning the current structure of **collective bargaining in Romania** has turned it into a powerful tool in industrial relations for at least two major reasons:

- collective bargaining is mandatory in any company with over 21 employees, in all sectors and of course at national level; and
- collective agreements concluded at a certain level provide 100 per cent coverage for all employees at that level (company, group of companies, sectoral, national).

### 3.6 Main activities<sup>24</sup>

The following diagram shows how many employer organizations participate in the different activities pertaining to social dialogue:



- Collective negotiations (salary): 44 employer organizations
- Preparation of motions/draft laws: 18 employer organizations
- Regulation of working conditions: 47 employer organizations
- Organization of professional events: 61 employer organizations
- Employers' assistance services: 47 employer organizations
- Other issues: 14 employer organizations

The tripartite model promoted by the ILO is not only a desideratum of the social partners for obtaining their legitimate rights but also a government responsibility, aimed at ensuring the credibility of its economic and social policies through efficient social dialogue.

Employers' organizations often cooperate on specific issues like representation in tripartite bodies, participation in international conferences, joint projects, etc.

The involvement of Romanian social partners in the **activities of international organizations** and their affiliation thereto started in the early 1990s. Both trade unions and employer organizations consider that their activities at international level have brought them major benefits, such as access to relevant information, consultancy and training for their members, etc. Employer organizations state that a major effect of their international activity was the possibility to gain easier access to new markets and conclude new business contracts and partnerships.<sup>25</sup>

-

<sup>&</sup>lt;sup>24</sup> Manoliu et al. (2002).

<sup>&</sup>lt;sup>25</sup> Preda (2006b).

## 4. Social dialogue in the Romanian transport industry

### A. TRANSPORT BRANCH LEVEL

The European social model, which Romania must inevitably develop, implies establishing modern and well-functioning industrial relations. This necessitates a balanced system of social dialogue at national level, and social dialogue in every possible field of activity. This may be why sectoral social dialogue has emerged in Romania at both **tripartite** (social dialogue commissions of the Romanian ministries) and **bipartite levels** (commissions for the negotiation of branch collective agreements).

In the Romanian transport branch, tripartite social dialogue is organized mainly within the framework of the **Social Dialogue Commission of the Transport Ministry** (CDS–MT). The social partners invited to participate in Commission meetings are employer organizations and trade unions that are representative at national level.

Another tripartite institution for social dialogue in transports is the **Sectoral Transport Committee** (CST), established by social partners under the coordination of the National Adult Training Board (CNFPA). Representatives of the authorities under the Transport Ministry (i.e. Romanian Road Authority) were invited to become CST members.

Bipartite social dialogue at transport branch level is organized within the framework of the **Commission for the negotiation of transport branch collective agreement**, which consists of employer organizations and trade unions that are representative for the transport branch according to the provisions of the specific legislation (see also section 3.5 above).

Sectoral social dialogue in Romanian transports is necessary and highly beneficial to good economic and social operation of industrial relations within the transport branch. In addition to economic performance considerations, promotion of social dialogue as a means of reconciling interests and reaching consensus should be seen as a strategic component of competitive and sustainable development of Romanian transports.

## 4.1 Social partners at transport branch level

Transport social partners are those organizations that are representative for the transport branch, according to the relevant provisions of Romanian legislation.

**Employer organizations** recognized as social partners at transport branch level are the National Confederation of Romanian Employers (CNPR), representative at national level, and the National Union of Road Hauliers from Romania (UNTRR), representative at transport branch level. UNTRR is also a member of CNPR.

**Trade unions** participating in social dialogue at transport branch level are the Romanian Transport Workers' Trade Union Convention (CSNTR) and the Alliance of Transporters' Unions from Romania (ASTR).

**Transport Ministry** institutions involved in social dialogue at transport branch level are the Department for Relations with the Parliament, Trade Unions, Employers and NGOs (DRPSPON), which organizes meetings of the Ministry's Social Dialogue Commission (CDS–MT), and the Romanian Road Authority (ARR), which participates in the meetings of the Sectoral Transport Committee (CST).

Table 1 provides a general overview of Romanian social partners involved in sectoral dialogue at transport branch level. The data, collected from the organizations by means of questionnaires and interviews, is structured around the following topics:

- Identification data
- Financial capacity
- Human resources
- Affiliation to national organizations/federations
- Participation in tripartite institutions
- Participation in bipartite social dialogue
- Affiliation to international organizations

The information synthesized in table 1 can be seen as a snapshot of the social partners from the transport branch (including road transport social partners) at the beginning of 2007; it also provides a general comparison between these partner organizations in the items mentioned above concerning their seniority, experience and capacities for social dialogue.

 Table 1
 Social partners at transport branch level

Identification data	Employers' organizations		Trade unions			Ministry of Transport institutions	
	CNPR	UNTRR	FNSSR	CSNTR	ASTR <sup>26</sup>	ARR (CST)	DRPSPON(CDS MT)
Establishment date	1992	1990	1990	2000	2002	1998	2001
Date of obtaining representative status	1997 (at national level)	2004 (at transport branch level)	1990	2001 (at transport branch level)	2002	Not applicable	Not applicable
Number of members	12 employer organizations, 32 companies	13,000 affiliated transport companies	16,369	150,000 members structured in 14 trade unions	25,000 (85,000- incl. commercial movement)	Not applicable	11 employer organizations 5 trade unions
Personnel	9 (executive)	15(management)+ 35(executive)	4 (executive) + 7 (management)	10 (management)	11 (management)	636	3
Number of regional offices	41	12	26	_	42 Meridian	42	Not applicanle
Main field of activity	Services representing 18 out of 33 national branches	Road transport	Road transport	Transports	Transports	Road transport authorization and control	Social dialogue
Financial capacity	y		•		•		
Share of membership fee in total revenue (%)	98	95	99	100	Plan to introduce membership fee	Not applicable	Not applicable
Share of services provided in total revenue (%)	2	5	_	_	_	Not applicable	Not applicable
Other sources of revenue	_	_	Occasional sponsorship	_	_	Not applicable	Not applicable
Considerations about financial resources	Not sufficient	Not sufficient	Not sufficient	Not sufficient	Not sufficient	Not applicable	Not applicable

<sup>&</sup>lt;sup>26</sup> Data collected by phone interview.

	CNPR	UNTRR	FNSSR	CSNTR	ASTR	ARR	CDS-MT		
Human resources									
Number of employees	9	35	4+7	10 (management) specialists provided by member organizations	-	636	13		
Employees with university education (%)	87.5	60	_	30 <sup>27</sup>	50	76.10	100		
Women in management positions (%)	2	14	_	_	1	3.72	99		
Affiliation to national organizations /federations	ACPR	CNPR, CCIR, ANEIR, ADER, GRSP	CNSLR Frăția	BNS, CNSLR Frăția, Cartel Alfa (indirect)	CSN Meridian	_	Participation in CES, comisii de specialitate din Parlament		
Participation in tripartite institutions	Social dialogue commissions of ministries, local councils, NATB, NAE, CST	CDS–MT, commissions of local councils and NAE (indirect, as CNPR member); CST	CDS-MT	CST, POT Foundation	CDS-MT CST	NATB – by invitation CDS – when analysing draft legislation on road transport	-		
Participation in bipartite social dialogue	Direct participation at national and transport branch levels	Direct participation at transport branch and road sector levels	Direct participation at transport branch and road sector levels	Direct participation at transport branch level	Direct participation at transport branch level	CCM at road sector level (trade union organized within the ambit of ARR)	Mediation between trade unions and management of state-owned companies		
Affiliation to international organizations	BusinessEurope– UNICE, IOE (indirect, as ACPR member)	IRU, IRF, PRI, IMMTA	ETF	Indirect, through its member organizations	Participation in ILC, CES- EU (indirect, through CSN Meridian)	- CES-ONU - CEE-ONU - EURO- CONTROLE ROUTE ECR - CORTE,- MIDT	_		

<sup>&</sup>lt;sup>27</sup> Data collected by phone interview only.

### 4.1.1 Employers' organizations involved in social dialogue

### National Confederation of Romanian employers (CNPR)

CNPR is an autonomous, non-governmental and apolitical association, set up on 21 April 1992 by the free will of its members. It represents and furthers the common interests of economic enterprises mainly from the service sectors. It brings together 12 employer organizations and 31 directly affiliated companies representing various sectors of the Romanian economy: industry, agriculture and food, health, transports and infrastructure, communications, trade, tourism, research and development, cooperative and human resources services.

The Confederation's main areas of activity are the following:

- Representing the interests of member companies. CNPR promotes, supports and protects the common economic, technical and legal interests of its members. It promotes employer solidarity between its members with a view to ensuring business development and the country's economic welfare.
- Dialogue and negotiations with the social partners. CNPR is actively involved in the social dialogue aimed at promoting and protecting its members' interests. It negotiates with the social partners on all matters of interest for the enterprises' activities at national, branch, sub-branch or group of enterprises level, and engages in dialogue with trade unions on the negotiation of collective labour agreements and other social policy matters.
- Participating in social dialogue commissions of Romanian ministries and local administrations. CNPR participates in technical discussions on specific draft legislation and initiates actions for amending, modifying or developing national regulations according to employers' interests; it also acts as a lobbyist in order to influence the legislative process at ministry level.
- Professional consultancy and assistance to members. CNPR provides training programmes and assistance on human resource management and project development through its company, PatronConsult. It also organizes professional meetings and ensures the collection, processing and dissemination of specific information on economic, financial, commercial and customs policy regulations in force in Romania or in countries whose markets are of interest to CNPR members.
- **Promoting network partnerships with foreign counterparts**. The objective here is to get better access to funding and international collaboration, as well as improving CNPR's national visibility and international recognition. CNPR supports and coordinates the network of its specialists from different branches and member associations and makes use of the experience and know-how gained from international activities.
- **Relations with the media**. CNPR maintains and develops its relations with Romanian and foreign mass media in order to ensure better dissemination of its message concerning business environment realities in Romania. It also issues its own publications, including an information bulletin, "Culori patronale" (Employers' Colours), and different publications for

employers on social dialogue, business development, EU best practices and EU integration issues.

- *International activities*. Aiming to promote and defend its members' interests at international level, CNPR encourages cooperation with foreign professional associations and supports its members' participation in international meetings of interest to their organizations. As a member of the Alliance of Romanian Employers' Confederations (ACPR), it has contacts with BusinessEurope–UNICE and the International Organisation of Employers (IOE), and participates in the ILO's International Labour Conference and in different employer meetings at EU and wider international level.

### National Union of Road Hauliers from Romania (UNTRR)

This professional, non-governmental, independent and apolitical employer organization was set up in 1990 on democratic principles. It promotes and protects the interests of road hauliers in their relations with public authorities, trade unions and other legal and/or physical persons, in accordance with its object and purpose of activity, at both national and international levels.

UNTRR has assumed the mission of representing Romanian carriers in their relations with state institutions and important foreign partners. It is thus a member of the main national employer bodies and the most important international bodies in the transport field; as such, it has significant say in matters concerning transport-related legislation and project performance.

Since 1990, more than 13,000 transport operators engaged in inland and international transport of passengers and goods have become UNTRR members. The Union's leading body is the General Assembly of members and, between Assembly meetings, the 15-member Managing Council, headed by a President and five Vice-presidents.

Being representative at transport branch level, UNTRR is entitled to forward proposals and amendments related to any transport-related draft laws within CDS-MT to propose improvement and enhancement measures for the road transport activity in Romania.

UNTRR underlines the importance of transport as a business and not as an adjacent service within other activities performed in different branches of the economy. Looking to the future of Romanian road transport in a united Europe, but also in a European market characterized by stiff competition, there is a need for a viable strategy based on road transport activities in close connection and correlation with all branches of economic activity.

As an organization defending the professional, economic and social interests of its members, as well as those of the road transport industry in general at both national and international levels, UNTRR acts in order to:

- Increase the role and efficiency of passenger and goods road transport in both domestic and international traffic as regards maintenance of the vehicle fleet and professional training of the staff;
- Assist transport operators to face the new market and competition conditions within the EU;
- Contribute to the modernization of the means of transport and rehabilitation of road infrastructure;

- Promote specialized technical and economic studies and research in order to improve the means and technologies of transport;
- Organize debates and exchanges of experience, particularly when decisions important for the road transport industry need to be taken;
- Be an active and responsible member of Romania's civil society;
- Improve and adapt specific road transport legislation at national level and participate through the IRU in relevant consultations at EU level by collaborating closely with its specialty commissions;
- Support and increase the role of road transport in the context of sustainable economic development.

As an active member of several prestigious organizations (see table 1), UNTRR maintains direct connections and has collaboration agreements with similar associations throughout Europe and in some countries in the Near East.

UNTRR became an active member of the IRU in 1992. In that capacity, it has been a national guaranteeing association for the transport of goods under the cover of TIR carnets since 1993.

In close cooperation with the IRU, UNTRR keeps its members informed of any changes in law at EU and national levels and provides them with up-to-date road traffic information throughout Europe. It maintains **effective communication** with its members by the following means:

- e-Info service (daily electronic newsletter for UNTRR members);
- SMS-type short messages;
- UNTRR interactive portal (www.untrr.ro);
- INFO UNTRR bulletin (monthly, free-of-charge publication and its supplements).

### 4.1.2 Trade unions involved in social dialogue

### Romanian Transport Workers' Trade Union Convention (CSNTR)

CSNTR was established on 20 March 2000 at the initiative of 14 trade union federations representative for all modes of transport (railway, road, maritime and air transport), in recognition of the need to coalesce the union movement in transports. It was legally recognized as being representative at transport branch level on 21 August 2001.

At present, CSNTR has 150,000 members structured in 14 trade union organizations affiliated in three nationally representative confederations (BNS, CNSLR Frăția, Cartel Alfa). Its activities focus on the following:

- Collective agreement negotiation at transport branch level. In this regard, CSNTR management has two major objectives: concluding collective agreements at lower levels, valid for one financial year in order to include salary costs, and establishing a minimum salary for the transport branch to maintain purchasing power (equal to  $\in 190$  for 2007).
- Legal action relating to the application of the collective agreement. The first law suits concerning the application of the collective agreement at transport branch level dealt with the social partners' mutual recognition as partners in social dialogue within the branch, coverage

of the collective agreement, and interpretation and application of its provisions at the level of enterprises.

- Collective agreement negotiations at the group of companies level in the rail sector.
- Cooperation with other trade union organizations. In 2003, CSNTR signed a cooperation agreement with UFS ATLAS, a trade union organization in the field of energy and communications, aimed at ensuring mutual support, country-wide and at local level, in respect of the general problems faced by the trade unions affiliated to the two organizations. With a view to protecting their members against employers' abuses and labour legislation infringements, in 2004 CSNTR and UFS ATLAS signed a collaboration protocol with the Labour Inspection of the Romanian Labour Ministry, providing the trade unions with a strong pressure tool against any employers violating labour law.

The three institutions cooperate in the following fields:

- o Correct and unitary application of specific legislation regulating labour relations, work safety and health, employees' protection against constraints and abuses;
- o Identifying and abolishing illegal or "black market" labour;
- o Preventing and eliminating child labour;
- o Exchanges of research results concerning labour relations, health and safety, protection of employees working in special conditions;
- o Organization of training programmes for professional education and improvement;
- o Support aimed at initiating and elaborating legislation in the field;
- o Professional support;
- o Collaboration and mutual support in internal and international relations.
- Interventions concerning reorganization of Transport Ministry medical units. CSNTR has made several interventions requesting financial independence for its medical units. Considering the Transport Ministry's intention to reorganize the medical units network by externalizing this activity, the trade unions representing employees from road transport, railway, maritime, air and metro systems objected to the plan on the grounds that substantial investments had been made in modernizing medical sections and that those investments should be reflected in the quality of medical services provided to the employees. Private medical services should be an alternative and not a substitute for the existing medical network. As a result, the Transport Ministry abandoned the externalization approach. CSNTR made representations to Romanian Ministries to bring the salaries of medical personnel in the transport sector into line with the level of the national network.
- Earlier retirement for transport branch employees. In 2003, discussions began with the Transport Ministry regarding the enactment of a special law establishing two groups of transport branch employees who should benefit from earlier retirement on account of arduous working conditions. After long debates with the Ministries of Labour and Transport, a law placing certain workplaces in the special working conditions group was passed in 2006.
- Collective redundancies. CSNTR has consistently opposed the practice of collective redundancies, particularly manifest in the railway system, arguing that further restructuring of personnel would affect traffic safety as the personnel is overstretched and working with technologies over 40 years old. Transport trade unions stated that the Government's adverse policy in transports affects traffic safety for all transport modes. The main dangers lie in excessive workload for the remaining personnel, chronically low financing leading to a

steady deterioration of infrastructure and transport means, poor management of the system due to low financing, and lack of government interest in this important sector of activity.

- Work conflicts. A precarious social situation provokes work conflicts between employees and employers, leading to strikes, particularly in rail transport.
- International relations. CSNTR participates in a series of collaboration activities with its counterparts from Europe and the United States. Its relations with North American transporters represented by Amalgamated Transit Union (ATU) led to the establishment of the Romanian Council ATU (CR-ATU), a form of organization and cooperation between Romanian and North American transporters, with a recently opened office in Bucharest. Romanian transporters collaborate closely with other international organizations in the field (ITF, ETF) through their affiliated federations, and participate actively in bilateral and multilateral meetings, international seminars and programmes.
- Sectoral Transport Committee (CST). CSNTR is a founding member of the CST.

### Alliance of Transporters' Unions from Romania (ASTR)

ASTR is affiliated to the National Trade Union Confederation Meridian (CSN Meridian), one of the five trade unions representative at national level. As its membership is growing, the Alliance is projecting to further develop its internal organization.

### 4.1.3 Transport Ministry institutions involved in social dialogue

## Department for Relations with the Parliament, Trade Unions, Employers and NGOs (DRPSPON)

Pursuant to Order No. 17 of 10 January 2007 of the Ministry of Transport, Constructions and Tourism, DRPSPON is, as its name indicates, in charge of relations with the Parliament, trade unions, employers' organizations and non-governmental organizations; it is a functional component of the Ministry's structure and is organized at the level of a department.

DRPSPON is responsible for the organization and secretariat of the meetings of CDS–MT, as well as planning meetings between the social partners (trade unions and employers' organizations) and Transport Ministry officials.

### Romanian Road Authority (ARR)

The ARR is a technical, specialized body of the Transport Ministry, established by Government Decision No. 625 of 24 September 1998. Its main activities are: delivering authorizations for road transport activity, issuing taxi licences, delivering authorizations to driving schools, professional certification of specific transport personnel, and conducting road transport checks. The ARR participates by invitation in CDS–MT and CST meetings.

## 4.2 Main topics of social dialogue in the transport branch

### Collective labour agreement at transport branch level (CCM)

The main issues addressed by the CCM are:

### - General topics

- o working time, holidays and leave
- o wage (minimum salary) and other remuneration
- o individual labour agreement
- o professional training
- o rights and obligations of the parties

### - Transport-specific topics

- o driving time and rest periods
- o daily allowance for drivers
- o road safety
- o occupational standards
- o working conditions and labour protection.

### History of negotiations

In late 2003, the social partners negotiated modification of the first collective agreement at branch level, concluded for the period 2002–2004. An additional paper was signed in December 2003 and published in the Official Journal so as to update the collective agreement according to the provisions of the new Labour Code and trade unions law.

The level of the **minimum salary for the transport branch** was raised from the equivalent of  $\in 100$  to the equivalent of  $\in 135$  as from 1 January 2004, and then to  $\in 150$  as from 1 July 2004

The Standing Orders governing the organization and operation of the Socio-professional and Discipline Committee were agreed and adopted.

In the autumn of 2004, the social partners (CNPR, UNTRR and CSNTR) started negotiating a new collective agreement, taking into account the expiry date of the previous agreement (31 December 2004).

A new trade union organization of transporters – the Alliance of Transporters' Unions from Romania (ASTR) – took part in the negotiations and asked to be admitted as signing partner of the collective agreement for the branch. CSNTR refused and decided not to pursue negotiations, requesting that the validity of the collective agreement be extended in accordance with the clause providing that "if no party denounces the agreement within 30 days before the expiry of the period for which it was concluded, its validity is extended until the conclusion of a new agreement, but not for more than 12 months".

The negotiation of the new collective agreement was thus put off for one year, until December 2005, when CSNTR had to accept ASTR's participation in the negotiations.

The new collective agreement was concluded for two years (2006-2007) and amended a year later, in December 2006. The minimum salary was raised to 540 RON ( $\in$ 160) on 1 January 2006 and to 620 RON ( $\in$ 180) on 1 January 2007.

As far as the evolution of future collective agreements is concerned, two major tendencies are manifest: the trade unions consider that in the future sectoral collective agreements will be more prevalent than company level collective agreements, while employers' organizations foresee a greater incidence of company-level collective agreements.<sup>28</sup>

As a general trend, we may conclude that employers (especially large ones) put stress on collective bargaining at company level, while the trade unions try to push collective bargaining at sectoral level.

Consultations on draft legislation are organized by the Transport Ministry through its specialized bodies.

## 4.3 Social dialogue institutions at transport branch level

### Social Dialogue Commission of the Transport Ministry (CDS-MT)

CDS-MT was set up by Government Decision No. 314/2001 which regulates the organization and operation of Social Dialogue Commissions (CDS) within ministries and prefectures. In addition to Transport Ministry representatives, CDS-MT comprises representatives designated by trade unions representative at national level, and representatives designated by employers' organizations representative at national level. As of 2007, 11 employers' organizations and five trade unions have been admitted as members of CDS-MT.<sup>29</sup>

CDS-MT is a consultative body with the following functions: informing the Transport Ministry regularly about the social partners' problems, claims and proposals; ensuring tripartite consultations on draft laws promoted by the Ministry; and ensuring tripartite consultations on enterprise restructuring measures.

The tripartite dialogue made possible by CDS–MT is beneficial to all parties:

- The Transport Ministry is constantly in touch with the changing economic and social environment; social partners' demands and responses, or even pressure can be the most effective form of feedback on the Ministry's transport policies and thus facilitate effective adjustments;
- Employer organizations may adapt member companies' policies, initiatives or development plans to conform to the Ministry's policies;

<sup>&</sup>lt;sup>28</sup> Nicolescu (2006).

<sup>&</sup>lt;sup>29</sup> Employer members: Romanian Employers, ARACO, CNPR, CNIPMMR, UNPR, CONPIROM, CEPISC, UGIR 1903, UGIR, CoNPR, PNR; trade union members: CNSLR Frăția, CNS Cartel Alfa, CSDR, CSN Meridian, BNS.

- Trade unions may initiate and support active policies for the social protection of their members as well as pointing out inequities and discrepancies between rights already obtained and the Ministry's proposals.

At the level of prefectures, a CDS<sup>30</sup> includes representatives of the prefect's office and local public services, representative trade unions and representative employer organizations.

### Commission for the negotiation of collective agreement at transport branch level

This Commission is composed of employer organizations and trade unions considered as representative under specific Romanian legislation, namely CNPR and UNTRR for the former, and CSNT and ASTR for the latter.

### Sectoral Transport Committee (CST)

The Committee was set up on 16 May 2006 by mutual agreement of the social partners having representative status at transport branch level,<sup>31</sup> within the scope of the National Adult Training Board (CNFPA) and pursuant to Law No. 132/1999 and the 2005 Tripartite Agreement on the National Framework of Qualifications.

The CST is a social dialogue structure, organized at sectoral level by the CNFPA. Only one committee may be established for each sector. The Committee has also invited the ARR and other Transport Ministry authorities, as well as other professional organizations/stakeholders at sector level, to attend its meetings.

CST's main attributions are the following:

- Participate in the development of the normative framework relating to training, competence evaluation and certification;
- Promote a training and evaluation system based on competencies;
- Participate in developing and updating the qualifications relevant for each domain, under the coordination of the CNFPA;
- Validate qualifications and associated standards;
- Recommend specialists to conduct occupational analysis, define competences and qualifications and perform evaluation and certification based on standards; the CST also endorses the work of these specialists;
- Encourage participation of organizations and individuals in continuous vocational training and in technical and vocational education.

Thus far, the CST's activity has consisted in validating a series of qualifications proposed by the Ministry of Education.

In order to be able to receive EU funding, CST members decided to organize the Committee as a juridical person and on 16 April 2007 set up the Foundation for Occupational Policies in Transports – POT Foundation; its founding members are CSNTR, CNPR, UNTRR, FATII-ARTRI Foundation, Ports School Foundation, and one natural person.

<sup>&</sup>lt;sup>30</sup> Mihes and Casale (1999).

<sup>&</sup>lt;sup>31</sup> CNPR, UNTRR (road transport), CSNTR and ASTR (rail, air, maritime, road transport), FISMCTF (rail transport), FMLR (rail transport).

# 4.4 Strengths and weaknesses of the social dialogue process at transport branch level

In order to identify general perceptions concerning the effectiveness of social dialogue mechanisms in the transport branch, the social partners concerned were asked to analyse the operation of transport social dialogue using a SWOT format. An analysis was carried out by means of questionnaires and interviews with the specialists and leaders of the relevant social partners for the transport branch. The opinions and views collected are synthesized in table 2.

The analysis performed by the social partners from the transport branch and the road transport sector reveals **several positive aspects** that support the idea of strengthening and developing social dialogue in this branch by improving its quality:

- The legal and institutional framework is already set and functional, and the organizations' roles, structures and objectives are well defined;
- More lasting gains are being negotiated rather than temporary ones: transport employers support the salary schemes based on work and productivity;
- Improvement of the negotiation mechanisms: dialogue is based more on a viable economic and social framework and less on threats of force or political interference;
- Opening up towards similar EU or international organizations: the majority of the trade unions and all employer organizations in the branch are affiliated either directly or through national confederations/federations to European social partners' organizations;
- Efforts to professionalize the social partners' activities through training programmes and seminars.

However, considering not only the transport branch but all branches of the economy, the effectiveness of sectoral social dialogue in Romania is much lower than expected. In fact, it is the weakest part of the social dialogue system; it is perfunctory and even unable to disseminate the outcome of dialogue or provide particular services to members.<sup>32</sup>

For the transport branch (including the road transport sector), the **aspects that affect sectoral** social dialogue most unfavourably are the following:

- Formal, less efficient social dialogue mechanisms (representativeness, consultation, role of institutions);
- Although useful, tripartite social dialogue institutions for the transport branch are not properly used they are still only informative and not really consultative in nature;
- Social partners' positions are not able to influence transport policies and decision-making in the legislative process;
- The social partners still have different opinions and interests about social dialogue in transport, that it has different meanings and implies different targets; dispersion or fragmentation of the social partners' positions affects the consistency of issues raised in discussions with the Transport Ministry;
- Social partners' weaknesses due to objective and/or subjective legislative, institutional and behavioural factors hinder the consolidation of social dialogue in the transport branch;

-

<sup>&</sup>lt;sup>32</sup> Ghellab and Vaughan-Whitehead (2003).

- Lack of resources (information, personnel, financial, know-how, institutional capabilities);
- Bipartite meetings within the Commission for the negotiation of collective agreements for the transport branch and the road transport sector used to be perfunctory and the resulting collective agreements did not address in a satisfactory way the specific features of the transport industry or solve specific problems. They only transposed provisions of the national agreement while raising the minimum wage the latter is increased every year, affecting effective operation and implementation of the collective agreement at transport company level;
- Collective agreements do not sufficiently encourage high quality work: the preferred wage system provides definite though small incomes rather than "competitive" ones based on performance and individual contribution.

Table 2 SWOT analysis of social dialogue in the transport branch (including the road transport sector)

Strengths	Weaknesses	Opportunities	Threats
Diversity: all transport sectors are represented in social dialogue	Insufficient financial resources in both trade unions and employers' organizations	Strengthening international relations	Fragmentation of social partners' organizations (employers in the road transport sector, trade unions in the transport branch)
Unity: majority of transporters decided to act together	Inadequate technical equipment	Strengthening social partners' position on all social dialogue levels	Falling membership
Experience accumulated by social partners in the field of social dialogue	Low efficiency of social dialogue due to insufficient recognition from transport authorities of the social partners' role and importance in decision-making	Increasing awareness of the importance of social dialogue in the transport branch	Conflicts between social partners
Professional competence in the transport field on the part of specialists in social partners' ranks	Not enough executive personnel due to insufficient financial resources; consequently, insufficient qualified personnel in sectoral activities	Developing training programmes for transporters concerning EU acquis provisions and the role of social dialogue	Lack of social and political environment stability affects long- term projects and planning for social partners
Good relations of collaboration between social partners at transport branch level	Not enough knowledge and competence in some fields of EU acquis such as competition, structural funds, environment, etc.	Structural funds and common projects to be developed in collaboration by social partners, in the scope of the new created structures (CST, POT)	Overly formal discussions with the authorities, without any final result for social partners
Unification of employers' organizations at national level under ACPR umbrella creates the premise for a stronger voice of employers at all levels of social dialogue	Insufficient public promotion of the activity and achievements of social partners, particularly employers' organizations	Study visits and exchange of experience with EU counterparts	Lack of effective dialogue between transport authorities and social partners
CST and POT Foundation – new institutions for the development of social dialogue and partnership for continuous training and HR	Deficiencies in the internal organization of the social partners	Possibility to set precise parameters for performing the activities of CDS–MT (new Standing Orders are	Bureaucracy and corruption

development in transports		currently being drafted and	
		discussed by CDS members)	
Social dialogue framework allows	Deficient communication	Possibility to access structural funds	Lack of prompt feedback from the
discussion of proposed legislation	between different departments of	through the special unit organized	social partners makes it difficult for
	the Transport Ministry;	within MT (POST)	the CDS–MT Secretariat to obtain
	bureaucracy and inefficient		and synthesize social partners' views
	organization system lead to lack		on certain proposed legislation until
	of communication between		the deadline set for the public
	CDS-MT and other departments		consultation process
Possibility to identify and solve	Deficiency of the communication	Integration / globalization /	Competition among social partners
social problems in the transport	system of the Transport Ministry	Romania's particularity	
sector through social dialogue	leads to delays in the information		
	of social partners and receiving		
	their feedback		
	Debates and decisions about draft		Predominance of short-term views
	legislation take place in CDS–MT		over long-term ones
	plenary instead of specialty		
	commissions made up of		
	professionals of the respective		
	transport sector		
	Some representative social		
	partners at sectoral level cannot		
	participate in CDS-MT since the		
	criterion for participating in this		
	commission is representativeness		
	at national level, even though it is		
	a sectoral commission.		
	Sectoral representativeness		
	criteria are only quantitative		
	(more qualitative criteria are		
	needed, such as contribution to		
	the field)		

In conclusion, social dialogue capacities in Romanian transports have developed to a certain extent, but there is a lot of room for further improvement.

While trade unions have a matrix type of organization, sectoral combined with regional organizations (ASTR, FNSSR), employers have more diverse organization criteria: some are organized solely based on sectoral criteria (UNTRR), some on territorial criteria (Association of Transporters from Transylvania, Passengers Transport Organizations from Iasi, etc.), and some others on a mixture of the two. This is reflected in the number of social partners at road transport sector level and in the number of participants in social dialogue structures (CDS–MT, Commission for collective agreement negotiations, CST and POT Foundation).

# 4.5 Development directions and improvement proposals for the transport branch

The main **development directions** pointed out by the social partners in the transport branch are:

- Improve the negotiation of CCM-RT;
- Stimulate the activity of CST;
- Increase the role and involvement of the social partners in more fields of social interest;
- Obtain greater recognition for the social partners on the part of the Government as partners in dialogue with legitimate rights;
- Improve the social partners' lobbying capacity;
- Involve more members in supporting employer and trade union activities by providing professional expertise and financial resources;
- Develop training programmes for transporters concerning provisions of the EU acquis and the role of social dialogue;
- Develop training programmes and information for drivers on HIV, a subject untouched by social dialogue in Romania up to now;
- Use social dialogue as a tool to support all the activities necessary to develop road infrastructure and enhance environment protection;
- Develop international relations through affiliation and active participation of the social partners in the activity of international and EU organizations;
- Develop a newsletter system for CDS-MT to inform the social partners weekly about latest draft laws proposed by the Ministry;
- Discuss and approve the new Standing Orders for CDS-MT according to social partners' requirements;
- Develop a guide to inform citizens about CDS-MT activity, to be published on the Ministry's website;
- Design and launch a new website of the Transport Ministry, with a more user-friendly section for CDS-MT members, providing information on legislation, agenda of the meetings, minutes of the meetings, social partners approved as members of CDS-MT, guide to CDS-MT.

**Proposals** for improving social dialogue at road transport level:

- Improve Transport Ministry's communication with the social partners, within the scope of CDS–MT;
- Improve organization of CDS-MT activities by setting up specialty committees within the Commission to address specific problems of each transport sector (road, rail, maritime, etc.) and by granting access to the Commission for all sectoral representative organizations;
- Improve organization of social dialogue meetings and professional events;
- Organization of regular CDS–MT meetings and social partners' participation in them;
- Increase the role and participation of social partners in CDS–MT;
- Common actions of social partners in order to become stronger in the dialogue with the authorities;
- Further development of institutional capacities of social partners = Resources (informational, human, financial, know-how);
- Further mergers (employers; trade unions);
- Improving social partners' organizational flexibility (structure, financing, image and communication issues) and their relations with other representative national and international bodies;
- Participation of sectoral representatives of worker and employer organizations in national and international training programmes to further develop their negotiation skills:
- Increase the competency of social partners' executive personnel;
- Ensure a fair competition framework for transport activities;
- Participation of the Romanian Road Authority in tripartite social dialogue at the transport branch level, within the scope of CST;
- Attract EU funding through projects to develop Romanian transports and social partners' capacity and organization;
- Entrust the CES with more decisional tasks concerning draft legislation and not merely advisory ones; perform more studies of the economic and social problems confronting the social partners and their members, in order to provide real grounds for legislative proposals;
- Fine-tune/refine social dialogue institutions and legal framework, ensure better adaptation to current Romanian and international realities and perspectives.

#### B. ROAD TRANSPORT SECTOR LEVEL

## 4.6 Framework for social dialogue in the road transport sector

The **main social partners** in Romania's road transport sector are the National Union of Road Hauliers from Romania (UNTRR), representing road transport employers, and the National Federation of Romanian Trade Union of Drivers (FNSSR), representing road transport workers.

At this level, there are also several **other professional organizations** representing different segments of the road transport industry:

• Transfrigoroute Romania – represents the interests of temperature controlled transport operators;

- Romanian Association for International Road Transport (ARTRI) professional road transport association;
- Romanian Union of Public Transport (URTP) representing public transportation companies, signed a Protocol of collaboration with UNTRR in 2002;
- National Taxi Chamber of Romania (CNTR);
- Professional Association of Taxi Transporters affiliated to UNTRR;
- Association of Private Hauliers From Romania a professional association of passenger transport operators;
- Federation of Romanian Transport Operators (FORT);
- Professional associations organized in different regions of Romania (Transilvania, Iași).

There are also some **partner organizations** for the road transport industry, such as:

- Romanian Road Employers affiliated, like UNTRR, to the National Confederation of Romanian Employers (CNPR);
- Employers' Federation from the Romanian Tourism– affiliated, like UNTRR, to CNPR;
- Union of Forwarding Companies from Romania (USER).

 Table 3
 Social dialogue in the Romanian road transport sector

Social partners	Social dialogue institutions	Main social dialogue topics	Specific problems
Employers: UNTRR Workers: FNSSR	Commission for the negotiation of collective agreement for road transport group of enterprises	Salary level Working time	Increase in a set of costs for labour, insurances, maintenance, etc.  Reduction in transport tariffs  Challenges to organize working time and company's activity according to new EU working time regulations
Employers: CNPR, UNTRR Workers: CNSTR, FNSSR	Sub-commission for Road Transport of the CST	Training programmes  Occupational standards and national qualifications  Structural funds	Lack of qualified workforce: difficulties in hiring transport specialists/personnel (professional drivers, auto mechanics, fleet managers, etc.) on the labour market Lack of know-how and experience to apply for EU structural funds
Employers: Romanian Employers, ARACO, CNPR (UNTRR), CNIPMMR, UNPR, CONPIROM, CEPISC, UGIR 1903, UGIR, CONPR, PNR	CDS-MT	Romanian transport law and application norms  Romanian fiscal policy in road transport  Access to the profession – criteria and specific legislation  Romanian infrastructure	Lack of a strategy for the transport branch Bureaucracy Local taxes among Romanian counties vary greatly, and there is no control by civil society of the way they are spent by local authorities

Workers:	- action programme promoted by	Legislative instability in road transport
		sector affects the efficiency of
CNSLR Frăția, CNS		
Cartel Alfa, CSDR,	aimed at improving the country's road	investments made by road transport
CSN Meridian, BNS	network	operators
	<ul> <li>means of financing road maintenance</li> </ul>	
Specialty departments	and repairs in Romania	European legislation for environmental
/ institutions of the	- control of civil society over quality of	protection and traffic safety is expected to
Transport Ministry	the works and the way road funds are	become more restrictive within the next
(DGITR, ARR,	spent	2–3 years
CNADNR,	- road strategy to be adopted in the	2 5 years
DRPSPON)	context of joining the EU, in particular	Poor state of Romanian infrastructure:
Did Si Si ()	by using structural funds to develop	"money for the roads" actions promoted
	national infrastructure	
		by the transport industry (UNTRR)
	- best practices in the field to be taken	
	over by Romanian authorities as there	Increased EU controls on Romanian and
	are urgent problems with local	Bulgarian drivers regarding application of
	infrastructure that need to	EU regulations after accession leads to
	be effectively managed	higher sanctions for Romanian operators
	- road safety	compared to those from other EU
		countries
	Digital tachograph	
		Romanian authorities' delay in
		implementing digital tachograph
		framework (card issuance, authorized
		workshops) has affected the country's
		transport industry: Romanian drivers are
		checked and sanctioned by traffic control
		officers from EU Member States for not
		having a driver card

Romanian social partners from the road transport branch are also involved in European social dialogue concerning the EU road sector as they are affiliated to European organizations acting as social partners at EU level.

On 20 May 1998, the European Commission adopted a Decision for setting up sectoral dialogue committees promoting the dialogue between the social partners at European level, structures aimed at bringing dynamism into the sectoral social dialogue.

The details of the formal joint committee for road transport at the time of that Decision are set out below:

Sector	Year created	Social partners
Road transport	1965	Employers: International Road Transport Union (IRU). Unions: Federation of Transport Workers' Unions in the European Union (FST).

The National Federation of Romanian Trade Union of Drivers (FNSSR) is affiliated to the European Transport Workers' Federation (ETF), which represents some 3 million workers from all transport modes in 39 European countries.<sup>33</sup> ETF is recognized by the European Commission as the European social partner for road transport sector.

The National Union of Road Hauliers from Romania (UNTRR) is an active member of the IRU, which is recognized by European Commission as employers' representative for the EU road transport sector.<sup>34</sup> UNTRR participates in the IRU Commission of Social Affairs, whose main objectives are:

- Monitoring and analysing developments in the field of social regulations, in particular relating to working time, and assessing their foreseeable impact in other European countries;
- Proposing policies in these fields, to be asserted by the IRU in relation to the competent national and international bodies, in coordination with the policy pursued by the IRU bodies responsible for EU social matters.<sup>35</sup>

A European issue of high importance for the Romanian industry is the enforcement and controls in road transport social legislation (rules on driving time and rest periods). EU Member States were asked to be tolerant towards Romanian drivers operating vehicles equipped with digital tachographs without a driver card, as the Romanian authorities were not prepared to issue tachograph cards when the new EU rules came into effect. In order to support Romanian transport operators, IRU Social Affairs Commission intervened with relevant EU authorities to ask EU Member States to adopt a flexible approach for Bulgarian and Romanian drivers without driver cards until the two new Member States start issuing tachograph cards (end of July 2007). The IRU has been in contact with CORTE since January 2007 to obtain their support in this respect, and a number of EU countries adopted this tolerant approach.

\_

<sup>&</sup>lt;sup>33</sup> European Commission (2006).

<sup>34</sup> Ibid.

<sup>35</sup> www.iru.org/index/en iru com cas

On the other hand, UNTRR is asking the authorities to represent its interests in the dialogue with their European counterparts (in particular those from EU countries where Romanian drivers are subjected to discriminatory controls and fines), in order to obtain equal treatment for Romanian transport operators within the EU.

## 4.7 Challenges and opportunities for social dialogue in the road transport sector

#### 4.7.1 Considerations for the authorities

The Government has a crucial role to play in establishing the legal and political environment for social dialogue at both national and road transport sector levels. It should enhance and enforce the fundamental right of freedom of association and the right to collective bargaining, while guaranteeing the independence of the social partners.<sup>36</sup>

The Transport Ministry should also promote a system of inclusive decision-making by being open and willing to take into account the social partners' views in transport policy-making. Such an approach is particularly important because of the Ministry's responsibility in setting and implementing transport policies with wider economic and social implications for the road transport sector, for both passenger and goods transport operations.

The authorities should trust the social partners and recognize them as legitimate partners who can make valuable contributions in decision-making processes. They should be open to the challenge of sharing some of their decision-making and regulatory power with the key stakeholders of the road transport sector. Social dialogue is an important means of promoting transparency and good governance in transport policy.

The Transport Ministry should also make sure that the outcome of social dialogue is translated into concrete measures and duly implemented.

#### 4.7.2 Considerations for employers' and workers' organizations

At present, the social partners in the road sector play an active role in the collective bargaining process on labour relations issues. There are certain organizational factors that they should work on in order to engage effectively in social dialogue at all its levels (EU, national, branch, road transport sector levels).

First, the social partners need to ensure their representative legitimacy, accountability and transparency. In participating systematically in the decision-making processes of national or transport policy, both the Government, acting through the Transport Ministry, and the social partners should be fully democratic.

Second, the social partners' influence in tripartite social dialogue is enhanced if they are part of broad and cohesive confederations. Fragmentation of workers' or employers' organizations reduces their bargaining power and credibility.

<sup>&</sup>lt;sup>36</sup> Ishikawa (2003).

There are also a number of technical factors that help enhance the social partners' position in social dialogue processes at branch and road transport sector levels. On the one hand, there is the social partners' ability to move beyond their immediate interest and think in broader terms. Rather than being blocked by ideological conflicts, they should take a problem-solving approach and try to reach acceptable solutions through compromise. On the other hand, if they are to make serious contributions to national policy issues or transport policy discussions, the social partners should enhance their understanding of various economic and social policy issues. Indeed, broad social dialogue in the transport sector requires them to be able to engage in detailed discussions on various macro- and micro-economic issues that may go beyond traditional work-related questions.

## 4.7.3 Considerations for all parties

As the necessary structural and organizational factors mentioned above are already in place, the key factor is the willingness of the Romanian Government, the Transport Ministry and the social partners to practise efficient social dialogue at the transport branch and road sector levels.

Trust and respect towards each other as partners as well as a strong commitment to the concept and process of social dialogue will lead to meaningful exhanges and consultations, which can eventually yield positive economic and social outcomes for all concerned.

## 5. Conclusions

The European Social Model, which Romania has to develop as a new EU Member State, implies the establishment of modern and well-functioning industrial relations. One condition for this is a balanced system of social dialogue at both national and sectoral levels and in every field of activity. In this context, sectoral social dialogue in Romanian transports has developed both tripartite and bipartite institutions.

The practice of sectoral social dialogue in road transports has gradually shown that it is becoming a necessary and highly beneficial tool for good economic and social operation of the road sector.

The Transport Ministry should give greater support to the development of tripartite social dialogue within its Social Dialogue Commission by adopting new Standing Orders organizing the Commission into specialty sub-commissions (road, rail, maritime and air transport specialty commissions) for the purpose of addressing the specific problems confronting each transport sector.

Sectoral social dialogue in road transport should also be promoted more actively as a tool of economic and social cohesion. In many areas, effective social dialogue can only reinforce labour as an essential asset of the Romanian transport market in the integrated EU market. Therefore, besides economic performance, the promotion of social dialogue in transports as a means of reconciling interests and reaching consensus must be seen as a strategic component of the competitive and sustainable development of the transport branch.

However, although social dialogue in the transport branch seems to possess the necessary framework and institutional components, its effectiveness and practical results, especially at road transport level, remain unclear.

The outcome depends partly on the social partners and partly on the general economic and social conditions emerging from social dialogue. This requires first a change of attitude towards social dialogue on the part of all actors at transport branch and road transport levels, namely the workforce, the sectoral social partners and the Transport Ministry.

As frontline institutions, employers' and trade union organizations must establish proper professional bodies at road transport level as well as implementing an active policy to promote their interests and develop concertation and consultation for individual fields and issues.

Finally, they must mobilize their renewed energy and structures and act in concert, with a view to achieving different specific goals at different levels:

- first locally, respecting the different realities faced by the road transport sector and transport companies;
- then at branch and national levels, playing an active role in the current strategy of sustainable development;
- finally, at European level, within the framework of European social dialogue and coordinated policies at Community level.

It is on the achievement of such harmonious and balanced concerted action that social dialogue in road transport and its participants will be assessed in the future.

#### List of abbreviations

#### **Trade unions**

ASTR Alliance of Transporters' Unions from Romania (Alianța Sindicatelor

Transportatorilor din România)

BNS National Trade Union Block (Blocul National Sindical)

Cartel Alfa National Confederation Cartel Alfa (Confederația Națională Sindicală Cartel

Alfa)

CNSLR Fratia National Confederation of Free Trade Unions in Romania Brotherhood

(Confederația Națională a Sindicatelor Libere din România Frăția)

CSDR Confederation of Democratic Trade Unions in Romania (Confederatia

Sindicatelor Democratice din România)

CSN Meridian National Trade Union Confederation Meridian (Confederația Sindicală

Națională Meridian)

CSNTR Romanian Transport Workers' Trade Union Convention (Conventia

Sindicală Națională a Transportatorilor din România)

FNSSR National Federation of Romanian Trade Union of Drivers (Federatia

Națională a Sindicatelor Șoferilor din România)

## **Employers' organizations**

ACPR Romanian Alliance of Employers' Confederations (Alianța Confederațiilor

Patronale din România)

CNPR National Confederation of Romanian Employers (Confederatia Nationala a

Patronatului Român)

UNTRR National Union of Road Hauliers from Romania (Uniunea Natională

a Transportatorilor Rutieri din România)

#### Other national institutions

ADER Alliance for Development of Romanian Economy

ANEIR National Association of Exporters/Importers of Romania

ANES National Agency for Equal Opportunities for Women and Men (Agentia

Națională pentru Egalitatea de Şanse între Femei și Bărbați)

ANOFM National Employment Agency (Agentia Natională pentru Ocuparea Fortei de

Muncă)

ARR Romanian Road Authority (Autoritatea Rutieră Română)

CCIR Chamber of Commerce and Industry of Romania (Camera de Comert şi

Industrie a Romaniei)

CDS Social Dialogue Commission [commissions operating at the level of

ministries and county prefectures] (Comisii de Dialog Social, care

funcționează la nivelul ministerelor, prefecturilor)

CDS-MT Social Dialogue Commission, Transport Ministry

CES Economic and Social Council (Consiliul Economic şi Social)

CMNT National Tripartite Maritime Committee (Comitetul Maritim National

Tripartit)

CNAS National Health Fund (Casa Națională de Sănătate)

CNFPA National Adult Training Board (Consiliul Național pentru Formarea

Profesională a Adulților)

CNPAS National Pensions and Social Insurance Fund (Casa Natională de Pensii şi

alte Drepturi de Asigurări Sociale)

CNPOFM National Commission for Employment Promotion (Comisia Natională pentru

Promovarea Ocupării Forței de Muncă)

CONES National Committee for Equal Opportunities for Women and Men (Comisia

naționala în domeniul egalității de șanse între femei și bărbați)

CST Sectoral Transport Committee

DRPSPON Department for Relations with the Parliament, Unions, Employers and

NGOs, Transport Ministry

GRSP Romania Global Road Safety Partnership

MMSSF Ministry of Labour, Social Solidarity and Family (Ministerul Muncii

și Solidarității Sociale)

#### **International organizations**

ETF European Transport Workers' Federation

ETUC European Trade Union Confederation

ICFTU International Confederation of Free Trade Unions

ILC International Labour ConferenceILO International Labour Organization

IMMTA International MultiModal Transport Association

IOE International Organisation of Employers

IRF International Road Federation

IRU International Road Transport Union

PRI International Road Safety (Prévention Routière Internationale)

UNICE Business Europe, The Confederation of European Business

WCL World Confederation of Labour

## ILO Standards concerning social dialogue

## **Conventions**<sup>37</sup>

- C11 Right of Association (Agriculture) Convention, 1921
- C84 Right of Association (Non-Metropolitan Territories) Convention, 1947
- C87 Freedom of Association and Protection of the Right to Organise Convention, 1948
- C98 Right to Organise and Collective Bargaining Convention, 1949
- C135 Workers' Representatives Convention, 1971
- C141 Rural Workers' Organisations Convention, 1975
- C 144 Tripartite Consultation (International Labour Standards) Convention, 1976
- C151 Labour Relations (Public Service) Convention, 1978
- C154 Collective Bargaining Convention, 1981

### **Recommendations**<sup>38</sup>

- R91 Collective Agreements Recommendation, 1951
- R92 Voluntary Conciliation and Arbitration Recommendation, 1951
- R94 Cooperation at the Level of the Undertaking Recommendation, 1952
- R113 Consultation (Industrial and National Levels) Recommendation, 1960
- R129 Communications within the Undertaking Recommendation, 1967
- R130 Examination of Grievances Recommendation, 1967
- R143 Workers' Representatives Recommendation, 1971
- R149 Rural Workers' Organisations Recommendation, 1975
- R159 Labour Relations (Public Service) Recommendation, 1978
- R163 Collective Bargaining Recommendation, 1981

http://www.ilo.org/ilolex/english/convdisp1.htm
 http://www.ilo.org/ilolex/english/recdisp1.htm

### **Bibliography**

- Compass Consulting. (2007). Road Freight Transportation Market from authorisations' management to business management.
- European Commission. 2006. Recent developments in the European Sectoral Social Dialogue, European Commission Directorate-General for Employment, Social Affairs and Equal Opportunities, Unit D.1, available at http://ec.europa.eu/employment social/social dialogue/docs/sectoral sd 2006 en.pdf
- European Commission. 2002. The European Social Dialogue, A Force For Innovation and Change, COM(2002) 341 final.
- Ghellab, Y.; Vaughan-Whitehead, D. (eds.). 2003. Sectoral Social Dialogue in Future EU Member States The Weakest Link (ILO / European Commission).
- IRU (2007). This is the IRU. Annual Report 2007.
- Ishikawa, J. 2003. Key Features of National Social Dialogue: A Social Dialogue Resource Book (Geneva, ILO).
- Manoliu, M.; Chiorean, I.; Manoliu, R. 2002. Romania in transition. Role and place of employers' associations ("Romania in tranzitie. Locul si rolul asociatiilor patronale") (ILO).
- Mihes, C.; Casale, G. 1999. *Industrial Relations in Romania* (Budapest, ILO).
- Nicolescu, L. 2006. Social Dialogue Capacity Building at Sectoral and Company Level in Romania, European Foundation for the Improvement of Living and Working Conditions.
- PHARE Program for Social Dialogue. 1997. Guide for Social Dialogue and Partnership in Romania ("Ghidul pentru Dialog Social si Parteneriat din Romania").
- Preda, D. 2006a. Employers' and Trade Unions Organizations in Romania Branch level coordinates ("Patronate si Sindicate in Romania, Coordonate la nivel de ramura").
- Preda, D. 2006b. *Social Dialogue Capacity Building in Romania*, Report prepared for the Workshop on Social Dialogue Capacity Building for the new EU Member States, Istanbul, 18-19 Jan. 2006.
- Rychly, L.; Pritzer, R. 2003. Social Dialogue at National Level in the EU Accession Countries (Geneva, ILO).

## **Internet sources**

www.acpr.ro

http://www.cnpr.org.ro

http://www.cnslr-fratia.ro

http://www.csnmeridian.ro/

www.compass.ro

www.cnfpa.ro

http://www.eur-lex.europa.eu

http://europa.eu.int/comm/employment\_social\_dialogue

http://ec.europa/eu/transport/road

www.ilo.org; www.ilo.org/ilolex

www.iru.org

www.untrr.ro