#### Regional Project for Labour Relations and Social Dialogue in South East Europe



January 2011

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

# Montenegro

# By Vesna Simović\*

#### Content

- Executive summary
- Socio-economic developments
- Governmental policies and legislation
- Industrial relations
- Tripartite social dialogue
- Forecasts

#### **Annex - Information about:**

- Collective bargaining, social dialogue, social security, education & vocational training, employment, wages
- Trade unions and employers' organizations

\* Dr. Vesna Simović, Faculty of Law, University of Montenegro.

© Friedrich-Ebert-Stiftung Regional Project for Labour Relations and Social Dialogue in South East Europe Tadeuša Košćuška 8/5 11000 Belgrade, Serbia

E-Mail: <u>fes@fessoe.de</u> Internet: <u>www.fessoe.de</u> The text is available online: www.fessoe.de

The views expressed in this publication are not necessarily those of the Friedrich-Ebert-Stiftung or of the organization for which the author works.

#### 1. Executive summary

In the process of harmonizing our legislation with the European Union, in 2010, Montenegro has adopted a number of significant systematic laws, among which the Law on employment and the realization of rights arising from unemployment is of particular importance. Of special value is the adoption of the Law on representativity of trade unions, according to which the representativity of two trade unions was established – Confederation of Trade Unions of Montenegro (which has so far had the status of authorized organization) and the Association of Free Trade Unions of Montenegro. The amendments to the Law on Pension and Disability Insurance are in progress aiming for more restrictive conditions for eligibility for retirement; in progress are also the amendments to the Labour Law, which will ensure the implementation of international labour standards, particularly those contained in the documents of the European Union. This



year, Montenegro has passed the Law on Ratification of the revised European Social Charter. As a result of the tripartite collective bargaining process, which lasted more than two years, the amendments to the National Collective Agreement have been adopted, and they largely relate to the system of determining wages.

#### 2. Socio-economic developments

According to the data of the Ministry of Finance, the Montenegrin economy has increased by 0.3% this year, while a more significant growth of about 3% is expected to happen next year. Additional fiscal adjustments reduced the budget deficit in comparison to last year, and the Government's projection is that the deficit will remain at about 4% of GDP this year. This is confirmed by the trend of inflation in this year, which has amounted to 0.5% and is expected to have a similar trend in the next year, which is between 0.5 and 1%. Also, the budget balance is expected to improve this year by 1.5% of GDP.

In June, industrial production in Montenegro has increased compared to the average monthly production of the previous year by 19.2%. Total foreign trade of Montenegro for the period January - October 2010, according to preliminary data was EUR 1,619.4 million, which indicates a growth of 2% compared to the same period last year. The value of exported goods is EUR 257.7 million, which is higher by 14.1% compared to the same period last year, and the value of imported goods is EUR 361.7 million, which is higher by 0.2% compared to the same period last year. Export-import ratio is 18.9% and is higher compared to the same period last year, when it was 16.6%.

Average salary (gross) in June 2010 in Montenegro amounted to EUR 706, while the average salaries and wages (net) amounted to EUR 473. Average salaries and wages (net) in the first half of 2010 compared to the first half of 2009 recorded growth of 0.9%.

In the second quarter of 2010, in Montenegro, the number of active population was 252,400, of which 202,300 or 38.9% were employed. The number of the employed compared to the previous quarter decreased by 2.6%. The unemployment rate in Montenegro in November 2010 amounts to 12.01%. In the records of the Employment Service Agency on 1.11.2010 there were 31,690 persons, of whom 14,325 were women. One of the main challenges in the implementation of the employment policy is the increased participation of the categories that have difficulties in finding employment among the unemployed, who in 2010 accounted for 35.47% of the total number of the unemployed, as well as the increasing participation of young people in the structure of unemployment. Currently, youth participation in the Registry of Employment Service Agency is 16%. This year there were fewer vacancies advertised: compared to 2009 there was a decline of 22.3%. Also, the number of new employees is lower than in 2009 by 18.07% (During this year, about 15,500 people were employed). Also, one of the characteristics of employment in Montenegro is the high participation of labour force coming from other countries. This is confirmed by the fact that in 2010, 12,720 work permits for foreigners were issued.

The increase of consumer prices in June 2010 compared to June 2009 was higher by 0.2%, while compared to December it was lower by 0.2%. The growth rate of consumer prices in the period January-June 2010 compared to the same period last year was higher by 0.4%. In June 2010 prices of goods and services used for personal consumption in Montenegro, measured by consumer price index, were lower by 0.4% compared to the month of May, The total value of the minimum consumer basket in the month of October 2010 amounted to  $\in$  753.65, so that in comparison to September 2010 ( $\in$  751.08) it records growth by 0.3%. Poverty line, according to MONSTAT is EUR 163.57, while the poverty rate expressed in percentage amounts to 4.9% and the Gini-coefficient is 25.3%.



#### 3. Governmental policies and legislation

Montenegro adopted the Law on Ratification of revised European Social Charter<sup>1</sup> on 10. December 2009.

During this year, Montenegro additionally has adopted the following laws:

- The Law on Trade Union Representativity determines general<sup>2</sup> and specific requirements for acquiring this feature. A specific condition for determining representativity is the number of union members. The percentage of employees organized by the union is determined differently, depending on the level of unionisation. Thus, to determine the representativeness of trade unions it is required that the union on the enterprise level brings together at least 20% of employees. At the level of a branch, group and subgroup it is 15% of the total number of people employed in that branch, group or subgroup. To determine the representative union at the national level it is required that a union affiliates 10% of the total number of the employees, but under the condition that the union affiliates at least five trade union branches, groups or subgroups.
- Within the legislation reform, Montenegro has for the first time, normatively and comprehensively, regulated the matter of voluntary work, and in April this year it adopted a *Law on Voluntary Work*, which is in compliance with all relevant international regulations in this field.
- In the area of employment a new Law on Employment and attaining rights based on unemployment has been adopted. One of the innovations contained in this law is a reduction of the time length of the right to financial compensation for unemployment and restrictive conditions for attaining this right. Also, the innovation is in the absence of obligations of public advertising of vacancies. Employers are now required only to submit reports on vacancies to the Employment Service Agency for monitoring demand and supply of vacancies, and a public announcement in the media is made only at the request of the employer.

A comprehensive reform of the pension system in Montenegro began with the adoption of laws in 2003. The challenges facing the pension system require the continuation of the reform. The initiator of the amended provisions of *the Law on Pension and Disability Insurance* is the Ministry of Finance. As explained in the proposed amendments, the main reasons for the changes of the Law on Pension and Disability Insurance, from a financial point of view, are: an unfavourable ratio of the number of employees and pensioners, the increase of expenditure for pensions, reduced income from contributions due to the reduced number of working population<sup>3</sup>.

The proposed changes are related to raising the age limit for eligibility for retirement from 65 to 67 years of age, regardless of gender, as well as the equalization of the years of service for retirement (as the other condition) to 40 years<sup>4</sup>. In addition to the

<sup>&</sup>lt;sup>1</sup> According to this law, Montenegro, in accordance with Part III, Article A of the revised European Social Charter, is deemed obliged to accept the following provisions of Part II of the revised European Social Charter: Article 1, Section 2 paragraphes 1, 2, 6, Article 3, Article 4 paragraphe 2, 3, 5, Article 5, Article 6, Article 7, paragraphes 1, 2, 3, 4, 5, 6, 7, 8, 9, Article 8, Article 9, Article 10, paragraphes 1, 2, 3, 4, Article 11, Article 12, Article 13, Article 14, Article 15, Article 16, Article 17, Article 19 St.11a, 12, Article 20, Article 23, Article 24, Article 26, Paragraphe 1, Article 27, Article 28, Article 29

<sup>29 &</sup>lt;sup>2</sup> General conditions are: prior registration with the ministry in charge of labour affairs, independence of trade unions - which includes its autonomy, not only of the employer, but also of the governmental bodies and the influence of political parties; provided funding sources - it may be membership fees or other sources of funding.

<sup>&</sup>lt;sup>3</sup> According to the Ministry of Finance, 1/6 of the total population of Montenegro are the beneficiaries of a right in the area of retirement security. If we look at the entire system of social protection, then 30% of the population of Montenegro is a beneficiary of transfer in the area of social security (pensions, unemployment, social security rights).

<sup>&</sup>lt;sup>4</sup> In doing so, provided the transition period for gradual introduction of these conditions, which will last from 2011. to 2022.. It is proposed to increase the age limit for eligibility for family pension for the widow / widower from the age of 50 to 55 years. Proposed amendments to the Law on pension and disability insurance instead until the age of 15, children have an unconditional right to a survivor's pension until the age of 19. They also have a right to a survivor-s pension if they are students until the age of 24 or until their graduation. The law provides for equal treatment of all beneficiaries of military pensions.



amendments to the Law on Pension and Disability Insurance, the amendments to the Labour Law are in progress as well, and they will mainly be related to: specifying the cases in which a fixed term contract can be concluded, as well as limiting opportunities for the conclusion of successive employment contracts with the same employer; redefining decisions related to the annex to the employment contract and exercising the rights to salary and annual leave. And there is a plan of introducing some new practices, such as: protection of employees who report corruption by the employer, the protection from mobbing and establishing working conditions for agencies for the transfer of employees<sup>5</sup>.

Proposed amendments to the Law on Pension and Disability Insurance have encountered strong reactions from trade unions. The criticism was mostly directed at the fact that the proposed amendments to the law neglected the social factor, and that they cannot be applicable in Montenegro because there are no legal regulations in the field of labour that would provide the conditions for it.

#### 4. Industrial relations

The most important strikes conducted in 2010 were the strikes in the metal sector (Željezara, Tehnosteel, Radvent - all from Nišići) and Montenegrin Telecom (CT). Metal workers (Željezara, Tehnosteel, Radvent) were on strike fighting for the preservation of their factories and workplaces, and the payment of wages. In these factories, which worked well in the previous years, appeared a crisis of production. Trade unionists believe that this was the result of bad privatization (wrong choice of strategic partners), after which the new owners did not respect the investment commitments from purchase-sale contracts which endangered the sustainability of production. The release of large numbers of workers, and even the introduction of bankruptcy are announced in these factories. The unions demand that the government terminates the privatization contracts due to the violation of commitments done by the buyer and to take over the management of these companies until the new privatization, as it did in "BOKSITI" and "KAP". There is an ongoing strike of the workers in "Želejezara", in which they demand the urgent establishment of production or cancellation of purchase agreement.

The trade unions of Telecom led a strike in early March against illegal dismissals and redundancies, and violation of obligations stated in the Collective Agreement of CT. Specifically, since the purchase of Telecom in 2005, the new owner has every year made workers redundant, which he also did this year without first notifying the trade union of his intentions, and without performing the procedure prescribed by the Collective Agreement of CT. In addition, the employer of CT did not respect the obligations prescribed by the agreement signed with the union (allocation of funds for housing loans, payment of funds for health and recreational programs and financial aid). The strike lasted nearly two months and it was ended with the Agreement on the minimum conditions to end the strike, with which the union was able to extend the duration of the Collective Agreement of CT until the end of 2012, but not to prevent the release of about 100 employees on the basis of redundancy. A huge problem for the strikers was maintaining a minimum work process, which according to our Law on Strike is unilaterally determined by the employer in the activities of special social interest.

Earlier this year, the Agency for Peaceful Settlement of Labour Disputes was formed in Montenegro, while the conciliators (for collective labour disputes) and the arbitrators (for individual labour disputes) were elected in June this year. Considering that the Agency has recently began its operations, we cannot talk about significant results in its work, but according to available data - 42 labour disputes were initiated before the Agency since September, out of which three were collective disputes.

\_

<sup>&</sup>lt;sup>5</sup> The author is a member of the working group for amendment of the Labour Law.



One of the problems is the absence of precise data on the total number of employees in Montenegro. According to MONSTAT, last year the number of employees was 174,000. However, according to data we received from the Revenue Service, to which all employers must submit a form on the salaries paid, last year the number of employees was 135,000. Interestingly, there was also a decline in union membership. According to the data from the Association of Free Trade Unions, only during 2010, they have lost about 2,000 members who were dismissed on the basis of redundancy from KAP, Duvankomerc, Telecom Montenegro, Željezara, Livnica, etc.

# 5. Tripartite social dialogue

The Law on Social Council was adopted in December 2007. The law provides that the Social Council is established as a tripartite body, which is composed of 11 representatives: Minister of Montenegro or a competent municipal body, representatives of the authorized organization of trade unions and authorized employers' associations. The mandate of the Council members is four years. The main objective of the Council is to monitor and influence the economic and social development, and to prevent industrial and social conflict and collective labour disputes<sup>6</sup>. The Social Council is established for the territory of Montenegro, but can also be established for the area of municipality (for the area of two or more municipalities one Social Council can be established). Currently, Social Councils are established in Montenegro at the level of 20 municipalities. In July this year, the Social Council of the capital Podgorica was founded. The novelty in this Council is that for its president for the first time the representative of the Association of Employers has been elected, since in other municipalities (as well as at the state level) that position is occupied by government representatives.

#### 6. Forecasts

In the beginning of the next year, the adoption of the amendments to the Labour Law is expected, which will continue the process of harmonization of the legislation with European Union regulations. In this sense, it is expected that changes will allow the affirmation of flexicurity principle, which provides employers with greater flexibility in the capital market (through the introduction of a new institute - the Agency for the transfer of employees), and the employees with a higher level of protection of labour rights (through the introduction of protection against mobbing and limiting the period in which a fixed term contract of employment can be concluded). Also, the amendments to the Law on Strike are expected to take place, which will redefine the conditions for organizing a strike in the activities of public interest. It is expected that the activities of a newly established Agency for the Peaceful Settlement of Labour Disputes will contribute to the improvement of social dialogue and bring it to a higher level.

#### **Annex**

#### Collective bargaining system

In Montenegro, the existing system of collective bargaining is represented at all three levels: at the state level, at the level of a branch and at the enterprise level. In addition to this, at the state level one collective agreement is concluded, and it applies both to the area of economy and non-economy. One of the disputable issues in the collective bargaining process has been on changes of the National Collective Agreement - since the representatives of employers believed that these two areas should be regulated by

<sup>&</sup>lt;sup>6</sup> Social Council was accepted into International Association of Economic and Social Councils on June 28, 2002, on the conference in Bukarest



different collective agreements at the state level. However, this initiative did not meet the approval of the other two social partners.

It is interesting that a branch collective agreement for the public administration and the judiciary has not yet been concluded. Also, there is no signed collective agreement for group and subgroup activities, except for branches.

#### System of tripartite social dialogue

In order to overcome the consequences of global economic crisis in Montenegro in 2009, the Memorandum of social partnership in the circumstances of the effects of global economic crisis was signed by the Government, Trade Unions and the Association of Employers of Montenegro. The activities aimed at improving social dialogue were continued in 2010. In this sense, two documents were signed:

- The agreement on combating undeclared work, which was signed by the Association of Free Trade Unions, the Confederation of Trade Unions, the Association of Employers and the Ministry of Labour and Social Welfare, and
- The memorandum of cooperation to increase employability and employment of people with disabilities, which was signed by the above mentioned parties and a number of NGOs in the field.

However, the most important moment in social dialogue this year relates to the signing of the amendment to the National Collective Agreement. The novelty was that the negotiations involved the Association of Free Trade Unions of Montenegro, but it was excluded in early November when the document was signed by the Confederation of Trade Unions, Association of Employers and the Ministry of Labour and Social Welfare. At the same time, many unions challenged the validity of the act because they claim that the bodies of the Confederation of Trade Unions of Montenegro were not familiar with the text of the signed amendment, nor did they approve the signing.

### Social security systems

	2007	2008	2009	2010 <sup>7</sup>
Users of old-age pensions	41314	44.141	44.466	46.024
Users of disability pensions	24607	29.976	24.323	24.277
Users of family pensions	26247	28.210	27.724	28.272
Users of compensation for body injury	7186	6.835	6.632	6.413
Users of compensations for care and assistance	1735	1.582.	1.476	1.394

#### **Education and vocational training**

According to data from MONSTAT for 2010, Montenegro has an active population of 252,400, out of which 43.1% were women. Of that number, 1.8% is without education. This category includes those whose primary education is in progress, while among the illiterate population the most numerous are the members of the RAE (Roma, Askelji and Egyptians). There are about 7.4% of those who have only primary education, about 54% with secondary education, and only about 15.0% of those with a university

\_

<sup>&</sup>lt;sup>7</sup> Data from August 2010



degree. The highest number of uneducated people is among the elderly, i.e. among those older than 65 (31.8%), while the women make 70% of this population.

#### Employment rate<sup>8</sup>

	Total
2007	156.408
2008	166.221
2009	174.152

## Average monthly salaries9

	Total (net)
2007	338,00
2008	416,00
2009	463,00
2010	473,00 <sup>10</sup>

#### Gender pay gap

Working women in Montenegro earn less than men, as confirmed by the data from the Republic Institute for Statistics-Monstat, according to which their average earnings in almost all industries last year were lower in comparison to men's. According to the latest data of Monstat, the average salary of women in Montenegro is EUR 436, which is about 23 percent less than men's. Women have higher earnings in agriculture, hunting and forestry, quarry and mining, transport, farming, as well as in real estate and property renting.

#### Monthly minimum wage

The minimum salary in Montenegro is determined by the National Collective Agreement. According to the amendments to the National Collective Agreement, the minimum wage of an employee for a standard performance and full time work hours for an average of 176 hours a month cannot be lower than 30% of the average wage in Montenegro in the previous six months. In this sense, the minimum wage in 2010 amounted to  $\leqslant$  160.00

#### Actual weekly working ours

According to the official data, 96.1% of employees are employed on a full-time and 3.9% work less than full time work hours. According to the Labour Law, full-time working hours extend to 40 hours per week. Besides, the employment contract can be concluded with less then full time working hours (depending on the nature of work and organization of work), but not less than ¼ (10 hours) of full time working hours. The law provides for the possibility of concluding an employment contracts with part-time working hours for employees who work in particularly difficult, arduous and unhealthy occupations, but not less than 36 hours per working week. In addition, these employees have the same labour rights as employees who work full time and cannot work overtime on such jobs, and they cannot be engaged in employment contract with another employer. Employees can work more than full time, but not longer than 10 hours per week.

<sup>10</sup> Data from June 2010

<sup>&</sup>lt;sup>8</sup> The data received is based on the Poll on labour force which is conducted by MONSTAT. See www.monstat.org

<sup>&</sup>lt;sup>9</sup> Source: MONSTAT, available at: <u>www.monstat.org</u>



According to the data of MONSTAT, the average working hours per week extend to 42.9% of employees. The longest work hours per week have been recorded in the service sector - 43.4%, and the shortest in agriculture - 38.5%

#### Normal work /atypical work

No significant research has been done in Montenegro in respect to the representation of atypical work forms. However, it is evident that the "black work" is widely spread. According to estimates of the Employment Service Agency, last year in Montenegro about 30,000 people were engaged in work outside employment. This indicates that the rate of informal employment was nearly 20% of the total number of the persons employed<sup>11</sup>.

According to the data of the MONSTAT, the relation between typical and atypical forms of employment looks as follows:

or chiployment looks as follows.	1
Total employees	174,2
Employees who have concluded a written employment contract	96,7%
A person who has a verbal contract with employer	2,6%
Person working without a contract of employment	0,7%
Self-employed	26,4%
Employees who have permanent employment contracts	83,4%
Employees who have fixed-term contract	16,6%

## Unemployment rate<sup>12</sup>

	Total
2006	39.421
2007	32.061
2008	28.711
2009 <sup>13</sup>	29.558

#### Migration

According to the data of MONSTAT, 2.1% of the total number of employees is working abroad. When it comes to migration of workers from Montenegro, there are no official

<sup>&</sup>lt;sup>11</sup> Source: How to stop black labour, Association of Free Trade Unions of Montenegro, Podgorica, June, 2010

<sup>&</sup>lt;sup>12</sup> Source: Employment Service Agency of Montenegro, available at: <a href="www.zzzpcg.org">www.zzzpcg.org</a>

<sup>&</sup>lt;sup>13</sup> Data from 08.12.2009 Source: Employment Service Agency of Montenegro, available at: <a href="https://www.zzzpcg.org">www.zzzpcg.org</a>



data on their number, but only data from NGOs that deal with migration. The number of our citizens who are temporarily working abroad is relatively accurately determined by the last census in 1991 and 2003. According to the census of 2003, 54,816 citizens of Montenegro have been involved in temporary work - staying abroad, which represents 8.84% of the total population of Montenegro. After that period we have only information available to NGOs which deal with migration issues. But even these data cover only the period until 2007, while for 2008 and 2009 such data are not available. Thus, according to the unofficial data, the Montenegrin centre for immigrants, the usual destinations of our workers who leave Montenegro are: Canada, France, Germany, Luxembourg, Sweden, the United States and Australia. When it comes to immigration in the surrounding countries, the most evident is the immigration to Serbia, where according to the register of 2002, 69,049 person, or 0.92% of the total population declared themselves as Montenegrins; Croatia (where according to the register from 2001, 4.926, or 0.11% of the total population declared themselves as Montenegrins), Slovenia (where according to the register from 2002, 2.667 persons or 0, 14% of the population declared themselves as Montenegrins) and Albania (2,000 persons who are our citizens).

#### HDI<sup>14</sup>

2006	2007	2008
0,816	0,828	0,822

#### Gini-coefficient 15

2006	2007
24,4%	26,4%

#### Collective agreement coverage

In Montenegro, 17 Branch Collective Agreements have been concluded, and they cover about 60% of the total number of employees (there are no official data on the percentage of coverage of the labour force by some Branch Collective Agreement).

#### Ongoing important collective bargaining agreements

In November the National Collective Agreement on Amendments to the National Collective Agreement was signed in Montenegro. Collective bargaining has lasted more than two years. Substantial amendments to the National Collective Agreement were the result of negotiations which were led in two directions in the working group: - towards harmonization of the National Collective Agreement with the Labour Law and – towards the reform of the system of calculation of salaries according to the international practice.

The most important result of harmonization of the National Collective Agreement with the Labour Law in Montenegro was the introduction of the minimum wage instead of the lowest price of work, as well as determining its amount. It was determined that the minimum wage of an employee for a standard work performance and full time working hours for an average of 176 hours a month cannot be lower than 30% of the average

-

<sup>&</sup>lt;sup>14</sup> Source: MONSTAT, available at: <u>www.monstat.org</u>

<sup>&</sup>lt;sup>15</sup> Source: MONSTAT, available at: www.monstat.org



wage in Montenegro in the previous six months. The National Collective Agreement introduces the accounting value of a coefficient for the gross amount, as a substitute for the previous lowest price of work, which has been determined so far in the net amount. The allocation for the paid vacation (until now it was paid to the employees once a year) and a hot meal bonus are according to the new provisions of the National Collective Agreement a starting part of the salary, which is calculated as the corresponding part of the accounting value of the coefficient. This means that the salary consists of the amount obtained by multiplying the accounting value of the coefficient and the coefficient of the complexity of groups of jobs, increased by a starting part which represents the value of the previous compensation for hot meal and transportation at a monthly rate. It is envisaged that the annual value of the coefficient in the gross amount (the minimum wage, income taxes and contributions paid by employee) and the starting part of the salary (hot meal bonus and 1 / 12 of the holiday bonus), for an average of 176 hours a month, is determined by a special agreement in the negotiation process between the signatories of a Collective Agreement.

One of the novelties is that the manner of termination and cancellation of the National Collective Agreement is determined by foreseeing that each party may partially or fully cancel the Agreement even before the end of the period for which it was concluded, which has to be informed to the other parties in the Agreement at least three months before the cancellation, and also is obliged to send a new National Collective Agreement or the new parts that are to exchange the parts that are to be cancelled to all the partners in the process of negotiations. In this case, the parties immediately enter into negotiations and if in two months they do not reach an agreement, the resolution of the controversial issues is entrusted to the Agency for the peaceful settlement of labour disputes (collective labour dispute), which may contribute to a more efficient consensus in the social dialogue).

The validity of this Agreement is determined (31/12/2011) but the agreement can be modified even before the fixed deadline, in the process and in the manner foreseen by this Collective Agreement, and the contractual parties will enter into negotiations for the conclusion of the new National Collective Agreement, immediately after the Law on the amendments to the Labour Law enters into force.

#### Trade union density

Recently, in Montenegro, on the basis of the Law on Representativity of Trade Unions, the representativity of two trade unions was determined at the state level: Confederation of Trade Unions of Montenegro and the Association of Free Trade Unions of Montenegro, which acquired the status of a representative organization for the first time. According to data from the Association of Free Trade Unions, this organization has about 22,000 members (19,000 of whom pay affiliation fees), which is 12.5% of the total number of employees. It is interesting to note that 95% of membership in this organization comes from the private sector, and the rest of them come from the field of education (about 9,000 members), the Union of University (1,000), and the Union of Health (about 2,200 members).

#### **Employer's organizations density**

Representative employers' organization is the Association of Employers of Montenegro, whose members are entrepreneurs from small and medium enterprises and large industrial systems. The members of the Association of Employers of Montenegro account for around 80% of the total GDP of the Montenegrin economy and employ more than 50% of the workforce in the economy.



#### Workplace representation

The Labour Law of Montenegro from 2008 does not provide for the creation of Works Councils, so that the participation in decision-making can be achieved only through the unions. According to the Law on representativity of trade unions, at the enterprise level, a representative organization is the one that has organized at least 20% of the employees. A representative trade union has the following rights: the right to collective bargaining and concluding collective agreements at the appropriate level, the right to participate in resolving collective labour disputes; the right to participate in the work of the Social Council and other tripartite and multipartite bodies at the appropriate level, as well as other rights that are by specific laws intended for an authorized union organization.

In this section we can say that it is an undisputed exclusive right of a representative union to bargain collectively, to conclude collective agreements and participate in bodies that are formed on a tripartite basis. However, there is no logical explanation for assuming an exclusive right in cases of resolving collective labour disputes by the representative union. It is especially because of the fact that the Law on Strike provides for the possibility that a strike can be launched by the authorized trade union organization or by the majority of employees within an enterprise.

# Trade unions

#### Trade Union Confederations

Ime	Engl.	br. članova	Međunarodna pri-
Savez sindikata     Crne Gore	Confederation of Trade Union of Montenegro	- approximately 42,000 members who pay dues; - 15,000 members who pay dues	International Trade Union Confederation; accession process to European Trade Union Confederation
2. Unija slobodnih sindikata Crne Gore	Association of Fee Trade Unions of Montenegro	23. 926	Accession process to the International Trade Union Confederation and the European Trade Union Confederation

#### Trade Union Federations by branches

Name	Engl.	No of memebers	National Confedera- tion	International affiliation
1. Sindikata Metalaca	Metalworkers Union	6.301.	Confederation of Trade Un- ions of Mon- tenegro	International Workers' Federa- tion
2. Sindikat građevinarstva i IGM	Trade Union of Construction and IGM	-	Confederation of Trade Unions of Montenegro	-



	T	1		
3. Sindikat	Trade Union of	-	Confederation	-
poljoprivrede,	Agriculture, Food		of Trade Un-	
prehrambene i	and Tobacco In-		ions of Mon-	
duvanske in-	dustries and Water		tenegro	
dustrije i vodo-				
privrede			0 ( )	
4.Sindikat	Trade Union of	-	Confederation	-
drumskog	Road Transport		of Trade Un-	
saobracaja			ions of Mon-	
			tenegro	
5.Sindikat	Trade Union of	1.000	Confederation	-
sporta	Sports		of Trade Un-	
			ions of Mon-	
			tenegro	
6.Sindikat fi-	Trade Union of	1.510.	Confederation	International
nansijskih or-	Finance Organiza-		of Trade Un-	Christian Union
ganizacija	tions of Montene-		ions of Mon-	
	gro		tenegro	
7. Sindikat	Trade Union of	1.253	Association of	UNI
Telekoma	Telecom		Fee Trade	(UNI EUROPA).
			Unions of	
			Montenegro	
8. Sindikat	Trade Union of	2.734	Association of	-
metalskih rad-	Metal Workers of	members	Fee Trade	
nika Crne	Montenegro		Unions of	
Gore			Montenegro	
9. Sindikat	Trade Union of	2.936	Association of	-
radnika	Health and Social	members	Fee Trade	
zdravstva i	Welfare of Monte-		Unions of	
socijalne	negro		Montenegro	
zaštite Crne				
Gore				
10. Sindikat	Trade Union of	590 mem-	Association of	-
banaka Crne	banks of Montene-	bers	Fee Trade	
Gore	gro		Unions of	
			Montenegro	
11. Sindikat	Trade Union of	1.294	Association of	-
radnika trgo-	Trade Workers of	members	Fee Trade	
vine Crne	Montenegro		Unions of	
Gore			Montenegro	
12. Sindikat	Trade Union of	9.900	Association of	EDUCATION
prosvjete Crne	Education of Mon-	members	Fee Trade	INTERNATIONAL
Gore	tenegro		Unions of	
	13.109.0		Montenegro	
13. Crnogorski	The Montenegrin	1.253	Association of	_
sindikat tele-	Telecommunication	members	Fee Trade	
komunikacija	Union		Unions of	
Komanikaoija			Montenegro	
14. Sindikat	Trade Union of the	1.164	Asociation of	-
Univerziteta	University of Mon-	membes	Fee Trade	
Crne Gore	tenegro		Unions of	
31110 0010	13110913		Montenegro	
15. Strukovni	Trade Union of	171 mem-	Association of	_
sindikat vatro-	firefighters of Mon-	bers	Fee Trade	
gasaca Crne	tenegro	5013	Unions of	
gasaca Onic	Lonegio	l	OTHORS OF	



Gore			Montenegro	
16. Strukovni sindikat zaposlenih u stomatološkoj službi	Trade Union of Employees in the Dental Service	350 mem- bers	Association of Fee Trade Unions of Montenegro	-

# **Employer's Organisations**

Engl.	Members	International affiliation
Montenegrin Employers Federation	-1006 individual members; -36 associations	<ul> <li>International Organization of Employers (IOE)</li> <li>Businesseurope</li> <li>CEPOJAR<sup>16</sup></li> </ul>

<sup>16</sup> Montenegrin Employers' Federation is one of the founders of the Center for the employers of the Adriatic region (CEPOJAR), headquartered in Zagreb. Employers' organizations in the region have established a partnership with the IOE CEPOJAR and initial financial support from the Swiss Agency for Development and Cooperation.