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TRADE UNIONS AND PROFESSIONAL ASSOCIATIONS AS CIVIL SOCIETY ACTORS WORKING ON THE ISSUES OF LABOUR RIGHTS AND SOCIAL DIALOGUE IN THE REPUBLIC OF MOLDOVA

AUGUST 2020

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Trade unions and professional associations as civil society actors working on the issues of labour rights and social dialogue in the Republic of Moldova

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This report was elaborated within the project “Mapping Studies of Trade Unions and Professional Associations as Civil Society Actors Working on the Issues of Labour Rights and Social Dialogue in six Eastern Partnership Countries” funded by the European Union’s “Eastern Partnership Civil Society Facility – Regional Actions” Project and implemented by the Central European Labour Studies Institute (CELSI).

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Abbreviations

AA RM-EU	The Association Agreement between the Republic of Moldova and the European Union
ACAP RM	Association of Professional Accountants and Auditors of the Republic of Moldova
AFM	Association of Pharmacists of Moldova
ALMPs	Active Labour Market Policies
CNSM	National Trade Union Confederation of Moldova
CNPM	National Confederation of Employers of the Republic Moldova
CELSI	Central European Labour Studies Institute
CSO	Civil society organisation
EaP	Eastern Partnership
EU	European Union
EUD	European Union Delegation
FES	The Ebert Friedrich Stiftung Moldova
GDP	Gross domestic products
GTCU	General Confederation of Trade Unions
ICFU	International Confederation of Free Unions
ILO	International Labour Organisation
IMF	International Monetary Fund
ITUC	International Trade Unions Confederation
ISM	Labour State Inspectorate
MNC	Multinational Corporations
OHS	Occupational and Health Security
PA	Professional Associations
SA	Stock company (Societate pe acțiuni)
TU	Trade Union
UML	Union of Moldovan Lawyers
USA	United States of America
USD	United States Dollar

Executive Summary

In Moldova, the landscape of the organisations promoting labour rights is built mostly on traditional trade unions organisations. No grassroots trade union activities are reported in the country. Moldova's trade unions are perceived as dependent and subordinated to state's interests and some businessmen on the long-term. Due to this, the level of trust in trade unions is generally low.

After a period of union fragmentation, in 2007 the existing trade unions at the national level merged to form the cross-sectoral National Trade Union Confederation of Moldova (CNSM). The CNSM has 25 national-branch syndication centres, about 350,000 union members (excluding pensioners and students) and 6,090 primary trade unions organisations. Out of 25 branches, 20 branches include public and private companies and five are formed purely by public sector companies. Eighty per cent of the 350,000 members belong to the public sector.

Professional associations operate in the form of chambers, e.g. doctors or lawyers and are not active in promoting the labour rights of their members. Professional associations are focused on professional development, certification and similar activities.

The biggest challenge for Moldova's trade unions is the low penetration of the private sector. where, if established, trade union bodies have a more symbolic function. Despite this, there are several influential trade unions in the private sector. One of the most successful examples is Lafarge Ciment Moldova factory from Rezina city. Trade unions are also active in the energy and communication sectors. The low penetration of trade unions in the private sector is coupled with efforts of some private firms to provide packages of social benefits or additional leave or food tickets. Such efforts in fact crowd out the potential for strengthening the role of trade unions in the private sector.

Trade unions in the public sector are extensively more organised than the trade unions in the private sector, are substantially larger and are to a greater extent embedded in the structure of the National Trade Union Confederation and national-level social dialogue. At the same time, trade unions in the public sector have been criticized for their political dependence and signs of yellow trade unionism.

Tripartite social partnership, implemented at national, branch and territorial levels, is an important element of trade unions activities. At the national level, the social partners (the Government, the National Confederation of Employers of the Republic of Moldova and the National Confederation of Trade Unions of Moldova) signed up to date 17 collective conventions extending the rights and guarantees of the parties in different areas of labour relations. The problem is at the territorial level where frequently it is impossible to conclude collective agreements in tripartite form because of the lack of employers' structures in the territory.

The authors of the report recommend supporting trade unions in their renewal attempts, incentivising the pro-active approach employing innovative trade union practices. It is also essential to encourage their interactions with important actors among professional associations, other actors in the CSO sector, and with trade unions from abroad to provide effective help to workers working abroad. Also, the trade unions need to be systematically supported in their recruitment abilities and mobilising members, using new ways of communication when reaching out to their constituency.

Introduction

Moldova, similar to other countries within the Eastern Partnership (EaP) region, underwent a large-scale economic, political and societal transition after the fall of state socialism and gaining independence. Development of a vibrant civil society shall be an inevitable part of the process. The success of building a civil society not only depends on the aims of the country's political leadership but also on the kind of non-state actors that persist or emerge in these societies. Trade unions and professional associations, and other civil society organisations belong to key interest representation organisations that stand and act for workers in case of trade unions and persons in particular professions/occupations in case of professional associations. Through their focus on the labour market, working conditions, workers' rights and fostering social dialogue, they inevitably contribute to building democracy and a modern way of interest representation in a functioning market economy.

Moldova is a country with relative political instability causing a discontinuity in functioning of political and social institution. Additionally, the labour market despite a low unemployment rate is typical for its high informal – undeclared employment and massive long-term migration. The landscape of the organisations promoting labour rights is built mostly on traditional trade unions united in one national confederation, without any grassroots organisations that would diversify the social partners. The European Union Association Agreement, on the other hand, initiated significant changes by ratification of the ILO's conventions and EU directives. The implementation of the reforms, however, lags behind what may also be associated with the functioning and effectiveness of the social actors.

The European Union considers civil society organisations as key political actors in the development and democratisation processes. A strong civil society involved in social, economic and political dialogues and capable of engaging in policy strategy is desirable to make development more effective and promote and/or strengthen the democratisation processes. In order to consider support for strengthening the civil society addressing labour rights, this report is a result of a mapping study of the current situation relating to trade unions and professional associations, as membership-based civil society actors in the Eastern Partnership region with a key role in the transition to new economic labour relations and inclusive growth. The purpose of this study is to assess the potential and need for the provision of EU support to this group of

civil society and provide recommendations. This report was elaborated within the project “Mapping Studies of Trade Unions and Professional Associations as Civil Society Actors Working on the Issues of Labour Rights and Social Dialogue in six Eastern Partnership Countries” funded by the European Union’s “Eastern Partnership Civil Society Facility – Regional Actions” Project and implemented by the Central European Labour Studies Institute (CELSI).

The report is a result of desk research and analysis of interviews with representatives of relevant unions, professional associations and other civil society organisations operating in Moldova. The desk research was implemented by the local expert Cornel Ciurea and interviews were conducted by CELSI researchers and the local expert during a mission to Moldova in September 2019. Overall, ten personal interviews were undertaken. All respondents were invited to declare they participate voluntarily in the interview by signing a consent form prior to starting the interview. The consent form was translated to Romanian.

The mission was guided by a semi-structured interview questionnaire that included analytical questions. These questions were not raised to the respondent directly but served to guide the researcher to raise the question in a simple and clear way but be able to analyse the answer from the respective analytical perspective. Therefore, interview questions were not strictly those listed in the questionnaire. Experience shows that indeed the respondent provided a more informative and encompassing answer if we raised simple and direct questions. The interview with the EUD and the ILO and other experts did not follow the semi-structured questionnaire; instead, questions were individually adjusted. The focus of the EUD interview was the implementation of selected provisions of Moldova’s association agreement with the EU with relevance to labour market institutions and civil society’s role therein, experience with supporting/cooperating with trade unions and professional associations, and expectations on the missions’ findings. The interview with ILO representatives evolved around assessing the general role of social dialogue in developing labour market institutions in Moldova, ILO’s support of these processes and assessment of capacities of trade unions and professional associations to play an active role in facilitating these processes. Detailed notes from all interviews are available in English.

The report is structured as follows. First, it presents the societal context in which the trade unions operate. The second chapter depicts the structure, size and position of the leading trade

unions in Moldova. The legislative framework describing the current and proposed legislation related to social dialogue and evaluation of the tripartism is detailed in the third chapter. The assessment of the extent of a particular organisation's influence and independence from political pressure is provided within the fourth chapter. The fifth, sixth and seventh chapter discuss the financial and human resources as well as international cooperation determining the trade unions' impact in the country. Finally, based on the mapping study and our analysis, the final section includes recommendations for the EU's role in supporting unions and other civil society organisations in Moldova.

1. Brief Overview of the Political, Economic and Social Situation in the Country

Moldova is generally considered a functioning but vulnerable democracy, facing numerous political challenges and demonstrations. In summer 2018, mass protests were held against a court decision to annul the results of a snap mayoral election in Chisinau, Moldova's capital, which had been won by an opposition leader. The court's decision was criticised by outside observers, including the European Union and the United States. In June 2019, a "quiet" revolution took place which overturned the Constitutional Court's declaration that the new coalition stemmed from election in February was unconstitutional. Due to the public and international pressure, the former government was substituted by the new coalition consisting of pro-Russian (Socialists Party of Moldova) and of pro-Western parties (Bloc ACUM) with the mandate of the people through the election. There is a reasonable indication that the Moldovan politics are less predictable than would be expected since declaring its independence from the Soviet Union in 1991.

The history of the trade union movement in Moldova dates back over 100 years ago. The last two decades can be considered as the contemporary stage of development of trade unions. The main characteristic of this period is the inconsistency and complexity of processes and tendencies, such as a reduction in the number and fragmentation of structures, democratisation of the trade union movement, dividing and unifying their unions. Trade union activities in Moldova encompass both traditional approaches to the trade union movement, as well as new approaches associated with the need to address employment issues specific to market economies in the globalised world. On the other hand, the development of new practices and methods reflects the expansion of democracy in the country and the influence of the international trade union movement. Trade unions activities aimed at addressing problems new to the country, such as the right to work and employment, and search strategies appropriate to the new conditions of market relations, such as social dialogue at all levels. Improved efficiency tactics used by the unions contribute to democratic processes, the promotion of dialogue within unions, the development of the union movement internationally (protection and legalisation of labour informal gender politics and youth), and finally, to the involvement and use of new technology and media in the daily practice of the unions.

The trade unions of Moldova have specific goals and functions aimed at improving the working conditions of the employees. However, solving these problems is closely related to the

functioning of the state system as a whole. That is why, Moldova's trade unions have a permanent dialogue with the authorities, both through the National Commission for Collective Bargaining and Consultation - Trade Unions, Government, Employees, as well as in special meetings or more extensive meetings such as the Economic Council led by Prime Minister. Thus, trade unions communicate their requirements and proposals in order to discuss and try to find solutions together with authorities.

Trade unions take issue with the current level of pay, pensions, allowances and the extremely high level of prices. They address these issues to the authorities, but also the representatives of the IMF on its demands, set conditions and proposed legislative initiatives. Thus, the National Confederation of Trade Unions of Moldova (CNSM) permanently insists on the resolution of collective labour disputes and promotes bills that deals with regulation and pricing. Although trade unions consider them to be extremely important, not all state institutions support these initiatives.

Currently, the essential task for trade unions, but also society as a whole, is to ensure the proper functioning of state bodies - the Parliament, the Presidency, the Government –as the current political instability and the lack of strong institutions hamper any solutions to social problems.

At the same time, no consistent alternative to trade unions in the realm of promoting labour rights was identified in Moldova. Professional associations are focused on professional development, certification and similar activities but not on the concept of labour rights as such. Other civil society organizations prefer to approach the issues related to labour rights in close cooperation with trade unions, recognising their competence and legitimacy explicitly in dealing with this topic.

For these reasons, professional association in Moldova, refrain from taking a more active and aggressive role in the work lives of professionals by assuming collective bargaining responsibilities. It is generally assumed that this competence lies on the unions' shoulders.

The difference between unionisation and professionalization is that PAs try to preserve a profession's unified front and look for the institutionalization of professional codes of conduct. The PAs strive to establish educational and performance standards, and the diffuse and incorporate the changes and innovation within the profession. On the contrary, labour unions assume quite the opposite role. The presence of union groups is often understood in Moldova

as the result of conflict of interests between management and workers and trying to attract the state on their side. The charge has repeatedly been made that such organisations split the profession, dissociating people and institutions but they are much better positioned than PA for providing tangible benefits to their members.

The Moldovan economy grows slowly following a non-sustainable model. After a recovering growth of 4.5% in 2016, GDP continued to grow in 2017 (+4.5%) and more than 4% in 2018.¹ Such an economic growth rate is not sufficient to converge the income to the standards of Central and Eastern European countries during the life span of the current generations.

The budgetary situation of the Maia Sandu's government, which was appointed in June 2019, was quite risky. In pursuit of higher political stakes for the general elections set for February 2019, the old Government engaged in budgetary obligations with popular appeal – social housing for vulnerable groups, local roads rehabilitation projects, wage increases and more generous indexation of allowances and pensions. At the same time, the former government lost direct budget support from the European Union, faced the risk of breaking the relationship with the IMF and assumed short-term losses of budget revenues as a result of the 'mini fiscal revolution'. These new policies risk-reducing even more public spending on productive investment in infrastructure and human capital.²

Two processes, tax evasion and informal employment have expanded in the Republic of Moldova in recent years. For example, between 2010 and 2016, hidden production in the formal sector of the economy (i.e. tax evasion) rose from 5.6% to 8.3% of GDP. During the same period, the informal employment rate increased from 31% to 36.4% of employed population, recording a slight decline in 2017 down to 34.7%.³

Despite recent progress, Moldova remains one of the poorest countries in Europe. With a moderate climate and productive farmland, Moldova's economy relies heavily on its agriculture sector, featuring fruits, vegetables, wine, and tobacco. Moldova also depends on annual

¹ Adrian Lupusor, Denis Cenusă, Iurie Morcovito, Valeriu Prohnițchi, "Republic of Moldova 2018. State of the Country Report", Chisinau 2018, p. 8

² "Amendments to 2019 State Budget Increasing Deficit by 164 Million Lei", Infotag News Agency, 29 July 2019

³ Adrian Lupusor, Denis Cenusă, Iurie Morcovito, Valeriu Prohnițchi, "Republic of Moldova 2018. State of the Country Report", Chisinau 2018, p. 32

remittances of about 1 billion EUR from the roughly one million Moldovans working in Europe, Russia, and other former Soviet Bloc countries.

2. Mapping Trade Unions and Professional Associations Involved in the Issues of Labour Rights and Social Dialogue

2.1. Landscape of trade unions and professional associations

The National Confederation of Trade Unions in Moldova (Confederația Națională a Sindicatelor din Moldova - CNSM) is a national inter-branch trade union centre of confederal type, which meets on a voluntary basis national-branch trade union centres and is independent of public authorities, parties and other socio-political organisations, employers' associations and public organisations, and is not subject to their control.

According to art. 8 of the Law no. XIV-1129/2000 the primary trade union is the basic unit of trade unions structure. The primary organisation shall be formed as a result of an initiative of at least three people, considered founders. The newly created trade union organisation should join a federation or union confederation already existing. It could choose to remain independent as well but there are not many examples like this in Moldova.

Several federations, like Education, Health and Agriculture have a solid intermediary level between primary organisations and national-federation level – rayonal council (this is the second level of public administration which corresponds to the district level). The law allows for several types of trade unions organisation - the primary trade union organisation, the territorial branch union centre, the territorial inter-branch trade union centre, the national branch trade union centre and the inter-branch national trade union centre.

Social dialogue is carried out through social partners in order to regulate social and economic relations and is structured as follows:

- a) at the national level - the committee for consultations and collective bargaining;
- b) branch level - branch committees for consultations and collective bargaining;
- c) territorial - territorial commissions for consultations and collective bargaining;
- d) at unit level - committees for social dialogue "Employer-Employees."

Number and sizes of trade union/professional associations

According to statistical data for 2018 (data as at 01.01.2019), the CNSM has 25 national-branch syndication centres, about 350,000 union members (excluding pensioners and students)⁴ and 6,090 primary trade unions organisations. Among them, there are employees from the education and science sector, agriculture and food sector, social services and production of goods, communications, constructions, light industry, consumer cooperatives, trade and business, chemical industry and energy resources, culture, employees of the Ministry of Internal Affairs, state bodies and other branches. Compared to 2007, the year when the CNSM was established, the confederation had 32 national-branch trade union centres, about 560,000 trade union members and 8,618 primary trade unions organisations.

Prior to the establishment of the CNSM, the 2001 – 2005 period was a time of fragmentation when several new branches were created due to political factors. Until 2007 there were two confederations, the Confederation of Trade Unions of the Republic of Moldova and the Confederation of Free Trade Unions of the Republic of Moldova “Solidaritate”, and several federations at the sectoral level. In 2007, the confederations met and merged at the national, but not at the sectoral level. For example, in education, there are still three federal organisations. The biggest federations have official management relatively independent of the CNSM, but the central headquarters is supporting and helping them.⁵

Out of 25 branches, 20 branches include public and private companies, and five are formed purely by public sector companies. Around 80% of the 350,000 members belong to the public sector. On the other hand, 75% of the federations have mixed scope, meaning that they cover both the public and private sectors. In the real economy branches, the membership decreased sharply due to privatisation. Some of the big industries, such as tractor manufacturing, have small membership (about 600 members), but the trade unions are reliable and active.⁶

The branches – federations are not pure sectoral but combined with diverse companies. For example, the Federation in the communication sector, except Moldtelecom, Ericsson Telecommunications, Orange SA, also consists of the National Agency for Employment, National Medical Insurance Company, Post offices (partly with foreign capital) and even an

⁴ Interview MD3.

⁵ Interview MD3.

⁶ Interview MD3.

Outsourcing company.⁷ In the real economy branches, there are not many members because of the privatisation processes - they lost of members.

Graph 1. Overview of the membership of the key trade unions in Moldova

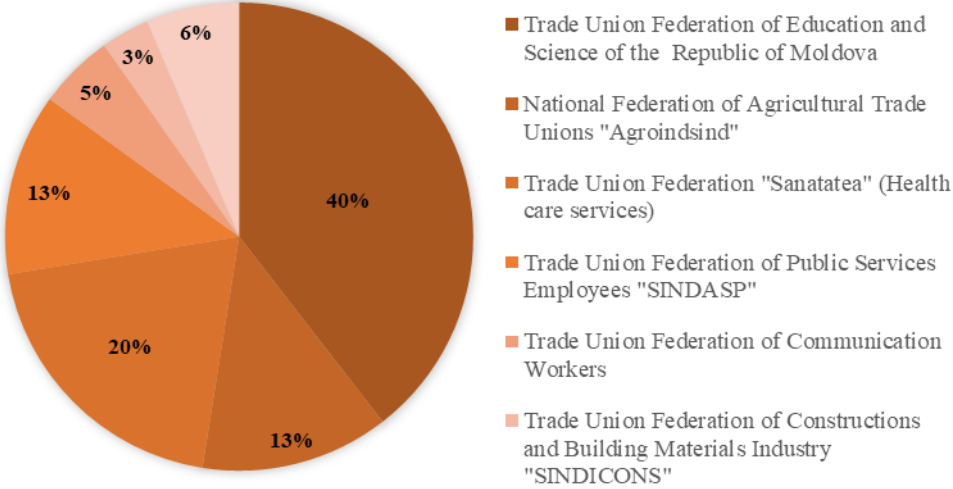


Source: desk research and interviews⁸

The total number of members in the CNSM is 360,000 workers. The Trade Union Federation of Education and Science of the Republic of Moldova is the biggest federation, presenting 40% of total number of members of the Confederation. The sectorial unionisation rate is 90%. An alternative union in education has approx. 10,000 members.⁹ The National Federation of Agricultural Trade Unions “Agroindsind” represents 35,000 members with 25 – 27% unionisation rate. The Trade Union Federation of Communication Workers consists of 14,021 members, of which 66% are women and 22% youth till 35 years old.¹⁰ The Trade Union Federation of Constructions and Building Materials Industry “SINDICONS” speaks for 9,000 workers. Since the 90ties, many companies went bankrupt and stopped their activities – which caused the membership to decrease. The Federation is experiencing difficulties retaining people.¹¹

⁷ Interview MD11.
⁸ Interviews MD2, MD3, MD11, MD8.
⁹ Interview MD2.
¹⁰ Interview MD12.
¹¹ Interview MD8

Graph2. Membership in CNSM by selected federations (%)



Source: desk research and interviews¹²

Geographical locations of trade unions/professional associations

The headquarters and the leadership of the 25 national-branch trade union centres are located in the Chisinau municipality. Particularly, the headquarters of the single branches-federations with their staff are all situated in one building in the centre of Chisinau. About 50% of the CNSM federations have union coverage in most of the country's administrative-territorial units. Some of the branches - federations have national, regional and primary levels coverage. For example, the Trade Union Federation of Education and Science of the Republic of Moldova is present in all 33 regions of Moldova. There is a basic unit at school establishment – level. The primary organisations are united at the regional level, headed by one person, paid from membership fees. Each regional office also has a paid accountant. The fact that he/she is funded from membership fees ensures the independence of these persons.¹³ On the other hand, the Trade Union Federation of Constructions and Building Materials Industry “SINDICONS” only has a national and primary level, no regional level.

Percentage of the unionised workers per industry/area of work

Workers in the Ministry of Defence cannot form a trade union organisation. Organising in trade unions is not a mandatory process under the current legislation.

¹² Interviews MD2, MD3, MD11, MD8.
¹³ Interview MD2.

According to the data provided by the CNSM, 46% of the total employees are members of trade unions.¹⁴ This indicator has fallen by 11% since 2007. Women have higher participation rates in the union movement than men, although membership is declining for both. This is because women are more present in sectors that tend to be more unionised (such as health and education). The CNSM found that collective bargaining coverage for all groups of workers is also declining.

The percentage of unionised workers per specific sectors differs substantially. For example, the representatives of the National Trade Union Federation of Agriculture and Food “Agroinsind” estimate that the unionisation rate in the sector is 25 – 27%,¹⁵ in the construction and building materials sector 30%.¹⁶ On the other side, the Trade Union Federation of Education and Science has more than 106,000 members, covering most of the employees (teaching, researching and auxiliary staff) and even some of the students in the sector.¹⁷

Presence of any non-trade union organisations active in labour rights

There are not many other organisations engaged in labour rights issues. Some are focusing on much broader topics than the labour standards or associate some professions without any impact on labour laws.

The Ebert Friedrich Stiftung Moldova (FES) is, nevertheless, one of the most active in several areas and most critical organisation to trade unions and current labour market reforms. Recently they presented an impact study on the transfer of the Occupational and Health Security (OHS) competencies to OHS agencies.,¹⁸ In the past they did not cooperate with the trade unions in Moldova, perceiving them as corrupt and servile to government. Recently they changed their approach to trade unions and pushed them to participate in their meetings to exchange information and collaborate on reforms.¹⁹ On the other hand, FES is considered as an organisation addressing many topics but not trying to be involved in implementation.²⁰

¹⁴ Interview MD3

¹⁵ Interview MD5

¹⁶ Interview MD8

¹⁷ Interview MD2

¹⁸ Interview MD4

¹⁹ Interview MD4

²⁰ Interview MD7

The Expert Group - Republic Moldova is a civil society organisation – think-tank focusing on social-economic issues. The organisation's financing is project-based from public administration and international organisations, such as the World Bank. They cooperate with government administration in Moldova, for example with the Ministry of Health, Labour and Social Protection. They are members of some working groups for reforming the labour code, member of the Economic Council - providing feedback on the new draft of the labour code. The Expert Group does not cooperate strategically with trade unions in Moldova, only on a case by case basis on some documents. For example, when preparing the labour market forecast, they cooperate with the representatives of the trade unions to understand their contribution, standpoint and to get feedback²¹.

The National Confederation of Employers of the Republic Moldova (CNPM) is the only organisation of employers at the national level representing the interest of the employers and the main counterpart in the tripartite social dialogue together with trade unions and ministries. The organisation consists of 27 members, including the association of foreign investors. They have been established at an ILO recommendation, and the most important initiatives are targeting lobby and advocacy activities. They provide services for members, such as information and training on occupational health and safety (OSH) and helping them to keep OSH standards. They are participating in many committees and platforms. For example, the CNPM discusses budgetary policies in the Economic Council with the Ministry of Finances or addresses the social and labour issues in the Commission of Collective Bargaining or respective parliamentary commissions.²² In terms of the European Union Association Agreement, the organisation is invited to discuss all issues in regard to social policy. Moldova's trade unions are a member of the EU-Moldova Civil Society Platform, which was established on 10 May 2016 and has members on both sides. On the EU side, it comprises EESC members and members from European civil society networks (Eurochambres, BusinessEurope, ETUC, Copacogeca, Cooperatives Europe and the EaP Civil Society Forum).

To the trade unions' complaint that they do not have counterparts for bargaining and social dialogue in many sectors, the employers' organisation responds that most of the trade unions cover public sectors although the employers' organisations are mostly from the private sector. The Employers' Association sees its weakness in regional structures and would like to

²¹ Interview MD6

²² Interview MD11

consolidate their regional presence. More resources would be welcome also to strengthen social dialogue which is currently hampered by the political changes.²³

There are several important professional associations in Moldova which promote the interest of workers in several branches. Usually, they do not raise political issues but are concerned with some specific problems which affect their activity. As it was mentioned before they are not involved frequently in collective bargaining activities.

One big reason for this is the special relationship between employers and employees which do not encourage a great sense of intra-professional unity. Rank-and-file professionals may provide their input, but it is the administration that ultimately makes allocation decisions and determines what work is to be done and how it is to be done. The dominant form of the interrelationship between them is illegal work and paying salaries in envelope.

By accepting the salary in the envelope, the beneficiary risks not just being deprived of a decent pension, social package, quality medical insurance, social protection of his family, paid leave and allowances. At the same time, the salary in the envelope reduces the possibility for the worker to advance in career, to benefit from credit and stability at the workplace and do not encourage professionalization and unionization. PAs do not even try to deal with this issue which explains their preoccupation with other priorities. Trade unions have a different approach and frequently consider measures to combat informal employment and pay in the envelope.²⁴

One of the most important professional associations is the Association of the Pharmacists of Moldova (AFM). In 2017, the organisation went against several initiatives of the Ministry of Health. One of these was about the effort to allow the retail delivery of medicines in specialised stores which was blocked by AFM because of health protection.

Another visible professional association is the Association of Professional Accountants and Auditors of the Republic of Moldova (ACAP RM). ACAP was founded in 1996 and evolved

²³ Interview MD11

²⁴ “Representatives of Government, employers, trade unions hold new meeting”, State Chancellery of Moldova, 25. May 2018

to include about 1000 members in present-day, 100 of which are students enrolled in educational speciality programs. The Association earned the reputation of an excellent promoter of the profession of accounting and offers a wide range of educational speciality programs: pre-professional, professional and long-term.

A very influential professional association is the Union of Moldovan Lawyers (UML). This organisation sets standards for the aspirants in this field, in addition to other activities. Admission to the bar in the Republic of Moldova takes place by taking an entrance exam for professional training, completing a professional training, and passing the bar exams. The Union is responsible for these exams.

The Association of Family Doctors (AFD) is an association which regulates the professional standards of family doctors. It contributes to the diversification of the forms of continuous medical education with the implementation of contemporary technologies.

Ten professional unions in the field of culture are active in the Republic of Moldova, these being an essential factor in the formation and capitalisation of the national heritage. These unions are the following: the Writers' Union, the Theatre Union, the Union of Musicians, the Union of Composers and Musicologists, the Union of Cinemas, the Union of Journalists, the Union of Plastic Artists, the Union of Popular Masters, the Union of Architects, and the Union of Designers. These unions were very active in Soviet times and remained as important instruments of defending the rights of artists till recent times, although their role decreased gradually.

Yellow trade unions

Moldova's trade unions are perceived as dependent and subordinated to the state's interests and some businessmen on the long-term. This was reflected in 2015, for example, by the nominated Prime Minister, Ion Sturza, who indicated that trade unions are affiliated to Moldova's oligarch, Ilan Shor, and his company and serve vested interests. This happened when the CNSM Confederal Committee declared that it refuses to have a meeting with the designated Prime Minister in December 2015. Trade unions invoked Ion Sturza's "lack of interest in social dialogue" when he served as Prime Minister, that was, nearly 15 years ago as the main reason for such refusal to meet them.²⁵

²⁵ "Sturza despre refuzul sindicatelor: „Mă întâlnesc cu cei care mă vor” (“Sturza about Trade Union's Refusal to Meet: I meet only those who want me), Agora, 23 December 2015

Investigative mass media constantly wrote about the uncertain relationship between trade unions and Ilan Shor.²⁶ According to investigative journalists, the leadership of the Confederation of Trade Unions conducted a series of non-transparent transactions on the alienation of this organisation's property at low prices. The buyers were companies affiliated to Ilan Shor. Within these operations, the interests of the businessman were represented by the vice-president of the Federation of Trade Unions of Moldova, former Deputy Prime Minister Valerian Cristea²⁷.

In 2010, a large-scale scandal broke out, when the former administrators of boarding houses, recreation centres, a sports complex, and other facilities demanded that property be returned to the trade unions. However, their appeals to the government and the deputies of Parliament remained unanswered. Law enforcement agencies reacted to the statement and checked the legality of a number of transactions, but the prosecutors found the violations of the law insufficient to cancel the sale.

Trade unions and society

The level of trust in trade unions is generally low. For example, The Church and Presidential Administration are trusted by over a half of Moldovan citizens, namely by 63.5% and 51.5%, respectively, as per the findings of the opinion poll presented by the Association of Sociologists and Demographers in May 2019. The mayors of populated areas are trusted by 42% respondents, armed forces - by 37.8%, the mass media - by 35.6%, the Moldovan Academy of Sciences - 35.2%, the police - 34%, the Government - 33.4%, trade unions - 29.8%, the banking system - 29.8%, international organisations having offices in Moldova - by 29.3%, the Central Election Commission - 27.5%, non-governmental organisations - 25.6%, the Parliament - 24.6%, the judiciary - 20.7%, and political parties - by 17.4%.²⁸

Experts explain such a low percentage of Moldovan citizens' confidence in trade unions by the clearly expressed discontent of workers towards the unprecedented "solidarity" of union leaders

²⁶ See for example several articles written by journalists of the CIN (Centre of Investigative Journalism) in 2011 under the heading "Trade Unions and their millions". These articles deal extensively with the special relationship existing between Moldova's trade unions and Moldova's businessman, Ilan Shor.

²⁷ As to August 2019, the businessman and politician Ilan Shor was found guilty of involvement in money laundering and fraud schemes at the Banca de Economii (BEM), sentenced to seven and a half years in prison and fleeing the country illegally.

²⁸ "Possible Snap Election Will Hardly Change Current Alignment of Forces in Moldova", Infotag News Agency, 14 May 2019

with the government. For example, on the International Day of Solidarity of Workers, the National Confederation of Trade Unions of Moldova sometimes held a “rally of solidarity” together with the government, as they did in 2012.

The size of the salaries of union leaders is challenging to know despite official requests addressed to trade union leaders. Civil society organisations usually ask them for information on the salaries and statements of wealth of the union leaders, about the budget of the organisation. Some sources assert that the wages of trade union leaders of Moldova range from 22 to 27,000 lei (approximately, EUR 1,200).²⁹

Citizens have already called such high salaries of trade union leaders, received at the expense of trade union dues, “fattening at the expense of ordinary trade union members” and a “bonus” from the government.

Traditional and modern trade unions

If we look at the organisational structure of the trade union movement, of the national-branch trade union centres, we cannot but observe that it practically remained the same, as it was adopted by the Soviet structure of trade unions during the USSR period in 1986-1990. There is no difference between the number of trade unions in the Moldovan Federation of Trade Unions and the National Confederation of Trade Unions in Moldova, with only one difference - the number of trade union members. So, in January 1990, about the number of trade union members was 2,000,000, while in January 2018 the figure had decreased to 362,000 members. There is a current tendency for trade unions federation to merge, but this tendency remains weak. In 2019, a small ecology federation merged with Sindicons (federation in Constructions).

2.2. Trade unions and professional associations in the public and private sectors

As the private sector consists of 95% of small businesses, unionisation is difficult.³⁰ In those companies where established, the trade union body has a more symbolic function. Half of the companies investigated in research on perception of the trade unions report having a trade

²⁹ “În Parlament va fi verificată legalitatea salariilor liderilor sindicalişti” (The Parliament will check the legality of the trade unions leaders’ wages), OMG Media Group, 3 May 2012

³⁰ Interview MD7.

union.³¹ Where they are present, trade unions act formally, and represent the interests of the employer, not of the employees.³² This is explained by the lack of knowledge of employees' rights and obligations of trade unions and its members, as well as by the unwillingness of employees, for fear of losing their job, of to use the leverage offered by the trade unions to solve the problems related to work conditions, payroll and many others.³³

For example, in 2002, the joint Moldovan-German enterprise Sudzucker Moldova SA was created, which is part of the international concern Sudzucker. A trade union organisation, which is a member of the National Federation of Agricultural Trade Unions “Agroindsind”, was created at the enterprise Drochia Sudzucker Moldova SA. At the same time, a reorganisation began, and the optimisation of the personnel structure followed soon. Over the past 15 years of economic reforms, the number of trade union members has almost halved, which corresponded to a decrease in the number of employees in this enterprise. Today, the plant has 370 union members. The trade union organisation tried to resist, defending the interests of the workers, by delaying the layoffs. However, the employer, relying on the Moldovan legislation, reduced the number of workers it needed.

Despite this, several influential trade unions organisations are in operation in the private sector. One of the most successful examples is Lafarge Ciment Moldova factory from Rezina city. The workers managed to obtain substantial increases in salary on several occasions. For example, the extraordinary syndicate conference of union members from S.A. "Lafarge Ciment (Moldova)", in which a series of claims against the employer were formulated, including the 2,000 lei wage increase in 2012. After a protracted process of negotiation, workers decided to resolve the collective labour dispute and appealed in the Conciliation Commission. The conciliation committee was subsequently set up, and the claims submitted were discussed at three sessions and finally agreed with the employer. This example shows that a positive resolution of labour disputes is possible in Moldova despite the weak position of trade unions in many branches.

³¹ Igor Cojocaru, “Social perception of Moldova’s Trade Unions: A sociological research”, Institute of Labour, 2011

³² Tamara Susarenco, „Sindicatetele ca moderator al dialogului social în statul de drept Republica Moldova“ (Trade unions as Moderator of Social Dialogue in the Republic of Moldova), *Administrarea publica*, Nr 1, 2016,

³³ Interview MD3.

There are active trade unions organisations in the energy and communication field. Several benefits for trade union members from the Fenosa Union have been achieved through collective bargaining in 2018. The workers of this company received in that year financial support for employees with children who study in colleges and universities and a 3% increase in salaries for all employees of the "RED Union Fenosa".

In the communication sector, there are strong trade union organisations in Moldtelecom, Moldcell, Ericsson and Orange Moldova. However, the Trade Union Federation of Communication Workers, also covering these private companies with foreign capital, is fighting with the lack of motivation and initiative from the side of members and the perceived distrust of trade unions by the public and by the members.³⁴

On the other hand, some of the private companies provide social packages in the form of additional leave or meal vouchers and thereby substitute the provisions and efforts of trade unions. Meal vouchers present an additional financial contribution, which is not subject to income tax. Trade unions consider social packages offered by employers as an obstacle³⁵ or, to some extent, as an excuse not to be active in private companies. The consequence of this is that the collective agreements at the private company level are not going beyond the provisions agreed at the sectoral level agreements.³⁶

Recent developments in the private sector

The automotive industry in Moldova has grown rapidly in the last five years. Private companies produce software and wiring, make tapestries and covers for the millions of cars of the world's largest carmakers.

Moldovans are currently making automotive components for cars produced by BMW, Mercedes, Toyota, Ford, Nissan, Volvo or Skoda.

Top 15 companies from the United States, Germany, Italy, Austria or Japan have opened or will open factories in the country. In the cities of Briceni and Soroca, car covers are sewn. In

³⁴ Interview MD11.

³⁵ Interview MD3.

³⁶ Interview MD7.

Balti and Chisinau, in the town of Orhei and the village of Albineţul Vechi in Falesti rayon wires are produced, and in Ungheni - the car seat covers.

In addition, a cable factory is to be opened in Causeni. The number of Moldovans who have found a job in these businesses has increased more than twice over the past five years. In 2012 there were 5,100, and in 2014 - almost 2,000 more. At present, over 12,500 Moldovans work in the automotive industry. Their number is expected to grow further, as other investors will open new factories this year.

The Organisation for Attracting Investment and Export Promotion in Moldova believes that the number of employees in the field will double in the next two years. For example, exports of automotive components reached around EUR 350 million in 2016 and amount to more than 20% of total exports. Figures show that their volume has increased 2.5 times over the last five years. In 2012, they were nearly EUR 140 million.³⁷ Unfortunately, there are no trade unions in this sector, or their role is purely formal. The owners of these enterprises offer generous social packages but do not encourage the formation of trade unions. Trade union leaders at the national level do not have access to these enterprises to favour the process of unionisation.

Multinational corporations and social dialogue

Generally, the unionisation process in multinational companies is complicated. At the same time, in some areas of activity (communications, building materials industry), there are positive examples of achieving a social dialogue between trade unions and multinationals.

These corporations generally offer their workers appealing “social packages” but do not allow access to trade unions to enable unionisation. This is one of the major problems which trade unions movement meets in this field.

Foreign companies are not very active and have a weak involvement in the process of social dialogue. An example in this regard is a strike of employees in the automotive industry at the “Fujikura” factory in Comrat which happened in 2017. Workers have demanded a decrease in

³⁷ “Moldova tot mai atractiva pentru straini. Companii de top de peste hotare au deschis si vor deschide fabrici in tara”, (Moldova becomes more attractive for the foreigners. Important foreign companies opened will open factories in the country), Publika TV, 13 June 2017,

working hours, which employers had increased gradually, have requested higher wages and a more “humane attitude” on the part of the administration.³⁸

In 2018 another strike was organised in “Fujikura” Comrat. Workers said that they have no trade union to defend their rights, and those who rebelled were fired.³⁹

There was also an attempt to create a primary trade union organisation in the factory. This attempt failed. The initiative group members, despite not recruiting during working times, have been fired. The National Trade Union Confederation offered lawyers in order to appeal but the fired workers accepted the verdict. The representative of the CNSM stressed that the Moldovan management created this problem, and the denial of workers’ rights on unionization was not intended from the headquarters.⁴⁰

Profile of trade unions in the public sector

The public sector unions incorporate about 6,000 primary (local level) organisations. The unions are concentrated in 5 major national federations – Education, Health, Culture, Public Administration and Sindex (employees of law enforcing bodies).

Main differences between trade unions and associations active in the public sector and in the private sector

Trade unions have influence in the large and mostly state-owned enterprises and have historically negotiated for strong labour relations, minimum wage and fundamental worker rights. Paradoxically, these are the enterprises experiencing the most significant problems. There are severe problems in the management of these companies.⁴¹ The losses accumulated by the state-owned enterprises increased by 1.5 times, and in the joint-stock companies doubled in recent years. The criteria for appointing the directors of public-owned enterprises are not transparent, and many positions are occupied by the relatives of the dignitaries, and

³⁸ “Lucrăm mai mult, iar salariul e tot mai mic”. Muncitorii fabricii Fujikura din Comrat au ieșit la grevă”, (We work harder and the salary is lower”. Workers at Fujikura factory in Comrat went on strike), Agora, 11 October 2018

³⁹ Idem

⁴⁰ Interview MD3.

⁴¹ “Clasamentul sustenabilitatii financiare a intreprinderilor de stat” (Financial sustainability ranking of state-owned enterprises), IDIS Viitorul, June 2018

politicians.⁴² Experts consider that it is impossible to speak of any meritocratic filtering system of the management body. There are over 400 non-functional state-owned businesses.⁴³

Unions also have a say in negotiating collective labour agreements in various industries. Unions are less active and productive in small private companies.

Trade unions in the public sector are much better organised than the trade unions in the private sector, are substantially larger and are much better integrated into the National Confederation and the social dialogue. At the same time, these two types of trade unions have two different types of dependence. Trade unions in the public sector are dependent politically and frequently have manifestations of yellow trade unionism. Trade unions in the private sector often have a formal existence and are at the mercy of employers.

3. Legislative Framework that Governs the Activities of Trade Unions and Professional Associations

3.1. Legislative framework governing the role and functions of trade unions and professional associations in the country

The legal framework of trade union activity in the Republic of Moldova is composed of the Constitution of the Republic of Moldova (Article 42), the Labour Code of the Republic of Moldova, Trade union law, patronage law, different acts regarding social dialogue, mechanism of tripartite cooperation, as well as other more than ten national regulations that define the mechanism for the implementation of constitutional rights of trade unions.

Main legislation governing social dialogue

Freedom of association

According to article 40 of the Constitution of the Republic of Moldova, all meetings, demonstrations, rallies, processions or any other assemblies are free, and they may be organised and take place only peacefully and without the use of weapons. Law no. 26-XVI of 22 February

⁴² Idem

⁴³ “Întreprinderile cu capital de stat, piatra de moară a economiei” (Enterprises with state capital, the slacker of the economy), Timpul, 24 March, 2017

2008 on Assemblies (hereinafter “Law on Assemblies”) modified the previous Law on assemblies of 1995. The provisions of the current Law constitute clear progress compared to the previous law. According to the old law, the authorisation for an assembly had to be requested from the local or municipal authorities and the issuing of an assembly permit was done by a commission on assembly permits. The commission was preparing a draft permit and submitting it for the Mayor’s signature for approval. By contrast, the current Law on Assembly stipulates that any manifestation can take place without prior notification if it gathers less than 50 participants. In case more than 50 people gather for the manifestation, the organisers must notify local authorities five days prior to the event about the intention to hold an assembly. Notifications are necessary in order to ensure that no other assemblies are organised in the same place at the same time. The above-mentioned shift from authorisation to notification led to an increase in the number of meetings held.

Right to collective bargaining

At the beginning of 2003, after the adoption of the new Labour Law, the Moldovan social partners negotiated collective agreements at the national level, covering separate aspects of labour relations. Between 2003 and 2015, the social partners negotiated 15 collective agreements at the national level. After the Law had been amended to introduce the concept of a guaranteed minimum wage in the private sector, the social partners signed Collective Agreement No. 9 on the Minimum Guaranteed Wage Level in the Private Sector in January 2010. Then, wage scales started being negotiated at the sectoral level.⁴⁴ However, many of those sectoral agreements state that applying the tariff scale instead of the negotiated sectoral wage scale remains possible. There are nine sectoral collective agreements in force (at least in principle) in the country. These nine agreements cover the following sectors: Communication, Transport, Electricity, Chemical / Energy, Consumer Services and Commodities Production, Construction, Light Industry, Agroindustry, Wholesale and Retail Trade.

Right to trade union representation

The current legislation of the Republic of Moldova highlights the right to association and creation of trade unions in a series of normative acts such as:

⁴⁴ According to the provisions of the Salary Law, the state regulates the salaries of the employees from units with financial autonomy, establishing the size of the minimum guaranteed amount of the salary in the real sector, some state norms and guarantees (payment of compensation increases for the work performed in unfavourable conditions, the payment of night hours, payment of overtime, payment for off-hours and being unemployed, etc.). Trade unions participate in this process at the process of consultation.

- The Constitution of the Republic of Moldova, which states that “the constitutional provisions on human rights and freedoms are interpreted and applied consistently the Universal Declaration of Human Rights, the covenants and other treaties to which the Republic of Moldova is a party “and that” any employee has the right to found and to appear in trade unions for the defence of his interests”.
- The Labour Code of the Republic of Moldova in Chapter III provides for the rights of trade union bodies to control the observance of labour law and guarantees of their work.
- The Law of Trade Unions, which by essence specifies the rights, freedoms and obligations of trade union organisations in the domain of assembly, association and realisation of salary rights.

Right to strike

According to the Labour Code, strikes can be declared in accordance with the Labour Code only for the purpose of protecting employees' economic and social interests and cannot pursue political goals. It is possible to organise strikes at unit level. Before the strike is triggered in the unit, the legislator imposes compliance with the conciliation procedure by those who want to declare and trigger the strike. The right to declare and organise the strike at the territorial level belongs to the territorial trade union body. Therefore, the subject who can organise the strike at the territorial level is only the trade union body in the territory where the collective labour conflict started. The right to declare and organise the strike at the branch level belongs to the branch trade union body. As we can see, this norm is very similar to the one governing the strike at the territorial level, with only a few elements being different. Claims of strike participants are examined by the Branch Commission for Collective Consultation and Negotiation, at the request of the relevant social partner. All claims of strike participants are examined by the local commissions for collective consultations and negotiations at the request of the social partner concerned. The right to declare and organise the strike at national level belongs to the respective national-inter-trade union body. This implies that the organ of initiating and organising the strike can only be a national-inter-trade union body.

The claims of strike participants are examined by the National Commission for Collective Bargaining and Consultation at the request of the interested social partner. The right to declare and organise a strike at the national level belongs to the respective national-inter-trade union body. This implies that the organ of initiating and organising the strike can only be a national-

inter-trade union body. The claims of strike participants are examined by the National Commission for Collective Consultation and Negotiation at the request of the relevant social partner.

Labour rights such as non-discrimination in employment and prohibition of all forms of forced labour and the associated issue of workers' rights and social dialogue.

On May 25, 2012, the Parliament of Moldova passed the Law on Enforcement of Equality. Chapter 2 contains provisions that address discrimination in particular spheres of life, such as employment, trade in goods and services that are publicly accessible, and education. The Law caused dissatisfaction among political actors, and in the Church and religious associations because of the phrase "sexual orientation." The phrase "sexual orientation" was not excluded from the text, but it is only found in an article that states that no person can be discriminated at the workplace based on his or her sexual orientation.

Evolution of tripartism in the country and its current state

Tripartite social partnership is achieved at three levels: National, branch-level, and territorial.

The social partnership is governed by the legal framework, namely:

- Title II of the Labour Code of the Republic of Moldova 154/2003;
- Law no. 245 of July 21, 2006 on the organisation and functioning of the National Commission for Collective Consultation and Negotiation, of the committees for collective consultations and negotiations at branch level and territorial level;
- Collective agreements at the national, branch and territorial level.

At the national level, the social partners (the Government, the National Confederation of Employers of the Republic of Moldova and the National Confederation of Trade Unions of Moldova) signed up to date 17 collective conventions extending the rights and guarantees of the parties in different areas of labour relations.⁴⁵ Due to the political crisis in June 2019, the National Commission for Collective Bargaining and Negotiations did not convene until November 2019, when the new Government called the next meeting.

⁴⁵ In Moldova, social partners prefer to call collective agreements at the national level - Collective Conventions.

At the branch level, 15 collective agreements are concluded. These conventions cover virtually all aspects of labour relations. In some areas of activity due to the lack of a social partner (representatives of the central public administration or the employers), there is no possibility to conclude collective agreements at branch level. As a result, the national-branch trade union centres provide support to the primary trade union organisations in the negotiation and conclusion of collective labour agreements. As of January 1, 2019, 4,370 collective labour agreements were implemented.

At the territorial level, 13 collective agreements are concluded. In many cases, at territorial level, it is impossible to conclude collective agreements in tripartite form because of the lack of employers' structures in the territory.

Implementation and oversight of legal frameworks

Law implementation and law enforcement are currently insufficient. However, the enforcement of the labour law improved in recent years and the investigations can be concluded quite promptly.⁴⁶ The labour court process is quicker than in civil cases. If the case is professionally prepared, then the chances of an effective process and positive results are high. Negative examples discourage people from looking for justice.⁴⁷

In general, the trust to judicial bodies is on a low level in a long-term and the need for change the public perception of the judiciary and reform is already at the agenda of discussion. Some technical changes have been already done.⁴⁸

3.2. Recent or proposed legislative amendments to labour legislation in the country

During the last three years, several important legislative changes were promoted by the Government in the field of labour legislation. The beginning of 2016 was marked by discussions and approval of the new amendments to the Labour Code. The amendments were aimed at adapting the national legislation to European practice in the field of labour relations and were part of the National Action Plan for implementation of the Association Agreement EU-Moldova

⁴⁶ „Moldovan Labour Legislation Is Being Modernised According to EU Standards“, EU-advisers blog, 11 October, 2017

⁴⁷ Interview MD9.

⁴⁸ Interview MD9.

in 2014- 2016. It was coordinated with the social partners. The new amendments established a number of additional obligations for the employers, including providing future employees, before hiring them, with proper information concerning the regular daily and weekly working time, the period of notice to be respected by the employer and employee in case of cessation of activity, as well as respect for the principle of non-discrimination for employees employed on a fixed term. Also, the amendments impose on the employer the need to indicate in the individual contract for a fixed term the legal grounds and, where applicable, the reasons that conditioned limiting the duration of the contract or its extension period. In addition to the collective bargaining agreement and internal regulations, the employer must familiarise employees during their employment with the collective agreements that apply to them.

In 2017 the Labour Code was amended to the advantage of employers. The new regulations provide for the basic obligations of the wage earner to immediately inform the employer about the impossibility to come to work, the desired effect of which is to make wage earners more responsible and disciplined. According to the new Labour Code, the employer will not be obliged to provide a reason for a decision to dismiss an employee/trade union member after the probationary period. The dismissal can be made with no preliminary consultation of the firm's trade union. According to the official position of CNSM, certain amendments to the Labour Code will inevitably lead to litigation that will go to the courts because these are to the detriment of employees. In addition, the Association Agreement between Moldova and the EU states that all legislative acts must be approved for the benefit of the employees. This mainly relates to the provision that dismissal should not be made without the trade unions' consent.

On the other hand, some employers consider the labour courts biased towards employees and consider there is too much protection of workers and are calling for a “more balanced” protection.⁴⁹

On 9 August 2018, the government of Moldova introduced a new Employment Promotion Law. With a meagre labour force participation rate, slightly above 40 per cent in 2017, Moldova is faltering far behind its peers in the region. The law aims at encouraging employment opportunities and better life prospects for many Moldovans, both women and men. The ILO has provided technical guidance and played a facilitating role in the process leading up to the adoption of the new law. The latest Employment Promotion Law aims at making the labour

⁴⁹ Interview MD9.

market more effective and inclusive. The bill promotes Active Labour Market Policies (ALMPs) and benefits job seekers, the unemployed and employers alike. Special target groups mentioned in the law include unskilled youth, women above the age of 50, people with disabilities and the Roma minority. The law also defines interventions to support income and help people cope with the loss of salaries and prevent poverty. Despite generous legal provisions, evidence is more mixed when it comes to efficient implementation of ALMP.

Effects on workers' rights

Recently, provisions on atypical work, distance work, flexible arrangements were introduced by the government, implying some changes that were not discussed in advance with trade unions. The rationale provided by the government was the necessity to comply with European standards. However, trade unions representatives considered this argument as a mere excuse for introducing more business-friendly labour legislation.⁵⁰ In general, atypical work is not extremely widespread in Moldova, but trade unions recognise it as a potential threat to workers' rights. Atypical work can be found in the agricultural sector and implies working on temporary contracts. Interruptions in contracts are perceived as a danger by trade unions because they cannot develop strong and stable membership in such conditions.

Attitudes of national trade union organisations

Trade Unions in Moldova try to influence the legislative process, which deals with workers' rights. For example, in 2018, CNSM together with the public employees' trade unions held negotiations aimed at implementing the Law on the unified pay system in the public sector. In the same year, CNSM has proposed two important initiatives for the Government Activity Program: facilitating the access of young people to housing under preferential conditions and granting meal vouchers for workers, which have been successfully implemented.⁵¹

Moldova's trade unions also contribute to compliance with the norms and requirements in the field of OHS, to ensuring decent work, training and exchange of international trade union experience.

⁵⁰ Interview MD9.

⁵¹ (Interviu) Oleg Budza, Presedintele CNSM: Ne dorim un dialog constructiv la nivel de Guvern, Patronate, Sindicate" ((Interview) Oleg Budza, CNSM President: We want a constructive dialogue at the level of Government, Employers, Trade Unions), Vocea Poporului, 08 July, 2019

4. Political Influence of Trade Unions/ Professional Associations

4.1. The relationship between trade unions/professional associations and political parties

Form of cooperation

Currently, the Confederation of Trade Unions of Moldova is not dependent on any particular political party. In general, the CNSM shares common issues with the current party in power and support its position.

However, the split of the trade union movement in Moldova began in 2001 with the coming to power of the Communist Party. At that time, one part of trade unions movement, Solidaritate, which supported, in general, the Communist Party of Moldova in the elections, united more than 300,000 members, the Confederation of the Trade Unions of Moldova - about 430,000. It was a political split determined by the political ambitions of the Communist Party of Moldova to control trade union movement which ended in 2007 with the reunification of these two organisations.

The governmental political influences on trade unions could be perceived for example, in CNSM's declaration made in 2018 in which it expressed regret over the decision of the European Union to postpone the first instalment of the macro-financial assistance. The government did not directly ask trade unions to issue this declaration, but the statement was perceived as serving governmental interests.

At the same time, the leaders of Moldova's trade unions are critical to the government. For example, in May 2019, trade unions leaders condemned practices in the government related to over-representation of employers in different structures. Currently, in the National Economic Council coordinated by the Prime Minister, there are about 99 employers and businessmen, while the rights of trade union members are represented only by one person. The National Economic Council serves as a consultation body for proposed reforms (e.g. reform on OSH controls which was withdrawn from the Labour Inspectorate) replacing the Tripartite Council.

This imbalance in representation was criticised in interviews by social partners from both sides – trade unions and representatives of employers’ confederation as well as by experts.⁵²

Impact of the political changes in June 2019 on trade unions

After the beginning of the political crisis in June 2019, Moldova's trade unions had a fluctuating position. During the first days of the crisis, the trade unions backed the Pavel Filip Government, which later had accepted a peaceful transfer of power. On June 10, CNSM issued a declaration of support for the Filip Government by stating that this government is a legal one.⁵³

Later, it accepted the new situation and entered into cooperation with the Government led by Maia Sandu. It asked the Government at the end of June to relaunch the National Commission for collective consultations. The Government did not react to this demand due to a very tight agenda.

Relationships between the government of Maia Sandu and trade unions did not have time to develop. The most advanced federation which was in close contact with the Government is the Trade Union Federation of Education and Science of the Republic of Moldova. After the change of government took place in the middle of November 2019, the government and trade unions came back to their usual agenda.

Effect on the legislative process

The cooperation between trade unions and the government allows trade unions to meet their own agenda partially. One of the primary goals of the National Confederation of Trade Unions is to increase the minimum wage. Cooperation with the government allowed trade unions to achieve this goal. The government of Moldova adopted a decision to increase the guaranteed minimum wage in the real economy by 230 lei (about EUR 12) up to 2610 lei (about EUR 140). The change entered into force from the 1st of May 2018 at the request of Moldova’s trade unions. Thus, the workers in the real sectors of the economy will not receive less than 15.44 Moldovan lei (EUR 0.70) per hour, compared to the previous 14.09 lei (2,380 lei monthly).

⁵² Interviews MD3, MD10, MD4 and MD7.

⁵³ “Confederația Națională a Sindicatelor susține Guvernul Filip. Sindicatele cer depășirea crizei politice din țară” (The National Trade Union Confederation supports the Filip Government. The unions demand that the political crisis in the country be overcome), Primele stiri, 10 June, 2019

Cooperation with other social partners

Considering the Transnistrian conflict, a collaboration at the national level is important, The CNSM took the first steps in this respect and started working with the Confederation of Trade Unions in Transnistria, organising a series of joint seminars and conferences. Representatives of trade unions from Transnistria participated in several events held by the CNSM in the framework of institutional development projects, union education, and research in socio-economic policies.

Another example of cooperation comes from 2014 when the National Confederation of Trade Unions of Moldova and the National Institute of Economic Research of the Academy of Sciences of Moldova signed a Cooperation Agreement. The purpose of the Agreement was to develop fundamental and applied research, contributing to the socio-economic revival and development of the Republic of Moldova, allowing for more evidence-based justification of the trade unions' position on social and economic policies, as well as the provision of a higher level protection for the employees and trade union members. Several reports and researches were written in the framework of this agreement.

There are two essential platforms in which trade unions are involved: The Eastern Partnership–National Platform and the EU - Moldova Civil Society Platform (in the Framework of the Association Agreement). Also, trade unions fruitfully cooperated with the civil society sector in reforming the pension system, and with Gender doc in protecting the minority rights at the working places.

The Association Agreement between the Republic of Moldova and the European Union, signed in 2014, stipulates that the Parties have committed to strengthen the dialogue and to cooperate in order to promote the International Labour Organization's Decent Work Agenda related to employment, health and safety at work, social dialogue, social protection, social inclusion, gender equality, thus contributing to the creation of a greater number of better job offers, to poverty reduction, sustainable development and life quality improvement (art. 31 of the AA RM-EU). The main issues in the socio-economic field are covered in Title IV "Economic cooperation and other types of sectorial cooperation", Chapter 4 "Employment, Social Policy and Equal Opportunities" of the AA RM-EU. At the same time, when promoting these

objectives, the provisions of Article 371 of the Association Agreement, which establish the obligation to maintain current levels of protection, should be taken into account.

Level of engagement of trade unions and professional association at public debates on socio-political issues and its correlation to the achievement of necessary reforms

Unions ability to participate in public debates related to socio-economic problems is revealed in the realm of OHS, where CNSM works in close cooperation with other civil society actors, such as NGOs. Social partners and representatives of NGOs are worried about occupational safety and health (SSM) issues registered following the implementation of the state control reform of the SSM in 2018-2019. To overcome the existing deficiencies, trade unions recommended together with other civil society actors to urgently elaborate a draft law to amend the national legislation in order to: eliminate any contradictions with international norms; return to the integrated occupational safety inspection system under the supervision and control of a central authority, such as the State Labour Inspectorate (IMS); return to the practice impromptu controls, which should ensure better respect of the rights of employees to safety and health at work, but also the rights of businesses regarding interactions with public authorities.

An important trade unions' strategy is holding direct meetings with officials. For example, in July 2019, the members of the Confederal Committee of the CNSM had a meeting with the president of the Republic of Moldova.⁵⁴ During that meeting, the trade union members pleaded for the unifying the various levels of the minimum wages at the level of 50-60 per cent of the average wage in the economy and an annual increase of 15% of wages in order ensure a better standard of living.

Political pressures on trade unions and professional associations

In 2019, for the first time in the last six years, unions had not been consulted on the draft budgets for compulsory health insurance and state social insurance. This might cause trade unions to adopt a reluctant approach to economic policies. Prior to the adoption of the budget, the unions called on the Government to “convene urgently the National Commission for Collective

⁵⁴ “Conducerea CNSM a avut o întvedere cu Igor Dodon, preşedintele Republicii Moldova”, (The CNSM leadership met with Igor Dodon, the president of the Republic of Moldova), CNSM news, 16 July, 2019

Bargaining and Negotiation and asked to launch negotiations regarding their claims related to the national public budget.”⁵⁵

The independence of trade unions might also be undermined by indirect pressure from political forces and business for unions to transfer to other parties the inherited assets they still hold.⁵⁶ This fear of losing the facilities that are currently used for the benefits of their members might prevent trade unions from taking more resolute steps.

As mentioned previously, trade unions are underrepresented at the level of Economic Council headed by the Prime Minister, where the proportion of trade unionists to employers is 1 to 90. Trade unions repeatedly claimed that the implemented reforms should be examined from the social point of view, and not just from the business perspective.

5. Finances and Funding of Trade Unions and Professional Associations

5.1. Sources of funding of trade unions and professional associations

Membership fees

The annual income of the National Confederation of Trade Unions of Moldova (CNSM) in recent years ranged from 11 to 27 million lei (EUR 550,000 – EUR1.3 million). In 2011, for example, revenues of approximately 27 million lei were planned. Of these, 63% are income from union property and only 7% from membership dues. Union members pay 1% of the salary. In general, trade unions do not provide statistics about their revenues. Some of the federations in CNSM complain that fee payment is not regular and as the membership is shrinking, resources are insufficient.⁵⁷

The trade union federations associated with the National Confederation of Trade Unions of Moldova are relatively financially independent and administrate their resources themselves. For

⁵⁵ Constantin Olteanu, “Bugetul și proverbialele îngăduință a sindicatelor”, (The Budget and the Proverbial Indulgence of the Trade Unions), Profit, N. 9, 2019, (272), September 2019

⁵⁶ Interview MD5.

⁵⁷ Interview MD5.

example, the Trade Union Federation of Education and Science administrates 15% of the amount of collected membership fees at the national level, and 85% is left at the local level. Except that, 1% of the lump sum goes to the solidarity fund for members. Recently as the wages in education increased, the membership decreases due to the higher membership fee to be paid (the share of 1% of the salary now representing more in real terms).⁵⁸

In the National Trade Union Federation of Agriculture and Food „AGROINDSIND”, 60% of the membership fees remain at the primary organisation unit, 20% at the regional level, and 20% national level (of which 3% goes to confederation level). The representatives consider the resources at the national and confederal level to be efficient. However, there is a lack of information on how the resources are spent at company level. Headquarters also elaborated a financial policy against evasions since there are cases when employers are illegally keeping money collected from membership fees,⁵⁹

The Trade Union Federation of Communication Workers, having only two levels, distributes the 1%-membership fee evenly, 50% goes to primary organisations and 50% to the national federation. They pay a membership fee to the international organisation Union Global International and the National Confederation in Moldova.⁶⁰

Assets owned by trade unions and professional associations

After the collapse of the Soviet Union, the Moldovan trade unions found themselves with an estimated wealth of over USD 200 million. Heritage from the former Soviet Trade Union Organisations included buildings, tourist resorts, sanatoriums, numerous sports facilities, camps and rest camps. The trade union law stipulates that "Trade unions' patrimony cannot be infringed upon, is indivisible and cannot be nationalised, appropriated, alienated or managed by other persons, including public authorities, without the consent of the owner. Unions and their associations use and possess the patrimony belonging to them with property rights and financial means to ensure the achievement of statutory goals and tasks." Despite the legal provisions, over the course of 27 years, a lot of the trade unions' heritage was sold. There are only a few items left of the over 100 that used to be in their possession.⁶¹

⁵⁸ Interview MD2.

⁵⁹ Interview MD5.

⁶⁰ Interview MD11.

⁶¹ Viorica Manole, Cornelia Cozonac, Alina Moldoveanu, "Milioanele sindicatelor III", (Trade Unions' Millions III), Centre of Journalistic Investigations, 7 October 2011.

There are three sanatoriums – Codru, Nufarul Alb and Bucuria-sind and two children camps – Perlele Nistrului and Vadul lui Voda Camping. These institutions provide a substantial portion of revenues for Moldova's NCTM.

Financial independence

According to interviews held with trade unions representatives, their financial situation is stable despite some decrease in recent years. Some respondents pointed to the facilities used by trade unions as proof of an overall satisfactory situation.⁶² An important share of trade unions' revenues is coming from the management of buildings and is unrelated to the members' contribution.

There is no clear evidence that trade unions in Moldova are corrupted and use their position to serve vested interests. Criticism against CNSM was highly prominent in 2011-2013, but after that period, trade unions were not subject to corruption scandals in mass media. The biggest problem is the management of trade unions ownership, but the real challenge is how to make it efficient and sustainable.

Financial reporting

There is one major difference regarding the accounting records of CSOs (NGOs, trade unions) and for-profit organisations.

Regarding CSOs, their primary sources of income are the financial resources received from donors in different projects or membership fees. They may also provide services (for example, training, consultancy, etc.), but these must be included as statutory activities. In this case, these sources of income are not taxable. If they are not included in the statutory activities, they will be taxed at 12%. On the other hand, the income for businesses comes from the sale of goods and the provision of services. Their profit is taxed at 12% annually for large companies, and for small companies with 3% quarterly from revenues.

Regarding financial reporting, both CSOs and for-profit organisations must submit the reports according to the national legislation which, depending on the report, could be issued on

⁶² Interview MD3.

monthly, quarterly and annual basis. In addition, CSOs must submit additional reports to donors regarding on the financial resources received from them.

6. Human Resources of Trade Unions and Professional Associations

Staff capacities

The trade union leaders consider that their staff has the capacity and the set of skills necessary to carry out their tasks and possess satisfactory negotiation skills.⁶³ Training is also provided for staff members, for leaders and trade union activists at different levels. Interviews seem to indicate there is a sincere intent in Moldova's trade unions to improve the quality of activities and obtain better results.

According to some interviewees, trade unions critics claim that the representatives of the trade unions sometimes lack convincing arguments and negotiation skills, and only passively participate in the tripartite committees.⁶⁴ Another respondent considers that trade unions mostly undertake reactive rather than a pro-active approach, despite the fact that their resources would be sufficient for them to act more assertively.⁶⁵

Nevertheless, trade unions have limited personnel capacities to act more pro-actively. For instance, none of the trade unions federations has an analytical or research centre. The National Federation of Agricultural Trade Unions "Agroindsind" employ only ten persons in headquarters, and 60 are employed in regional organisations in two departments: organisations and education and information and in department protection of human rights.

The Trade Union Federation of Constructions and Building Materials Industry "SINDICONS" employs five persons and one lawyer in headquarters.⁶⁶ The Trade Union Federation of

⁶³ Interview MD 3.

⁶⁴ Interview MD10.

⁶⁵ Interview MD6.

⁶⁶ Interview MD8.

Communication Workers also has five staff and one lawyer contracted externally; when necessary, they recruit a specialist for specific legal issues.⁶⁷

Staff attitudes

There is an understanding that trade unions need a reform which will lead to a change in worker mentality. Two pillars of reform have been named during interviews – on the one hand, changing the mindset of trade union members and, on the other, shifting the emphasis on the work of primary organisations, including expanding their autonomy, lifting the responsibility of elected bodies towards trade union members, and rebuilding employees' confidence.⁶⁸

Staff education

The trade union members from different cities are regularly informed about the changes in labour legislation. For example, in 2018-2019, a campaign has been launched to inform trade unions members on the role and importance of collective and individual labour contracts in the context of recent changes to the labour law. This activity is part of the action plan of the national campaign “Collective Labour Agreement - Guarantee of Your Rights”. The seminars were attended by employees from several branches: public administration, education, health, commerce, police, communal household.

TU training schemes for the staff and members

According to trade union training programs in 2018, over 10,000 union leaders and trade union activists were trained, the leading training themes being:

- Sustainable Development Goals and the involvement of trade unions in their realisation;
- Recruitment in trade unions;
- Employment of young people and the future of youth work;
- Young people and trade union organisations: new approaches to motivating young people to join trade unions;
- Trade unions and green jobs;
- Collective bargaining in the EU: bargaining achievements and practices.

⁶⁷ Interview MD11.

⁶⁸ Interview MD 3.

There are three types of training schemes promoted by the national confederation and branch federations. The first scheme is targeting trade unions staff and comprises 2-3 seminars per year. The second training scheme addressed the development of trade unions leaders. The third scheme includes training for territorial representatives.

There are three national training projects – Trade Unions School, The school for trade union negotiator and The School for Trade Union Trainer. All of them are financed by CNSM with some occasional contributions of international organizations. All these three training projects function on an annual basis and are highly appreciated by the trade unions members.

7. International Relations

International cooperation

The Moldovan General Federation of Trade Unions has been a member of the ILO since 1992 and has been affiliated with the International Confederation of Free Unions (ICFU) since 1997. The Federation split into two separate unions in 2000, but merged in 2007, forming the National Trade Union Confederation (CNSM). After attempts of the previous Communist-led government to interfere in the activity of the unions, the CNSM was isolated from the international trade unions movement. With a change in government in 2009 and the election of new trade union leaders, CNSM was given membership in the International Trade Union Confederation in 2010.

Table 1: Overview of the international affiliation and collaboration of the trade unions

Name of the organisation	International affiliation	International collaborations- projects
National Confederation of Trade Unions of Moldova	International Trade Union Confederation ITUC, General Confederation of	Leading platform for the regional TU movement developing relations with ITUC, ILO, IMF. Coordinating the “Solidarity centre” on the future of work, violence at work, EU Balkan strategy, trade union rights. ⁶⁹

⁶⁹ NCTU flyer on activities in 2018

	Trade Unions from Moscow	
Trade Union Federation of Education and Science of the Republic of Moldova	IE – International Education	Cooperation with France TU for 13 years, training of TU members of school staff; collaboration with the Swedish TUs 8 years ago – published newspapers; they have cooperation agreements with Romania (2 TUs), Bulgaria, Russia, Turkey, Ukraine; when protesting in 2017 organisations from 25 countries supported them.
National Trade Union Federation of Agriculture and Food „AGROINDSIND”	N/A	Ten years ago, they had implemented a bilateral project supported by Swedish trade unions and also cooperated with Romanian trade unions; usually they do not receive direct financial resources but support by providing training. ⁷⁰
Trade Union Federation “SĂNĂTATEA” (Health care services)	PSI - Public Service International	N/A
Trade Union Federation of Public Services Employees “SINDASP”	PSI - Public Service International	N/A
Trade Union Federation of Communication Workers	UNI – Union Global International in Communication	Participation in several projects during 2013 – 2016 supported by the French and Netherlands government, FES – Austria, receiving training to draft an Education strategy; Training on legal rights, labour security and recruitment; Training on project management – how to design a project proposal.

⁷⁰ Interview MD5.

Trade Union Federation of Constructions and Building Materials Industry “SINDICONS”	ISEM – International of Construction Sphere	Project supported by ISEM focused on training on recruitment techniques (this was the initiative of the SINDICONS, they found the donor. ⁷¹
Trade Union Federation of Culture Workers	UNI – Union Global International	N/A

Areas of possible cooperation

The international cooperation of trade unions in the Republic of Moldova is not only an interesting chapter in the history of the trade union movement in the country, but also exerts extraordinary influence on it: on the democratization of trade unions, on the definition of objectives, priorities and strategies; on the choice of political methods and types of trade union activity at different levels. International experience and training also help union leaders work in new ways.

Trade unions in Moldova are interested in extending international cooperation in several fields related to the implementation of the Association Agreement with the EU. In spite of the transposition of the 32 EU Directives in the social sphere, concerns are raised about the level of compliance of the legislation in the areas concerned and, consequently, the level of protection of employees at the workplace as a result of the reform of the institutions with control responsibilities which were carried out during 2017. In this regard, international organisations could help Moldovan counterparts.

Potential differences between the public and private sectors

Organisations from the private sector are less involved in international cooperation. In this regard the difference between public and private trade unions is significant but this is determined by the vast size disproportion between these two sectors of trade unionism in Moldova.

⁷¹ Interview MD8.

Conclusions

Trade Unions, Professional Associations and other CSOs in Moldova have different endowments to deal with labour rights and received unequal treatment from the government and business associations. CNSM is an officially recognised actor in the realm of labour market optimisation, improving working conditions, promoting workers' rights and fostering social dialogue. The other actors, like PAs or CSOs, play a relatively marginal role. PAs are involved rather indirectly via professional development promotion, certification and do not assume collective bargaining responsibilities. Other CSOs are more focused on exercising the critical role, being interested in writing analytical papers aiming to identify vulnerabilities of the labour market and addressing the TU's corruption.

In order to understand the differences in the opportunities TUs, PAs and other CSOs have in Moldova to be active on labour market and the challenges they face in their attempt to gain policy influence, it is important to understand and distinguish the particular resources that drive their willingness and ability to advocate for workers' interests or certain policy domains. Three interrelated sets of resources have been identified in the academic literature: institutional, structural and organisational resources.⁷² These resources equip trade unions and other actors with power and facilitate their operation from various interrelated perspectives.

In terms of *institutional resources*, which means statutory and non-statutory support for organisations' activities, TUs are the most influential player in the labour market (compared with PA and other CSO). CNSM is guided in its activities by its Strategy for the period 2017-2020. CNSM has made substantial efforts for the social-economic protection of its members which is not always efficient due to specific conditions of Moldova's economy.

First of all, TUs are involved in combating the informal economy, the "black" work and the "envelope" wage payment practices. In this respect, multiple controls were carried out together with the State Tax Service, the State Labour Inspectorate. Also, due to TU's insistence, additional sanctions have been tightened for "black" work. In recent years, TUs supported two important initiatives for the Government Activity Program: facilitating the access of young people to housing under preferential conditions and granting mass tickets for workers, which

⁷² Doellgast, V., Lillie, N. & Pulignano, V. (eds.) 2018. *Reconstructing Solidarity: Labour Unions, Precarious Work, and the Politics of Institutional Change in Europe*, Oxford: Oxford University Press

have been successfully implemented. TUs are involved continuously in the process of reforming the Labour Code. Last amendments have been made in December 2019 and sent to the Government.

TUs are also involved in the tripartite dialogue at all levels as a legitimate actor. For example, after a break of one year, following repeated requests addressed to the Government by the National Confederation of Trade Unions of Moldova (CNSM), the activity of the National Commission for collective consultations and negotiations (CNCNC) was resumed. Moldova did not witness a harsh deterioration of labour rights after the 2008 crisis. The legal framework is generally generous and defends pretty well the workers despite the recent switches in governmental policies favouring the business community.⁷³ The weakening of collective as well as individual rights comes from the predominance of the informal structure of the economy, declining rates of unionization, TU's inability to penetrate consistently the private sphere of the economy and low level of interest of the government for social dialogue. Neither PAs nor other CSOs could offset this failure so far.

In terms of *structural resources*, which evaluate the extent to which workers have a strategic position within the labour and product market as well as the ownership and size of companies, TUs stress the weak position of the workers in the private sphere. According to many reports, tens of thousands of people employed in the private sector work without an individual contract of employment, and in the best case accept to receive the salary in “an envelope”. These people remain unprotected, and unions are powerless in such situations because the employee has not legalized his/her employment relationships with his/her employer. Employers and managers do not really want TU primary organizations in small and medium-sized enterprises. Despite the fact that the ILO Convention on “Freedom of Association and Protection of the Right to Organise” is ratified, there is no court case regarding the prohibition of setting up unions. The prohibition is done tacitly, not in writing. And people who do not know their rights do not assert these rights. The TU's capacity to change the situation is limited. TU in the field of education is the only ones able to organise massive protest movements demanding wage increases. But this is limited to the public sector. Workers in the private sphere remain mostly defenceless. PAs and other CSOs are not involved in actively defending the workers but CSOs extensively covered these topics in their papers.

⁷³ Ana Popa, Adrian Lupusor, Iulian Rosca, Kenichi Hirose, Miloslav Hettes, “The informal economy in Republic of Moldova. A comprehensive approach”, p.69. 2017

In terms of *organisational resources*, which refer to internal union capacities, the type of leadership, type of internal decision making, ways of funding, hierarchies within the union organisation, internal democracy, TUs are better equipped than PA and other CSOs. They have quite extensive trade unions ramifications, sustained due to the existence of the National Confederation of Trade Unions of Moldova, several types of funding which derive from membership fees, delivered services and incomes coming from trade unions ownership. The current CNSM leadership succeed in maintaining the Confederation at the acceptable levels of sustainability. The authority of the current leader of CNSM is high, which helps to ensure the necessary degree of discipline in the organisations. The problem is that the current leadership is quite aged, which means that in the foreseeable future, the leadership will be confronted by a problem of succession. With no second echelons of young leaders in reserve, there is a high risk of gradual dissolution of the trade union movement during the coming decades.

The problem of TUs' survival is tackled frequently by attempts to interfere with the political elites, by siding with the governmental parties. The most obvious example happened in June 2019 when CNSM issued a declaration in support of the government, which was dismissed afterwards by the oppositional power groups. Such kind of attitudes are rather an exception, and they happen because of TU inherent vulnerabilities.

This analysis of the CSO resources in the realm of labour rights leads to several major conclusions. The first conclusion is that only TUs in Moldova are adequately equipped to deal with labour rights. The most successful topics they deal with are – employment and the problem of undeclared (informal) work, pension reform, labour law, safety and health at work, social dialogue. The other types of CSO, such as PA, are either not interested in taking part in the issues of labour rights or do not have sufficient resources. Other CSOs are involved sporadically in defending labour rights, by focusing on some issues – safety and health at work, defence of a specific group of workers, informal payment, etc.

The second conclusion is that TUs in Moldova are quite effective in lobbying for some legislative changes, their inputs being seriously considered by social partners. Trade unions are seriously dedicated to increasing the minimum wage, establishing a fair pension system and preventing the change of the Labour Code in favour of the business community. Their efforts are consistently undermined by the general complacency in acceptance of the informal

economy, which creates a parallel system of labour relations. This parallel system is not overcome by Moldova’s TU and they do not have sufficient potential to eliminate it in isolation from state contributions.

The third conclusion is that Moldova’s TUs are very present in the public sector, having good coverage there. At the same time, they have a very modest coverage of the private sector, and this tendency is becoming more acute during the last years. The newly emerged sector – automotive industry – convincingly shows that CSOs by itself have no resources to penetrate these spheres, especially when the employers, for different reasons, have no interest in allowing them to do this.

The last conclusion is that TUs in Moldova try to deal with these inherent vulnerabilities in different ways – strengthening the leadership, allying with the government, managing their ownership more effectively, improving the recruitment system, consolidating international relations. All these efforts had only a partial effect which condemns Moldova’ trade unions to remain at a subsistence level.

Based on the findings, we assessed the strengths, weaknesses, opportunities and threats of the organisations and created a SWOT analysis reflecting the different kinds of their power resources to be involved in the development of civil society, enhancing democracy and in policy dialogue with the government and EUD of Moldova.

Table 2: SWOT analysis of the organisations' abilities to enhancing democracy and policy dialogue

Strength	Weaknesses
<p>TU</p> <ul style="list-style-type: none"> • Institutionally strong and skilful in advancing law changes (if allying with other actors); • Moderately strong in defending workers’ rights at the enterprise level and in participation in social dialogue but frequently neglected by the government 	<p>TU</p> <ul style="list-style-type: none"> • Low level of unionisation in the private sector; • No grassroots that would diversify TUs (lack of competition); • Weak position in relation to MNC which do not allow setting up of

<p>and having weak counterparts in territory (especially employers);</p> <ul style="list-style-type: none"> • Organizationally, have a good ramification of internal structure and solid leadership; • Financially stable. <p>PA</p> <ul style="list-style-type: none"> • Predisposition with certification of members and lobbying activities; <p>CSO</p> <ul style="list-style-type: none"> • Good skills in elaborating reports and policies in the field of labour markets; • Strong interest in several domains like OHS or employment policies. 	<p>primary organisations at the level of enterprise;</p> <ul style="list-style-type: none"> • Low level of trust in the society and frequent accusation of corruption; • Lack of convincing arguments and negotiation skills; reactive rather pro-active approach. Lack of analytical capacities. <p>PA</p> <ul style="list-style-type: none"> • Predisposition with certification of members and lobbying activities and no interest for labour rights. <p>CSO</p> <ul style="list-style-type: none"> • “Ivory tower mentality” which block CSO to make solid alliances with TU and other CSO; • Predisposition for academic research and weak involvement in lobbying activities.
Opportunities	Threats
<p>TU</p> <ul style="list-style-type: none"> • Implementation of AA as a possibility to monitor and control implementation of 37 EU Directives which deal with labour rights; • High influence of EUD in Moldovan society which could help to promote CSO participation in public affairs • The need to implement the National Employment Strategy 2017-2021 which requires a set of conditions conducive with TU priorities in the field of labour 	<p>External factors:</p> <ul style="list-style-type: none"> • Unfriendly business environment with high rates of tax evasion and undeclared work; • The informal economy which creates a parallel system of labour relations - not overcome by TU and no sufficient potential to eliminate it in isolation from state contributions. <p>TU</p> <ul style="list-style-type: none"> • Strong bias of the business community (and state) towards different forms of flexible work;

<p>motivation, social dialogue, developing of human capital, etc.</p> <p>PA</p> <ul style="list-style-type: none"> • Need to extend its influence which could help them to create alliances with other groups. <p>CSO</p> <ul style="list-style-type: none"> • Good cooperation with EUD which could induce dynamics in the activities of CSO if needed. 	<ul style="list-style-type: none"> • Attempts to change the Labour Code to diminish the labour rights; • Aging TU leadership and the danger of lack of succession; • Declining rates of membership which make TU less relevant in society. <p>PA</p> <ul style="list-style-type: none"> • Control of associations by employer which are not friendly towards the labour rights. <p>CSO</p> <ul style="list-style-type: none"> • General unwillingness to act together with TU because of their low profile.
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Annexes

A. List of key trade unions and civil society organisations

Name of the organisation	Type of organisation
National Trade Union Confederation of Moldova ⁷⁴	Trade Union
Trade Union Federation of Education and Science of the Republic of Moldova	Trade union
National Trade Union Federation of Agriculture and Food „AGROINDSIND”	Trade union
Trade Union Federation “SĂNĂTATEA”	Trade union
Trade Union Federation of Public Services Employees “SINDASP”	Trade union
Trade Union Federation of Workers from Sphere of Social Service and Manufacture of Goods “SINDINCOMSERVICE”	Trade union
Trade Union Federation of Communication Workers	Trade union
Trade Union Federation of Culture Workers	Trade union
Trade Union Federation from Moldova “SINDLEX”	Trade union
Trade Union Federation of Energy Workers of Moldova	Trade union
Trade Union Federation of Constructions and Building Materials Industry “SINDICONS”	Trade union
Trade Union Federation of Railwaymen of Moldova	Trade union
Trade Union Federation of Workers in Banking and Insurance Institutions	Trade union
Trade Union Federation in the field of Consumers’ Cooperative, Trade and Business “MOLDSINDCOOPCOMERT	Trade union
Trade Union Federation of Workers from Light Industry	Trade union
Trade Union Federation of Air Transport “SINDTRANSAERO”	Trade union
Trade Union Federation of Machine and Devices Building and Vocational Education “SINDRĂUTMAŞ”	Trade union
Trade Union Federation of Transport and Road Workers	Trade union
Trade Union Federation “Moldova-business-sind”	Trade union
Trade Union Federation of Workers from Cadaster, Geology and Geodesy “SINDGEOCAD”	Trade union
Trade Union of Workers of Trade, Public Catering, Consumers’ Cooperative, Services, Restaurants and Hotels “SindLUCAS”	Trade union

⁷⁴ The National Trade Union Confederation of Moldova consists of 25 branch federations listed in the table.

Trade Union of Workers from Building Automobile and Agricultural Machinery Industry	Trade union
Trade Union of Workers from Forestry and Environmental □ Protection Branches	Trade union
Trade Union Federation of Workers in cadastre, geology and geodesy	Trade union
IDIS “Viitorul”	Civil society organisation
The Expert Group Republic of Moldova	Civil society organisation
Asociația Promo-Lex	Civil society organisation
Centrul Partenerial pentru Dezvoltare	Civil society organisation
Centrul de Informații GENDERDOC	Civil society organisation
Institutul pentru Politici si Refrome Europene (IPRE)	Civil society organisation
Transparency Moldova	Civil society organisation
The Institute for Strategic Initiatives (IPIS)	Civil society organisation
Watchdog	Civil society organisation
Centrul de Resurse Juridice din Moldova (CRJM)	Civil society organisation
Centrul de Intervenție Precoce VOINICEL	Civil society organisation
Platforma Tineretului pentru Solidaritate Interetnică	Civil society organisation
AO Institutum Virtutes Civilis	Civil society organisation
Asociația pentru Dezvoltare Creativă (ADC)	Civil society organisation
Friedrich-Ebert-Stiftung Moldova	Civil society organisation
Instituția Privată ”Trimbos Moldova”	Civil society organisation
Institutul pentru Drepturile Omului din Moldova (IDOM)	Civil society organisation
Platforma pentru Egalitate de Gen	Civil society organisation
Centrul National al Romilor	Civil society organisation
Keystone Moldova	Civil society organisation
Centrul de Drept al Femeilor	Civil society organisation
Consiliul Național al Tineretului din Moldova	Civil society organisation
Consiliul pentru prevenirea torturii	Civil society organisation

B. List of interview and codes

Code	Interviewee - name of the organisation	Type of organisation	Private/public
MD0	European Union Delegation to Moldova	International org.	N/A
MD2	Trade Union Federation of Education and Science of the Republic of Moldova	TU	Public
MD3	National Trade Union Confederation of Moldova	TU	Public
MD4	Friedrich Ebert Foundation Moldova	CSO	N/A
MD5	National Trade Union Federation of Agriculture and Food „AGROINDSIND”	TU	Public
MD6	The expert Group Republic of Moldova	CSO	N/A
MD7	ILO – International Labour Organisation	International org.	N/A
MD8	Trade Union Federation of Constructions and Building Materials Industry “SINDICONS”	TU	Private
MD9	Expert for Labour Migration	Independent expert	N/A
MD10	National Confederation of Employers of Moldova	Employers’ org.	Public/private
MD11	Trade Union Federation of Communication Workers	TU	Public/private

Notes: TU = trade unions; PA= professional association; CSO = civil society organisation; other specified = e.g. governmental agency, international, etc.



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