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## Annual Review 2010 on Labour Relations and Social Dialogue in South East Europe:

### Macedonia

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### 1. Executive Summary

This paper is a report on the current situation in labour relations and social dialogue in the Republic of Macedonia. It is an annual report, which is mainly focused on important developments during the current year. Therefore, its main purpose is to present the actual trends and policies in the country regarding the labour relations environment and possible improvements in the process of social dialogue.

In order to achieve the main purpose of the report, analyses of the important socio-economic developments are done, as well as of the state policies that influence directly

the industrial relations and the process of social dialogue. This is done upon data from reliable sources of information, such as the National Bank of RM, the State Statistical Office and the Official Gazette. The report shows the complexity of the situation, particularly under the impact and consequences of the global economic crisis, which additionally slows down the (still underdeveloped) social dialogue and full implementation of the Acquis Communautaire. The stagnation is not only characteristic for the GDP growth, but also for an improvement of state policies and strengthening the workers' and employers' associations. However, there are also some positive developments, particularly in expanding the coverage of workers by collective agreements.

As annual report, this paper continues to follow up the development of the labour relations and social dialogue on national level. In the context of the process of association of Macedonia to the EU and the predicted (although modest) recovery and growth for the next year, it is realistic to expect further positive developments in the social sphere too.

## **2. Socio-economic developments**

The economic performance of Macedonia improved considerably prior to the recent global economic crisis. Average real GDP growth, which reached around 3.7 percent from 2003-2006 had accelerated to around 6 percent during 2007 and 5 percent in 2008, bringing the country's growth rate closer to regional averages. The crisis brought to negative growth rate of -0.8% in 2009, which continued in the first quarter of 2010. However, both national and international (IMF, EBRD, Vienna Institute) experts predict positive growth of about 0.5% on annual level for 2010.

The foreign direct investments are still the weak point, since its level is lower compared to the countries in the region, in spite of all efforts made in improvements of the business climate and legislation. The FDIs placed in the country have reached the total amount of 3.1 billion €. However, according to the EBRD, in the period January-April 2010, Macedonia had only 70 million € in FDIs, while the statistics of National bank have registered FDIs in the amount of 97 million € on net basis for the first 8 months of 2010. The experts locate the causes of this situation in postponed (delayed) Euro-Atlantic integration processes. Most of the FDIs are placed in the section Financial intermediation, (1/3 of the total FDI). Second on the list, by the amount of FDIs, is the section manufacturing. The origin of the FDI is predominantly from the developed countries.

The trade balance shows deficit since the value of the goods and services imported is higher than the value of the total exports. The deficit grew substantially in 2008 compared to 2006 (see tables in bullet 3 of the Annex) and there was some contraction in 2009, when the trade deficit was 1, 5 billion €. This situation causes problems with the current account of the balance of payment, which is also in deficit. However, this deficit was also reduced in 2009, although no specific economic measures were implemented in that direction during previous and this year.

The public budget had expanded during last 4-5 years substantially. However, the level of the budget deficit has been under control and the deficit level of -2.6% for 2009 was anticipated for 2010 too.

The inflation is completely under control: after the bigger jump in 2008 there was negative raise of costs of living in 2009 and for 2010 it is expected to reach 1.5%.

The levels of the average wages are given in the Annex. The gap between the production sectors and services is broadening, while the salaries for the jobs paid from the

state budget have improved considerably during 2008 and 2009. However, there is still no minimum wage determined in the country, while the minimum basis for calculating the insurance contributions is 50% of the average gross wage in the country. This means that, if the wage is lower than this peg, the contributions for pension, health and insurance for unemployment has to be paid on this level.

The level of unemployment is remaining very high over the whole period of transition. No sustainable improvement has been achieved whatsoever, in spite of some short-time measures in the past.

The poverty rate is continuing to increase in 2010 (as in 2009) after period of slight decrease before that.

### **3. Governmental policies and legislation**

In 2010 no mayor political changes or reforms were put in place. The EU Report on the progress of Macedonia was presented as positive only by the government, while it was judged as negative (compared to the previous one) by the opposition and some experts, particularly since it was specifically mentioned that the progress processes have slowed down remarkably.

The Government keeps the initial position in state policies, insuring the public that Macedonia is less affected by the crisis; hence some measures to cope with the consequences of the crisis were brought, but both the employers and the unions were not satisfied with them. However, the planned reducing of the % for insurances paid from the gross wage is postponed for the second time (first for 2010, and now for 2011), as well as the further increase of the wages in the public sector (started in 2008 and targeted in 3 instalments, until 2011). There are no announcements for changes in the social legislation, the retirement age of 64 for men and 62 for women has been in power since 2005 (the law in power since 2000).

There were problems with liquidity and collecting of the budget revenues, which were bridged-over through issuing state bonds and euro-bond both in 2009 and 2010. At this moment, negotiations for a favourable loan are to be opened with the IMF. However, this credit is aimed to be used as reserve and insurance in issuing new euro-bond, and not for effective support of the budget. The business expects more free capital for crediting the current operations, but so far the banks were more interested in buying state bonds than in placing the capital in the business, although the active interest rates were over 10%. Now, the national bank has just reduced the discount rate again and the crediting is likely to become cheaper.

No reductions are done in the level of social payments. However, all payments from the state budget (for sick-leave, maternity leave, social payments etc.) are delayed, due to current liquidity problems.

The public health is in deep debts and it has serious problems to provide the services properly. Additional payments for the insurants (aside from the current % of insurance paid from the gross wage) are likely to be imposed in the next year as short-term measure proposed by the Minister of health. It has negative echo in public, since there have been many scandals connected with the public health and there is no trust that the additional money will be used properly.

The labour market policies have not contributed to reducing the problem of unemployment. The Labour law has been changed in 2010, particularly in the part of the information and consultation in case of major redundancies, so that every case of 20 redun-

dancies and more is considered as major redundancy. According to some government sources, new regulation on information, consultation and codetermination is in preparation.

The adjustment of legislation with the EU requirements is speeded up in order to meet the dead-lines.

In 2010 the unions have not been taking mass actions against the government policies. The process of establishing representativeness of the unions and employers' associations in accordance with the changes in the law brought by the end of 2009, took place this year. The Constitutional court has cancelled the article in the law that defines the composition of the body responsible for establishing representativeness (it was composed only of representatives from the government; the unions and employers were not involved), therefore it has to be changed.

#### **4. Industrial Relations**

Industrial relations are still in process of regulation between the capital and the labour. It goes slowly and is engrained by the malfunctioning of the labour market. Namely, the high level of unemployment and constant misbalance between the demand for jobs and jobs offered, engraves this process, particularly on the side of the labour and its representatives.

Regarding the collective agreements, the major positive development is that the National Collective Agreement (NCA) for the private sector and the NCA for the public sector became generally binding for all employers in private and public sector respectively through changes in the Labour Law brought by the end of 2009. However, those documents had to be re-signed and confirmed by the representative organizations of workers and employers. The Confederation of Unions of Macedonia – SSM, which is representative both in the private and public sector, and the Organization of Employers of Macedonia – ORM, which proved representativeness in the private sector, signed the new NCA by the end of June, which is now on power for the next two years. This way, all employees in the private sector are covered by the NCA. However, the practice might be somewhat different, since there is monitoring and control over the implementation of the NCA only for the organized workers, while for the unorganized there is no information. The Labour inspection has not enough capacity to monitor the implementation thoroughly. On the other hand, there is the utmost fear of job losing among the workers which makes them reluctant to claim their rights guaranteed by the NCA or to complain because they are denied some right.

The situation on sectoral level has not changed much: there are still some sectors where no organization of employers exists, which make the negotiations impossible (e.g.: metal sector, construction sector). Existing collective agreements on sectoral level have power only for the signatories (meaning – members of the organization on employers side) and there is no possibility to extend the power to the others. Additional problem is that the labour law has been changed 8 times in 5 years, and the changes in 2008 and 2009 have required renegotiating the existing collective agreements.

The process of establishing representativeness of unions and employers' associations which took place this year is consequence of one of the changes, after lower peg of representativeness was established (10% for confederations and employers associations on national level and 20% on branch level).

The Confederation of Unions of Macedonia (SSM) has elected a new president on the congress in the end of October. Most of the unions in SSM have finished their congresses too. There are no developments among the unions in SSM regarding mergers

or integrations, although it might be very good idea for some unions with too weak membership (in figures) and capacities. The processes of integration of some GUFs have no influence in this direction on the national level yet. However, some unions work in joint projects and try to come to common platforms for activities (e.g. metal, agro and construction workers unions).

There is overall decline in membership. SSM has proved representativeness with 17.5% of all employees in the country as members that pay membership fee (representative both in private and public sector). KSS has proved representativeness with 10% of all employees that pay membership fee (representative only in public sector). No other organization has asked for establishing representativeness, although there are registered unions or confederations.

The membership density is different in different sectors (metal - 50%; construction - 30%; agro - 35%; textile - 9%; teachers- 78%; doctors and healthcare - 45% etc). Some unions (like metal) try to build long-term and sustainable strategies for organizing new members, particularly in small companies. There is awareness that special approach is necessary for organizing young workers and attempts have started in that direction, but the resources are inadequate and scarce.

Serious problem that remains is the overall pressure over the employees mainly caused by the fear of loosing the job. The result is very often reluctance to take union action or to speak up in own favour. Besides, there is also a dose of disappointment, since no government (regardless of the political orientation) has ever changed any attitude under the pressure of public or union actions. In such situation, during 2010 strikes have been organized only at employers' level and in cases of delay of the pay for more than one month, which additionally causes problems in using free health services covered by the insurance (as explained in the Annex).

Positive developments can be mentioned in cooperation between SSM and KSS, after the change in SSM leadership.

In some isolated cases there have been pressures (by the employers) for establishing company (yellow) unions, which have not been successful so far.

## **5. Tripartite Social Dialogue**

The Economic Social Council has been re-established (in accordance with the representativeness of the social partners) in September and is consisted of representatives from representative confederations, employers associations and the government. At the moment, SSM and KSS have two representatives each, and the Government and ORM four.

The culture of social dialogue and respect among social partners is still very low. Very often, the opinions and recommendations of the ESC have not been taken into account in the past. Besides, the ESC has not always been able to build socially responsible recommendations (meaning that the voice of the unions was over-voted). There are signals in public appearances of the members of ESC that things will improve considerably. However, the overall attitude of the government is not in direction of encouraging of the social dialogue and the unions are concerned whether the ESC will continue to exist pro-form, in order to satisfy some norms on social dialogue.

The tripartite dialogue on regional or local level is still in the very beginning. Regional body at the moment exists only in one region but there are no visible attempts to make it more efficient tool in the socio-economic life.

## 6. Forecasts

According to the projections of the National bank, further recovery of the economy is expected in 2011, with forecasted growth of the GDP between 2% and 3%. Modest increase in the employment is expected too, as well as in household expenditures. However, the level of real wages is expected slightly to decrease, while the inflation rate will come to 3%, which is double in comparison to 2010. The expected investment expenditures will be in progress too, which will mostly contribute to the projected GDP growth.

The unions work on consolidation and organizing more members. Yet, the first results are expected in 2012.

The process of harmonization of the legislation is expected to bring more positive changes. However, the inability to move forward in the EU integration process can disturb the political scene and contribute to some instability.

## Annex

### **Collective bargaining system**

The Labour Law stipulates three levels of collective agreements: national (for private and public sector, respectively); sectoral (branch) and single (for single employer). The national collective agreements are signed by representative confederations of unions and employers associations (for private sector) and by representative confederations of unions and minister of labour (for public sector). The sectoral (branch) collective agreements are signed by adequate and representative unions and employers organizations. The single collective agreements are signed between the union representatives in the company and the employer.

According to the law, all levels of collective agreements are independent. However, since the unions negotiate them at all levels, it is generally accepted and implemented that each next level can stipulate only broader rights than the previous. This means that the single collective agreement usually stipulates broadest rights for the workers.

At the moment, in Macedonia the National Collective Agreement for the private sector is on power, as well as few branch collective agreements and more single collective agreements. However, since by law the national agreements are obligatory for all employers both in the private and public sector, the coverage of employees appears to be 100%.

### **System of tripartite social dialogue**

The system of tripartite social dialog is practiced through the Economic Social Council - ESC, which is consultative body, established on the basis of Agreement and composed of representatives of the social partners. The ESC was re-established in September and now it consists of 4 representatives of each social partner: unions (by two from each representative confederation) ORM (only representative employers' association) and the Government (ministries of labour, economy, finances and the vice-prime minister). It is governed by the minister of labour (no rotation in governing).

The way the tripartite social dialog was functioning in the past was in fact pretending that it exists in the country. Many issues that would normally have to be observed by



the ESC were not on its agenda at all. Meetings of the ESC were simply not called and the Parliament adopted pieces of legislation without minding the social partners. It is still too soon to judge whether the things have changed, or would it be better now, after only the partners with proven representativeness take part in it. Its meetings and agenda are still mostly dependant on the minister of labour. Besides, the stand-points of the ESC are not obligatory either for the Government or for the Parliament and the unions and employers associations has to take much more important role in the whole process.

### **Social security systems**

According to the Constitution, Macedonia is declared as a social country. **Social security** covers almost all citizens:

- employees, that pay insurance contributions;
- retired persons;
- children, whose parents are covered by insurance (until age of 26);
- unemployed persons that are actively seeking for job; etc.

However, although statistics show certain number of employed in the country, the number of persons covered by insurance is around 70% of the number of employed (or is compatible with the number of employees, by economic status).

There are no official statistics of grey economy, but it is estimated by some experts that it might go up to 40% of the GDP, which adequately reflects the number of persons which are not covered by the insurance.

Social welfare in different forms has been provided to 52.426 adults and 21.479 minors in 2008 (World Bank country report). The number is decreasing partly due to rigid controls, partly due to change in regulations.

In general, only people with unsolved civil status are practically out of the system and denied any social security.

### Health

The health insurance rate is 8% of the gross wage. It was aimed to decline from 9.6% to 6.5% in period of 3 years (2009, 2010, and 2011) which is temporarily suspended at the moment. It provides free packages of primary health services and secondary (higher) health services with payment of certain participation.

So far, the payment of the insurance is proved with special coupons issued by the Fund; the insurant that has no coupon for the month (because their wages are delayed) has to pay the health services used in that month, and than to claim remuneration from the Fund, which takes months. The health insurance system is based on solidarity, but it works only for those insurants who pay the fee regularly. The delay of the payment, which is caused by problems on employer's side, makes the insurants victims of the situation. According to statistics, 3-4% of employees do not get their wages on time; hence have problems with their health security.

### Pension

The pension insurance system relies on 3 pillars:

- state obligatory fund
- private obligatory fund

- private voluntary fund.

The insurance rate is (at the moment) 19% of the gross wage, which is divided between the private and state obligatory funds. The rate was aimed to decline from 21.2% to 15% in period of 3 years too, which is also temporarily suspended.

### Unemployment

The insurance for case of unemployment is obligatory too. The rate is 1.4% (in reduction from 1.6% to 1%, as the other insurances) of the gross wage.

In case of unemployment, depending on years of service, the unemployed person is entitled to maximum 12 months unemployment allowance unless he is 59, or she is 57. In that case they are entitled to allowance until retirement, or new employment (which almost never happens).

### **Education and vocational training**

*Table: Structure of labour force by education*

	% of labour force	% in unemployed population
no education, incomplete primary school and lower secondary education	29.6%	36.1%
3 years secondary education	12.2%	12.8%
4 years secondary education	40.7%	38.5%
higher (industrial college) level education	3.1%	2.2%
academic university level education	14.4%	10.4%

Source: State statistical office, Statistical Yearbook 2009

The educational structure of the population that is looking for job is inappropriate to the labour market needs. The figures show that among the unemployed who are looking for job 36.1% are with no, incomplete or lowest education and no qualification. The persons with 4 year secondary education are the largest group among the unemployed. Among lot of those people the inadequate education or qualification is an obstacle to find a job. The state Agency for employment organizes different courses and trainings for re-qualification, financed from own sources.

On the other hand, the discussions over the compatibility and necessity of harmonizing the system of education with the needs of the labour market go on for a long time, with no visible substantive changes. Even thou the secondary education became obligatory two years ago, the attempts for providing advisory for professional orientation are just beginning and there is no real connection between the industry and industrial schools in terms of combining the theoretical and practical education and skills.

However, the interest for education in industrial jobs is decreasing year after year and the interest for education in non-industrial jobs is rising (particularly for medical, economy or judicial education). This has prolonged negative impact in terms of further increasing (instead of decreasing) the needs for re-qualification and inability to get suitable job. On the other hand, according to the forecasts of the state Agency of employment, over 50% of the new jobs in 2011 will be opened in the manufacturing industries and most wanted qualifications will be textile, electro, mechanical and construction technicians as well as informatics, mechanical and construction engineers.



## Employment rate

### *Employment rate*

	2006	2007	2008	2009	2010*
active population	891,679	907,138	919,424	928,775	923,323
employed	570,404	590,234	609,015	629,901	627,129
activity rate	55.1	55.7	56.3	56.7	56.0
employment rate	35.2	36.2	37.3	38.4	38.1

Source: State Statistical Office

\* Last published data: second quarter of 2010

### *Employed by economic status*

	employed total	%	employee	%	employer	%	self- employed	%	unpaid family worker	%
2006	570,404	100	403,564	71	33,853	6	70,789	12	62,193	11
2007	590,234	100	426,662	72	32,655	6	71,245	12	59,672	10
2008	609,015	100	437,475	72	30,084	5	78,824	13	62,632	10
2009	629,901	100	453,031	72	32,469	5	80,053	13	64,349	10
2010*	627,129	100	454,722	72	32,858	5	83,674	13	55,875	9

Source: State Statistical Office

\* Last published data: second quarter of 2010

## Average monthly salaries (table, in €)

### *Monthly average by section of activity in €\*\**

	2006	2007	2008	2009	2010*
∅ total	375	394	428	488	490
∅ agriculture	318	286	283	315	321
∅ industry	384	390	415	473	481
∅ services	418	433	465	539	529

Source: State Statistical Office

\* Last published data average wage I-VIII.2010; State Statistical Office

\*\* Own calculations in €, by middle exchange rate

## Gender pay gap

There is no official information of gender pay gap. The legislation on non-discrimination is on power; the equal opportunities are taken seriously and exist since the previous system. However, Macedonia is still a very traditional society and the gender gap is more present in the opportunities for a promotion or taking more responsible positions. Although, the percentage of female graduates is higher than the percentage of male-graduates and women are taking more and more often highest positions in business and social life.

## Monthly minimum wage

Monthly minimum wage is not determined in the country. However, 50% of the average gross wage is the minimum level on which the insurances from the gross wage (pension, health and unemployment) have to be paid. For 2010 the amount of 242€ is minimum basis for payment of the insurances. In case an employee earns the same amount or higher, the insurances are paid in accordance with the salary. In case the employee earns less, then he/she will receive the lower amount in net, while the insurances will be paid as if the wage was 242€ (according to the required minimum level).

For some branches minimum wage was determined in the branch collective agreements. However, at the moment minimum wage is determined only for the sector of Health in amount of 250€.

### Actual weekly working ours

Weekly working hours are 40, including the ½ hours break per day, which makes effective working hours of 37.5 hours per week. There is legal possibility for shorter working hours (no less than 32 per week) for specific activities that have a negative influence on worker’s health. For this, special permeation by responsible minister is required. In that case the shorter hours are equal to full time in terms of rights and obligations for the worker and employer. However, there are no such cases in practice

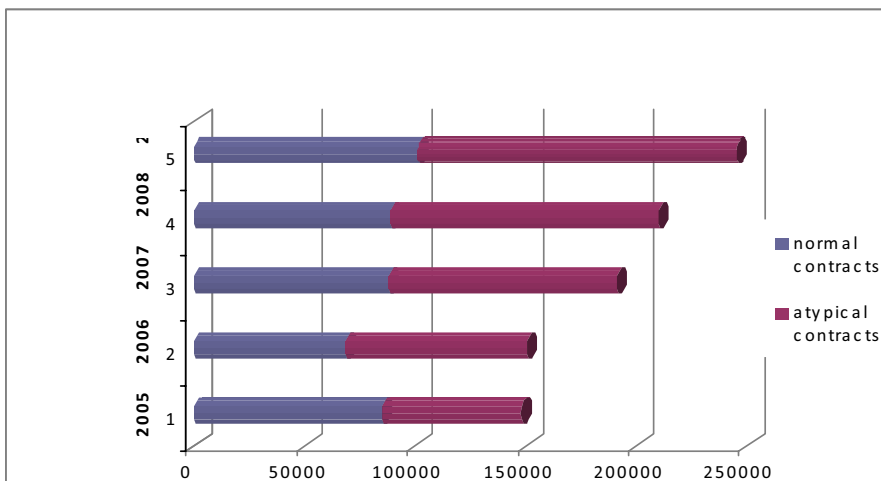
The over-time hours are limited too, to maximum 8h/week or 190h/year. If the worker has at least 150 hours of over-time and has not been on sick-leave more than 21 days during the year, the employer is obliged to pay him/her bonus in amount of the average net salary in the country. All those stipulations in the labour legislation have the purpose to minimize the over-time work and to make the employers employ more workers instead of making them work over-time.

### Normal work /atypical work

year	number of contracts	%	normal contracts	%	atypical contracts	%
2005	147,965	100	85,033	<b>57.5</b>	62,932	<b>42.5</b>
2006	150,815	100	68,878	<b>45.7</b>	81,937	<b>54.3</b>
2007	191,468	100	88,393	<b>46.2</b>	103,075	<b>53.8</b>
2008	210,010	100	89,039	<b>42.4</b>	120,971	<b>57.6</b>
2009	245,314	100	101,292	<b>41.3</b>	144,022	<b>58.7</b>

Source: Agency of employment, annual reports

The same data are presented more picturesquely on the chart below.



The data from the Agency of employment show that atypical contracts are growing fast in the recent years on behalf of reduction of normal contracts. In 2009 almost 60% of all contracts signed are atypical ones. Atypical contracts are mostly temporary contracts (for 1 to 6 months) and agency work (engagement through agencies for temporary work). According to the Labour law, after 5 years working on a job under temporary contracts, the contract has to become normal one (for permanent employment).

According to the Law on agencies for temporary engagements, agency workers have the same rights (salaries, supplement payments, vacations, working hours, health and safety etc) as workers that normally work on same or similar jobs in the company.

### Unemployment rate

	2006	2007	2008	2009	2010*
Labour force	891,679	907,138	919,424	928,775	923,323
unemployed	321,274	316,905	310,409	298,873	296,194
unemployment rate	36,0	34,9	33,8	32,2	32,1

Source: State Statistical Office

\* Last published data: second quarter of 2010

### Migration

There is no specific data on brain-drainage, since the evidence of persons that emigrated is only according to the age and ethnic origin.

The State Statistical Office registered that in 2008 emigrated 7,216 persons out of which 3,427 were up to 30 years old, and 3,247 older than 30.

There is no later data and the effects of so-called "visa liberalization", that is in power since 2010 are still not analyzed.

**HDI:** data not available

**Gini-coefficient** data not available

### Collective agreement coverage

As explained in the text, with changes of the Labour Law brought in November 2009, the national collective agreements became obligatory for all employers in private and in public sector, respectively. Therefore, by power of law the coverage became universal. Therefore, the coverage at the moment is:

- Public sector 100%
- Private sector 100%

### Ongoing important collective bargaining agreements

The most important is the National Collective Agreement for the private sector, which was signed by the Confederation of Unions of Macedonia (SSM) and the Organization of Employers of Macedonia (ORM) on June 18<sup>th</sup> 2010.

The National Collective Agreement for the public sector is still negotiated among the Confederation of Free Trade Unions (KSS) and Confederation of Unions of Macedonia (SSM) and the Government. Until signing, the previous NCA is implemented.

This year the negotiations are going on for branch collective agreements in more sectors: agriculture; food industry, textile industry; chemical industry; health; etc. Great facility is the universal validity of the general agreements, where the minimum basis is stipulated.

For the metal industry, there is no organization of employers registered. The union has been putting pressure and taking activities in attempt to accelerate formal registration of such organization, but without success so far. Therefore, the collective agreements are signed at each employer's separately. The activities for pressing employers to organize will continue, through different projects on national and regional level.

There are sectors where representative organization of employers exists, but CA is not signed because of impossibility to come to commonly acceptable solutions, (e.g. in construction). Usually, the employers are in so different conditions that for part of them it is not possible to meet the optimal stipulations. On the other hand, it is not the best solution to minimize the stipulations to a level that the worst can be met. Therefore, the unions would not accept signing *any* CA, but the one that satisfies some normal criteria and values.

### Trade union density

The figures of trade union density are taken from official documents issued after establishing representativeness. There is a decrease in union density. Those official figures are somewhat different from reality, because the law required proving membership both with signed membership forms and confirmation that the membership fee is paid regularly. This way, the members that are exempted from paying the fee out of different reasons (mainly because they don't earn the wage regularly) are not taken into account. It means that the unions count more members than taken into account when establishing representativeness. However, officially the situation is as follows:

- Public sector: 54%
- Private sector: 31%

Or by separate sectors:

- |                                       |     |
|---------------------------------------|-----|
| ○ agriculture and food industry       | 34% |
| ○ construction                        | 28% |
| ○ education and science               | 80% |
| ○ metal and electro industry          | 55% |
| ○ banks and related activities        | 68% |
| ○ water supply and garbage disposal   | 86% |
| ○ chemical and non-metal industry     | 59% |
| ○ health and social care              | 44% |
| ○ public administration and judiciary | 33% |
| ○ forestry and wood industry          | 74% |

### Employer's organizations density

The Organization of Employers of Macedonia-ORM has proved representativeness in the private sector, since the employers- members of this organization employ 24% of all employees in the private sector. There is no data on number of companies (according to the labour law, the representativeness is counted only on basis of the number of employees; the information on members of ORM is not publicly disclosed).

There is also Confederation of Employers of Macedonia, which has not applied for establishing representativeness; hence, there is no data on density regarding this organization. This is organization where mostly micro and small companies are members.

### Workplace representation

The workplace representation is covered by trade unions. If there is a local union organization organized at the employer's site, the board of shop-stewards (elected by the members) is responsible to observe the implementation of laws and collective agreements, to react in case of violations or non-implementation of the legislation (regulation) etc. However, the trade union reacts only on behalf of the members (not of all employees). The employer will address the trade union for issues that require information and consultation. In case there is no local union organization at the employer's (which

is most typical for many small private employers) then there is practically no workplace representation. This is the situation so far.

Last changes in the Labour law (2009) were justified by need of implementing the Directive 14/2002. However, there is information that special law on codetermination is in preparation. The different models of workplace representation and codetermination are observed in order to determine model most suitable for Macedonia. Hopefully, the new law will be adopted next year, but no details are known at the moment.

## **Trade unions**

### *National Trade Union Confederations:*

1. Sojuz na sindikati na Makedonija - SSM; Trade Union Federation of Macedonia 76.000 members, application for membership in ITUC and ETUC; 17 branch unions.
2. Konfederacija na slobodni sindikati na Makedonija - KSS; Confederation of Free Trade Unions of Macedonia 43.000 members, application for membership in ETUC; 10 branch unions.
3. Unija na avtonomni sindikati na Makedonija - UNASM; Alliance of Autonomous Trade Unions of Macedonia; no data for membership; 5 branch organizations; member of ITUC.
4. Konfederacija na sindikalni organizacii na Makedonija - KOSOM Confederation of Trade Union Organizations of Macedonia; no data for membership; 2 branch unions; no data for international membership.

### *Important Trade Union Federations by branches*

1. Sindikat na industrija, energetika i rudarstvo na Makedonija - SIER; Trade Union of Industry, Energy and Mining of Macedonia, 12,000 members; member of IMF, ICEM and EMF.
2. Sindikat na rabotnicite od agroindustriskiot kompleks na R.M. - Agro Sindikat; Trade Union of the workers from the Agriculture, Water, Tobacco and Food-Processing Complex of the Republic of Macedonia; (SSM) 8,000 members; member of IUF;
3. Sindikat za gradeznistvo, industrija i proektiranje na RM - SGIP; (SSM) Trade Union of civil engineering, industry and planning of Macedonia, 7,000 members, member of BWI and ICEM;
4. Sindikat za obrazovanie, nauka i kultura na Makedonija- SONK, Trade Union of Education, Science and Culture of Macedonia; (KSS) 28,000 members; member of IE;
5. Samostoeno sindikat za zdravstvo, farmacija i socijalna zaštita na RM; Autonomous Trade Union of Health care, Pharmaceuticals and Social Work; (SSM) 12,000 members; member of PCI.

## **Employer's Organisations**

1. Organizacija na rabotodavači na Makedonija - ORM; Employers' Organization of Macedonia; members are employers that employ over 68.000 workers, member of SEEEF;
2. Konfederacija na rabotodavači na Makedonija - KERM; Confederation of Employers of RM; no data for membership (collective, like National Federation of Agencies for Temporary Employment, and individual); member of few European and SEE employers' associations (no specific data).