

Minimum Wage & Collective Bargaining in Bulgaria 2025

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Bulgaria

Statutory Minimum Wage ✓

• Monthly Min. Wage 551€

• Hourly Min.Wage 3.32€

63.00%

• MW as % of Median
Wage

39.00%

• MW as % of Gross
Average Wage

• Gender pay gap 13.50%

28.00%

• Collective bargaining coverage

• Process of transposition:
Discussion ongoing

↔ Compare with other countries

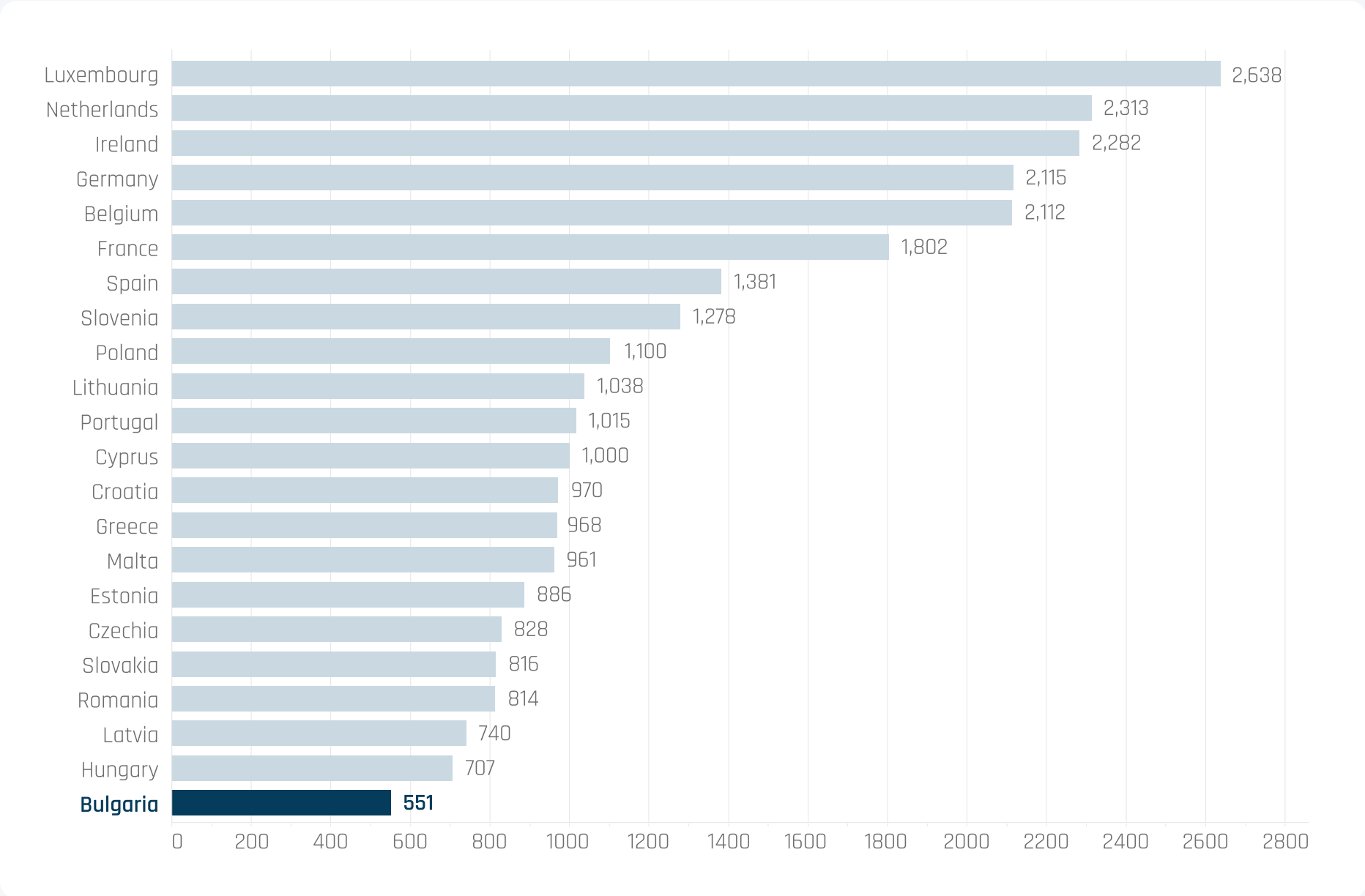


Minimum wage system in Bulgaria

In Bulgaria, a minimum wage has been set by a Council of Ministers’ Decree since the mid1960s. Since the fall of the socialist regime, a minimum wage has typically been set every 1 January. In response to massive restructuring and inflationary pressure in the 1990s, it used to be amended several times a year in order to keep pace with rocketing prices. For the past ten years, however, mid-year adjustments have been rare and the minimum wage rate typically applies for the whole calendar year.

The legal basis of the Bulgarian minimum wage regime is Article 244 of the [Labour Code](#) (Кодекс на труда). It provides that the Council of Ministers shall set the rate of the national minimum wage for each calendar year by decree. Prior to its adoption the new minimum wage is publicly announced on the Council of Ministers’ Portal for Public Consultation. The draft rate is also subject to consultation with the nationally representative trade unions and employers’ organisations in the National Council for Tripartite Cooperation (Национален съвет за тристранно сътрудничество). The national minimum wage applies to all employees without exception.

Monthly Minimum Wage (€) per Country



<div>Statutory Minimum Wage</div> <div>Yes</div>	<div>Wage inequality (inter-decile Ratio P90/P10)</div> <div>4.80</div>	<div>Gender Pay Gap</div> <div>13.50%</div>
<div>Hourly Minimum Wage</div> <div>3.32€/hour</div>	<div>Nominal Growth rate of Wages</div> <div>15.40%</div>	<div>In-work poverty rate</div> <div>11.80%</div>
<div>Monthly Minimum Wage</div> <div>551.00€/ month</div>	<div>Real Growth rate of wages</div> <div>12.40%</div>	<div>% of workers covered by minimum wage</div> <div>14.10%</div>



Minimum wage system in Bulgaria

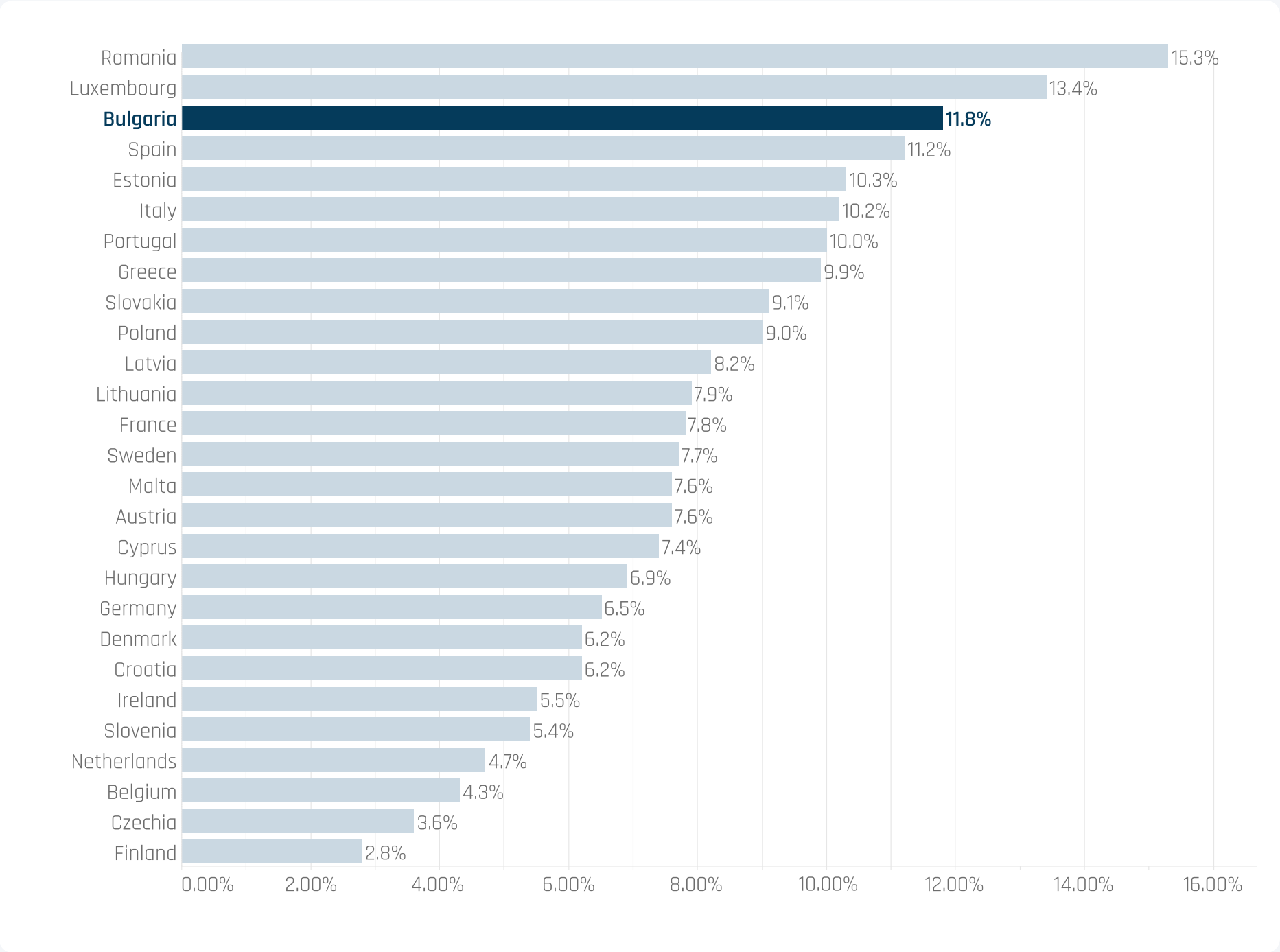
The mechanism for minimum wage setting has been regularly addressed over the past 13 years in government-led discussions with the social partners. The ratification of ILO Convention No. 131 in 2018 sparked off debates but did not lead to the adoption of an agreed tripartite mechanism. In February 2023, the Bulgarian government amended the Labour Code by introducing an automatic formula for minimum wage setting. According to Art. 244 of the Labour Code, this formula is based on just one criterion and provides that the minimum wage shall be fixed at 50 per cent of the gross average wage.

Council of Ministers Decree No. 359 of 23 October 2024 set the minimum wage at BGN 1,077 (551 euros). The rate applies as of 1 January 2025 following the automatic indexation formula introduced in 2023. The National Statistical Institute (NSI) provides data on the monthly minimum wage as a proportion of the average wage. In 2023, the minimum wage was 37.7 per cent of the average wage.

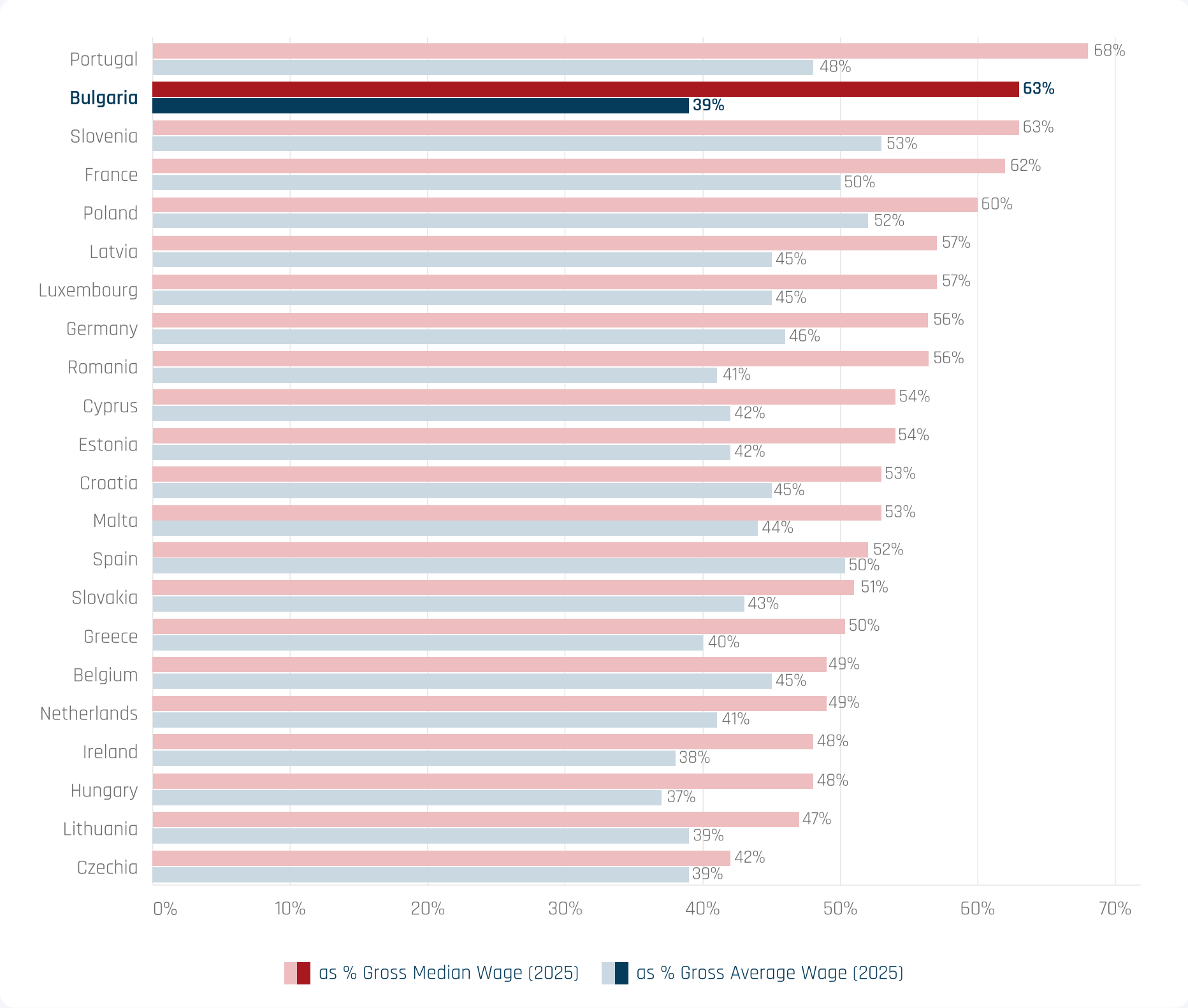
NSI publishes data on the median wage once every four years. The median wage in October 2022 was BGN 1,144 (585 euros). According to expert calculations by the Ministry of Labour and Social Policy the median wage was supposed to be raised to BGN 1,300 (665 euros) in 2023. Thus, according to national data, the minimum wage was 60 per cent of the median wage in 2023.

The average wage rate is defined by summing up the quarterly average wages of the current year (first and second quarter) plus the average wages of the previous year (third and fourth quarter) and then dividing the result by four. The automatic minimum wage formula was first applied at the end of 2023 to produce the rate for 2024. It was applied once again at the end of the previous year to establish a new rate as of 1 January 2025. The 2023 amendments also envisage that the minimum wage shall not be below the previous year's rate. Thus if the formula provides for a fall in the new minimum wage rate, no adjustment shall be made at all.

In-work poverty rate (%) per Country



Minimum Wage as % of Gross Median and Gross Average Wage per Country





Collective Bargaining system in Bulgaria

Collective bargaining in Bulgaria is regulated by the Labour Code. The [Law on the Settlement of Collective Labour Disputes](#) and other regulations are also relevant to this process.

NSI publishes data on collective bargaining coverage once every four years. [The 2018 data](#) show that the coverage rate was 28 per cent, with major differences across sectors. The coverage rate is over 50 per cent in the following sectors: education, mining and quarrying, electricity, gas, steam and air conditioning supply, water supply, sewerage, waste management and remediation activities, health care and social work activities. The sectors with the lowest coverage rate are wholesale and retail, repair of motor vehicles and motorcycles and real estate activities. In these sectors only 8 per cent of employees are covered by collective agreements mainly because of the prevalence of small businesses (up to nine employees).

The National Institute for Conciliation and Arbitration (NICA) publishes annual data on the number of collective agreements in force at different levels. [According to NICA data](#), between 2015 and 2023 the number of company-level agreements fell from 1,976 to 1,437. In the same period, the number of sectoral and municipal-level agreements declined as well: municipal agreements fell from 61 to 55, while sectoral agreements fell from 21 to 14.

The decline in collective bargaining was caused largely by the restructuring and closure of enterprises, along with employers’ reluctance to negotiate. Another reason for the low collective bargaining coverage is the inability to initiate sectoral dialogue or to reach agreement on the extension of sectoral agreements. The development of non-standard forms of employment, such as short-term contracts and platform work, further have exacerbated the decline in bargaining coverage. Economic factors such as crises, globalisation and pressure to reduce costs are also weakening unions and bargaining processes.

Other structural key features of the Bulgarian collective bargaining regime include

- Validity of collective agreements after expiry

The Labour Code (Art. 54) stipulates that collective agreements can be concluded for a period of one year, unless another period is agreed, but in any case for no more than two years. Negotiations on a new collective agreement shall commence no later than three months before the expiry of the existing collective agreement. Collective agreements are not valid after the envisaged expiry date.

The Labour Code (Art. 55) also envisages that collective agreements shall remain valid in specific cases related to the employer. Thus, if the employer ceases membership of the employers’ organisation that signed the agreement or undergoes a change in legal status, for example, following a company merger, the collective agreement shall continue to apply to the workers concerned.

- Exclusion from bargaining of certain groups of employees

Collective agreements apply to employees who are members of the trade union party to the agreement. Employees who are not union members may still benefit from the collective agreement after submitting a written application to the employer or the union. The conditions for joining are determined between the parties. The Civil Servant Act does not provide for collective bargaining for civil servants. This legal gap prevents the conclusion of collective agreements for civil servants. Civil servants can only sign a kind of compact with the respective government authority but the special legal status of civil servants under the Civil Servants Act essentially leaves them out of collective bargaining processes.

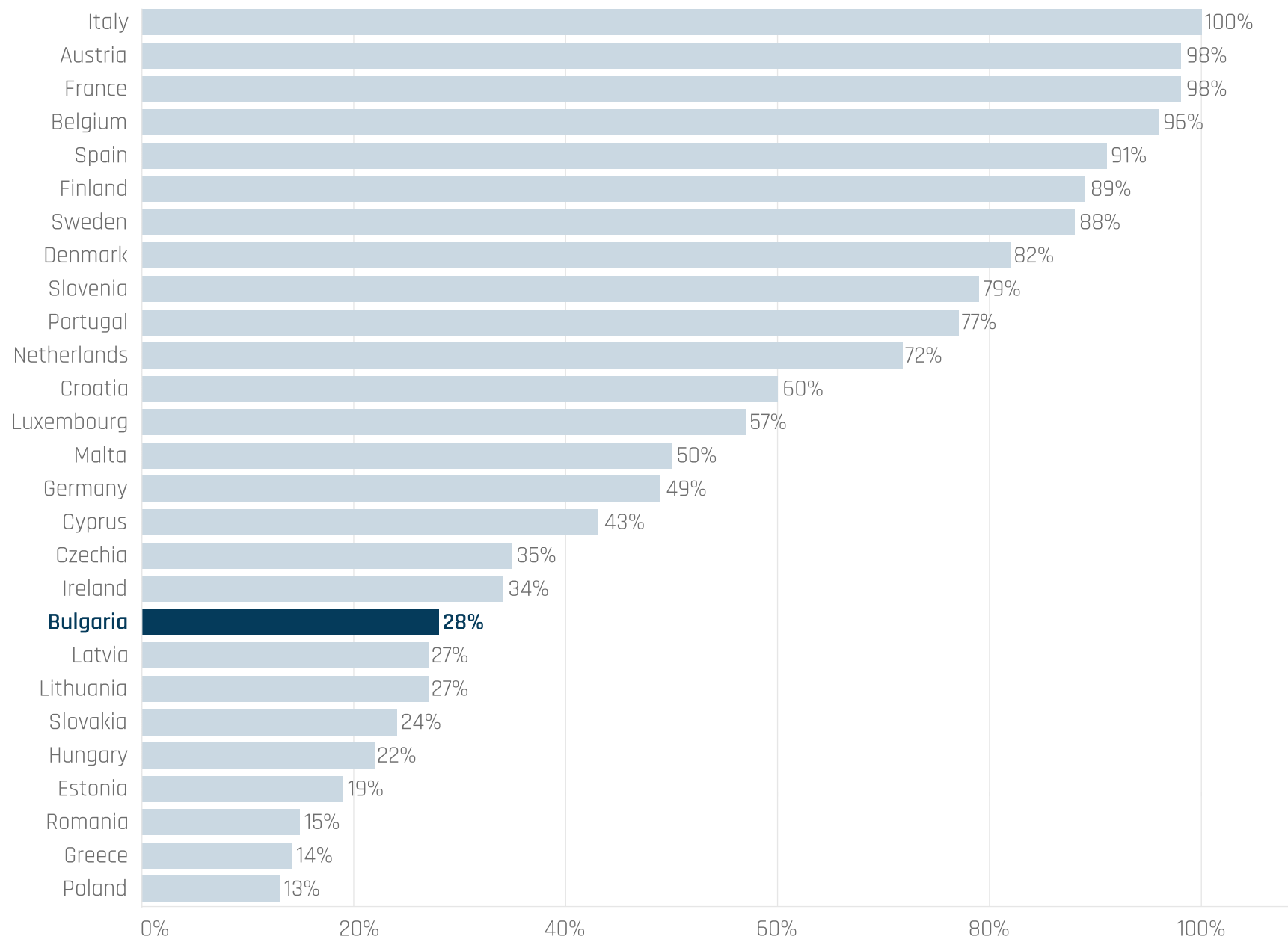
Collective Bargaining Coverage
28.00%

Trade Union Density
15.30%

Extension Mechanism
Rare extension

Valididy of Collective Agreements after expirations?
No

Collective Bargaining Coverage per Country (%)





Collective Bargaining system in Bulgaria

- Collective bargaining clauses in public procurement

Bulgarian legislation does not provide for mandatory collective bargaining clauses in public procurement. However, the Confederation of Bulgarian Trade Unions (CITUB) has submitted proposals for legislative changes aimed at introducing requirements for compliance with collective agreements and ensuring decent working conditions in the implementation of public procurement. These proposals have not yet been discussed and adopted in legislation.

- Right of access to workplaces for trade unions

Trade unions have the right to report violations of labor legislation and to request the imposition of administrative penalties. In carrying out this function, union representatives have the right to visit enterprises and workplaces, as well as premises used by workers, without prior notice. They may request explanations from the employer, as well as access to documents and information in relation to specific cases. In addition, unions have the right to question workers about working conditions and observed violations.

- Protection of workers and trade union representatives from dismissal and discrimination

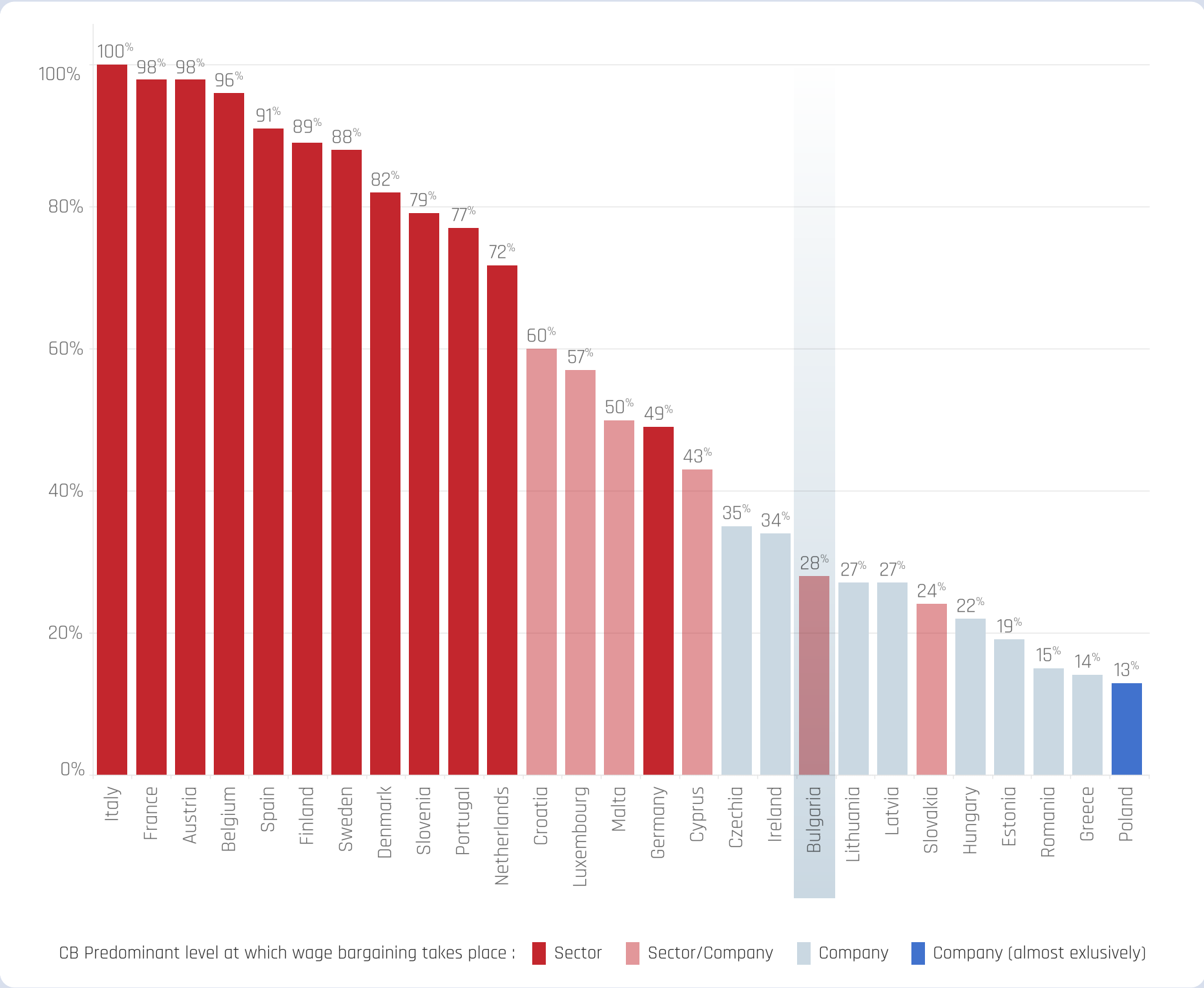
The Labour Code stipulates that employers may dismiss the company-level trade union secretary and leader only after obtaining consent from the relevant trade union organisation. This provision applies in cases of dismissals resulting from reductions in available job positions or workload, a lack of qualifications for effective performance, a change in the requirements for the position or disciplinary dismissal. Protection applies both while the worker holds a trade union position and up to six months after being released from it. The Labour Code also allows collective agreements to establish clauses regulating workers’ dismissal due to reductions in available job positions or workload only with the prior consent of the trade union in the enterprise.

An amendment (new Art. 174b added) to the 2023 [Criminal Code](#) aims to guarantee workers’ right to organise. If the employer prevents workers from organising, they may be punished either by imprisonment of up to three years or by payment of a penalty of up to BGN 5,000 (2,556 euros). In the event of a repeat offence a longer period of imprisonment or a higher penalty shall apply.

- Employers’ obligation to engage in collective bargaining with trade unions

Employers and their organisations are obliged to negotiate with trade unions to conclude a collective agreement. They must provide access to applicable collective agreements and relevant information about their economic and financial situation, unless its dissemination would be detrimental to the enterprise. In the event of failure to comply with these obligations, employers shall be liable and subject to payment of compensation.

CB Predominant level at which wage bargaining takes place per Country





Transposition of the European Directive on Adequate Minimum Wages in the EU

As of early February 2025, the Directive had not yet been transposed into Bulgarian law. The Multi-Agency Working Group to the Ministry of Labour and Social Policy has been dismissed multiple times in the wake of political instability (principally because of the lack of a regular government). There is still no official draft of changes to the Labour Code and related regulations.

With regard to minimum wage setting both CITUB and the Confederation of Labour (CL) ‘Podkrepa’ insist on further legal amendments that would enable the inclusion of new indicators in the formula and assessment of the adequacy of the minimum wage in comparison with the living wage. CITUB even proposed certain formulae incorporating the criteria listed under the Directive’s Article 5, This also included suggesting how to weigh each criterion. CL ‘Podkrepa’ also announced certain criteria that should be applied to the minimum wage formula.

Employers’ organisations insist that the minimum wage should be set based on criteria agreed on a tripartite basis and thus that the automatic indexation formula should be abolished. As regards collective bargaining, the unions demand the adoption of new legal norms regarding collective bargaining in different economic sectors and bargaining levels (including municipal). The unions also insist on regulation of the right to collective bargaining for civil servants within the Civil Servant Act. In that way bargaining would be regulated just as it is within the Labour Code for those working in a regular employment relationship.

The unions also propose the registration of collective agreements electronically, the periodic submission of information on their implementation and scope (including by sectors and territories), and the establishment of rules on access to the electronic register. They have also called for the adoption of legislative texts allowing for an annual update of remuneration through collective bargaining. That way collective agreement clauses on wages can be negotiated annually.



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WAGE-UP is the ETUC Monitoring Tool presenting information on Minimum Wage setting procedures and Collective Bargaining systems in all EU countries, as well as the progress in EU countries toward the transposition and the implementation of all the provisions of the Directive on adequate minimum wages in the EU (2022/2041).

www.wage-up.etuc.org/



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