

2016

Annual Review of Labour Relations and Social Dialogue Montenegro

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- Montenegro continued during 2016 to meet the obligations required by the Action Plan for EU accession. In the previous course of negotiations, 26 of 33 negotiating chapters were opened, including Chapter 19 about Social Policy and Employment.
- The economic context in 2016 was characterized by steady economic growth, a large inflow as well as a large outflow of foreign investments, a low rate of import coverage by exports and growth in government debt to around 60 per cent of GDP, as well as a slight decrease in the unemployment rate compared to 2015.
- In October, parliamentary elections were held and at the end of November a post-election coalition agreement was signed between the Democratic Party of Socialists (who won the highest number of seats), the Social Democratic Party, the Bosniak Party and the Albanian coalition "Forca". The new government was inaugurated on 28 November 2016.
- The parliamentary elections were preceded by the election of new members of the government by the opposition, according to *lex specialis*, with a goal of preparing the elections and due to the dismissal of the President of Parliament, Ranko Krivokapić, in May 2016.
- The work of the national tripartite Social Council was hampered by the absence of government representatives, which led to lack of quorum. During 2016 only one session of the Social Council was held.
- The year was also marked by several trade union congresses: the Congress of the Federation of Trade Unions of Montenegro, the Congress of the Union of Education of Montenegro and the Congress of the Union of Administration and Justice of Montenegro.



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1. SOCIO-ECONOMIC DEVELOPMENTS

Steady economic growth was recorded in Montenegro during 2016 which was estimated by the World Bank to be at 3.2 percent. Expectations are that the Montenegrin economy will grow by 3.6 per cent in 2017 and 3.0 per cent in 2018. According to data from the Statistical Office of Montenegro (MON-STAT), in the first and second quarters of 2016, there was GDP growth of 2.7 per cent. The gross domestic product of Montenegro in the second quarter of 2016 amounted to €871 million compared to €847 million in the same period of 2015. The growth of GDP was not significantly affected by foreign direct investments, which had a relatively high net inflow of €223.2 million but was followed by a high outflow of €211.6 million.

In the period January-July 2016, net foreign direct investment was €119.1 million, 46.1 per cent less on an annual basis. Total inflow of foreign direct investments amounted to €368.0 million which represents an increase of 35.8 per cent and most investment came from the sector of "companies and banks". Total FDI outflow amounted to €248.9 million, which is almost five times more than in 2015. The highest outflow, about 95 per cent, was for payment of dividends from retained earnings of previous years.

Foreign trade has increased, mainly due to high import growth while export growth was much slower. According to preliminary data, the Montenegro's total external trade for the period January-October 2016 was €1,980.2 million, indicating growth of 11.3 per cent compared to the same period of 2015. Goods worth €261.2 million were exported, which is 6.6 per cent more than in the same period of the previous year; imports were €1,719 million, an increase of 12.1 per cent compared to the same period of 2015. The import coverage by exports was 15.2 per cent and it was lower than the same period of 2015 when it was 15.8 per cent.

Budget revenues in January-August 2016 were €950.3 million or 25.3 per cent of GDP, which is an annual increase of 13.1 per cent, and were due to growth of economic activity and collection of digital dividends in the amount of €50.4 million. The highest growth in revenues was recorded in excise duties, tariffs, corporate profit tax and VAT and for these categories it was about 8.5 per cent. In August, revenues collected were €190.9 million, an increase of 34.1 percent compared to the planned budget revenue. Budget expenditures in January-August amounted to €983.9 million, which is 8.9 per cent less on an annual basis due to reduction in the state's capital budget. The cash budget deficit for eight months amounted to €33.6 million while in August there was a surplus of €75.0 million.

Monthly inflation in October 2016, as measured by the consumer price index, was 0.3 per cent, while consumer prices compared with the same month of the previous year had grown by 0.2 per cent on average. The greatest impact on the monthly inflation rate was in price growth for: fuel and lubricants for motor vehicles; solid fuels; shoes and other footwear; clothing; meat; vegetables; oils and fats.

According to estimates by the Ministry of Finance, in July 2016 the fiscal surplus of Montenegro amounted to €0.8 million euros, while in the first seven months of 2016 there was a deficit in the amount of €108.4 million or 2.9 per cent of estimated annual GDP.

In relation to the realization of own source revenues in July 2015 there has been a decline of 1 per cent. Budget expenditures amounted to €125.4 million euros or 3.3 per cent of estimated annual GDP, which is 13.1 per cent lower than was planned for July 2016, and 2.9 per cent lower compared to expenditures in July 2015. According to the Ministry of Finance the national debt (gross)



at the end of June 2016 amounted to €2,360.7 million, or 62.7 per cent of GDP. Of that, the internal debt amounted to €326.9 million or 8.7 per cent of GDP while the external debt amounted to €2,033.8 million or 54.1 per cent of GDP. Net national debt amounted to 61.3 per cent of GDP. By 30 September 2016 total national debt was €2,197.6 million, or 58.84 per cent of GDP; external debt was €1,995.21 million; internal debt was €314.02 million euros; deposits amounted to €111.63 million.

The average number of employees in the second quarter of 2016 was 224,700 persons or 82.5 per cent of those economically active. According to data from MONSTAT (Labour Force Survey), the number of unemployed in the second quarter of 2016 was 47,600 and the unemployment rate was 17.5 per cent, with men at 17.9 per cent and women at 17.1 per cent.

The average salary in October 2016 was €502 net and €754 gross.

In July 2016 the Montenegrin Parliament adopted a decision on accepting the shareholders' agreement between the state and the Italian company A2A that amends the existing privatization agreement in a way that regulates the rights and obligations of shareholders, based on their shares in the company, and which defines the management of the company and other issues of importance. The contracting parties are committed to act in good faith, fulfilling their obligations under the agreement through the bodies of the company and through the designated individuals. A2 owns stakes in Elektroprivreda, the most important company in economic terms in Montenegro.

The available data on the absolute poverty line in Montenegro date back to 2013 at which time the absolute poverty line was €186.45 per month per adult equivalent. According to data from MONSTAT, 8.6 per cent of the population had equivalent consumption below the absolute poverty line in 2016.

Also, available data relating to the GINI coefficient are from 2013 and they are based on an analysis of consumption. Its value in 2013 was 26.2 per cent, which is 0.3 per cent less than the previous available data from 2011.

2. STATE POLICIES

On 16 October 2016, parliamentary elections were held in Montenegro. These were the tenth elections since the introduction of the multiparty system ten years ago. At the end of November, a post-election coalition agreement was signed between representatives of the Democratic Party of Socialists (who won the highest number of seats), the Social Democratic Party, the Bosniak Party and the Albanian coalition "Forca". The new government was inaugurated on 28 November 2016. The parliamentary elections were preceded by the election of new members of the government by the opposition, according to *lex specialis*, with the goal of preparing the elections and because of the dismissal of the President of Parliament, Ranko Krivokapić, in May 2016.

In February 2016, after two years of negotiations, the Law on Salaries in the Public Sector was adopted. This law regulates the method of determination and the exercise of the right to salary, salary compensation and other employee benefits in the public sector as well as the method of providing funds and other issues of importance for the exercise of these rights. The aim of the law is to equalize salaries in the public sector in relation to the professions and the scope of work, as well as to reduce salaries to members of management in state companies which, in many cases, were several times higher than the salaries of ministers. However, on the part of the public, especially among members of trade unions, this law has been characterized as "the law on salaries of officials" because determined coefficients have drastically increased the range of salaries between management staff and employees, i.e.



between the highest and lowest coefficient (1:12). In addition, there are other controversial items in the law, whose application is unclear and impossible or difficult to apply in practice, especially when it comes to determining the salaries of employees in local self-governments. Also, the law does not include the coefficients for employees in education and health, placing them at a disadvantage in relation to other employees who are financed from the budget. This irregularity is somewhat mitigated by the conclusion of branch collective agreements for employees in health, education and at the University of Montenegro, which envisage an increase in the coefficient for these categories of employees by 5.5 per cent.

During 2016 several amendments to laws were adopted in order to comply with the new Law on Administrative Procedure, as follows: the Law on the Representativeness of Trade Unions, the Law on Peaceful Settlement of Labour Disputes, the Law on Vocational Rehabilitation and Employment of Persons with Disabilities, the Law on Pension and Disability Insurance, and the Law on Labour Fund.

In addition, several rules were adopted in the field of health and safety at work, providing harmonization with the relevant EU standards in this field, namely: Rules on the method of exercising the right to temporary inability to work and exercising the right to salary compensation during temporary inability to work; Rules on measures for health and safety protection in the use of equipment with displays; Rules with detailed conditions for performing professional tasks for protection against non-ionizing radiation; Rules on the method of vocational training of professionally-exposed persons and persons responsible for the implementation of measures for protection against non-ionizing radiation; Rules on the measures of health and safety protection against risks of exposure to vibration; Rules on detailed requirements for workplace protection against risks

of exposure to noise; Rules on detailed requirements in terms of personnel, equipment and accessories for vocational training of professionally-exposed persons to non-ionizing radiation; Rules on the jobs with special working conditions and the conditions to be met by employees who will work on these jobs.

3. INDUSTRIAL RELATIONS

Several strikes occurred in 2016, including the strike of 8,400 medical workers employed at seven hospitals, 28 health centres and three specialized institutions and in the tertiary level of the Clinical Centre of Montenegro, over dissatisfaction with the level of salaries and an abolition of certain powers defined by the branch collective agreement. In addition, journalists and editors of the Atlas TV newsroom, employees in railway transport and the JSC container terminal engaged in strike as well. The subject of these strikes, among other issues, was unpaid salaries.

A strike was announced for the beginning of August by employees in the Institute for Execution of Criminal Sanctions. Since it is an institution of public interest, the Agency for Labour Disputes Resolution was involved in the dispute resolution process on the day the strike was announced; the mediators were able to assist the parties to reach a negotiated solution before the set date of the strike.

The Agency for Labour Disputes Resolution has continued to operate successfully and it was involved in 8,721 disputes in which it successfully resolved over 80 per cent of the disputes.

Several trade union congresses were held in 2016. The first, held in April, was the Congress of the Federation of Trade Unions of Montenegro, when Secretary-General Duško Zarubica was re-elected. The Union of Education of Montenegro held its fifth regular Congress in October, during which a new



Statute, Report on Work, and Work Programme for the next mandate were adopted and also new members were elected to the union's Supervisory Board and the Statutory Commission. The only candidate for the chairman of the Union of Education was the current chairman, Zvonko Pavičević, who was re-elected. In November, the fourth Congress of the Union of Administration and Justice of Montenegro was held, where a new chairman, Nenad Rakočević, was elected.

4. TRIPARTITE SOCIAL DIALOGUE

The Social Council has been re-established and is chaired by the new Labour Minister, Boris Marić, who was elected to that position on the basis of *lex specialis* on the establishment of the government of the electoral trust. During 2016 the tripartite working group worked on the preparation of several pieces of legislation: the Law on Social Council; the Amendments to the Law on the Representativeness of Trade Unions, and the new Labour Law.

Regarding the Law on Social Council, the Ministry of Labour and Social Welfare has, contrary to the spirit of good social dialogue, submitted a working version of this law to the European Commission for an opinion, without final harmonization within the tripartite working group, which caused strong reactions by employers and trade union representatives. The tripartite working group began its work on drafting a new Labour Law in September 2015 with the task of preparing the text of the new law before the end of 2017. It should be mentioned, in relation to this working group, that due to the initial lack of understanding between representatives of employers and trade unions with some representatives of the Ministry of Labour and Social Welfare, the former Minister, Zorica Kovačević, designated at the initiative of representatives of trade unions and employers, a representative of the University of

Montenegro as a coordinator of the working group. The work of this working group in 2016 was accompanied by unusual events, such as the initial occasional presence of representatives from the Ministry of Labour and Social Welfare (only one member of the four) and then their arbitrary exclusion from the working group (as of May 2016), which led to numerous difficulties in the work, which resulted in stopping the work of the working group in September.

The absence of several of the representatives of the government was also characteristic for the work of the Social Council, especially after the new Minister of Labour and Social Welfare took office from the ranks of the opposition (based on *lex specialis*), the chairman of the Social Council, which significantly hampered the work of this body due to the lack of a quorum. During 2016 only one session of the Social Council was held, which considered the text of the proposal of the amendments to the Labour Law, which related to its harmonization with the Law on Administrative Procedure. The Social Council recommended to the Minister of Labour to withdraw the proposed text of the law from the procedure because the Labour Law regulates the mutual relations between employers and employees arising from employment-based contracts, which implies the scope of the rights and obligations of both contracting parties, as well as the manner and procedure of their exercise. The social partners stated that since it applies to relations in the economy and that there is not a single element of administrative procedure and that since the proposed amendments would significantly hampered the creation and protection of a stable and secure business environment, the Minister of Labour and Social Welfare, following the recommendation of the Social Council, withdrew the proposed amendments.



5. FORECASTS

The new Prime Minister, Duško Marković, said in his inaugural address that the strategic priorities of the new government are membership in the North Atlantic Treaty Organization (NATO) and the European Union. The intensive diplomatic activities on Montenegro's path to NATO in 2016 led to the ratification of a Protocol on the accession of Montenegro to NATO by the 14 member states of NATO, so it is expected that Montenegro will become a full member by the end of 2017.

In the field of economic policy, the Prime Minister stated as a priority more dynamic, sustainable and inclusive economic growth, at an average rate of between 3.5 and 4 per cent per year, adding that the realization of this priority must be accompanied by providing measures for the fiscal and financial stability of the country. Furthermore, he added that since the problem of unemployment is one of the most dominant in the area of labour market policy, in addition to creating the conditions for job creation, it is necessary to redefine the existing system of social protection measures which do not stimulate a significant number of people (especially women) to enter the labour market.

However, a prerequisite for development of measures for the establishment of an adequate business environment, as well as regulations to ensure greater stability of working conditions, is the re-establishment of quality social dialogue and full respect for the principles of tripartism, which generally did not exist during 2016.



ANNEX OF DATA

• **Collective bargaining system**

The collective bargaining system in Montenegro takes place on the national level, on the sector/branch level and at the enterprise level. The most advanced is national, tripartite-based collective bargaining that is conducted institutionally in the Social Council that was established by law as an independent entity. In addition to the national Social Council, there are municipality-level Social Councils; however there is limited information on their operation. Bipartite bargaining systems at the local and enterprise level are rather underdeveloped and coverage of workers in the private business sector remains an issue and there are no data on the coverage of these agreements.

The National Collective Agreement further elaborates the provisions of the Labour Code. It regulates elements for determining salaries, wage compensation, employees' other compensation entitlements, and it determines the scope of labour rights and obligations in accordance with the Labour Code. After over two years of delay, the national Collective Agreement was adopted in 2014 and the recent amendments have been extended to 30 June 2018.

• **System of tripartite social dialogue**

The nationally-recognized social partners are the Union of Employers of Montenegro, the Confederation of Trade Unions of Montenegro, the Union of Free Trade Unions of Montenegro and the government. The Social Council is a legal entity, constituted by the nationally-recognized social partners on the basis of equal membership. Social dialogue at the national level mostly takes place in the Social Council and in its task-force groups.

The Social Council, as a consultative body, is envisaged by the Constitution of Montenegro, which in Article 65 provides that the social

position of the employees shall be adjusted in the Social Council. The issues concerning the composition, scope of work and manner of work, financing and the levels at which it is established, as well as other issues of importance for the work of the Social Council are regulated by a separate law¹. In terms of Article 2 of the Law on Social Council, the Social Council is founded in order to establish and develop social dialogue with respect to the following issues:

- issues of importance for achievement of the economic and social status of the employees and employers and the conditions for their life and work,
- development of the culture of dialogue,
- encouragement to the peaceful resolution of individual and collective labour disputes and
- other issues derived from international documents that relate to the economic and social status of the employees and employers.

When it comes to the levels at which social councils are established, the law indicates different solutions in relation to the Social Council at the national level and local social councils. Namely, the law provides that the Social Council shall be established for the territory of Montenegro and may also be established for the territory of the municipalities². Thus, in terms of the Law on Social Council, establishment of the Social Council at the national level is provided as compulsory, while the existence of social councils at the local level is envisaged only as a possibility. In this manner the particular criteria for assessment of the justification for the existence (or nonexistence) of social councils at the local level are not specified. In addition, the law provides for the possibility of establishing a joint social council – for the territo-

¹The Law on Social Council ("Official Gazette of Montenegro", Nos. 16/07 of 27.12.2007, 20/11 of 15.04.2011, 61/13 of 30.12.2013).

²Article 3 of the Law on Social Council.



ries of two or more municipalities, although not specifying the criteria, i.e. conditions for establishment of the joint social council. Two local social councils have been registered so far: the Social Council for the municipality of Bijelo Polje, which was registered in 2008

and the Social Council for the municipality of Berane, which was registered in 2009. These social councils are formed as tripartite bodies, composed of five representatives of local self-government, representative trade unions and employers' associations.

- **Social security system**

Pensions - No. of beneficiaries	2011	2012	2014	Oct. 2015	Oct. 2016
Old-age pensions	53,550	53,188	58,027	60,619	58,887
Disability pensions	24,762	23,758	22,806	22,643	21,366
Family pensions	29,688	28,529	28,714	28,762	28,041
Disability benefit	6,209	6,764	5,302	5,111	2,241
Care & assistance benefit	1,323	1,552	1,039	980	14,626
Reimbursement based on the birth of three children					21,412

Source: Pension and Disability Fund Montenegro <http://www.fondpio.me/> and <http://www.mrs.gov.me>

The average monthly pension in October 2016 was €284.,70.

- **Education and vocational training**

A mismatch of skills in the labour market remains a serious issue that needs to be addressed in the long run and there is also a constant increase in the number of highly-educated unemployed. The social partners are participating in the process of strategic development of education and are engaged in the decision-making process through sectoral commissions, the council for qualifications, the National Education Council, and others. The social partners also are participating in defining and accrediting educational and training programmes for standard occupations. The government's nine-month programme of professional development traineeships for young unemployed professionals without working experience is now being implemented for its third consecutive year. An evaluation survey of employers shows that each year 20-25 per cent of the trainees were

employed upon completion of the programme.

The National Qualifications Framework (NQF) has been adopted and is harmonised with the European Qualifications Framework. In line with the NQF, outcome-based curricula should be revised and implemented at all levels of the education system. The annual budget for education remains just above 4 per cent of GDP. Statistics for 2013 show that participation in life-long learning programmes (persons aged 25-64) remains quite limited at 3.1 per cent. The figure for early school leavers (age 18-24) in 2013 was 5.7 per cent and it is in line with the EU 2020 goal of less than 10 per cent. The rate of unemployment among youth with tertiary education in 2014 was 28.2 per cent. There was investment in training of teachers to address the low 2012 PISA results.



• **Employment rate**

Year	Total
2012	46.1%
2013 (2 nd quarter)	48.2%
2014	52.6%
2015	52.4%
2016	44.9%

Source: Labour Force Survey for Q 2016, MON-STAT

• **Unemployment rate**

Year	Unemployment rate	Youth unemployment rate (age 15-24) %
2012	19.7%	43.7%
2013	19.7%	41.6%
2014	18%	35.8%
2015 Oct.	17.7%	
2016 Oct.	17.5%	20.2%

Source: Labour Force Survey for Q3 2016, MON-STAT

• **Average monthly salaries**

Year	Net salary, in €
2011	473.00
2012	477.00
2014	479.00
2015(October)	478.00
2016 Oct.	502.00

Source: Labour Force Survey for Q3 2016, MON-STAT

• **Gender pay gap**

Though women are better educated, the average earnings of women compared to the average earnings of men was 86.1 per cent in 2013, according to the latest data available (Men and Women in Montenegro, MONSTAT 2014). Provisions of the Labour Code prescribe equal pay for equal work or for work of

the same value done for an employer³. When this right is violated, an employee may request compensation in the amount of the underpaid part of the salary. The decision of an employer or an agreement with an employee that is not in accordance with this provision is to be considered void under the law. The gender pay gap is partly caused by the structure of occupations taken mostly by women in certain sectors and higher number of women employed in less profitable and less well-paid sectors while management positions and entrepreneurial activities are dominated by men.

• **Monthly minimum wage**

Employees are entitled to a minimum wage for standard performance and full-time working hours, or working hours that are equal to the full-time working hours. The minimum monthly net wage of €193 (€288 gross) was set in April 2013.

• **Actual weekly working hours**

The Labour Code defines full-time working hours as extending to 40 working hours per week. An employment contract can be concluded with less than full-time working hours depending on the nature and organization of the work, but not less than ¼ (10 hours) of the full-time working hours. The Labour Code also provides shorter hours of employment for workers in particularly difficult and/or unhealthy occupations but not less than 36 hours. These employees enjoy the same labour rights as full-time employees but they cannot work overtime hours or have employment with another employer. Overtime hours for the full-time employed are limited to ten.

³ The work of same value hereby implies that the work requires the same level of education, or qualification level of education, or professional qualification, responsibility, skills, conditions of work and work results.



Working hours	2 nd quarter 2016 % total employees
Working full time	95.4%
Working part-time	4.6%

Source: Labour Force Survey for Q2 2016, MON-STAT

- **Normal work/atypical work**

According to the Labour Force Survey for Q3 2015, indefinite (permanent) employment contracts cover 69.4 per cent of employees while 30.6 per cent are on fixed-term contracts. The Law on Amendments to the Labour Code (2011) favours indefinite employment contracts in order to prevent the practice of issuing continuous fixed/definite term contracts as was the case previously under the 2008 Labour Code. Definite term employment contracts are limited to up to two years and can be either extended in the form of an indefinite contract or terminated in the case of a substitute for an absent employee or for work on a particular time-limited project. Estimates on irregular/unregistered employment figures are still very high and this remains an issue of concern.

Status in employment	2 nd quarter 2016 % total employees
With written contract	94.5%
Other forms of work	5.5%

Source: Labour Force Survey for Q2 2016, MON-STAT

Type of Employment contract	2 nd quarter 2016 % total employees
Permanent contract	68,0%
Fix-term contract	32.0%

Source: Labour Force Survey for Q2 2016, MON-STAT

- **Migration**

Type of employment contract	2 nd quarter 2016 % total employees
Workers in their place of residence	90.9%
Workers outside their place of residence	6.8%
Workers abroad	2.3%

Source: Labour Force Survey for Q2 2016, MON-STAT

- **HDI (Human Development Index)**

According to the UNDP's global Human Development Report titled Work for Human Development Montenegro ranked 49 of 188 countries in 2014 in the Human Development Index, placing Montenegro among the group of countries with a very high Human Development Index.

Year	2011	2012	2013	2014
HDI value	0.771	0.791	0.789	0.802

Source: UNDP <http://report.hdr.undp.org/>

- **Gini-coefficient**

Year	2011	2012	2013	2014
GC value	25.9	26.5	26.2	n.a.

MONSTAT, Poverty Analysis (World Bank methodology)

<http://www.monstat.org/eng/page.php?id=340&pageid=73>.

- **Collective agreement coverage**

The General Collective Agreement has national coverage and the process of branch-level collective bargaining is ongoing. There are no reliable data on coverage but it is estimated that these cover about 50 per cent of the total number of employees.



- **Ongoing important collective bargaining agreements**

During 2016, several branch collective agreements were concluded, as follows: Branch collective agreement for the field of education; amendments to the Branch collective agreement for the construction industry; Branch collective agreement for the field of health; amendments to the Branch collective agreement for social activities; Branch collective agreement for institutions of pupils and students' standard; Branch collective agreement for the field of culture; and Branch collective agreement for energetics.

Collective bargaining is ongoing for healthcare workers. The Ministry of Finance and the Public Administration and Judiciary Trade Union signed a first branch collective agreement that covers 29,000 employees. Branch collective agreements have also been signed for the telecommunication, construction and social welfare sectors; the Association of Banks unilaterally cancelled the branch collective agreement with the trade union. Signed branch collective agreements can be downloaded from the link: <http://www.amrrs.gov.me/biblioteka/kolektivni-ugovori>, but information on their current validity is not updated.

- **Trade union density**

Based on the Law on Representation of Trade Unions, two trade unions are representative at the state level: the Confederation of Trade Unions of Montenegro (CTUM) and the Union of Free Trade Unions of Montenegro (UFTUM). UFTUM has new branch unions as well as new individual members (refer to the table below) but it also lost over 2,000 members over the last two years mainly at large companies (an aluminium plant, steel company, and Telekom) in the metal and telecommunication sectors due to redundancies and restructuring in these companies. UFTUM has around 20,000 members (ap-

proximately 18,000 paying affiliation fees), which is close to 12 per cent of the total number of employees. A very positive trend is members from the private sector. However, as with coverage of collective agreements, no precise data on trade union density are available. CTUM also recorded a similar loss of members but there are no precise figures. Membership could be close to 15 per cent of total employees.

- **Employer's organizations density**

The national representative employers' organization is the Montenegrin Employers Federation (MEF), whose members are entrepreneurs, small and medium-sized enterprises and large companies. Member companies of MEF account for around 80 per cent of the total GDP of the Montenegrin economy and employ more than 50 per cent of the workforce. MEF is affiliated with the International Organisation of Employers (IOE), the largest global network of employers that affiliates employers' organisations from over 140 countries.

- **Workplace representation**

The Labour Code defines employee representation in the form of a trade union with membership of at least 20 per cent of the employees at an enterprise level. A representative trade union is entitled to: the right of collective bargaining and to conclude a collective agreement; the right to participate in collective labour dispute resolution; the right to participate in the work of the Social Council and other tripartite and multipartite bodies at the appropriate level; and other rights that are granted by specific laws intended for an authorized union organization. It is an undisputed exclusive right of a representative union to bargain collectively, to conclude collective agreements and to participate in tripartite-based groups. Somewhat disputable is the exclusive right of representative trade unions



in resolution procedures for collective labour disputes.

The Labour Code allows establishment of Works Councils but there is no evidence of progress in regard to the establishment of functioning Works Councils. Amendments to the Law on Trade Union Representation (2013) were adopted to increase transparency of trade union pluralism. Based on these amendments, there were 470 registered representative trade union organisations (at the enterprise level) and 1,655 trade union organisations. The Labour Code and the Law on Occupational Health and Safety at the Workplace provide that in the absence of a union at the enterprise level, entitlement to

information and consultation and coordination of occupational health and safety and training provisions can be exercised by “employees’ representatives” but the law does not specify what the procedures are to do so.

- **Trade unions**

- **National Trade Union Confederations**

Two nationally-representative Trade Union Confederations, UFTUM and CTUM, were granted full membership in the European Trade Union Confederation (ETUC) at its Executive Board meeting held on 11 March 2015.

Name	English	No. of members	International affiliation
Savez sindikata Crne Gore	Confederation of Trade Unions of Montenegro	46,878	International Trade Union Confederation (ITUC) European Trade Union Federation (ETUC)
Unija slobodnih sindikata Crne Gore	Union of Free Trade Unions of Montenegro	20,000	European Trade Union Confederation (ETUC) International Trade Union Confederation (ITUC)



o Trade Union Confederations – breakdown by Branches

Name	English	No. of members	National confederation	International affiliation
Sindikata Metalaca	Trade Union of Metalworkers	2,250	Confederation of Trade Unions of Montenegro	Industrial Global Union, Industrial European Trade Union
Sindikata građevinarstva i IGM	Trade Union of Construction and Industry of Construction Materials	1,100	Confederation of Trade Unions of Montenegro	Building and Wood Workers International – BWI
Sindikata poljoprivrede, prehrambene i duvanske industrije	Trade Union of Agriculture, Food and Tobacco Industries	1,080	Confederation of Trade Unions of Montenegro	International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Association – IUF European Federation of Food, Agriculture and Tourism – EFFAT
Sindikata saobraćaja	Trade Union of Road Transport	1,520	Confederation of Trade Unions of Montenegro	-
Sindikata sporta	Trade Union of Athletes	520	Confederation of Trade Unions of Montenegro	FIFPro
Sindikata finansijskih organizacija	Trade Union of Financial Organizations	1,580	Confederation of Trade Unions of Montenegro	International Christian Union
Sindikata kulture Crne Gore	Trade Union of Culture	1,300	Confederation of Trade Unions of Montenegro	-
Sindikata energetike Crne Gore	Trade Union of Energy	2,500	Confederation of Trade Unions of Montenegro	EPSU/PSI
Sindikata uprave i pravosuđa	Trade Union of Public Administration and Judiciary	4,650	Confederation of Trade Unions of Montenegro	EPSU/PSI
Sindikata Vojske Crne Gore	Trade Union of the Army of Montenegro	513	Confederation of Trade Unions of Montenegro	-
Sindikata turizma i ugostiteljstva	Trade Union of Tourism and Catering	6,500	Confederation of Trade Unions of Montenegro	International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Association - IUF



				European Federation of Food, Agriculture and Tourism - EFFAT
Sindikrat Up-rave policije	Trade Union of Po-lice	4,680	Confederation of Trade Unions of Montenegro	EUROPOL
Sindikrat po-morstva	Trade Union of Sea-farers and Dockers	980	Confederation of Trade Unions of Montenegro	International Transport Federation –ITF; European Transport Federation - ETF
Sindikrat trgovine	Trade Union of Commerce	1,870	Confederation of Trade Unions of Montenegro	-
Sindikrat MUP-a	Trade Union of Min-istry of Internal Af-fairs	360	Confederation of Trade Unions of Montenegro	-
Sindikrat in-for.,graf. i izdav. djelatnosti	Trade Union of In-formative, Graphical and Publishing Pro-fessions	1,750	Confederation of Trade Unions of Montenegro	-
Sindikrat tekst., kože, obuće i hem.ind.	Trade Union of Tex-tile, Leather, Shoes and Chemical Indus-try	1,420	Confederation of Trade Unions of Montenegro	Industrial Global Union
Sindikrat ANB	Trade Union of Agency for National Security	Not avail-able	Confederation of Trade Unions of Montenegro	-
Sindikrat obrazovanja	Trade Union of Edu-cation	1,340	Confederation of Trade Unions of Montenegro	-
Sindikrat žel-jezničara	Trade Union of Railway Workers	940	Confederation of Trade Unions of Montenegro	-
Sindikrat Stambeno komunalne privrede	Trade Union of Housing and Utilities	4,590	Confederation of Trade Unions of Montenegro	EPSU/PSI
Sindikrat šumarstva i drvoprerade	Trade Union of For-estry	500	Confederation of Trade Unions of Montenegro	Building and Wood Workers International - BWI
Sindikrat zdravstva i socijalne zaštite	Trade Union of Health and Social Protection	4,200	Confederation of Trade Unions of Montenegro	-
Sindikrat pošte	Trade Union of Post	735	Confederation of Trade Unions of Montenegro	-

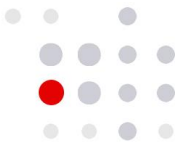


Sindikatski metalnih radnika Crne Gore	Trade Union of Metal Workers of Montenegro	1,134	Union of Free Trade Unions of Montenegro	-
Sindikatski radnika zdravstva Crne Gore	Health Trade Union of Montenegro	2,936	Union of Free Trade Unions of Montenegro	-
Sindikatski banaka Crne Gore	Trade Union of Banks of Montenegro	772	Union of Free Trade Unions of Montenegro	-
Sindikatski radnika trgovine Crne Gore	Trade Union of Trade Workers of Montenegro	1,302	Union of Free Trade Unions of Montenegro	-
Sindikatski prosvjete Crne Gore	Trade Union of Education of Montenegro	9,900	Union of Free Trade Unions of Montenegro	Education International
Sindikatski Univerziteta Crne Gore	Trade Union of the University of Montenegro	1.125	Union of Free Trade Unions of Montenegro	-
Crnogorski sindikat telekomunikacija	The Montenegrin Telecommunication Union	903	Union of Free Trade Unions of Montenegro	-
Strukovni sindikat vatrogasaca	Trade Union of Firefighters of Montenegro	171	Union of Free Trade Unions of Montenegro	-
Sindikatski medija	Trade Union of Media		Union of Free Trade Unions of Montenegro	-
Sindikatski vojske	Trade Union of Army		Union of Free Trade Unions of Montenegro	
Ostali članovi koji nisu organizovani	Other non-branch organized members	3,582	Union of Free Trade Unions of Montenegro	
Sindikatski saobraćaja	Trade Union of Transport	in process of organisation	Union of Free Trade Unions of Montenegro	



• **Employer's Organizations**

Name	English	No. of members	International affiliation
Unija poslodavaca Crne Gore (UPCG)	Montenegrin Employers Federation (MEF)	- 1,055 individual members (legal entities); - 50 associations as collective members	- IOE (International Organization of Employers) - BUSINESSEUROPE (The Confederation of European Business) - United Nations Global Compact - BIAC (Business and Industry Advisory Committee to the OECD) - AREC (Adriatic Region Employers' Centre) - ICIE (International Congress of Industrialists and Entrepreneurs)



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