APR Group

REPORT

on

"Armenian Trade Unions: Problems, Challenges and Needs"

YEREVAN 2010

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Acronyms

NA	National Assembly
RA	Republic of Armenia
CTUA	Confederation of Trade Unions of Armenia
CoTUA	Council of Trade Unions of Armenia
ARF	Armenian Revolutionary Federation
NGO	Non-Governmental Organization
ILO	International Labor Organization
LSG	Local Self-Government
LC	Labor Code
TU	Trade Union
BRTU	Branch Republican Trade Union
BU	Branch Union
TTU	Territorial Trade Union

Introduction

One of the most important problems in society is the capacity for individuals to organize in the defense and protection of their interests. In parallel with a number of social institutions, one of the most important mechanisms regulating labor rights is the institution of trade unions.

Armenia's trade unions were formed as early as 1905-1907, and have existed throughout the entire period of the Soviet Union. After the collapse of the Soviet Union, parallel to the establishment of a new political regime, a number of changes took place. These changes included processes arising from the necessity of implementing reforms in different areas of public life, which were necessary for the establishment of civil society in the transition countries engaged in democratization. Those changes also affected the trade union system.

Presently, however, it is not clear how well established Armenian trade unions (hereafter - TU) are within the new political system, which public needs they address and how effectively they function, which factors are hindering activities of TUs, and how their efficiency can be increased. There is a lack of any complete understanding on how established TUs in Armenia serve as a component of civil society institutions, how the socio-political environment contributes to ther effective functioning and how they contribute to the overall democratization of the society.

The research carried out within the framework of the project, "Armenian trade unions: problems, challenges and needs," aims at revealing the answers to these and a number of other questions. The research findings are summarized in the report.

The Brief Outline gives the reader an overview of the research results. The first part of the report describes the research methodology, including the justification of the methods and principles used for information collection and respondent selection, as well as regarding the peculiarities of the research period. The next chapter provides general information about TUs, which briefly touch upon their history, because it is impossible to understand the current process without having the relevant background. Next, the current state of TUs in Armenia is presented, with a focus on their role and implementation. The section also briefly discusses the factors that hinder the effective implementation of functions by the TUs. The next chapter describes the structure of Armenian TUs, analyzes trends regarding TU membership and the number of those who have left TUs based on official sources summarized in 2009-2010. It also describes how TU funds are accumulated. The next chapter discusses the TU working style in terms of the establishment of social partnerships in Armenia, providing the context and the characteristics of the TU working style and describes TU role as a social partnership. The section “Social and political activity of trade unions and their cooperation with other agencies” presents an overview of active Armenian TUs how their activities are expressed. It discusses the kinds of relationships the TUs have with NGOs, international organizations and the mass media. The next section provides detailed analysis on legislative issues related to TU functions and discusses legislative obstacles, while making recommendations for overcoming these obstacles. In the final summary section, a SWAT analysis of TUs is conducted, which presents their internal strengths and weaknesses

and external opportunities and threats. It is also worth mentioning that all sections of the report cover the full prism of problems, needs and obstacles, which garner a full and complete picture in the final section. The final section presents the main conclusions and presents recommendations for the solution of various problems.

Annex 1 is also attached to the report, which presents the one of the research tools – the analytical scheme.

Brief Outline

The research was carried out by "Free Public" Law-Protective Youth NGO / APR Group, which was aiming at identifying the problems, challenges and needs of Armenian TUs. Qualitative methods of information collection and analysis were applied in this research.

Main Findings

The history of Armenian TUs begins as early as 1905-07. After the formation of the Soviet system in Armenia, the structures known as "Trade Unions" adopted the characteristics of given public bodies. The TUs were defined by their attachment to the ruling party (Communist Party) and their function as a re-allocator of part of economic capital, as well as their role in dealing with the reallocation of social benefits without concern for membership issues, as the latter was regulated "automatically" based on the "voluntary-mandatory" principle. During the given period when the state had been ensuring mass employment, directors and employees enjoyed equal rights in regard to the workplace. In this case, TUs were supporting the "state" through the supervision over working conditions both for employees and directors. Therefore, the Soviet-era TUs enjoyed a quite high level of prestige among all groups of society.

After the collapse of the Soviet regime, the structures known as "Trade Unions» lost much of their power, but their historical past held an indelible impact on current TUs, including the perception of their role and working style. Presently, TUs do not possess their former prestige, as they do not carry out functions corresponding to their previous stereotypes, particularly in terms of the allocation of social benefits and the supervision of working conditions. But the nostalgia for their past prestige is still preserved among TU leaders and drives them to build their future vision through the prism of their predecessor. The decline of TU prestige in the post-Soviet period, as well as the decrease in the level of the employed population resulted in a sharp decrease in TU members. In the future, the parallel of the establishment of democracy, the basis of existence and functioning of TUs began to be outlined. On December 5, 2000, the RA Law on Trade Unions was adopted, which clarified the main function of TU, particularly, "to present and defend employment and employment related social and other interests and rights of employees at employer and/or third person…". Although the law contributed to the development of a closer alignment between TUs and more activities in defense of human rights, TUs could not easily overcome previous stereotypes, however. Moreover, today, when on the one hand, the shortage of vacancies and infringement prevalence puts employees and TUs in greater dependence on employers, and on the other hand, the level of legal consciousness of society is low, neither employers nor employees realize the meaning of TUs regarding the defense of labor rights. Although the prestige and level of membership in TUs have decreased since the Soviet period, it is worth mentioning, however, that as of 2009, the number of registered members of TUs was 251,187, which is 23.4% of the employed population of the country.

Regarding the current structure of TUs, they are endowed with a pyramidal form whose lowest level are "primary" or trade union organizations. They are united within 24 BRTUs (in some cases through TTUs), which, in turn, are united within the CTUA. Subordination relations within the CTUA are based on the confederative principle, which is a guarantee for independent functioning. But that does not mean that mutual responsibilities are totally absent. Rather, each "low" level structure is obliged to pay membership fees, expecting organizational, advisory and other types of support from the "high" level in return. In our view, their support should be targeted more at the performance of human rights activities rather than the settlement of social issues. At the same time, the "low" level is not accountable before the "high" level for their implemented activities. As a result of the conducted research, it was determined that this circumstance presents an obstacle to TU activities, as the transparency of accountability and activities remains low.

A TU leader raised the issue of budget shortages, which, in our view, is more a consequence of inefficient management. Although it is impossible to refute the fact that the lower salaries of BRTU members, the lower the overall BRTU budget. All TU levels need active leaders for correct budget and action planning and for the effective implementation of other managerial issues. They should be proactive personalities equipped with strong management and organizational skills. The conducted research showed that in many cases, particularly in territorial and in some cases in branch trade unions, leaders are mainly representatives of an older generation and personalities led by outdated stereotypes of Soviet TUs.

The working style and features of Armenian TUs and features are conditioned, on the one hand, with the low level of legal consciousness of society and, on the other hand, with the need for institutional reforms. As a result of the research, it was found that Armenian TUs were engaged in "compromising" behavior through the adoption of a "cooperative" working style. Parallel to that today, Armenia tends to strengthen the practice of social dialogue. According to the RA law on Trade Unions, TU has the right to sign collective agreement with employers and the union of employers and the CTUA can negotiate and sign an agreement with the RA Government. The abovementioned comes from the requirement to conform to international commitments. The number of collective agreements signed by BRTUs, members of the CTUA, in 2009 made up 857. Moreover, the success of signing a considerable part of collective agreements and new membership is mainly connected with the type of employer, the prestige of TU leaders and their social capital.

Speaking of social partnership, it is notable that on April 27, 2009, a trilateral agreement was signed between the government, the CTUA and the Union of Employers of Armenia. The agreement, according to experts, is hindered by its fictional character and does not act as a real agreement. The main reason for inaction is the lack of previous experience in working on a trilateral format. As a result, effective cooperation particularly with the government is not always preserved.

TU activity in the social life is mainly expressed in two directions: the organization of events of social and human rights characteristics. The priority for TU members is in the social direction, which is conditioned, on the one hand, with social expectations, and on the other hand, with the insufficient

perception of the role of the TU by its members. Activities by TU members in the areas of defending security and health of employees can not be qualified as sufficient, as they fail to possess implementation mechanisms defined by the law. Regarding rallies, walkouts, etc, in 2009, only one event took place with 645 employees. In the implementation of such activities, TU members are considerably passive and, in some cases, hold a declining position justified by a financial shortage. In our view, it is also based on the lack of mechanisms for the application of laws and due to the shortage of political will among TU leaders.

TU members are also passive in the political sphere. The TUs are not active enough in performing legislative initiatives in cases where the article of the RA law on Trade Unions specifies TU participation in the adoption of legislation. In 2009-2010, the TUs participated in reforming the law on making amendments and changes to the RA Labor Code. The part of TU recommendations were taken into account by legislators. Although CTUA performed activity during the discussion process, according to "external" experts, that was not sufficient to consider theTU as an established and strong structure defending labor interests.

In regard to participation in the political sphere as a result of cooperation with political parties, TUs try to avoid such activities. As the research revealed, some TU members (particularly TTUs) have similar work experience, which they find positive. However, it is not promoted by the CTUA and does not bear mass character. The main reasons for avoiding cooperation is the large number of political parties in Armenia, the presence of party members in TUs, etc.

The research also showed that TUs mostly don't have a tradition of cooperation with NGOs. On the contrary, they closely cooperate instead with international structures and organizations, carry out joint projects and are members of those organizations. The most important outcome of the cooperation, according to respondents, is the organization of international seminars and conferences, the exchange of experience, and obtaining new knowledge and skills. Speaking about cooperation with the mass media, it is worth mentioning that recently, CTUA activity connected with changes within the Labor Code has been noticed. But in general, TUs are not visible enough in the social life of Armenia. There is no clear strategy on the collection, development and dissemination of information which could enable TUs to deliver objective and reliable information though effective means to select target groups in time.

Legislative acts regulating Trade Union activities include the RA Constitution, 87th Convention of ILO (on the freedom and right of organization of union) and the RA Law on Trade Unions. During interviews, "internal" experts raised a number of issues related to laws which they had qualified as obstacles for TU operation. The analysis of those questions concluded that TU-related legal norms were not always fully analyzed and perceived by TU leaders that were interviewed. In the given case, insufficient knowledge and application, rather than the poor development of laws, is an obstacle for TU operations. The research further concluded that RA laws on the TU sector are well developed and correspond to international requirements, but also found that there are no implementation mechanisms or an appropriate environment. Normative acts regulating this sphere contain guarantees for TU activities but the violation of those provisions is not included in laws defining punishments.

These are the main findings that were generated as a result of the research. The research developed a number of recommendations, which are presented in the “Summary” section of the report.

1. Methodology

Within the framework of the project sociological research and legal analysis were conducted. The main goal of the research was to discover the issues, challenges and needs facing TUs in Armenia. During the course of the research, the objectives were to determine:

- Which main changes had taken place in the Armenian TU system,
- Which main directions and working styles of current TU activities were applied,
- How visible and active TUs were and in which spheres,
- How and how effective TUs were in defending employees' interests,
- Which main factors were promoting the effective functioning of TUs,
- Which main factors were hindering the effective functioning of TUs.

As a result of the research, specific recommendations on what Armenian TUs need today for their effective functioning were developed.

Description of information collection methodology

The research was conducted in two main directions:

1. Legal analysis,
2. Sociological research.

1. Within the framework of legal analysis, a content analysis of documents was carried out. The following documents were the object of analysis:

- The RA Law on Trade Unions,
- The RA Labor Code,
- The RA Law on Making Changes and Amendments to the RA Labor Code.

The foundation for the legal analysis was the main issues raised during the sociological research by respondents.

2. The sociological research was implemented through the qualitative method. An in-depth interviewing method[1] was applied with the involvement of all sides[2] related to the research objective. The method enabled the research to reveal details of daily activities, both strong and weak internal aspects of TUs, as well as specific features of social and political environment which were somehow related (promoting or hindering) to TUs. During the interviews, a number of cases related to the infringement of employees' rights and their defense were discussed, which though an inductive analysis presented a ground for conclusions.
In-depth interviews were conducted with two main groups:

[1] In-depth interviews are face-to-face interviews conducted in the form of free conversations with open-ended questions for which in-advance developed questionnaire blocks are available, and specific questions are formulated on the spot according to the circumstances. (Rubin H.J., Rubin I.S., Qualitative interviewing: The Art of Hearing Data. SAGE Publication, Inc., 1995).
[2] The selection of respondents will be presented subsequently.

- Leaders and representatives of TUs,
- Specialists well aware of the research object – external experts.

As an interviewing tool, questionnaires presented in the Annex 1 and Annex 2, were applied where the main questions had been formulated in advance, but were modified during the work according to each case.

Description of Respondent Selection method

Selection of respondents was conducted in two phases:

1. Typical sampling was built into the phase of methodology development based on specific features,
2. During field activities, a preliminary list of possible respondents was compiled through the "snow-ball method" from which the selection of the next group of respondents was conducted.

Interviews were conducted with two main groups whom we conditionally called **internal** and **external experts.**

In the Preparation phase, multi-level typical sampling of respondents was built in according to the following features:

- Employment sphere,
- Position,
- Competency[3]

Internal experts group includes representatives from:

1. Confederation of Trade Unions of Armenia (4 persons),
2. Branch republican unions of Trade Union organizations (13 persons),
3. Territorial unions of trade union organizations (32 persons).

During field activities, based on replies provided by respondents, the full list of the given group was compiled according to the above-mentioned features. For the selection of representatives of branch and territorial unions of TU organizations, another additional feature was applied:

- The level of the union activity[4].

As a result leaders of "active" and "inactive" branch unions of Yerevan and all 10 marzes of the Republic of Armenia were interviewed.

Employment sphere, position and competency features also became a basis for the *preliminary building* **of external experts group.** In the preparation phase, spheres and/or groups were identified, from which respondents should be selected, and during field work the concrete list of respondents was specified and amended through the "snow-ball method". In that case also an objective assessment was implemented for measuring the competency based on the contribution (legislative recommendations, policy developments, etc.) in the given sphere. As a result, experts were selected from in-advance defined groups:

[3] The assessment of competency was implemented based on subjective evaluations of other experts and self-assessment of given experts.

[4] Views of internal experts served as a basis for the assessment of activity.

1. Political parties represented in the National Assembly (Republican Party of Armenia, Armenian Revolutionary Federation, Country of Law Party, Prosperous Armenia Party and Heritage Party) (5 persons);
2. International Labor Organization (ILO) and OSCE Yerevan office (2 persons);
3. "Union of Employers" and "Chamber of Manufacturers of Armenia" (2 persons);
4. Ministry of Labor and Social Affairs, Ministry of Economy, "Agency of Employment Service of Armenia", "State Labor Inspection[5]" (3 persons);
5. NGOs dealing with human rights defense (3 persons);
6. Representatives "Think-Tank" (1 person).

Thus, interviews were conducted with 49 internal and 16 external experts. Only one case of rejection for interview was registered.

Information Comprehensiveness as a Research Principle

Comprehensiveness is an important principle for the research as during qualitative research "typical" representation should be ensured. The definition of the number of respondents during qualitative research is flexible and based on the principle of information comprehensiveness. In other words, interviews lasted until new ideas and viewpoints were obtained.

Nature of research implementation period

The research was conducted from May-August 2010. The period had its impact on both the process of researching and received information as during that period (June 2010) NA agenda included discussions on the RA Law on Making Amendments and Changes to the RA Labor Code[6]. In that connection, the main difficulty *during the research* was getting agreement for interviews with key information sources – experts. They were busy with discussions organized for the draft development, changes etc. There were cases when as a result of postponing the discussion of the topic at the NA Session meetings with experts had been postponed for several times.

The period had an impact on the *research results* so that all replies by respondents had passed through a prism of their attitude towards the draft, as the topic was in the center of everybody's attention at that time and was thus conditioning their thinking. However, no presented circumstance became a serious obstacle for the successful research implementation.

[5] "The State Labor Inspection" is the only structure that rejected to participate in interviewing without reacting even to the official letter prepared by the APR/Group.

[6] The RA Law on Making Changes and Amendments to the RA Labor Code was adopted on June 24, 2010.

2. General Information on Trade Unions of Armenia

2.1. Historical outline

The first TUs in Armenia were founded in 1905-07. In 1905, a TU of house-workers was established in Yerevan. In 1906, TUs of tanners (Yerevan), railway workers (Aleksandrapol, Kars), workers of copper mines (Alaverdi), printers, workers of bakery-plants, postal and telegram officials (Yerevan) were formed. On February 6, 1921, the Council of Trade Unions of Armenia (CoTUA) was founded at the first TU conference in Yerevan. In 1951, the Labor Code of the Soviet Socialistic Republic of Armenia stipulated a number of rights for TUs[7]. TUs were presenting interests of workers and officials in the spheres of industry, labor, consuming and culture. They were implementing monitoring and supervision over the preservation of labor legislation and labor defense rules, supervising domestic services for workers and officials, managing social insurance, sanatoriums, after-work sanatoriums and rest houses, cultural and educational, touristic and sport facilities, children (pioneer) camps etc. As respondents mention: *"Social insurance and pension issues were regulated by TUs. As fees for social insurance were collected by TUs, people could be provided with rest house vouchers, apartments, cars etc…".*[8] *"Based on medical treatment and disability documents sanatorium vouchers for and mandatory medical examination of workers was ensured…"*

It is worth noting that in the Soviet Union, TUs were formed not by workers (from the bottom), as a result of the demand to settle social issues, but by the state (from top) as an instrument of the ruling party (Communistic Party). TUs of paternalistic type were functioning within the totalitarian system, which ensured, guaranteed, defended and supervised the interests and rights of workers. Respondents also came to confirm this, whose perception of Soviet-era TUs was, first of all, the function of allocation and supervision of social benefits. *"During the Soviet years the TU was the "brother" of the Communistic Party, a part of the party implementing one of its functions. This TU was carrying an image of the party". "It was an imported system which was operating autonomously".* Moreover, it's worth noting that membership to TUs was "a presupposed" circumstance **based on "voluntary-mandatory" principle**. Therefore, TUs had incomparably high number of members. The percentage of TU members among employed population was close to 100%. All employees were required to automatically become members of the TU, as there was no other structure or organization which could take over the function of defense of their interests. **Thus, the "voluntary-mandatory" principle, applied until now, was established as a basis not only for individual behavior but also for the functioning of the overall TU system**.

Due to state allocations and membership fees, the TU became an economically powerful structure. Although in the past, payment of membership fees was also perceived ambiguously by workers, they were satisfied with receiving huge social benefits in return for the small amounts from their salaries. TUs had stable amounts and huge resources, including offices, rest houses, etc.

[7]There was no law on trade unions during the Soviet Union.

[8] Citations from answers of respondents are presented in quotes and are in italics.

TU's political capital was also huge. Besides the function of allocating social benefits, respondents mentioned also the role and capacity of TUs in the process of supervising labor conditions. "*We were visiting facilities and making checks. In case the facility didn't correspond to the standards, we were issuing a warning, compiling a protocol and there were even cases when the operation of the facility was suspended until it had settled revealed problems".* All interviewed TU leaders mentioned that during Soviet years, the TU was also powerful due to the circumstance that in case of dismissing an employee the opinion of the committee consisting of TU members was also taken into account. *"…without an agreement by the TU, employer didn't have the right to dismiss its employee…"* Here are two main circumstances that, according to respondents, were requiring from employers to take into account TUs. As a result of impacting on employer the prestige of TUs increased steadily.

Speaking about employers, it is worth stating that in conditions of lack of private ownership, "employer" and "owner" categories did not correspond to each other. For that reason, the director of any facility – employer - was also working for the state. Respondents pointed out the circumstance that during the Soviet period, the issue of appointing or dismissing a director was also discussed by the TU committee and submitted to the appropriate minister. Thus, the TU enjoyed respect by both employees and employers, as they had state support and rights specified by the law. Carrying the image of the party, the TU enjoyed a high level of prestige.

The description of incomplete but significant key circumstances of TUs in Soviet Armenia emphasized by respondents became a basis for the clarification of the situation, problems and needs of present TUs. The change of the social system is advancing jointly with reforms in all spheres, the toughest of which is connected with the change of social consciousness. **At present, the perception of the role of TUs still carries stereotypes coming from the predecessor which is the main obstacle for the effective functioning of so-called "new" TUs.**

Thus,

- TU was a structure established by the "top" level and carries the prestige of the ruling party.
- During the Soviet era TUs were carrying out functions of allocator of social benefits and supervision over labor conditions.
- As TU was an imported system, and the membership to it had a "voluntary-mandatory" character, after the collapse of the Soviet regime it lost its social meaning.
- Perception of the current TU role by both TU members and other social groups carries TU's predecessor's stereotypes as and allocator of social benefits and supervisor.

2.2 Current state, role and functions of Armenian trade unions

After the collapse of the Soviet regime, in the environment of the transition period in Armenia the state sponsorship of the TU was cut off. TUs did not have previous competencies and capacities, and its sole objective was the preservation of its own existence (and the resources "inherited" from its predecessor). The structure allocating social benefits and supervising labor conditions simply stopped its existence in the social consciousness. As a result, the role of the TU in the social sphere sharply decreased: *"…without seeing TU activities any more, people thought it had stopped functioning…",* many of

respondents mentioned. In this period, TUs failed to fully realize their new meaning and functions. The TUs became deprived of previous economic capital generated due to social insurance and pension payments, as well as membership fees. On the one hand, it did not have a competency to circulate state amounts, and, on the other hand, it did not have many members. Analysis of the research, as well as other research[9] on the social-economic situation of the country and the TU role enable us to identify two main circumstances of the reduction of TU members. These include:

- Decreasing number of employed population connected with the shortage of vacancies, unemployment and increase of migration,
- Decline in employees' reliability and expectations from the structure, makign them incapable to carry out previous functions.

Thus, the **TU became a mechanically existing system preserved from its predecessor**. It is well known that the social institute or structure is called upon to satisfy this or that social demand, in other words the latter brings up the need for the structure establishment. And in this case, there was a structure with no clear mechanisms of operation and functions.

In parallel with steps aimed at the establishment of democracy, the basis of existence and functions of TUs gradually started to emerge. On December 5, 2000, the RA Law on Trade Unions was adopted, which had been drafted as a result of joint activities by TU leadership and government representatives.

Thus, the main function of the TU was clarified, particularly "present and defend labor and labor related social and other interests and rights of employees at employer and/or third person …"[10]. A brief summary of TU functions was formulated by many internal experts in the following way: "to ensure social and legal defense of employees, in which the second component should become the top priority". The structure inherited functions based on democratic values while people's expectations from TUs had not changed yet. **When the level of legal consciousness of the society is low, neither employers nor employees realize the meaning of the TU in labor rights defense issues.** This, however, is one of the main reasons for low level of membership to TUs.

The research revealed that perceptions of the role and functions of the TU by the part of TU leadership had not changed either. As a justification for the low level of membership, they stated that *"previously we had financial resources and could settle social problems of people…"* Many of them mentioned that *"the TU is no more able to provide sanatorium vouchers to employees… as a result people have stopped having any expectations".* Thus, due to the economic capital, TU was able to "allocate" benefits and have a large number of members due to the "voluntary-mandatory" membership, but the present TU does not possess those resources and authority.
The situation is the same in connection with TU power capital. If previously, the TU had the competency to supervise labor conditions particularly in ***all*** facilities and enterprises, today this function is carried out by another structure – the State Labor Inspection. Currently, TUs have the right

[9] "Armenian Youth Awareness on Labor Rights and Trade Union Role", OSCE Yerevan Office, APR Group, Yerevan 2010.
[10] Article 15a, Chapter 5, the RA Law on Trade Unions.

for public supervision defined by law but they do not possess any legal mechanism[11] for the implementation. Supposedly these two structures should be in close cooperation but interviewed experts from both groups insist that it is not always possible to effectively cooperate with the State Labor Inspection; *"it's newly created structure, they are still not oriented how to work…", "there were cases, when we applied for a specific issue, we either get rejection or simply don't receive any response…".* Several TU leaders (particularly from territorial unions) stated that in some local and private cases they succeeded in reaching a point for cooperation, but it did not bear a common character.

Besides that, today's Armenian labor market is characterized by an uncertainty in labor relations, when the employer enjoys a higher level of protection than the employee. According to respondents: "*The government provides employers with free work environment in order to stimulate development of production and increase number of workplaces. And protection of employee's rights is left on employers".* Interviewed experts think that this approach will work only in cases when the work is evaluated in an appropriate manner. But today when the labor demand exceeds labor supply rates, the preservation of the current conditions in the workplace becomes the main goal of employees. In such conditions, cases of the exploitation of employees and violation of labor rights considerably increase. It is worth mentioning that employees do not wish to assist in revealing such cases and in holding the perpetrators accountable. Thus, the employees, as well as the TUs, become dependent on employers. The lack of independence is conditioned on the following factors:

- **Fear to lose jobs** – in conditions of the lack of job vacancies employees fear that they may lose their posts. According to respondents, in some cases many have secured jobs due to their social and economic capital, which increases the fear to lose their job. In cases of a low level of membership, the TUs fear that they can lose their members. Employer may simply wish to not have a TU in his/her facility any longer. The problem becomes more serious in the case of TU organizations (so-called "primary" organizations) as leaders are also employees of the given facility and also have a fear to lose their jobs. Such organizations are otherwise called "pocket", "corporative" and "yellow" TUs". The employer's will prevails in cases of both employees and TUs.
- **Low level of legal consciousness, based on the fact that in a number of spheres in the country obstinacy and not the rights prevails –** employees are not well aware of their labor rights and do not possess any experience in initiating and implementing defensive actions to protect their rights; some TU leaders also lack this experience. According to some TU leaders, no one can talk about rights in cases when social issues of people are not solved.

Without having experience in pursuing defense of their rights, employees in cases of violations of their labor rights, do not apply to the TU and prefer to complain anonymously. In the above mentioned cases, the TU adopts a relatively new role. *"The TU carries out the role psychologist, who listens, in some cases calms and gives advices, but it can't and doesn't wish to initiate courageous steps".* Otherwise, as experience has shown, the complaining and resisting employees were fired.

[11] Will be presented in details subsequently.

The above mentioned comes to prove that there are **no preconditions for the implementation of the TU function of supervising labor rights.**

Thus:

- TUs no more possess previous prestige as they don't carry out previous functions, particularly allocation of social benefits and supervision over labor conditions,
- TU has low number of members as during the transition period the TU prestige had fallen and the number of employed population has been sharply reduced (because of social-economic situation of the country, migration of labor force, etc.),
- The shortage of vacancies and mass infringement in the country made employee and TU dependent on the employer,
- A series of issues at the level of individual consciousness, such as fear to lose their jobs, low level of legal consciousness, previous stereotypes, etc, become obstacles for TU functioning.

3. The Structure of Trade Unions

The TUs of Armenia have a pyramidal structure. The lowest level includes TU organizations[12], which are united within the branch union of trade union (BRTU) organizations[13]. The association of the majority of acting TUs within the specific territory (marz or city…) are called territorial trade union (TTU), which is also a legal entity. The top level of the pyramid is the Union of Trade Unions of Armenia in the form of the Confederation of Trade Unions of Armenia (CTUA), which is an association of BRTUs created to consolidate and coordinate their activities and present and protect their common interests.

The CTUA includes 24 BRTUs[14]. The number of members, TUs registered and dissolved by the state registry and TTUs involved within BRTUs is presented in Table 1.

Table 1

N		TUs registered in the State Registry	**TU members**	TUs registered in the State Registry within the reporting year	Their members	TUs dissolved in the reporting year/	Their members	TTUs functioning within the structure BRTUs`	TU members registered in these TUs
1	Workers of Agro industrial Division	53	5237					13	2750
2	Health Workers	96	19155	1	185			7	7025
3	Workers of Commerce, Catering, Consumer Co-operatives and Enterprise	8	2300	1	51				
4	Air workers	2	1500			2	600		
5	Workers of Car-Agricultural-Machine-Building and Forest-Paper-Wooden-Manufacturing Industries	12	2083						

[12] "Trade union organization" is a non-governmental association with the expression of free will and specified by the law, which consolidates employees who are in labor relations with the given employer.

[13] The Branch union – "a union of legal entities, which consolidates the majority of trade unions of the appropriate sphere of economy /production, service, specialization/ which have the biggest number of member employees in the given sphere".

[14] "BRTU members of the CTUA in 2009. Statistical Data on Trade Unions and TU members as of **01.01.2010**.

6	Banks, Financial Institutions Employees and Professional Employees	16	3790						
7	Workers of Institutions of Higher Education	19	20500						
8	Rail-Way Workers	17	5180	1	287				
9	"Electrotradeunion"	13	11861						
10	Electronic Sphere Workers	11	1909						
11	Light Industry Workers	17	3008						
12	Miners, Metallurgists and Jewelers	8	6948						
13	Workers of Communication	2	4300						
14	Municipal Economy and Public Utilities Employees	21	5800	2	300			1	25
15	Workers of Education and Science	169	85213	1	58			49	81848
16	Machine and Instrument-Making Workers	28	10980						
17	"Miabanutyun"	5	2390						
18	Worker's of Culture and Mass Media	35	13000					23	11040
19	Construction and Building Materials Industry Workers	14	10810						
20	Workers of State Enterprises, of Municipally Authorities and Public Service	116	16745	2	338	1	14	35	8073
21	Workers of Organizations of Food and Services	18	1873						
22	Transport and Communication Workers	20	3700			6	7055		
23	Chemical Industry Workers	6	4327	1	125				
24	Physical Sport and Tourism Workers	11	8578					3	5370
Total		**717**	**251187**	**9**	**1344**	**9**	**7670**	**131**	**116131**

The previous section detailed the low membership voiced by TU leaders. Since the collapse of the Soviet system, membership has decreased but, according to our estimates, current membership is at a respectable 251,187 members, a figure that is not as bad as could have been expected. As of January 2010, Armenia had 1,073,400[15] employed persons, 23.4% of which were TU members. The given

[15] According to data of RA National Statistical Service (as of January 2010).

research and the results of previous research affirm the contention that people become members of Armenian TUs mostly unconsciously[16].
This tends to prove that TU leaders should think more on how to increase the conscious membership in TUs rather than to worry about the number of their members.

The main problem of the structure and status of TU sounded by "internal" experts is connected with the state registration of so-called "primary organizations" and difficulties related to that issue. Thus, the establishment of a TU by three and more employees needs to be registered in the state registry as a legal entity, which is connected with bureaucratic inefficiencies and financial expenditures. Such issues are of more importance for the spheres where either the salaries are low or the income is not in the form of money (i.e. agriculture, communal services, etc.). But on the other hand, one can become a member of the TU, negotiate with the employer and sign a collective agreement only in case when the organization has a status of legal entity. Besides the fact that equality is ensured for sides, the registered TU organization can also have a separate bank account, allowing it to collect and manage (coordinate) collected membership fees.

All levels of TU are interconnected, Due to the pyramidal structure the CTUA unite BRTUs, which in their turn unite territorial or "primary" organizations. When becoming a member of a higher level the TU organization, according to the RA Law on Trade Unions and TU charter, is obliged to pay monthly membership fees. BRTUs should pay the CTUA in the amount of 10 minimal salaries. Trade Union organizations should pay BRTUs some percent of collected membership fees. The same mechanism applies in case of individual membership. Trade union committee decides on the member's monthly membership fee amounting not less than one percent of income received from employer. Membership fees are paid both in cash and through transfer.

Regarding membership fee circulation when TTUs are also involved in BRTUs, trade union organizations ("primary") collect allocations from salaries usually amounting to one percent of the salary. The total amount is re-allocated among three levels:

- Trade union (primary) organization (60-70%),
- TTU (5-32%),
- BRTU (8-25%).

In cases when BRTUs do not have any TTU the amount is distributed among two level. BRTUs get 10-25% of membership fees and 75-90% is kept in the "primary" organization.
As a result the research revealed that in some cases employers directly or indirectly organized collection and allocation of TU membership fees. In this case we deal with "pocket" TUs when the financial management right is allocated to the employer. **In such cases TU functioning is considered inefficient**.

[16] As far as we know, there are two ways of becoming TU member: conscious and unconscious, In case of "Conscious"membership an employee knows about the TU existence and functions. In case of unconscious membership the employee is not becoming a member of TU at his will or even is not aware of his membership.

Membership fees are used to coordinate TU activities and to develop working and social-economic interests of the TU organization, to represent and defend the TU organization in RA state bodies, to provide methodological and practical assistance in preservation of the TU staff etc.

According to leader of TTUs or "primary" organizations, in many cases when it is impossible to settle an issue at the local level the BRTU acts as a supporting power. BRTUs support with legal consultations, as well as with undertaking certain activities. BUs have an issue to increase the competency to make both the CTUA, and Global TUs (only if BRTUs are their members) participants in the issue settlement process. Actions aimed at the settlement of global issues are undertaken mainly by the CTUA as it's a side of social partnership[17].

To note, organizations of all TU levels are independent of each other. According to respondents the independence, on the one hand, provides an opportunity for free actions, but on the other hand, weakens the accountability and the transparency of activities. In this sense, ***according to respondents grounds are being signified if not for structural (i.e. to make the Confederation a Federation) than for reforms within the Law on Trade Unions. It's necessary to increase responsibility and accountability among different levels,***

The existence of inactive levels is also one of the structural issues sounded by respondents. There are "primary", territorial and/or branch unions which practically do not carry out their functions or their existence is fictive. The main reasons for that are:

- Shortage of finances,
- Human resources,
- Lack of effective and "healthy" communication among different levels,
- Shortage of accountability.

In many cases "primary" organizations are not active, mainly due to the dependence on the employer. In that case, sometimes the branch union may interfere, which is at some extend independent of employer (but here again the circumstance of fear exists). Territorial unions whose branch unions are active and influential are particularly active. It is worth mentioning that all levels need active leaders – proactive, endowed with strong management and organizational skills. But in many cases, especially in territorial and sometimes in branch unions, leaders are mainly representatives of an older generation, led by Soviet-style TU stereotypes. ***To settle the issue it is necessary to develop a mechanism for the transparent election of leaders.***

The problem is also in the lack of permanent communications and exchange of information among all TU levels. It is particularly obvious in case of "from-bottom-to-top" connections, when, on the one hand, "the bottom" avoids performing any initiative, and, on the other hand, according to "the top" there are no enough funds to visit everybody and to get acquainted with the problems on the spot. In

[17] Will be presented subsequently.

this regard, ***it is extremely essential to increase the connections among different levels through organizing TU meetings at branch or republican scales***, which would enable all to voice their issues and receive answers. In this case, according to respondents, it is necessary to invite the Government representatives and in separate cases, representatives of employers.

If any structure doesn't serve to a specific objective, its existence is meaningless. Therefore, respondents point out the inappropriateness of existence of 24 TU branches. ***It's essential to develop a mechanism which could unite the spheres concerned with their content, may be with the structure within a new and another structure.*** In this case the possibility for the conflict of interests is not excluded. The one of the ways to avoid that is the organization of transparent elections of new leader.
Nevertheless, performance of activity and initiative behavior at TU different levels has its features which, however, carry the public mentality, social-economic and political environment within the state, the impact of accepted practice of decision making and other global circumstances.

It is worth mentioning that there are TUs ("Aliq", "Armentel" etc) that are not members of the Republican Union. Each CTUA member TU should pay a certain percent of its budget generated from membership fees to the CTUA or other TU organization (in case of being its member). Therefore not all TUs are interested in becoming a member of a larger union. Thus the membership issue is conditioned with the financial reallocation issue. Many Armenian enterprises and facilities (particularly international) create TUs (so called "corporative" or "pocket" TUs) based on the corporative culture or on the immediate initiative of the employer. The main objective of these TUs is the reallocation of social benefits, which is implemented under the direct supervision of the employer or the director. In other words such TUs are the corporation's "social section". In regard to the defense of labor rights they never oppose to the employer. That is the reason that the part of such organizations doesn't need to unite with other TUs and to receive their support and don't tend to consolidation. Such TUs can't be a side of social partnership or members of international TU organizations.

Thus:

- Since the Soviet era, membership in TUs has decreased. But the problem is more in ensuring conscious membership.
- Armenia has TUs which are united with the CTUA and TUs that are not members of the CTUA. Not being a member is conditioned with their tendency to save funds.
- Subordination relations within the CTUA are based on the confederative principle which is a guarantee for independent functioning. However, that factor has both positive and negative aspects.
- Each structure of the CTUA pays membership fee to the union of its membership with expectations of assistance in return.
- The CTUA involves BRTUs or TTUs which don't operate effectively. It's to some extended conditioned with the fact that their leaders are mainly representatives of older generation and personalities led by stereotypes of Soviet-era TUs.

4. Work Style of Trade Unions on the Way of Establishment of Social Partnership

4.1 Characteristics and features of TU working style

The research found that the Armenian TUs currently face a compromising position due to their inheriting of a cooperative working style that avoids any kind of conflicts and confrontations. In the most extreme situation, when "the rough" methods are unavoidable, the TU does not prefer to implement its right of walkout granted by the law. Currently, the TU has the function of supporting employer and the role of its advisor rather then its supervisor. According to respondents, neither employers nor employees perceive the TU as their mediator.

The TU approach based on "cooperation" is conditioned by several factors:

- low level of rights defense, as well as imperfection and lack of independence of the judicial system in the country. *"I'm not sure that people when staging a walkout won't be fired on the next day"*, most of "internal" and "external" experts mentioned*;*
- slow pace of change of social mentality and low level of legal consciousness and high level of legal nihilism; *"people don't know their elementary rights and after explanations they get excited but lose their excitement as time passes. It seems they don't wish to struggle for their rights or don't realize its necessity…"*, one of the "internal" experts mentioned.
- insufficient economic resources of the TU. "Internal" and "external" experts insist, *"Today I don't posses enough amounts to bring people to walkout in case of problems and to be able to pay them for those days…"* etc.

In parallel with the above, today Armenia tends to strengthen the practice of social dialogue[18]. According to the RA Law on Trade Unions, TU can sign collective agreements with the employer, the Union of Employers, and the CTUA can negotiate and sign agreements with the RA Government[19]. This is due to the requirement to follow international commitments. TUs and employers draft and sign a collective agreement, which specifies and regulates relations between the trade union and employer. Thus, a legal document was created, which defines the frames of the obligations and competencies of sides.

The information on collective agreements signed in 2009 by BRTUs (members of the CTUA) is presented in Table 2:

[18] Social dialogue is the interested and equal participation of social partnership sides for resolving issues in the labor relations sphere, aimed at the protection of employees' rights.

[19] Will be discussed in more detail subsequently.

Table 2

N		Number of signed collective agreements	Including			Number of employees of the organization who has signed the collective agreement	Including TU members
			BRTUs	TTUs	Organizations		
1	Workers of Agro industrial Division	49	1	9	39	3330	3330
2	Health Workers	72	-	-	72	3800	3800
3	Workers of Commerce, Catering, Consumer Co-operatives and Enterprise	3	-	-	3	625	625
4	Air workers	2	-	-	2	-	-
5	Workers of Car-Agricultural-Machine-Building and Forest-Paper-Wooden-Manufacturing Industries	12	-	-	12	2293	2083
6	Banks, Financial Institutions Employees and Professional Employees	-	-	-	-	-	-
7	Workers of Institutions of Higher Education	2	-	-	2	-	-
8	Rail-Way Workers	1	1	-	-	5110	5110
9	"Electrotradeunion"	13	-	-	13	12510	11861
10	Electronic Sphere Workers	4	-	-	4	615	590
11	Light Industry Workers	15	-	-	15	2945	2938
12	Miners, Metallurgists and Jewelers	8	-	-	8	7450	6948
13	Workers of Communication	2	-	-	2	4300	4300
14	Municipal Economy and Public Utilities Employees	15	1	-	14	4950	4950
15	Workers of Education and Science	177	1	58	118	85213	85213
16	Machine and Instrument-Making Workers	37	-	-	37	8700	8700
17	"Miabanutyun"	2	-	-	2	2135	2135
18	Worker's of Culture and Mass Media	7	-	1	6	1180	1180
19	Construction and Building Materials Industry Workers	3	-	-	3	432	432
20	Workers of State Enterprises, of Municipally Authorities and Public Service	406	-	-	406	6102	6042
21	Workers of Organizations of Food and Services	5	-	-	5	680	647
22	Transport and Communication Workers	5	-	-	5	3950	3420
23	Chemical Industry Workers	1	-	-	1	-	-
24	Physical Sport and Tourism Workers	16	1	3	12	9510	8838
Total		**857**	**5**	**71**	**781**	**165830**	**163142**

It is also worth noting that member employees of the TU are not always aware of collective agreements. In this case the membership to TU is done through "voluntary-mandatory" principle coming from the Soviet Union era and membership exaction is done automatically (in some cases acknowledging employee).

As not all employers realize and appreciate the necessity of the TU, leaders of branch and territorial TUs frequently launch negotiation processes. The success of such process, according to respondents, depends on a number of circumstances:

- employer type,
- prestige of TU leader,
- social capital.

As a rule **foreign or international organizations / heads of organizations** functioning in Armenia, who have such work experience, consciousness of its necessity and readiness, more easily cooperate with the TU. It's more typical for the industry sphere and institutions like, power engineering networks. The analysis of interviews determined that collective agreements, which pay more attention to the protection of social interests of employees, are the best in these cases.

The prestige of TU leaders comes from activities initiated during Soviet years. They mostly bear the image of the previous TU due to which they become able to invite employers for cooperation. As they succeed due to the image of their predecessor, TU leaders tend to implement as much as possible functions expected from them in the past; allocation of social benefits, supervision of labor conditions: *"In mid winter I visit villages, check conditions of schools under my subordination... there were cases, when the principal and a teacher were in a dispute, I conciliated and told everyone what rights they had", „people expect from me that some support will be provided to them... during holidays we organize events, deliver diplomas or flowers in order to somehow justify hopes...".* This is more typical for TTUs. In this case *membership to TUs bears mostly formal character, exaction of membership fees is done automatically, as a result complying with provisions of collective agreement becomes non-mandatory.*

Social capital – valuable contacts and friends – is the most valuable thing particularly in the environments with community relations and traditional thinking and lifestyle. If no employer wishes to cooperate with TUs and/or sign collective agreement, then this issue simply does not exist in the conditions of existence of social relations: *„Thanks to God, employers of my sphere are my classmates. That's why I easily can negotiate with my employers".* In conditions of cooperation through using social capital the TU becomes no more independent of the employer. Therefore, in cases of violation of provisions of the collective agreement the TU takes the position suppliant or persuader and not the full demander.

It is worth mentioning that today the following mechanism of applying collective agreements is popular. Agreements are drafted jointly by employer and representatives of the TU. As a rule TTUs discuss with employers the agreement, which is amended or changed as a result of discussions. There

may be cases (particularly in case of foreign employers) when the employer suggests own agreement model, which is amended by the TU. The role of the TU in the implementation of the agreement is the supervision. Sometimes TUs can make employer take the obligation for the defense of employees' social interests. According to some TU leaders, in cases when employers are not obliged to assist in the resolution of employee's social problems, TUs shall themselves deal with it. This approach comes to prove the wrong perception of TU functions by TU leaders resulted from the impact of Soviet stereotypes.

Thus:

- Armenian TUs currently have a compromising position through inheriting cooperative working style. That's mainly conditioned with the low level of human rights defense in the country, imperfection and lack of independence of the judicial system, low level of legal consciousness and high level of legal nihilism, as well as ineffective management of TU economic resources.
- Armenia tends to strengthen the practice of social dialogue. For that purpose TUs today try to sign as much as possible collective agreements with employers. The number of collective agreements signed by BRTUs (members of the CTUA) in 2009 makes up 857.
- The success of the process of signing collective agreements is conditioned with three main circumstances: the type of employer, the prestige of TU leader and social capital.

4.2 Trade Union as a Side of Social Partnership

Referring to social partnership, it should be stated that the sides of the partnership are the CTUA, the Union of Employers and the Government. The state defines minimum and maximum requirements on labor issues between employers and the TU. Specific issues are solved as a result of employer-TU relations. In this case the state becomes the guarantor of implementation of reached agreement. The solution of issues, i.e. for TUs in RA marzes is given to the local level at the initiative of the TU organization as a result of negotiations with the employer (i.e. in case of paying incomplete salary by the employer etc), in case of failure to solve it, it's solved at the initiative of the branch TU as a result of negotiations with LSG, ministry and other appropriate authorities (i.e. official day of employees in the given field was defined etc) and more global and structural issues are settled at the initiative of the CTUA as a result of negotiations with the Government.

On April 27, 2009, the sides (the CTUA, the Government and the Union of Employers) signed a trilateral agreement with the main goal of which was to protect interests of employees through cooperation. It's should be noted that not all interviewed TU representatives (particularly from territorial unions) have enough information on the agreement.

According to respondents currently the TU can't be considered established. In the opinion of „internal" experts it bears fictive character, while "external" experts without opposing to that view find that time is needed for the establishment of trilateral cooperation. After signing the agreement, no face-to-face

meeting took place among three sides although a trilateral committee has been formed. In respondents' view the main reasons for that are:

- the passive position of the government,
- lack of practice among TU leaders to work in trilateral format.

The government decision is sometimes conditioned with the government staff and/or frequent changes of officials. The issue is more critically expressed in case of change of minister. Such experience is typical for the Ministry of Labor and Social Affairs, where the change of minister is quite a frequent phenomenon. According to experts there were cases when as a result of complicated and long lasting negotiations the ministry and the TU reached to an agreement or consent and its implementation was postponed. They explain it with cadre changes and introduction of a new official. Thus in case, when the ministry was instable in relation to the TU, the establishment of stable relations was becoming more complicated.

Respondents speaking about relations among three sides, mention that it was logical that employers and the TU should have opposite interests and, as in other countries, the Government should take regulator's functions between them: *"For the effective implementation of the agreement the TU and the Government should be supporters, as the employer always tends to its interests. But employers in Armenia are given high privileges and in that conditions employee becomes dependent on the employer's will".* In a number of questions the Union of Employers of Armenia and the CTUA come to an agreement and voice their opinions, which is opposed or given an avoidable feedback by the Government. The fresh and obvious evidence for that is the recent process of discussions of the RA Law on Making Changes and Amendments to RA the Labor Code which reflected the formal character of trilateral cooperation. The drafted document was sent to the Confederation of Trade Unions for discussions and presentation of own recommendations to be done in a predefined short-time period. BRTU initiated discussion of the document and developed a recommendation package which was submitted to the government. According to respondents amendments initiated by the Government contained provisions openly protecting interests of employers at the expense of employees, as well as provisions threatening the operation of TUs. According to respondents during the process of drafting the law the government had violated the provision of the trilateral agreement on mutual cooperation and support. *"The trilateral agreement "functions" as much as it's signed with one hand, but the other hand signs a draft totally contradicting the logic and ideology of the trilateral agreement".*

As the research results show there is no established free environment in both TU-employer (presented above) and Confederation-Government relations. The sides don't perceive each other as equal social partners. For the settlement of these issues international organizations, particularly International Labor Organization (ILO) often organize seminars with the involvement of three sides. The goal of seminars is to strengthen the idea of social partnership. In evaluations by experts those seminars don't fully reach their outcome because of frequent and permanent changes among the Government representatives involved in the groups. Trained cadres some time later quit their position, which is then filled be new specialist who needs training.

Respondents spoke of the possibility and necessity of issue settlement options at trilateral format. I.e., the chairman of the BRTU of employees of banking and financial-credit organizations of Armenia stated that they were arranging a trilateral meeting on the case of violation of labor rights among the BRTU, the Union of Banks as the employer and the Central Bank representing the Government,. The similar model was also sounded by leaders of territorial unions referring to the following three sides: trade union organization, employer and LSG. Up to the research period there had been no real case of trilateral cooperation.

According to respondents, the economic and state development depended on the effective functioning of the TU, and the opposite, that the effective operation of trade union is conditioned with the establishment of this or that sphere of economy.
Thus:

- On April 27, 2009, the CTUA, the Government and the Union of Employers signed a trilateral agreement which supposed new opportunities in the sphere defense of labor rights.
- The trilateral agreement still doesn't operate connected with the passive position of the government and the lack of established practice of working at a trilateral format among TU leaders.
- The voice of Armenian TUs is not always acceptable / audible for the government.

5. Social and Political Activity of Trade Unions and cooperation with other structures

5.1 Activity of Trade Unions in the Social Life

Social activity expected from TUs can be expressed and/or is expressed in two main directions:

1. organization of events on social issues,
2. organization of events on human rights issues.

According to respondents, each TU level receives an amount which is insufficient for serious initiatives. The most part of funds is spent on **the organization of events on social issues,** mainly fiestas and holidays (professional holiday, New Year, Happy birthdays), as well as sport competitions, excursions etc. The goal of these events is to develop collective solidarity among TU members, emphasize their professional dignity, improve work motivation, and on the other hand, to show the work of the TU and the tangible outcome of amounts allocated by members.

Sometimes in separate cases TU organizations are able to provide to members financial support and necessary means for rehabilitation (a few sanatorium vouchers with partly payment, sour cream for employees working in conditions harmful for health, etc.).

Thus, according to interviewed TU leaders, the substance of TU activities is the organization of social events. Therefore, it obvious that TU doesn't fully carry out its role, especially to represent and defend labor and labor related social and other interests and rights of employees at employer and/or third person[20].

According to our assessment this issue has two aspects:

- the majority of TU leaders and representatives are led by stereotypes of the Soviet era TU working style and are not used to the requirements of democracy.
- the society still expect from the TU functions that they had during Soviet years.

The above presented comes to prove that TUs leader still preserve the Soviet style thinking that the TU is an allocator of benefits. Because of that many mention the inability to issue sanatorium vouchers and settle their social issues as an indicator of ineffective functioning, and the financial shortage, as an obstacle.

As regards to **events aimed at human rights defense,** it is worth noting that they are rarely organized. It is mainly explained through two circumstances:

- shortage of financial means,

[20] Article 15a, the RA Law on Trade Unions.

- contradiction with the working style of the TU.

As an acceptable option for human rights defense, the organization of periodical congresses, council sessions and discussions, as well as preparation of applications or messages and their submission to the Government are recommended. Presentation of employee's interests at court instances is also an acceptable option[21]. All mentioned methods are rarely applied. As regards the organization of demonstrations, marches, walkouts and similar events the TU is considerably passive and sometimes takes a denying position.
According to 2009 data, only one walkout was staged (announced) with participation of 645 employees. Miners' BRTU participated in the walkout through establishment of a reconciliation committee. As a matter of fact the walkout was not organized by the BRTU or "primary" organization, but was stopped as a result of actions initiated by the reconciliation committee. During the meeting with employees committee members considered the demonstration meaningless and advised employees to stop that.

In our view, avoiding human rights defense activities has two important reasons: firstly, high level of nihilism in the country, lack of rule of law and mechanisms enabling the TU to comply with laws, and secondly, lack of political will among TU leaders. The analysis of information on activities aimed at the defense of security and health of employees carried out in 2009 allow to state that not all accidents within the organization are recorded by BRTUs. Details are presented in Table 3.

Table 3

N		Number of accidents within the organization	Number of cases of investigation of accidents with BRTU participation	Created committees on ensuring security and health of employees
1	Workers of Agro industrial Division	-	-	3
2	Health Workers	-	-	75
3	Workers of Commerce, Catering, Consumer Co-operatives and Enterprise	-	-	-
4	Air workers	-	-	-
5	Workers of Car-Agricultural-Machine-Building and Forest-Paper-Wooden-Manufacturing Industries	-	-	-

[21] Several such cases were presented and defended by the attorney of the Confederation of Trade Unions, sometimes at the instance of the head of branch union: i.e. there were cases on demand to compensate work damage, etc.

6	Banks, Financial Institutions Employees and Professional Employees	-	-	-
7	Workers of Institutions of Higher Education	-	-	-
8	Rail-Way Workers	3	3	-
9	"Electrotradeunion"	-	-	-
10	Electronic Sphere Workers	-	-	-
11	Light Industry Workers	-	-	15
12	Miners, Metallurgists and Jewelers	8	5	8
13	Workers of Communication	-	-	2
14	Municipal Economy and Public Utilities Employees	2	2	8
15	Workers of Education and Science	2	-	18
16	Machine and Instrument-Making Workers	-	-	31
17	"Miabanutyun"	-	-	-
18	Worker's of Culture and Mass Media	2	-	-
19	Construction and Building Materials Industry Workers	-	-	-
20	Workers of State Enterprises, of Municipally Authorities and Public Service	-	-	43
21	Workers of Organizations of Food and Services	2	2	-
22	Transport and Communication Workers	-	-	5
23	Chemical Industry Workers	1	-	1
24	Physical Sport and Tourism Workers	-	-	-
Total		**20**	**12**	**209**

For human rights defense, one of the branch unions possesses experience in researching labor conditions of employees. According to leaders that enables to keep contacts with employees and get information on the protection of their rights, based on which they make further clarifications within the collective agreement and monitor its implementation.

Thus the social activity of the TU is mostly reflected at local levels dealing with small issues, particularly organization of social events and in the condition of low transparency. Shortage of funds, the main justification for inactivity mentioned by TU leaders, in reality is the result of ineffective

budget management. Resources should be spent not for the organization of feasts and similar events, but for the human rights activities.

Thus:

- TU activity in the social life is mainly expressed in two ways: organization of events of social significance and organization of events of human rights significance. TU leaders give higher priority to the first option.
- The TU avoids any human rights activities, as it lacks mechanisms for application of the law both at TU and social level. That in its turn brings to the shortage of political will among TU members.

5.2. Activity of Trade Unions in the Political Life

The analysis of the results of interviews found that TUs are less active in the political life. The confederative principle of TUs assumes that the TU should participate in the discussion of TU related laws or similar initiatives. TUs hadn't had serious experience in conducting similar discussions until the discussions on the Law on Making Amendments and Changes to the RA Labor Code. Discussions on the law have been organized within the framework of the confederation with the participation of branch unions (till 2009). Issues were raised and recommendations were formulated, which were then submitted to the government through CTUA. Confederation's recommendations on a number of key provisions for TUs within the law almost weren't taken into account during the first reading of the law at NA, and during the second reading when the final version of the law was adopted, the part of recommendations was included in the RA Labor Code. This confirmed that TUs have low, but specific roles in defending interests of employees.

The option of organizing a march on the issue was also discussed, which could pursue the following objectives:

1. to inform the society on the initiative on legislative amendments,
2. to make the TU visible for the society,
3. to improve the solidarity and enthusiasm of TU members, to serve as an examples for performing initiatives,
4. to increase the attentiveness of the government and other responsible bodies etc.

Firstly, the idea wasn't welcomed by heads of branch unions, who claimed that many TU members lacking **established practice for such initiatives, consciousness for human rights and having a fear to lose their job** wouldn't perform any readiness**.** Then the idea was stopped by the CTUA collegial body.

Although a certain move was recorded during the process of discussions on the issue at the level of the CTUA, according to estimations by experts that's not enough to consider today the TU as an established and strong structure defending employees' rights.

According to "internal" experts, the mentioned reasons for politically passive position are that TUs are not represented at NA through their MP. According to them it's necessary for the TU to have its representative at NA *„...not for getting involved in politics, but for making the legislative body attentive and sober...".* According to our estimations such justifications by TU leaders show that they are still not aware of indirect means of defending their interests (i.e. lobbying). Here we can put forward the following hypothesis: with this justification today's TU leaders and representatives try to restore their Soviet privileges and image. As regards political participation in cooperation with political parties the TU tries to avoid that. Although discussions on the RA Labor Code amendments were organized with some of political parties represented at NA, particularly ARF and Heritage party, who had agreed with positions and recommendations of the CTUA, but when the issue was submitted for discussion at the NA session, during the voting they performed neutral attitude. The rest of political parties represented at NA expressed the viewpoint that they weren't well aware of the content of recommendations by the TU, but CTUA claimed that the recommendation package had been sent to all NA political parties. Without political party support the TU realized that the cooperation with political parties wouldn't give any positive outcome for the TU.

Moreover interviewed political party officials welcome the cooperation with TUs: *„...let they come, apply to us, discuss with us, we'll support on any issue we can, but that hasn't happened...".*

TU leaders pointed out the following reasons for the lack of cooperation:

- lack of positive experience in cooperation,
- big number of political parties in Armenia (about 78 political parties),
- political party members in different TU structures.

Interviewed representatives of branch and territorial unions made statement on the cooperation with political parties that the Confederation didn't promote that. Today, the cooperation (supporting or being supported) with any powerful political party brings the TU to two main risks:

1. the risk of losing members who do not agree with party views,
2. the risk for the party to lose its power in case of change of power.

The above does not necessarily mean that there are no political parties that are supporting the TU. It's especially expressed in case of territorial unions of TU organizations when the head of the union is a member of a political party. As a rule in such case the TU obtains additional resources: *economic capital* (office, equipments, funds etc), *social capital* (useful contacts and friends) and *authoritative capital* (if the given party has authoritative tools in that territory).

However, the TU cooperation with political parties doesn't bear a mass character.
Thus:

- TUs are not enough active in the political life. They don't have serious experience in *initiating* amendments and reforms in laws related to their sphere. However they have experience in participation in these initiatives.

- The part of TU recommendations was taken into account by the legislator.
- Not all leaders are aware of or ready to apply indirect means of defense of their interests, i.e. lobbying.
- Support to or cooperation with any political party is not welcomed by the CTUA.

5.3 Cooperation of Trade Unions with NGOs, international organizations and Mass Media

Civil society institutions have a significant role in the establishment of democracy in the country whose activities are more effective particularly due to joint efforts. The research showed that TUs of Armenia had no tradition for cooperation with NGOs. There have been one or two cases of attempt for cooperation at the level of the CTUA connected with the discussions on the labor legislation, as well as anti-trafficking programs. The fact of cooperation was pointed out be leaders of 2 branch unions, one which was a vice-chairman of a NGO, the other – a member. Thus, except for the above mentioned case, all other cases of cooperation with NGOs were personalized.

Unlike NGOs, TUs are in close cooperation with international structures and organizations, carry out joint projects and are their members. In interviewees' assessments the key success of the cooperation is the organization of international conferences and seminars, exchange of experience and getting new knowledge and skills. The cooperation with international organizations has been considered as a key achievement since the collapse of the Soviet Union. In case of becoming a member of a international organization the TU pays a membership fee. International organizations cooperating with TUs are the following: International Trade Union Confederation, Global Trade Unions with its appropriate branch union, General Confederation of Trade Union, International Labor Organization, OSCE, etc.

Speaking about the cooperation with Mass Media, it's worth mentioning that a certain activity has been displayed by the CTUA on the amendments to the Labor Code. Leaders of both CTUA and branch unions often deliver speeches on TV and print articles in newspapers (Azg, Hayastani Hanrapetutyun, Express, Novoye Vremmya, Golos Armenii etc), magazines and give interviews, participate in club discussions and organize press conferences. According to them, the goal of speeches and publications is informing population of reforms and on the other hand to make the legislative body attentive.

Sometimes branch unions give an interview or compile an article on TU activities or their spheres published in printed and/or internet press. The own mean of spreading TU information is the CTUA web-site. Some branch unions have their sections in web-sites or newspapers of organizations of their sphere. CTUA's website is quite complicated for use and it's not representative, therefore the website needs an update and upgrade. TUs don't have their official newspaper. They periodically receive a newspaper published by the Karabakh TU. According to interviewed "internal" experts witnessing such TU experience somehow generates motivation for having its own newspaper.

Respondents explain the temporary and not intensive cooperation with Mass Media with following circumstances:

- Mass Media is not interested in TUs,
- Shortage of TU funds,
- Not transparent working style of the TU,
- Shortage of interest by TUs.

Mass media interest in TU leaders and particularly TU activities increases only when the meaning of TU increases during decision making on the issues related to their sphere, intensification of an issue related to the sphere and walkouts and events, such as, i.e., putting up a monument, celebration of the Labor day or marking any other holiday by the TU etc. In one or two cases seminars with the involvement of different TUs were covered.

On the one hand, TUs don't initiate such events; on the other hand, when today Mass Media (particularly in the capital) has a high employment. As a result, its interest in TUs seems to be not sufficient. In this sense, regional and local mass media shows more interest and readiness than Yerevan TVs and newspapers.

The next point that can awake Mass Media interest in covering TU activities are finances. As presented by heads of branch TUs note: *„I had invited 16 Mass Media agencies to the Annual Congress, but only 2 came, because the letter didn't note that they were planned to be paid...", „I have applied to a Mass Media agency to place an announcement and for broadcasting an announcement twice, they have asked 120.000 drams. I've made a simple calculation that that amount can be effectively spent in differently".*

Sometimes, TU members avoid appearing on television. It is particularly typical for walkouts and other demonstrative actions. In such cases Mass Media, according to respondents: *„...factual evidence is submitted to the employer which further becomes a ground for dismissing employees that have voiced their complaints"*

For information dissemination, TUs in some cases prepare and disseminate booklets, brochures, calendars, leaflets, etc, which, however, don't always reach the target audience.

However, both "internal" and "external" experts find that today TUs of Armenia are not enough visible in the social life. There is no developed strategy on collecting, proceeding and disseminating information through which TUs could develop on in time, objective and reliable information and reach to this or that target group through effective means. The TU also lack knowledge, skills, experience and established culture of implementing PR (public relations) campaigns. Here the Soviet way of thinking among TU leaders has a significant role which assumes not free and not transparent working style.
Thus:

- **TUs don't have considerable experience in cooperation with NGOs.**

- **TUs closely cooperate with international structures and organizations.** The significant outcome of cooperation is the organization of seminars and conferences, exchange of experience, obtaining new knowledge and skills.
- In general, today's Armenian TUs are not enough visible in the social life. There is no established strategy of information collection, development and dissemination which could be used by TUs to generate in time, objective and reliable information and reach to this or that target group through effective means. However contacts with **mass media** have become active recently in connection with amendments and changes to the labor code.

7. Legislative acts regulating trade union activities

Presently TUs operate in accordance with:

- the Constitution of RA,
- 87th Convention of ILO (On the Protection of the Right of Freedom and Organization of a Union) [22],
- The RA Law on Trade Unions[23].

Although the labor legislation is not the legal basis for the implementation of TU activities, it is impossible to protect employee's labor rights without application of norms specified by the RA Labor Code. During the research respondents discussed a number of legal provisions (mainly connected with the Law on Trade Unions and Labor Code) and related circumstances, which, according to them, either aren't implemented or are obstacles for TU activities.

1. The right and opportunity of TUs to perform legislative initiative or amend laws

Mainly, "external" experts expressed the viewpoint that TUs were not quite active in coming forth with legislative initiatives in case when the article 20 of the RA Law on Trade Unions specifies the TU participation in law formulation: "…the TU can submit recommendations to the RA Government and MPs on adopting, making changes and amendments to legal normative acts aiming at the defense of labor and social rights of TU participants /members/."

TUs have the deliberative vote right in the Government which enables it to submit recommendations at the government sessions. In case of coming forth with legislative recommendations TUs can give public resonance to the issue through organization of public discussions and meetings.
Article 20 of the RA Law on Trade Unions also specifies the right of the TU to conduct walkouts and other mass events. "…The TU shall have the right to organize and conduct peaceful and unarmed marches, meetings, rallies, demonstrations, walkouts and other mass events, to start negotiations in that connection with state and local self-government bodies, employers, other organizations and their officials".

2. The lack of a tool for influencing employer by the TU in case of dissolution of employee's labor contract at the employer's initiative etc.

Article 26 of the RA Labor Code[24] specifies employer's rights and obligations related to the representatives of employees (citation):

[22] The Republic of Armenia ratified on March 23, 2005.
[23] Adopted on December 5, 2000, amended and changed on November 13, 2006, when the 87th Convention had already been ratified. The law specifies the regulations for founding TUs, principles of their activities and relations with state and local self-government bodies, legal and physical entities, as well as regulates relations between TUs and their participants /members/ in relation to the defense of their rights and interests.
[24] Adopted on November 9, 2004, Amended and changed on June 24, 2040, which came into force on August 9, 2010.

"… 1. The employee is obliged:

1) To respect the rights of the representatives of employees and not to hinder their activities. The activities of the representative of employees shall not be suspended at employer's wish,
2) To consult with the representatives of employees **while making decisions affecting the legal status of employees,** and in cases defined by the law, to get their consent,
3) To ensure collective negotiation within a short time period…".

In such cases, the top issue of the TU is to reach the signature of collective agreement through negotiations, and, moreover to include a point, obliging the employer while making decision affecting the legal status of employees to agree the issue with the chairman of the TU. Thus, the TU factually has the right to influence on decisions on dismissal, change of status and other key issues.

3. Changes[25] to the RA Labor Code (LC) as an obstacle for TU activities

Dissatisfaction with the changes within the labor code expressed by respondents are included in remarks and recommendations submitted by the Confederation of Trade Unions of RA.

It is worth mentioning that changes within the Labor Code contain a number of aggravating norms for *employees* (norm on seasonal employees, shift employees, teenagers, labor conditions, pregnant women and norms regulating the issue of mother having a child under three years of age and other labor relations).

But the two main provisions hindering and/or complicating TU activities are the following:

- **Article 26, LC.** Employer's rights and obligations in connection with the representatives of employees[26],
- **Article 23, LC.** Representative of employees

- The representatives of employees – TUs, representatives (body) elected by the meeting (assembly) of employees – shall have the right to present employees' rights and interests and protect them within the labor relations.
- If the organization lacks TU(s), or if none of acting TUs consolidates the majority of employees, representatives (body) can be elected by the meeting (assembly) of employees.
- The existence of representatives (body) elected by the meeting (assembly) of employees of the organization shall not hinder the implementation of functions of TUs.
- In case of lack of representatives of employees the functions of representation of employees by the meeting (assembly) of employees and defending interests may be delegated to the appropriate branch or territorial TU. In that case the meeting (assembly) of employees elects representative(s) who participates in the collective negotiations with the employer within the delegation of branch or territorial TU.

[25] Changes as of June 24, 2010.
[26] Has already been discussed above.

The import of the term "representatives of employees" in the labor code comes from the adopted norms of international conventions. According to respondents inclusion of the representatives elected by the meeting employees in the law creates obstacles for the activities of TUs. But it's worth mentioning, that's not an obstacle, but the opposite, the existence of alternative can become a stimulus for more active behavior and more effective work by TUs.

On the other hand, in the case of the existence of powerful TUs within the organization, the employer can "create" a meeting of employees as a power counterbalancing the TU. In this case the risk for the meeting of employees to become a "pocket" one is obvious.

As regards the right of participating in collective negotiations (citation) "…If the organization lacks TU(s) or if none of existing TUs consolidates the majority of employees, representatives (body) can be elected by the meeting (assembly) of employees. In case of lack of representatives of employees the functions of representation of employees by the meeting (assembly) of employees and defending interests may be delegated to the appropriate branch or territorial TU. In that case the meeting (assembly) of employees elects representative(s) who participate in collective negotiations with the employer within the delegation of BU or TTU"

The above mentioned comes to prove that *in any case preference is given to the TU.*

These provisions of the law contradict the provisions of ILO Convention, particularly the 87th Convention. This convention is based on the principle of voluntarism, in other words employees have the right to select the form of representation of their collective rights.

It's worth mentioning that contradictions cannot be an obstacle for TU activities as the Article 9 of LC (International agreements) defines: "If norms, other than those anticipated by the given law, are specified by the international agreement of the Republic of Armenia, the norms of the agreement shall by applied", as well as Article 6 of the Constitution of RA, which says: "International agreements shall come into force only after ratification or adoption. International agreements are the component of the legal system of the Republic of Armenia. If the ratified international agreement anticipates norms, other than defined by laws, those norms shall be applied…".

4. Legislative contradictions in the RA Labor Code and the RA Law on Trade Unions

According to respondents, there are certain contradictions between the RA Law on Trade Unions and the labor code, which in some cases complicate TU activities. But the legal analysis allows concluding that such contradictions do not exist.

The misunderstanding is conditioned with fact that the RA Law on Trade Unions regulates mainly the organizational and legal form of TUs, relations with the state, local self-government bodies and other persons, as legal parties, which doesn't include employer. As regards the defense of employees' rights

the RA Law on Trade Unions makes the reference (concerning the ways and forms of organization) to other laws, which in this case is the RA Labor Code.

The discussion of the issue allows concluding that respondents, particularly "internal" experts don't always make full and multisided analysis and perceive the legal norms related to their sphere. In this case not the weak development of laws, but insufficient knowledge and application becomes an obstacle for the TU activity.

Thus normative (legislative) obstacles which require appropriate normative changes can be divided into two groups:

1. *According to rights granted to TUs,*
2. *According to guarantees granted to TUs.*

The first part concerns the rights which are exclusive and according to the legislation are granted only to TU organizations, i.e. the right of walkouts according to the RA Labor Code. But the same Code limits such right with relations which allow assuming that the right of organization of walkout becomes *formal.* Therefore, not only the lack of **open** and legislatively definition of TU organizations should be taken into account, but steps should be undertaken to make exclusive competencies real.

The next part, worth for the attention, is the moment of emerging the right for the implementation of TU functions. In any case, when the collective will of employees emerges which doesn't contradict any legal principle (in this case labor), in this or that issue, that should create real tools for the implementation of TU activities in the form of competency. This can include also the main and continuous frames of competencies such as supervision by TU organization over the secure labor rules through delegating their definition and a part of preservation functions to TU organizations. This example can become a stimulus for the establishment of real social partnership.

With a view to fully implement rights it's mandatory to create guarantees for their implementation which provide an opportunity for TUs and their leaders to be protected be state institutions. Normative acts regulating this sphere in the RA specify certain guarantees of TU activities but their violations are not anticipated in laws applying punishment sanctions, such as the RA Law of Administrative Legal Violations and the Criminal Code. I.e. the Chapter 5 (particularly the article 23) of the RA Law on Trade Unions specifies: "…Violation of rights of the TU and its members or impeding statutory activities of the organization, persecution of TU leadership and representatives shall result responsibility according to regulations defined by the RA legislation".

As was mentioned above, such **responsibility is not prescribed in any RA law containing punishment sanctions.** It appears that **the protection of the member of TU organization defined by the legislation is out of guarantees, and any infringement doesn't suppose any consequences.**

Another important circumstance that would promote not only the improvement of the role of TUs and the establishment of social partnership, but also the perception of the need to create a TU by employees, it is necessary to enable authorized representatives of the TU (the CTUA, BRTUs) to access to the territory of the organization to get acquainted with labor security rules and reveal violations of labor security norms within the organization through the government decision or other legal normative act. The above mentioned doesn't assume that the right and/or the function of supervision over the state body and fining should be assigned to the TU. Assignation of accessing the organization to the representative of the TU will enable the TU to carry out supervision activities and activities aimed at ensuring labor security, to closely cooperate with employers and state bodies and to compile recommendations to improve labor conditions of employees. As a result the rating of the TU will increase at different levels of the society, among different groups and individuals.

Thus:

- Armenian TUs operate in accordance with the RA Constitution, 87th Convention of ILO (On the Protection of the Right of Freedom and Organization of a Union) and the RA Law on Trade Unions,
- The analysis of issues related to laws raised by TU leaders allows to conclude that not all of them fully analyze and realize legal norms connected with their sphere. Thus the partial knowledge and application of the law and not its bad content is the obstacle for TU activities.
- RA laws regulating TU sphere are well developed and correspond to international requirements, however they are lacking mechanisms and corresponding environment for implementation.

8. SWOT Analysis

The given report includes a multi-sided analysis of the state of TUs of Armenia with the accentuation of existing issues. An analysis of internal strengths and weaknesses, external opportunities and threats (SWOT) was conducted to assess external and internal positive and negative factors impacting on the further development process of TUs. The analysis summarizes the above composed material amending it with new circumstances and bringing forward new ideas. As the TU system is itself quite complicated and the impacting factors are numerous, the same categories sometimes appear in opposite poles (i.e. strengths and weaknesses). However, they differ from each other. I.e., any factor can be presented as strength but its shortage or inefficiency may be qualified as weakness, etc.

Table 4

Internal strengths	Internal weaknesses
1. **Physical capital**[27] • Number of members; • Representation in all marzes; • Human resources – about 30 persons, who have analyzing thinking, strength, negotiation capacities, personal and charismatic characters and communication skills and ability to draft collective agreements; • Ability to compile articles – not more than 10 persons; • Adequate understanding of the role and meaning of the TU, ability to learn the new role of the post-Soviet TU and pass it to others - about 30 persons; • Possessing legal consciousness and solidarity – a few leaders of the board, council and TTUs, young members of TUs; • Ability to work and strengthen the TU – about 80% of leaders; • Work experience in the field; • CTUA jurist, who has no way other than to be mentioned separately, as experts from both groups have mentioned him for several times; 2. **Economic capital**, the most part of which	1. **Physical capital** • Lack of cadres that are well aware of negotiating new methods and easily learn new information; • Shortage of young human resources who are physically more flexible and resistant, shortage of involvement of new manpower in the staff or administration; • TU members and leaders who are still led by previous perception; • Many TU members do not adequately understand the role and meaning of the TU and are led with the stereotype of allocator of social benefits; • Members expect more support rather than prefer to attack, as they have no consciousness that the member is himself/herself the TU; • Not all TU leaders are aware of modern technologies and computer; • Many members are not aware of their rights and have low level of legal consciousness, don't follow up on the defense of their interests; • TU members and "primary" organizations have the fear to lose;

[27] For understanding the content of used capitals for analysis of weaknesses and strengths please see Annex 1.

has been preserved from Soviet years, • Territory – the CTUA and BRTUs possess offices in the center of the capital, which can be rented; • Resort house – only one branch union has its resort house; • Finances coming from membership fees; the stability and size of the salary in the sphere correspondingly and the number of members condition stable and high membership fees; **3. Social capital** • Membership to international organizations, as a result of which *social capital* – valuable contacts and relations, sometimes – *economic capital* – financial support for projects and *physical capital* – knowledge from seminars, are generated etc; • Relations with employers 1. It's easier to negotiate with the familiar employer, 2. Employers emphasizing the role of TUs are themselves interested in creation of TUs; • Relations with local authorities – it's more typical for marzes; • Relations with the "State Employment Service" Agency; • Relations with NGOs and Mass Media – not more than 10 persons; **4. Cultural capital** • Work experience in the TU sphere; • Team work tradition – branch unions support territorial unions or "primary" organizations with legal consultations and/or with settlement of issues; the Confederation unites branch unions; • Symbolism – flag, logo - not more than 5 branch unions have it; diplomas and promotion means; • Booklets, information leaflets, calendars – not more than 5 branch unions have them, and	• Members have no belief and trust both in the Government and the TU; • Leader do not possess self-confidence, as they can't protect their active members not through legal or any other mechanisms; • Not all leaders of the TU have political will; • The staff of branch and lower level unions have a weak jurisprudence knowledge; • Solidarity and unity is very weak and not at the whole level of the TU; • Organizational weakness; **2. Economic capital** • Finances are short in branch unions with instable income and low salaries; • Financial shortage for motivating new members; • Financial shortage for ensuring social rights of employees; • Lack of finances for legal issues – court cases, walkouts etc (they prefer to settle firstly social and then grant money for legal issues); • Financial shortage for active cooperation with Mass Media; • Financial shortage for work with information databases (on employees, special cases etc), update of website, organization of the own PR etc; • Financial shortage for branch unions to visit all regional "primary" organizations; • The shortage of members conditions low membership fees. **3. Social capital** • Use of the social network to settle local issues increases TU dependence on appropriate body; • The TU has no sustainable relations with Mass Media; • The cooperation with political parties is not welcomed; • The from-bottom-to-top link within the TU

CTUA, who also has a website; **5. Administrative and political capital** • According to the law, TUs are independent of this or that body, including the Confederation and branch unions; • Side of the social partnership – as a side it participates in decision making processes, discussions on the law and make recommendations; • The Confederation on the behalf of branch unions, and branch unions on the behalf of territorial and primary union have the right to announce; • It has the right to sign collective agreements, which gives the TU a certain status; • Participation in committees operating in the given sphere.	structure and among branch TUs is not quite stable – sometimes the top is not aware of what's going on in the bottom, branches don't cooperate with each other; • There is no accountability and transparency between TU levels. **4. Symbolic capital** • Today TUs in Armenia don't enjoy high prestige almost at all levels – the Government, employers and employees; • Activities on building TU rating are improperly organized; **5. Cultural capital** • The TU has passive position and modest behavior; • The TU has no negotiation views, established attacking and practice of follow-up of interests; • The TU has more compromising rather than the position to work with "rough" methods; • The TU doesn't have cooperation tradition with civil society structures; • The TU doesn't have a clear tactics and strategy, short-term and long-term goals, expected outcomes and indicators for their evaluation; • The TU has no developed and implemented PR strategy; • Not all have symbolism which could increase employee's protectability and expectations of responsibility, i.e., membership card or application to be filled in the employee wishing to get membership; **6. Administrative and political capital** • Independence of TUs of the branch union and CTUA, which decreases the responsibility and transparency of activities; • As a side of the social dialogue the TU can't make other sides to take its view into account; • The TU doesn't have experience in carrying

	on political dialogue and tries to satisfy the Government; • The TU is not represented at NA:
Opportunities	Threats
• The government's international commitments; • Readiness of international organizations to cooperate with the TU, i.e., ILO, International Federation of Trade Unions and others are interested in conducting seminars on exchange of experience; • Cooperation with the government and employers has been put on formal basis, a trilateral agreement has been signed; • The government while making decisions on significant issues lightly and may be formally takes into the TU opinion; • Interest in cooperation by some employers; • Readiness by leaders of some political parties and local authorities to support the TU; • Interest in cooperation by the "State Employment Service" agency; • Opportunity to start entrepreneurship.	• The social and political situation of the country, monopolized economy, environment of political repression; • Mentality, not established democracy, shortage of legal consciousness, low level of law and order and lack of rule of law; • Lack of independent court system; • Corruption manifestations – the tradition to pay money or use social contacts for getting job; • Shortage of vacancies – the employment demand exceeds supply; • As a result of oversaturation of manpower underestimation of employee; it results dismissal of an employee attempting to defense one's rights; • Employees' dependence on the employer; • Legislative amendments don't reflect bottom's, but top's demands – i.e. the new Labor Code includes points reflecting employer's interests; • Law drafters are employers, therefore, create laws for benefit of employers; • Flow of staff members and/or official of the Government dealing with the social sphere; • Not localized and not implemented laws; • Government's ambiguous attitude towards the TU: on the one hand a trilateral agreement requiring social partnership is signed, and on the other hand the state/Government doesn't take into account the TU's role, thinking that it's not active and therefore needless structure in RA; • Lack of readiness by the State Employment Inspection for cooperation; • Meetings with employers are not frequent events, as employers are not ready for cooperation;

	• Registration of TU organizations by the State Registry are lengthy and expensive; • Low level of youth awareness (no matter whether it's a employer or employee) on the role of the TU; • New LC; • The trilateral agreement doesn't function; • The economy is not developed, the investment field is small, the Government doesn't tend to support entrepreneurship; • Tendency for increase of "pocket" TUs.

The above table summarizes responses provided by interviewed "internal" and "external" experts. Based on this, obstacles and challenges are summarized, which Armenian TUs face today and provide an opportunity to make conclusions on recommendations aimed at their solution or lessening.

8. Conclusion

The research results also to come to the following conclusions, that:

The main obstacles on the way of operation of trade unions are **'**

- Social and economic state of the country, vacancy issues;
- Lack of established democratic institutions, mentality, personalized relations at all levels;
- High level of legal nihilism, passive functioning of the society;
- Lack of independent court system;
- The executive body not always undertakes effective actions aimed at the defense of employee's rights (the State Labor Inspections and Ministry of Labor and Social Affairs);
- Shortage of the tradition of initiating activities within the framework of the social partnership; lack of the practice for political dialogue;
- Lack and/or shortage of will and capacity for attacking by the TU;
- Shortage carriers of TU ideology (collectivism and solidarity) among employees, TU staff, employers and interested structures;
- Passive functioning of the TU;
- Low rating and inadequate perception of the role of TUs;
- TU organization's dependence on the employer;
- Financial issues of TUs, employers if not directly than indirectly conduct collection and reallocation of TU membership fees.
- Shortage of TU experience, skills and bilateral contacts with the public,
- TU human resources, age and way of thinking.

9. Recommendations for solutions

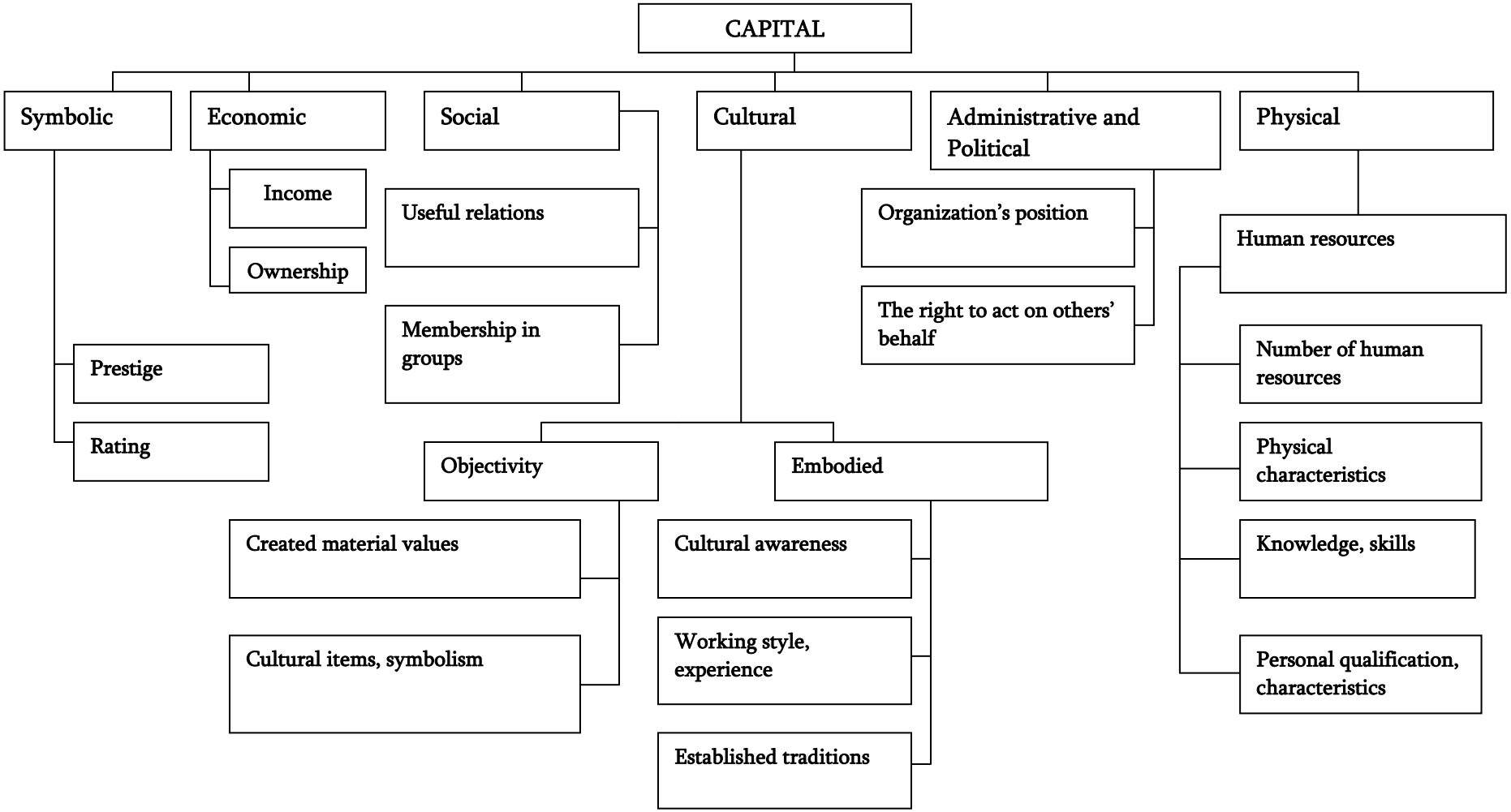
Objective	Activity Recommendations	Responsible /Implementator/Mean
Physical Capital	Initiate cadre reforms within the trade union taking into account the activism factor and the age.	CTUA, BUs
	Develop and apply mechanisms of broad involvement of young human resources within the trade union system and their motivation.	CTUA, BUs
	Conduct trainings aimed at: 1. The change of the trade union system of values, 2. The working style typical for the new political system, 3. The Perception of the real role and the meaning of the trade union, the group identification of trade union members, improvement of motivation, initiative and collective spirit, 4. The elimination of Soviet stereotypes, 5. The training of trade union officials (management skills, labor and budget planning/supervision etc), 6. The improvement of legal consciousness of trade union members, 7. The strengthening the establishment and insurance of communications with the public and Mass Media.	CTUA, BUs, international donors, NGOs
	Implementation of projects on exchange of trade union experience in other countries for interested young persons	International donors
	Conduct evaluation researches and assess the performance of all BRU in order to improve the CTUA structure	Independent NGOs, international donors
	Develop a strategy on the election and training of leaders, which could include the election of leader, the list of necessary characteristics (for the given leader), evaluation, training and implementation of specific activities.	CTUA, BUs
Economic Capital	Provide funds for hiring skilled jurists and other necessary professionals	CTUA, BUs
	Promote exchange of experience among territorial unions for the dissemination of experience in rational distribution of financial management	BUs
	Plan work with mass media during annual planning of actions, develop a time scheme, implementation methods (talk-shows, TV debates, interviews) etc	CTUA, BUs
	Finance information and awareness campaigns in trade union activities (booklets, books etc)	CTUA, BUs, International donors
	Provide funds for the restoration of the CTUA website and for the organization of own PR	CTUA, International Donors
	Foresee periodical and frequent visits to “primary and/or territorial	CTUA, BUs

Objective	Activity Recommendations	Responsible /Implementator/Mean
	organizations in the annual budget and in the Action Plan	
	Carry out activities for the protection of labor rights of those involved in the sphere informal economy and during their involvement in trade unions	CTUA, BUs, International donors
Social Capital	Create PR and Analytical departments within the CTUA	CTUA, BUs
	Create a department providing free of charge legal consultations within the CTUA or as an alternative involve NGO sector	CTUA, BUs
	Develop effective and practical mechanisms for the cooperation with NGOs and political parties	CTUA, BUs
	Improve connections among trade union tires through periodical organization of meetings at branch and republican scales	CTUA, BUs
	Develop a mechanism which could consolidate correlated spheres with content, maybe also with the structure within a new separate structure	CTUA, BUs
	Use the potential of international trade unions to reach the goals of the trade union	CTUA, BUs
	Train mass media officials and increase awareness on the features of trade union activities	CTUA, international organizations, NGOS
Symbolic Capital	Initiate public awareness campaigns with a view to increase the role of the trade union	CTUA, BUs, Mass Media, international donors
	Develop a strategy on the creation and dissemination of a new character and rating of the trade union	CTUA, BUs
	Evaluation of the efficiency of trade union activities through public opinion survey	CTUA, NGOs, international organizations
Cultural Capital	Improve the trade union activism particularly in the regulation of legal issues of employees	CTUA, BUs
	Apply and strengthen the practice in covering and disseminating positive court precedents in the work style of trade unions	CTUA, BUs, international organizations
	Strengthen the practice of cooperation with civil society structures	TUs
	Come forth with periodical publications and speeches on labor rights, ensuring respectable labor conditions, pension policy, employment, social insurance of employees and on application of laws related to the given sphere, as well as the evaluation of actions by state tiers	CTUA, BUs
	Come forth with analysis and publications on activities of "the primary" organization and labor rights within it	BUs
	Come forth with own initiatives on improving laws related to their	CTUA, BUs

Objective	Activity Recommendations	Responsible /Implementator/Mean
	sphere	
	Cooperate with the government, the Union of Employers, MPs, Political parties, Mass Media, international organizations and other stakeholders with a view to launch legislative initiatives	CTUA, BUs
	Activate the trade union cooperation with LSG	BUs, TTUs

Annex 1

The Capital is the value which gives its owner priority over others.



Word of Appreciation

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