

A decorative graphic consisting of a grid of grey dots of varying sizes, with several dots highlighted in red. The dots are arranged in a pattern that roughly outlines the shape of the Balkan region, including Serbia.

## Trade Unions in Serbia on the Move?

**BOJAN LADJEVAC**  
January 2017

- In order to attract more foreign investment and thereby boost the economy the Serbian government has accepted falling labour standards and neglect of the institutions of social dialogue. The trade unions have been on the defensive for years.
- The trade union landscape is highly fragmented. Around 20 per cent of workers are organised in five rival peak organisations and a series of independent company unions. However, in response to the trade union reforms of 2014 two trade union alliances formed. It remains to be seen to what extent this development can contribute to the practical consolidation of the trade union scene.
- Because of the discrediting of left-wing ideas by the nationalism of the 1990s, in Serbia the left-wing parties and the trade unions have not been able to walk in step. Instead, they pursue their own interests. Given the current party-political constellation in Serbia no further convergence is to be expected.
- The economic reform course of the present government under the supervision of the IMF requires new responses and alternative ideas from the trade unions if they are to be able to represent the interests of workers more effectively. However, there is scarcely any critical engagement with their own organisations or sustainable examination of their functional capacities in the course of European integration.



## Contents

<b>1. Trade Union Landscape in Serbia After the Democratic Transition</b> .....	<b>2</b>
1.1 The Main Trade Union Federations .....	2
1.2 Between Polarisation and Consolidation .....	3
1.3 Meagre Resources and Limited Options for Action .....	3
<b>2. Trade Unions and the State</b> .....	<b>5</b>
<b>3. Trade Unions and their Core Tasks</b> .....	<b>6</b>
3.1 Social Dialogue in the Shadow of the State .....	6
3.2 Erosion of Collective Bargaining Structures .....	7
<b>4. Trade Unions and Political Parties: Allies or Rivals?</b> .....	<b>8</b>
<b>5. Prospects for the Coming Years</b> .....	<b>9</b>
<b>Appendix: Overview of Trade Union Peak Organisations in Serbia</b> .....	<b>10</b>

## 1. Trade Union Landscape in Serbia After the Democratic Transition

In Serbia, in common with the whole region of the Western Balkans in recent decades there has been a dramatic decline in the social power of workers and trade unions. This can be seen in particular in the number of trade union members. Fifteen years ago trade union density still stood at around 80 per cent. Due to the deindustrialisation of the Serbian economy, the numerous privatisations of state-owned companies and the pronounced loss of trust in trade unions the figure today is only 20 per cent. Trade union power(lessness) is most evident in the national tripartite body, in which the representative trade unions have quarrelled for years with the employers and the government about one of the lowest minimum wages in Europe. The minimum wage amounts to around 1 euro an hour, which even under conditions of full-time employment covers only 60 per cent of the subsistence minimum. Against the background that Serbia has long suffered from structural unemployment of 20–25 per cent and accordingly there is strong pressure on demand for decent jobs we can say that workers in Serbia have little negotiating clout both at enterprise and sectoral level. Furthermore, there is a very low proportion of highly developed areas of production in Serbia's economic structure, a much higher proportion of processing of raw materials and only a rudimentary tertiary sector with a low level of service, in which fast training and replacement of workers is possible, as well as a high dependence of workers on the existing jobs. This is testimony to the ongoing precarisation of employment, especially in the private sector, and to the extremely unfavourable environment for trade union activities. The impotence of trade unions during the transformation process and the economic crisis since 2008 has led to the tarnishing of their public image. It is therefore not surprising that today only 15 per cent of Serbians have trust in trade unions. Although they are getting weaker and weaker, the trade unions are still the most important social organisations in Serbia, however. The employer-friendly reform course of the current Vučić government requires that the trade unions find new answers and alternative ideas in order to be able to represent workers' interests more effectively. However, both a critical engagement with their own organisations and a sustainable examination of their functional capacities are still lacking in Serbian trade union discourse.

### 1.1 The Main Trade Union Federations

Almost all trade unions in the current Serbian trade union landscape have at different times emerged from the Alliance of Independent Trade Unions of Serbia, the SSSS (*Savez samostalnih sindikata Srbije*), the legal successor of the unified trade union from the period of »real socialism«.<sup>1</sup> This trade union has by far the longest tradition of workers' struggle in Serbian history. Under the Milosevic regime in the 1990s, however, many observers regarded this organisation as nothing more than the extended hand of the current political structures, with no potential for promoting the democratisation of society, willingness to cooperate with the reform trade unions nor desire to transform itself in the direction of interest representation and accept the principles of a market economy. In the transformation years since 2000, however, the SSSS has been able to hang on to its real estate assets in attractive locations in the largest Serbian towns and cities and to maintain its internal coherence to some degree, because of which it remains the most powerful trade union federation in the country. It is characterised by a complex organisational structure, composed of 28 branch trade unions, as well as regional councils and committees in all larger towns and cities. However, this very organisational structure originating from the earlier state-socialist period, with many decision-making centres, appears to have created a negative internal culture of debate, which favours the representation of particular interests. This is exacerbated in times of crisis, as a result of which conflicts that are not resolved within the framework of internal procedures as a rule lead to splits and the establishment of new trade unions.

At the latest at the Fifteenth Congress on 15 May 2015, at which the chair Ljubisav Orbović was re-elected, the internal divisions in Serbia's largest union in terms of members became evident (trade unions in the public sector versus those in the private sector, branch trade unions versus regional representations, Voivodina leadership versus Belgrade central office). The main reason is to be found in the shrinking financial resources due to the dramatic loss of members. The most populous SSSS organisations are the trade unions in the education system, public administration and metals and chemicals. Although no reliable figures on trade union membership in Serbia are available, it can be assumed that around

1. The current chair Ljubisav Orbovic has led the trade union since 2007.

45 per cent of organised members in the country are represented by this trade union federation.

The first independent trade union in Serbia, UGS Nezavisnost,<sup>2</sup> came into being in the turbulent 1990s as an expression of dissatisfaction with the policies of the single trade union and efforts to make changes in the direction of radical democratic transformation, as announced by the then Yugoslav government. The founding year of Nezavisnost (1991) marked the beginning of trade union pluralism in Serbia. This trade union very soon after its founding became partly a broader political movement, which rallied to overthrow the regime of Slobodan Milosevic and in the 1990s enjoyed considerable international support. UGS Nezavisnost used this European exchange through project work to extend its competences and personnel base. For a number of years it thus formed the trade union avant garde. Since 2000, however, UGS Nezavisnost has lost many members, especially because of internal disputes and failed privatisation processes in the branches in which the trade union was once strongly entrenched (metals, chemical industry and so on). After a concentration process there are now 10 branch trade unions under Nezavisnost's umbrella, which in practice are very independent of the centre. The Nezavisnost branch trade unions with the most members are today in the education and health care sectors, as well as in municipal utilities. The next trade union congress – the highest decision-making body – will convene at the end of 2016. Both personnel and programmatic changes can be expected.

Although all trade union leaderships now emphasise financial and political independence, principles of internal democracy, embracing of social dialogue and European integration in their statutes, only SSSS and UGS Nezavisnost enjoy a high level of international recognition among the European trade union federations and international organisations. Although Serbia is still not an EU member these trade unions acceded to the European Trade Union Confederation (ETUC) as full members on 22 October 2014.

In 1996 the Association of Free and Independent Trade Unions ASNS was formed from the metal trade union branch of UGS Nezavisnost. The trade union promptly

became known because of the then ASNS chair Dragan Milovanovic, who was minister of labour in Zoran Djindjic's government. Today the influence of the ASNS in Serbian industrial relations is relatively low and reduced to particular large firms in eight branches. The union is trying to compensate for its dwindling influence by means of controversial cooperation with political parties. For example, before the parliamentary elections in 2012 the ASNS supported the economically liberal LDP (Liberal Democratic Party), for which it was rewarded with a representative in the Serbian parliament. This political involvement has, generally speaking, only further tarnished the union's image.

Besides these trade unions a number of others have emerged since 2000. The more financially influential trade unions, which were not satisfied with the activities of the SSSS leadership, founded the Confederation of Free Trade Unions, KSS, in 2003. This federation is strongly represented in the largest state-owned firms (Serbian Telecom, the Electric Power Company of Serbia and so on), which were least affected by the negative consequences of economic recession and the wave of redundancies from 2008 to 2013. The Industrial Trade Union of Serbia, ISS – which organises workers in the private sector and has been an official member organisation of the KSS since November 2015 – represents an exception. Some KSS branch trade unions have already joined European trade union federations (UNI Europa, UNI Global, EUROFEDOP, IndustriAll) as full members, because of which the umbrella federation is also seeking membership of the European Trade Union Confederation (ETUC). Although by Serbian comparison it has many members (170,000 according to its own figures) the KSS still has an extremely loose organisational structure, strong branch and individual trade unions and a weak coordinating centre with very limited organisational and analytical capacities. The peak organisation regards its principal aim as involvement in the state tripartite body, the Socioeconomic Council of Serbia, as well as scrutiny of the existing social dialogue institutions.

The United Trade Union USS SLOGA («harmony») came on the scene as a new trade union peak organisation in 2008. From the beginning the officials of this relatively small trade union had no qualms about pushing their socio-political agenda. Its main organisational foci are municipal and industrial companies, including the few foreign investments, such as automobile suppliers in

2. The «United Branch Trade Union Independence» has been led by chair Branislav Čanak since its founding.

central and southern Serbia and parts of public services. USS SLOGA is the only peak organisation in Serbia that is openly left-wing. Although the ideological professions of political actors in Serbia are to be taken with a pinch of salt, driven as they generally are by perceived short-term interests, in fact SLOGA officials take a strikingly critical tone in relation to government economic and social policy. In recent years USS SLOGA has conducted a media campaign against working conditions at the South Korean auto supplier JURA in Kragujevac, which gave rise to a surprising degree of public interest. The campaign also denounced the economic model currently pursued by the Vučić government, which, from USS SLOGA's standpoint, is an investor-friendly policy that does not take due consideration of national labour standards. At the 2014 parliamentary elections USS SLOGA participated on the electoral list of the Democratic Party (DS) and was able to get a representative elected to parliament. USS SLOGA officials regard the Socioeconomic Council as the root cause of trade union discord and thus have called for its complete abolition. In order to improve their international position USS SLOGA joined the global trade union federation WTFU in early 2016.

Besides these trade unions, which cover the bulk of the trade union spectrum, there is also a number of smaller company unions that are not members of higher level structures, but independent of the peak organisations.

## 1.2 Between Polarisation and Consolidation

The trade union landscape, with its five peak organisations, is characterised by two mutually opposed blocs. On one side, there is an alliance of the independent trade unions SSSS and UGS Nezavisnost. Their cooperation – apart from the occasional dissension – derives from the agreement on joint activities, signed in late 2013, against an amendment of the problematic Labour Code that had been announced, which was supposed to increase employment flexibility to a considerable degree.<sup>3</sup> At first glance, this cooperation might be surprising, given the personal animosities and long-standing disputes between the two, not to mention socioeconomic issues and unresolved questions regarding trade union legacy assets, among other things. The reasons for the continuing cooperation, however, are likely to be UGS Nezavisnost's desire

3. Adopted on 18 July 2014.

to boost its organisation at national level in alliance with the SSSS, which has the largest union membership.

On the other hand, the United Trade Unions of Serbia, USS SLOGA, the Confederation of Free Trade Unions KSS and the Association of Free and Independent Trade Unions ASNS coordinate various actions with one another. An announced alliance between these three peak organisations under the name »Serbian Trade Union Front« did not prove possible, however. After a joint protest in Belgrade against the new Labour Code, for which they were able to mobilise 5,000 people, this trade union initiative dissolved again in 2015. However, solidarity among the »non-representative« trade unions is evident in the public and media appearances of their activists.

## 1.3 Meagre Resources and Limited Options for Action

The trade unions in Serbia stood by »as if paralysed« in the course of the privatisation of their factories during the economic transformation. Even today they do not organise the workers employed in the private sector under the worst working conditions and on lousy wages.<sup>4</sup> There are certain exceptions among large companies privatised by foreign firms, where the old trade union structures were »taken over«<sup>5</sup> after privatisation. Serbia opted for »shock therapy« to bring about radical economic change, in which firms were transferred from state or social ownership into private hands. One consequence of this transformation process was a pronounced deindustrialisation.<sup>6</sup> Another consequence is the high unemployment rate of 20 per cent.<sup>7</sup> Besides other factors the high unemployment has also led to revenue losses for trade union organisations.

Funding represents a serious problem for all trade unions in Serbia because the branch trade unions and peak organisations continue to be worse off than the company trade unions. Membership fees – both the amount

4. The average wage in Serbia is 450 euros.

5. The auto manufacturer Fiat in Kragujevac, the Sartid steel works in Smederevo and so on.

6. In the period immediately before the financial and economic crisis alone (from 2000 to 2007) the proportion of tradeable (that is, exportable or competing with imports) goods in GNP fell from 42 to 24 per cent. The financial and economic crisis only made things worse.

7. Besides the 1.7 million or so workers in Serbia there are over 700,000 unemployed and around 1.4 million pensioners.

and the distribution to the three organisational levels – scarcely suffice to cover the costs of branch and peak organisations, let alone conducting nationwide campaigns. Depending on the union statutes, from the fee of 1 per cent of the monthly wage around half goes to the company organisations, between 10 and 30 per cent is kept by the branch trade unions and regional structures and the rest goes to the peak organisations.

The meagre funding of the higher trade union bodies makes it more difficult to coordinate measures properly. Thus the trade unions are scarcely able to build up the analytical or organisational capacities required to take the argument to the government and the employers. With the exception of SSSS, which has retained a fairly high number of workers, the other peak organisations have few experts at their disposal. As legal successor to the former unified trade union SSSS benefits most from rental incomes from real estate. Such trade union real estate is a highly charged issue not only in Serbia but in the whole region. Instead of increasing membership numbers and restructuring membership contributions the Serbian trade unions are currently dependent on EU-funded projects. There is a danger that by focussing more on such project work the distance between the peak organisation and company level will increase further.

At grassroots level trade unions continue to be associated with direct »social services«. As a consequence, the financial resources that remain with the company trade unions are still often used, as in former times, to procure lower cost goods (food, clothing), provide holiday places, organise sports events and so on. Although at least formally it is possible to establish works councils under the current labour law, in practice this instrument of enterprise-level workers' representation is not used. The introduction of works councils fails primarily because of a lack of understanding of their potential. Works council practice in industrialised countries remains largely unknown in Serbia. In any case, legislators and employers regard works councils as anachronistic and a relic of socialist times. The trade unions, on the other hand, sense that they represent competition that would only further weaken their position. Works councils are thus unlikely to play much of a role in Serbia for the foreseeable future.

As in the past, public sector domains such as health care and education, the police, the public administration and large state-owned companies – such as Ser-

bian Telekom, the electricity supply company EPS and the Serbian railways – remain trade union strongholds. However, the trade union landscape in these institutions is extremely fragmented. In the education system alone there are currently four large trade unions, which go into negotiations with different demands and no coordination. Despite the poor coordination and sluggish collective bargaining the use of work stoppages is still able to threaten the functioning of the state and thus the legitimacy of the government. It is thus still possible to conclude the largest number of collective agreements in the public sector.

Serbia has no tradition of labour disputes purely on the basis of collective bargaining or of collective bargaining successes. The unwillingness of trade union leaders to cooperate, as well as frequent, aggressive and anti-trade union campaigns in the gutter press have contributed to the erosion of trade union power and acceptance. On top of that, similar to the political parties the trade unions have been associated in the public mind not with their own achievements but with their leaders, some of long-standing. All this means that trade unions in Serbia today are not in a position to organise more substantial social protests or strike action. According to the figures of the Independent Trade Unions of Serbia there were only 21 strikes and 12 protest actions in 2015, almost exclusively at enterprise level.<sup>8</sup> Because most of these actions were organised in firms that were on the brink of insolvency there was not much that they could realistically achieve.

## 2. Trade Unions and the State

Although Serbia is still not a member of the EU it is in competition with all other European countries for foreign investment. In common with many other countries Serbia has taken a low-road approach to attracting foreign capital, namely by flexibilising labour standards and pursuing low wages, low social benefits and low taxes. The dominant economic discourse in Serbia is shaped by numerous domestic and foreign economic associations, lobby groups, international organisations, such as the IMF, and »mainstream« economists, who for years have preached the dismantling of labour and social standards as crucial for economic growth and higher

8. Analysis of the 2015 protests on the SSSS website: <http://www.sindikats.rs/protesti.html> (accessed on 30.8.2016).

competitiveness. In this social climate in 2014 the Serbian government funded a CNN advertising campaign presenting Serbia as a country with highly qualified and »very cheap« labour, to the dismay of the trade unions.<sup>9</sup>

Relations between all trade union federations and the employer-friendly government of Aleksandar Vučić worsened from July 2014. Besides a regulation proposed by the employers' associations that would in effect annul the generally binding effect of collective agreements and thus marginalise collective bargaining further labour law changes were made, aimed at extending flexibilised employment and diluting employment protection. On top of that came a series of systemically important laws that affect trade union activities directly.<sup>10</sup> Before these laws were passed the trade unions withdrew from the negotiating group of the tripartite council and there were fierce public debates and a number of protests in front of the Serbian parliament, although, given the comfortable majority of the ruling coalition, without much effect. Nevertheless, relations have improved somewhat between the trade union leadership and prime minister Aleksandar Vučić, who has talked in diplomatic terms about the high social value of social dialogue. By contrast, the minister of labour and social policy, Aleksandar Vulin, tends to disparage trade union leaders in his media appearances. He provoked considerable resentment when he established an expert working group to develop a new labour code with no trade union participation whatsoever.

The second reason for the deterioration of relations with the government were a number of fiscal consolidation measures, which included a 10 per cent wage cut in the public sector. Hardest hit were employees in education and health care, whose wages are already low. Numerous strikes ensued in November 2014, organised by the trade unions in these sectors. Notwithstanding the protest actions the media portrayal of the trade unions and their public perception have not changed. Periodically, often in the context of the adoption of controversial laws, dubious articles appear in the gutter press concerning the comparatively high salaries of trade union leaders, trade union corruption and so on. Many trade union activists have publically attributed such articles to

the government and the Ministry of Labour. Not least to try to limit the damage done by the negative press in Serbia the two representative trade unions have striven to raise their profile at the international level, with some success. For example, in 2014 DGB leader Reiner Hoffman visited Serbia to lend his passionate support to his Serbian colleagues and to urge the government to return to the negotiating table and not to take important decisions without the involvement of trade union representatives. A resumption of functioning social dialogue in Serbia was also called for in February and November 2015 by Bernadette Segol, secretary general of the ETUC, and Sharan Burrow, secretary general of the ITUC.

Although the work of the Socioeconomic Council was resumed by all the relevant parties under the new Vučić government relations between the social partners are still characterised by deep distrust.

### 3. Trade Unions and their Core Tasks

#### 3.1 Social Dialogue in the Shadow of the State

After the democratic transition in 2000 the rhetoric of »social partnership« on the model of a number of continental European countries made an appearance. In accordance with this model, laws that concern the socioeconomic sphere are supposed to obtain the requisite political and legal legitimacy through continuous consultation with the social partners – employers, trade unions – and thus contribute to stability in the context of Serbia's European integration. At the initiative of the trade unions in 2001 the tripartite national council for interest representation (trade unions, employers and the state) – the so-called Socioeconomic Council (SES) – was founded. However, the process of tripartite social dialogue has been in permanent crisis since the outset, at both local and national level. The main reason for the distinct lack of success in this regard is the government, which, with its 600,000 public employees, is the largest employer and thus can scarcely be said to function as a *third* party in the tripartite body. Furthermore, because of the high public debt the Serbian state has been under intense pressure from international donors, such as the IMF, to cut wage costs. When important laws are passed using an expedited procedure and without consulting the Socioeconomic Council the state withdraws from the very social dialogue it had institutionalised.

9. Blic daily newspaper (accessed on 8.9.2016); <http://www.blic.rs/vesti/drustvo/koliko-smo-jeftini-pks-reklamira-srbiju-kaodapripada-trecemsvetu/3zxbk4s>.

10. The law on privatisation and insolvency.



Furthermore, the legitimacy of the Council is called into question because of the problematic representativeness of the social partners. In order to become a recognised partner in tripartite negotiations the parties have to meet certain quantitative and qualitative representativity criteria at branch and enterprise level.<sup>11</sup> In the early 2000s the trade unions SSSS and UGS Nezavisnost, as well as the Serbian Union of Employers were deemed to be representative at national level. Since then both the excluded trade unions and other employer organisations have complained that the »insiders« block any revision of this status. Only the Representativeness Committee of the Socioeconomic Council can rule on the representativeness of new organisations, but it is composed of members of the »insider« organisations and by agreeing to the entry of new »players« the »insiders« would in effect be reducing their own influence at the negotiating table. On top of that, trade union representatives complain constantly that the most powerful economic actors on the employers' side have long played no part in institutional social dialogue, resorting to tried and tested lobbying instead.<sup>12</sup>

Generally speaking, the operations of the Socioeconomic Council are not underpinned by the state budget. The secretariat is not in a position to pursue analytical or publicistic activities from its own resources, let alone to expand the network of local socioeconomic councils nationwide. The body thus participates in projects funded by European institutions or foreign foundations. The frequent elections in the past ten years are another disruptive factor that has a negative effect on the continuity of the Socioeconomic Council's permanent working group. Thus it is not surprising that the significance of the Council in the media perception remains confined to its advisory and informative role in determining the minimum wage. Because, generally speaking, no agreement is reached between the social partners in this process the decision is usually taken unilaterally by the government on the basis of its own assessments of current economic trends. The minimum wage at present stands at 1 euro per hour (121 dinars), which for those in full-time work covers only 60 per cent of the subsistence minimum.

11. In order to be recognised as a representative collective bargaining partner trade unions have to organise 15 per cent of the employees at enterprise level and 10 per cent at branch level.

12. The Association of Foreign Investors, the American Chamber of Commerce and the business association »Privrednik«.

Despite what is in fact a meagre influence on economic-policy decision-making, participation in the Socioeconomic Council remains a trade union priority. At the informal level it is a matter of appearances and the opportunity to play a role in state and international projects as legally legitimate employee representatives. The officials of Nezavisnost and SSSS are automatically included in a plethora of tripartite decision-making structures (Socioeconomic Council, Labour Office, statutory pension and health insurance funds), so that also a financial motive should not be forgotten behind the trade union quarrels. However, many observers regard this strong institutional insertion of the trade unions in the process of social dialogue as the real reason for their loss of public approval. The highest trade union officials are now regarded as part of the political class and thus not clearly distinguished from the political parties.

### 3.2 Erosion of Collective Bargaining Structures

Collective bargaining in Serbia is regulated by the Labour Code and indirectly by a series of conventions and recommendations of international organisations. However, these documents have not provided a favourable framework for stabilising the collective bargaining landscape for years. Practicable procedures, mechanisms, rights and obligations for the collective bargaining partners are lacking. This lack of regulation testifies to the low interest of the government in having a stable collective bargaining system. In Serbia company collective agreements dominate. In this framework the lack of corresponding negotiation structures represents one of the main problems. According to the current Labour Code an employers' organisation must organise at least 10 per cent of all employers in a given branch in order to be recognised as a representative negotiating partner. The member companies of the Union of Serbian Employers (UPS), however, employ only a small number of workers and thus do not count as key negotiating partners. The trade unions in many branches – the metal industry, the banking sector and retail – have been complaining for years that the major companies with many employees are not members of the UPS. As a consequence the social partners rather talk over one another than with one another.

The upshot is that at present only 10 branch collective agreements are in force, only one of them in the private sector (road building). The other branch collective agree-



ments were concluded in the public sector, in which the state is the negotiating partner (the cultural sector, health care, the police, education, public administration, municipal companies and so on).<sup>13</sup>

After the coming into office of the Vučić government in 2012 and the amendments to the Labour Code in 2014 the collective bargaining climate deteriorated, from the standpoint of leading trade unionists. Branch collective agreements are very rare and have been made practically impossible by the latest loosening of the rule on automatically declaring collective agreements generally binding. Although collective agreements can still be declared generally binding by a decision of the labour minister and thus also apply to non-members of the employers' organisations or trade unions, the 2014 Labour Code now lays down that for an employer association to be »representative« at least 50 per cent of all employees in a given branch have to be employed by its member companies. Previously, the threshold was 30 per cent.

This effectively means that only 30 per cent of employees fall within the scope of collective agreements in Serbia, compared with an EU average of 60 per cent.<sup>14</sup>

#### 4. Trade Unions and Political Parties: Allies or Rivals?

Trade union influence over political parties represented in parliament is low. Contacts are sporadic and generally intensify during election campaigns. Political support is often provided in exchange for a place on an election list or government office. The USS SLOGA trade union has cultivated good relations with the opposition parties; for example, in 2014 it cooperated with the Democratic Party within the framework of parliamentary activities. This »marriage of convenience« enabled the Democratic Party (DS) to repair its damaged social democratic credentials among the public. On the other hand, this coalition enabled USS SLOGA to have its own representative in parliament. Although it is clear to the trade union that one MP cannot achieve much, it is really a matter of prestige and media presence.

By contrast, the Nezavisnost trade union decided to sign a social pact on compliance with minimum social standards with the government parties. This was an attempt to bring the social and economic policies of these parties more in line with its own.

Both political arrangements proved to be a major disappointment for the trade unions after the elections. In the run-up to the parliamentary elections in 2012 there were intensive discussions even within the SSSS about stronger political involvement. Even union leader Ljubisav Orbović justified the, in his opinion, »inescapable« decision to get involved in the election campaign on the grounds of the trade unions' powerlessness, who despite their enormous commitment had not been able to exert discernible influence over decision-making in the country. He did not make an exception even of his own union.<sup>15</sup> After long consultations with all political parties the branch trade unions ultimately rejected this move, however. As a result, some high-ranking officials left the trade union and pursued a career as MPs.<sup>16</sup>

In Serbia there is no traditional link between trade unions and social democratic parties of the kind found in some western European industrialised countries. In Serbia's political culture there are parties that are members of the Socialist International or would like to be, but there is no real social democracy. The trade unions thus lack a partner with a meaningfully social democratic party programme, which they could support without reservations. The closest thing would be the Democratic Party (DS), although with regard to its social base and political orientation it is closer to (economic) liberal political parties than to the traditional European left. The remainder of the left in Serbia consists of small parties that are able to remain in being only through coalitions with stronger parties. On top of that there is the Socialist Party (SPS) which has not yet managed to throw off the taint of its not so distant past. There is also the debacle of the Serbian Labour Party, founded by ASNS trade union leader Dragan Milovanović, which received fewer votes in the 2003 elections than the number of signatures it had had to gather to be entitled to stand in the election in the first place.

13. Figures from the Serbian Socioeconomic Council: <http://www.socijalnoekonomskisavet.rs/cir/doc/kolektivnopregovaranje.pdf>

14. <http://www.worker-participation.eu/National-Industrial-Relations/Across-Europe/Collective-Bargaining2>

15. Public Radio Vojvodina, Trade unions on their own election list? (accessed on 3.10.2011); [http://www.rtv.rs/sr\\_lat/politika/sindikati-na-izborima-sa-svojom-listom\\_276230.html](http://www.rtv.rs/sr_lat/politika/sindikati-na-izborima-sa-svojom-listom_276230.html)

16. The most prominent former trade unionist who pursued this course is Milorad Mijatovic, SDPS MP for Rasim Ljajic.

The current political constellation does not enable the Serbian trade unions to act as political actors trying to assert their interests through kindred parties in political dialogue; rather it is the parties that seek allies in an attempt to give the impression of their »social sensitivity in the tough transformation period«. Thus any trade union that openly supports any party in the current political spectrum runs a high risk. Joining the wrong political coalition is likely to lose the trade unions even more public trust and to exacerbate the old lines of conflict in their internal structures.

## 5. Prospects for the Coming Years

European trade union theory sees possible stimuli for revitalising trade unions in women's or youth sections. In fact, in Serbia, too, there are many complex issues on the agenda that could be successfully taken up by up and coming trade unionists or women's sections. They include high youth unemployment of around 50 per cent, the worrying emigration of qualified young people and the proliferating forms of precarious employment, the gender pay gap and many more. Unfortunately only the largest peak organisation, the SSSS, has a functioning youth and women's section. However, young and female trade union activists even here do not have much scope for action. They play little role in decision-making bodies and the available financial resources are meagre.

This trade union culture is inevitably characterised by an alarming age structure, which calls the future into doubt. The trade unions in Serbia are confronted by a plethora of challenges that have to be tackled with substantially reduced resources. The labour minister Aleksandar Vulin has already announced a number of laws that will make life even more difficult for the employees' side. Besides the new version of the Labour Code various other similar laws are being worked on (strike law, law on the peaceful settlement of labour disputes). At the same time, the trade unions still have to find answers to questions that have dominated the trade union agenda for years. They include the trade union organisation of new members in small and medium-sized enterprises, combating the increase in atypical employment forms, expanding social dialogue and reforming the social system. Although the fixation of the trade unions on institutional rights in recent times has not brought much success, it remains the only obstacle to neoliberal ideas, the dominance of business interests and the further precarisation of employment, as may be seen throughout the Western Balkans. In such an environment trade unions have to be ready for battle and exhibit organisational power before dialogue is likely. It is to be expected that the current government will maintain its course of economic liberalisation. The trade unions have a chance of putting up some resistance if they can agree on a minimum set of common demands. Only then will they be taken seriously as a dialogue partner.



## Appendix

### Overview of Trade Union Peak Organisations in Serbia

	<b>Confederation of Autonomous Trade Unions of Serbia (SSSS or CATUS)</b>	<b>Nezavisnost »Independence« Trade Union Confederation</b>	<b>Confederation of Free Trade Unions (KSS)</b>	<b>Association of Free and Independent Trade Unions (ASNS)</b>	<b>United Trade Unions of Serbia Sloga (USS SLOGA)</b>
<b>Founding year/ leader</b>	1903 Ljubisav Orbović	1991 Branislav Čanak	2003 Ivica Cvitanović	1996 Ranka Savić	2008 Željko Veselinovic
<b>Number of branch trade unions</b>	28	10	11 member organisations	8	8
<b>Areas of organisation (main branch trade unions)</b>	Public administration, metal industry, health care, chemical industry, education	Health care, education, chemical industry, municipal utility companies	Telecommunications, energy, health care, transport	Energy, health care, agriculture and food industry, municipal utility companies	Manufacturing industry, police, transport, municipal utility companies
<b>Absolute membership*</b>	505.111	200.000	180.000	150.000	100.000
<b>Funding (in principle)</b>	Member contributions (basic contribution 1% of gross wage)	Member contributions (basic contribution 1% of gross wage), letting of real estate	Member contributions and donations from strong public companies	N. A.	Member contributions (basic contribution 1% of gross wage)
<b>Political orientation and party political linkages</b>	Centre-left, party-neutral.  In 2011 it considered setting up its own party, but it was rejected by the majority.	Centre-left, party-neutral	Centre-left, party-neutral	Difficult to categorise. There was an ASNS representative on the electoral list of the economic liberal Liberal Democratic Party (LDP) in 2012.	The trade union regards itself as politically to the left of social democracy. Representatives of USS SLOGA were put on the electoral list of the Democratic Party at the 2014 parliamentary elections.
<b>International memberships</b>	ETUC/ITUC since 2014	ETUC/ITUC since 2014	Only at branch level (EPSU/PSI, EURO-FEDOP, UNI global Union)	N. A.	The peak organisation has been a member of the WTFU (World Federation of Trade Unions) since 2016

17. There are no reliable figures on trade union in Serbia. The numbers presented here come from current trade union internet sites and, given official workforce data for the Serbian labour market, are far from realistic. It is to be assumed, however, that the largest peak organisation covers around 45 per cent of unionised employees, the second largest peak organisation now appears to be KSS, with 15 per cent, and Nezavisnost, with 10 per cent; the other trade unions (SLOGA, ASNS) are much smaller.



### About the author

**Bojan Ladjevac** is a researcher at the Friedrich-Ebert-Stiftung office in Belgrade.

### Imprint

Friedrich-Ebert-Stiftung | Dept. for Central and Eastern Europe  
Hiroshimastr. 28 | 10785 Berlin | Germany

Responsible:  
Jörg Bergstermann, Coordinator for Trade Union Programs  
in Europe and North America

Phone: +49-30-269-35-7744 | Fax: +49-30-269-35-9250  
<http://www.fes.de/international/moe>

To order publications:  
[info.moe@fes.de](mailto:info.moe@fes.de)

Commercial use of all media published by the Friedrich-Ebert-Stiftung (FES) is not permitted without the written consent of the FES.

The views expressed in this publication are not necessarily those of the Friedrich-Ebert-Stiftung.



ISBN  
978-3-95861-731-5