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**Annual Review
2014
of Labour Relations and Social Dialogue in South East Europe:
Serbia**

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1. Summary

In January 2014, the Serbian government submitted to the Commission its Pre-Accession Economic Program for the period 2014-16 with the economic recovery and stabilizing government debt below 70 % of GDP as main objectives. The government has proposed

a number of fiscal consolidation measures and structural reforms. Key legislation related to improving the business environment has been recently adopted, but the authorities would need to step up their efforts to implement the envisaged reforms, in line with the conclusions from the Ministerial Dialogue between the Economic and Finance Ministers of the EU and the Candidate Countries from May 2014. A number of labor market rigidities have been addressed with the recently adopted revision of the Labor law. Overall, deep-seated structural problems and a weak economy keep unemployment very high, although the overall unemployment rate decreased.

Recent legislative changes have addressed important labor market rigidities. The slow process of restructuring of the 502 state-owned companies is having a negative impact on public finances and the rest of the economy and needs to be urgently addressed. Some steps were taken to resolve shortcomings in bankruptcy legislation. Red tape, para fiscal charges and difficulties in obtaining construction permits remained major obstacles to more dynamic business creation and expansion. Many laws, important for structural reforms and socioeconomic development, are still adopted without proper consultations with businesses and other social partners thus excluding them from dialogue on a better regulatory environment. Social tripartite dialogue and industrial relations, together with the very small impact of the Social Economic Council remain very weak. Overall, legal predictability and enforcement of court decisions remain weak.

2. Socio-economic development

During the recent election campaign, the victorious SNS party promised comprehensive economic reform during the first half of 2014 to address issues with the fiscal deficit, state-owned enterprises, the labor market, construction permits, bankruptcy and privatization, and other areas.

The economy relies on manufacturing and exports, driven largely by foreign investment. In January 2014, Serbia's EU accession talks officially opened. Serbia's negotiations with the World Trade Organization are advanced, with the country's complete ban on the trade and cultivation of agricultural biotechnology products representing the primary remaining obstacle to accession. Growing budget deficits constrain the use of stimulus efforts to revive the economy and contribute to growing concern of a public debt crisis, given that Serbia's total public debt as a share of GDP doubled between 2008 and 2013. According to the Serbian Statistical Office industrial production in the Republic of Serbia in October 2014, when compared to October 2013, decreased by 11.2% and in relation to 2013 average, it increased by 2.7%. Industrial production in the period January – October 2014, compared with the same period 2013, decreased by 6.3%. Observed as divided by sections, the trends were noted as follows: the section of electricity, gas, steam and air conditioning supply – fall of 28.0%, the section of mining and quarrying – fall of 17.1% and the section of manufacturing – fall of 6.3%. The overall external trade in the Republic of Serbia for January – October 2014 amounted to \$29,796.8 million, which was a 3.6% increase compared to the same period 2013. The damage caused by recent floods that hit the country amounted to at least €1 billion, where electric power industry and agriculture were most badly hit. Over 1.900 houses must be rebuilt, as well as streets and railroads. Real drop in GDP in third quarter of 2014, in relation to the same period last year, stands at 3.7%. Most foreign direct investment went into trade, construction, real estate and financial services. 502 enterprises are lining up for privatization¹.

¹ The recent success of Air Serbia – in which UAE-based Etihad acquired a 49 per cent stake last year – may pave the way for investments in Belgrade's airport, which the airlines are trying to develop as a regional hub, as well as other industries. In 2014 Serbia had the biggest increase of air passengers in Europe. Companies being lined up for privatization include pharmaceutical company Galenika, fertilizer manufacturer HIP Azotara and furniture maker Simpo, as well as a large copper mine at Bor. China as a very important economic partner signed number of Agreements, in infrastructure of the most interest of Serbia.

Serbia was facing one of the largest fiscal deficit in Europe in 2014 and had to take measures for fiscal consolidation, difficult for the citizens, decrease the public sector wages and pensions for 10 percent (with the exclusion of the lowest under 25.000 RSD). In the field of social protection, the pension fund deficit remains large. More than 40 % of the revenues of the pension fund come from the budget. Budget transfers to pay pensions continue to be the largest single item on the expenditure side. About 14 % of GDP was spent on pensions in 2013. Amendments to the Law on Pension and Disability Insurance were adopted in July. They introduce changes in pension calculation and retirement rules, including extending women's retirement age to 65.

Foreign exchange market developments in November is characterized by continued depreciation pressures started in July, which caused NBS to intervene on the foreign exchange market by selling EUR 250 million. Consolidated deficit (RSD 143.5bln) in the first eleven months 2014 was lower compared to the same period last year. Public debt at the end of November 2014 amounted to EUR 22.3 billion, or 69.2% of GDP. External debt in September increased due to increased borrowing of public sector and enterprises.

According to the Labor Force Survey, the unemployment rate in Q3 2014 amounted 17.6%, which is lowest level of unemployment since April 2010, when it stood at 19.2%. Reduction in the rate of unemployment is primarily seasonally influenced, but also by the growth of employment in the informal economy.

3. Governmental policies and legislation

The government of Serbia was coping with the difficult economic situation in 2014. Serbia's task was to put in charge and implement all political and economic reforms within the next three to four years, primarily in order to create a favorable climate for doing business and attracting investments through adopting in 2014 the labor law, the laws on privatization, bankruptcy, and planning and construction, as well as number of economic and fiscal measures concerning the decrease of the pensions and wages in public sector for 10 percent.

Serbia and the International Monetary Fund (IMF) signed a three-year precautionary arrangement worth nearly €1 billion loan which can be used, if needed, to strengthen foreign currency reserves. The World Bank expressed satisfaction with the course of reforms implemented in Serbia, as well as a willingness to support the completion of the restructuring of enterprises through the implementation of the surplus labor programmer and the redesigning of specific measures for this category of persons.

Serbia is the first country in the region to establish a national investment council, which will deal with the preparation and implementation of key strategic infrastructure projects.

The implementation of four measures to promote the Serbian economy, as: subsidized loans in the amount €1.2 billion for the private sector, which should enable the state to partially help the economy and reduce expenses; assist in curbing the grey economy and boosting employment. It entails that the companies with 3-4 employees, in case of hiring another one, will only be paying 30% of his contributions, while the state will pay the rest; repairing the business environment, which is essentially an important measure for our country; cheap apartments and solving the problems in the construction industry, which has recorded the largest decline year-in-year-out; increase the number of employees and encourage investments in our country.

EU targeted policy guidance for Serbia, based on its pre-accession economic program, was adopted at the Ministerial Dialogue between the Economic and Finance Ministers of the EU and the Candidate Countries in May 2014.

The level of participation in the EU framework program for research (FP7) is satisfactory and the overall success rate is around 15.3 %, compared to the EU average of 21.6 %. The agreement associating Serbia to the new EU research and innovation program Horizon 2020 (covering 2014-2020) was signed on 1 July 2014, allowing for retro-active participation of entities from the country as from 1 January 2014. In June, Serbia notified a revised list of national contact points and representatives in the program committees.

With respect to the European Research Area, Serbia nominated its representative in the European Research Area Committee (ERAC). The action plan, implementing the Strategy on scientific and technological development for the period 2010-2015 was adopted in January 2014. The level of investment in research in 2013 remained broadly unchanged as in 2012, close to the national target of 1 % of GDP. This is still substantially below the EU average of 2.07 %.

Concerning measures for the Innovation Union, the Business Technology Incubator of Technical Faculties in Belgrade successfully continued to support start-up firms. While the Innovation Fund disbursed 53 grants to stimulate innovative companies in different sectors, further institutional support is needed to ensure the sustainability of this body. Serbia has been active in cooperating at regional level and co-signed the Western Balkans Regional R&D Strategy for Innovation. In the field of education, training and youth, Serbia continued to participate successfully in the Tempus, Erasmus Mundus, and Youth in Action as well as in the centralized actions of the Lifelong Learning program.

4. Industrial relations

Four years of implementation of the *General Collective Agreement*, with a period of suspension of financial provisions since the arrival of the global financial crisis to Serbia showed some improvements in industrial relations in the public sector, and medium and large private enterprises. There were over 710.000 employed in public sector. Small companies and entrepreneurs didn't have Rules of Organization and Job Classification and they are the largest group of private firms (95% out of 99, 9% of all companies in 2014). Employment policy/plans exist more often at larger companies and with investors who open new plants, but this accounts for just 0.2 percent of companies in Serbia. The cost of implementation for these companies was too high. Some discipline has been introduced into finances, social relations and labor legislation in 2014 such as the penal policy, (employers to pay salaries and taxes).

The Serbian Association of Employers took into account the views of competent authorities of the Serbian Chamber of Commerce and the Foreign Investors' Council, and initiated the cancellation of the General Collective Agreement.

Up to November 2014, number *strikes and protests* have been organized, as shown by the data of the Confederation of Autonomous Trade Unions of Serbia (CATUS). Most strikes were organized in big Serbian cities. There were a lot of organized strikes in 2014 regarding low level of industrial relations, most relating to unsolved problems with failed privatized processes within construction companies, the textile sector, metal workers in the public sector, railway, but also in education, health, social services, science and research, and even in the layers Association, for more than two months fighting for lower taxes and against new empowerment given to notary. Some unions succeeded to present their proposals to the Government, even to local authorities, but with very low willingness to solve the problems, especially when requested increases had no real basis in budget expenditure planned for 2014. Industrial federations - members of CATUS and "Nezavisnost" have recently organized big meetings dedicated to defending workers' rights and enterprises in restructuring, and generally according to new Labor Law. The

Minister of Economy declared that at least 30% of 100,000 workers in the companies going through restructuring would probably be made redundant. As a recent guest of national television said; by June 2014 the process of restructuring of 502 enterprises, employing more than 100,000 people, had to be finished by the end and of 2014 mid 2015 and it was necessary to dismiss workers if those enterprises were to "get on their feet".

5. Tripartite social dialogue

A number of labor market rigidities have been addressed with the recently adopted revision of the Labor law. Labor and trade union rights are guaranteed by the Constitution and broadly respected. The New Labor Law from July 2014 only briefly addressed these rights. Alignment with the European Charter for Fundamental Rights and conventions of the International Labor Organization need to be ensured when it comes to strikes, abolition of forced labor, right to organize collective bargaining and freedom of association, while a new Law on Trade Unions remains to be adopted. The procedures and criteria for determining the representativeness of social partners, notably trade unions, need to be agreed in a transparent way. The work of the Economic and Social Council is not systematic; its meetings are held at random and often delayed, while consultations on draft laws within the Council's remit remain sporadic. As a result, tripartite social dialogue came to a stalemate. At local level, there is no tripartite social dialogue.

The amended **Labor Law** aiming also at achieving some alignment with the *acquis* was adopted in July. However, as the law was adopted in an urgent procedure consultation with the social partners and public debate could not be fully respected.

In the field of **health and safety at work**, work on amending the Law on Health and Safety at Work is well advanced. The new strategy on health and safety at work for 2013-2017 was adopted in November 2013 and the accompanying action plan for 2014 was adopted in July. A rulebook on display equipment entered into force in December. The register of injuries at work is still under construction and depends on the adoption of the Law on Registers.

The capacity of the Labour Inspectorate needs to be strengthened to allow for efficient inspections in the field (there are currently 250 inspectors or 1 inspector per 1 300 companies) and for better implementation of the Labour Law. Tripartite **social dialogue** has been at a stalemate since autumn 2013 with the representative trade unions withdrawing from the Working Group on the Labour Law. The meetings of the Economic and Social Council are not systematic and should be improved according to the relevant rules. No agreement has been reached on the level of the minimum wage. Consultation of the Council on legislative amendments remains limited. The criteria and procedure to establish representativeness of trade unions and employers' organizations need to be agreed in a clear and transparent manner. At local level, tripartite social dialogue still needs to be developed. The administrative capacity of social partners needs further strengthening to ensure their participation in collective bargaining and legislative consultations. Bipartite social dialogue remains underdeveloped. There are only few sectoral collective agreements, while several have expired and need to be renewed. The law on strike remains to be adopted. The agency for peaceful settlement of labour disputes needs further strengthening.

In the area of **employment policy**, administrative capacity to ensure better-targeted and efficient labour market policies is being further developed in the Ministry of Labour, Employment, Veterans and Social Policy, the National Employment Service and at local level. The 2015 national employment action plan was adopted in September. The focus of this year's action plan is on youth, unemployed with low qualifications, and workers made redundant from companies in restructuring. Serbia is preparing its first employ-

ment and social reform programme, with a view to identifying and addressing its key challenges in employment policy and social policies. A kick-off meeting took place in November 2013.

Recent improvements in labor market participation and employment rate can mainly be attributed to an increase in seasonal and family work and remain fragile. Unemployment remains very high at 20 % (June 2014) and long-term unemployed still represent more than three quarters of the unemployed. Youth unemployment (15-25 years old) is growing (53 % in June) and the share of young people not in employment, education or training (NEET) is at around 27 % (June 2014). The implementation of the 2013 national employment action plan was hampered by a 65 % cut in the budget earmarked for active labor market policies. Still, of the targeted 109 000 unemployed, 92 % were included in active labour market measures and 22 % found employment. Some 30 % of the unemployed included in active labor market measures in 2013 belong to the most vulnerable groups and to groups with high incidence and persistence of unemployment, including Roma. Roma will continue to benefit from specific programmes in addition to regular active measures. The 2014 budget earmarked for active labour market measures is less than 0.1 % of GDP, which is very low but nevertheless an increase from the previous year. This is insufficient to address the high level of unemployment and of long-term unemployment and to face future challenges, notably the forthcoming large redundancies linked to the restructuring of 153 state-owned enterprises. According to Labour Force Survey, informal employment grew significantly, from 17.9 % in October 2012 to 21 % in June 2014.

Administrative capacity to prepare for the **European Social Fund** needs strengthening. The department responsible for international cooperation, EU integration and projects is now accountable directly to the Minister of Labour, Employment, Veterans and Social Policy and is structured in three sub-units. Coordination between the priorities identified in the indicative strategy paper for Serbia and in the employment and social reform programme needs to be further enhanced for the programming of IPA funds. (See also *Chapter 22 — Regional policy and coordination of structural instruments*)

Limited progress can be reported in the area of social policy and employment. Developments continued in the area of health and safety at work but have slowed down in the areas of employment policies and social inclusion. Further work is needed to align the Labour Law with the *acquis*. Social dialogue needs to be strengthened at all levels and the stalemate of tripartite social dialogue is of particular concern. Further efforts are needed to address labour market segmentation and to ensure alignment with the *acquis*. An action plan for the implementation of the strategy for the fight against discrimination was adopted in October 2014. Overall, preparations in this area are at an early stage.

Regarding **enterprise and industrial policy principles**, the strategy for the development of entrepreneurship and competitiveness 2014-2020 has been prepared but remains to be adopted. This strategy is wider in scope and does not exclusively cover SMEs like the previous one. It identifies the main activities to support entrepreneurship and competitiveness, in line with Small Business Act principles, but does not include a budget for these activities. The SME Council stopped meeting after years of difficulties — it could not ensure inter-ministerial coordination as it lacked powers to take binding decisions. Plans to establish a new body with more powers have been launched.

The implementation of the law limiting payment deadlines has been relatively successful with regard to public sector payments, for which a control and monitoring system has been set up by the Treasury. The law, however, needs to be further aligned with the EU legislation.. In the field of **enterprise and industrial policy instruments**, Serbia continues to implement the Small Business Act (SBA) and participated in SBA performance

Review. Serbia decided to participate in the EU Programme 'Competitiveness of Enterprises and Small and Medium-sized Enterprises' (COSME), but could not yet agree with the Commission on full participation in 2014 due to budgetary problems. Serbia has been invited to consider joining the COPERNICUS programme.

As regards policy instruments, there are a number of financial instruments, such as reimbursement of consulting services, subsidies for innovating activities, subsidies for investment, public promotion of entrepreneurship and women's entrepreneurship and support for clusters and incubators. These instruments remain limited in scope.

As regards the business environment, the regulatory guillotine process has stalled, while regulatory impact assessments continue to be applied to new legislation. Further efforts are needed to improve access to finance for companies, especially in view of the negative credit growth. Company registration has been simplified, but parafiscal charges for company operations have increased.

In **sector policies**, particular efforts are needed to improve procedures for construction permits, so as to contribute to the more dynamic construction sector and improve the business environment in general. A new law facilitating the issuing of construction permits remains to be adopted.

Limited progress has been made in the field of enterprise and industrial policy. A number of strategies and financial instruments are in place, but the business environment remains weak. Overall, Serbia needs to continue efforts to improve the environment for its businesses, particularly SMEs. According to actual research in this field, the average score for social dialogue is very low. In a situation characterized by efforts to join the EU and the enormous difficulties Serbian workers and citizens face, unions are convinced that the best way of solving the problems is by regular social dialogue. Unfortunately, that dialogue is nowadays at its historical minimum. Since his arrival to the post of the Council's President, the Prime Minister did not convene any session, while any information important for the labour market reached the unions mostly through media. In an open letter to the President of the Republic CATUS expressed the confederation's discontent with the way the last series of fiscal laws had been adopted. The President has been asked not to sign the laws adopted in that manner but turn them back to the Parliament and ask it to respect the necessary social dialogue communication.

It once more became obvious that Serbia was still far from the rule of law which was a common ideal of all Serbian citizens and political parties; it is claimed that some ministries and ministers themselves do not respect the legal proceedings related to the adoption of important laws: their drafts are written in the Government offices and sent to the Parliament without any serious consultations with social partners within the Economic and Social Council. Not only are unions' representatives in the Council deprived of the possibility to evaluate future laws and give useful suggestions to their texts, but are often informed about them through the media! An additional problem is that MPs who do not consider drafts thoroughly, but simply vote according to party affiliation. Such practice is extremely harmful for the Serbian economy which is already in ruins and keeps Serbia away from social dialogue on European values and standards. There are some examples of a more developed system of tripartism, formal and informal dialogue in Vojvodina, the dialogue exists in very stable companies where employers are responsible, as well as negotiations and collective agreements, great results in resolving workers' problems inside of the working groups of the Agency for Peaceful Settlement of Labour Disputes.

The principles of tripartism: the effort to resolve problems between workers, employers and governments to help solve the ternary relationship have not been realized as a part

of social partnership, policy concentration or societal Corporatism, and have been evaluated in 2013 as displaying a lack of trust among the social partners, maintained in a narrow room for manoeuvre, in which each party was lobbying for its interests without the willingness to listen and hear the claims of other parties. Besides the number of organized strikes in 2013 (which demonstrate the weakness of the institutional social dialogue as a way of solving workers' rights and development issues) the behaviour of all social partners in 2013 in drafting and debating in public the Labour Law changes can be seen as major failure of tripartite social dialogue in Serbia. The process began with joint working groups drafting the changes, but relations soon deteriorated leading to the aforementioned strikes against 150 changes and their content, and ultimately to the TUs proposing the rejection of the Draft of the Law, and TUs writing alone new Draft. In contrast, 82% of employer organisations supported the Draft and the Ministers proposal. What are the arguments of the TU against the Draft of Labour Law changes? Fixed-term employment would increase the length of temporary agency employment periods would increase from between 12 and 24 to up to 36 months, redundancy payments would be calculated just for the time of working for the existing employer, with up to two salaries as severance, occupational injuries, national holiday payments, sick leave, as well as vacation payments would be reduced from 10,3-42,4%. As a collective agreement would not have extended the application of a lot of issues on wages and protection of work, dismissal protection would be in question. In the TU analysis, alternative proposals can be seen which compare proposals from existing and future Labour Law solutions.

6. Forecasts

The government began reforming Serbia with a clear goal to create the most attractive country for foreign investments in the region: to have more foreign investments, and more investments. Major challenges ahead include: high unemployment rates and the need for job creation; high government expenditures for salaries, pensions, healthcare, and unemployment benefits; a growing need for new government borrowing; rising public and private foreign debt; attracting new foreign direct investment; and getting the IMF program back on track. Other serious longer-term challenges include an inefficient judicial system, high levels of corruption, and an aging population. Factors favorable to Serbia's economic growth include its strategic location, a relatively inexpensive and skilled labor force, and free trade agreements with the EU, Russia, Turkey, and countries that are members of the Central European Free Trade Agreement (CEFTA).

Political and macroeconomic stability as a basic prerequisite for attracting foreign investments and safety of their capital, have been accomplished, reiterating that the economic reforms, economic growth and unemployment reduction are priorities of the government.

Through the valuable support of the EU Delegation, Serbia shall build on its long-term efforts to support the development of an efficient, reliable and fair enforcement system: The arrangement with MMF will take effect from 1 January 2015, and the Serbian government now has all the elements required to plan next year's budget. Under the deal with the IMF, the budget deficit should be cut to 4-4.25% of GDP, or about €1.3-1.4 billion in the next three-year period. Implementation and monitoring of the execution of the measures will be conducted on a quarterly basis, with very precisely defined monitoring measures, ranging from macroeconomic stability measures and fiscal execution to other measures selected by the Serbian government itself and implemented pursuant to agreements with the IMF, with the objective - to steer the country to sustainable growth and development and reduce unemployment.

Serbia open for cooperation with Russia in the fields of economy, energy and agriculture were considered during visit of Russian President Vladimir Putin to Belgrade. In a meantime stopping the construction of the gas pipeline "South Stream", Serbia put in a compli-

cated situation.

Even according to the estimates by a conservative financial organization such as the IMF, Serbia will have a GDP growth of 1.5% in 2016, and next year even up to 2%, as it could be expected that the privatization of the Smederevo-based steel mill, Pancevo-based mineral fertilizer plant, and the Priboj-based truck factory FAP will be successfully completed. There will be no new austerity measures next year, referring to the recently introduced pension and salary cuts, as the state is making spending cuts in many ways, by trimming administration costs, funds for financing of political parties, stepping up the excise and VAT collection, and the collection of taxes from tycoons is higher than ever. 40 German and 25 French companies recently visited Serbia, and Serbia can guarantee the political and economic stability based on the clear IMF-backed programme and the market of one billion people as it is the only country that has free trade agreements with the EU, Turkey, Russia, Belarus, and Kazakhstan. Serbia's focus in the period ahead will be on negotiations about Chapters 23 and 24 of the *acquis communautaire*, developing the capability of the Serbian public administration on Better Regulation, strengthening and consolidating the reforms which have already been initiated and ensuring that the newly-established legal professions work effectively. The Serbian Parliament should adopt soon a set of laws on free legal aid, protection of whistleblowers and protection of the right to trial within a reasonable time that will give citizens a better, faster and more available legal protection and to lead to better business environment in Serbia. With the hope that Serbia will become a member of the EU by 2020, by 2019 it must fulfill all obligations assumed on its path towards the EU. Serbia has a specific position in trade agreements with the EU, Turkey, the Customs Union of Russia, Belarus and Kazakhstan, and EFTA [the European Free Trade Association] and CEFTA [the Central European Free Trade Agreement of non-EU countries in South East Europe and a very well-qualified workforce, a potential in agriculture, the energy sector, IT, and construction. In 2015 Serbia's chairmanship of OSCE would be new challenge for the political and economic recovery.

In 2015 at the level of social partnership, tripartism and industrial relations, with the implemented related institutional structure, SEC, in Serbia is great and very serious challenge to improve the content of cooperation, institutional capacity of the social dialogue, as well as the role of the social partners in the economic and social solutions and legislation in favor of workers, new employment, EU social policy and protection framework and experience.

Annex of data

- **Collective bargaining system**

Collective Bargaining as a process is present at general, sectoral and company level, defined by Labour Law. Collective agreement guarantees two important aspects: the obligation to sign the agreement legalizing all employment, guaranteeing an hourly wage. The General Collective Agreement has been implemented but represents a financial burden on employers, which has created a lot of problems, leading to the avoidance of some of its strict rules, and an objective to change it. Some sectoral collective agreements are being charged also.

Characteristics of the process in 2012 are: Total withdrawal from sectoral agreements (Fiat); Strengthening of company bargaining through 'organised decentralisation. Sectoral agreements should determine conditions for deviations at company level through agreement with the works council (on-going); Stopping of the quasi automatic extension of collective agreements (new stricter criteria for extension should be developed (on-going); Prioritizing company bargaining; opening-clauses in sectoral agreements; abolishing of the favourability principle; Undermining/abolishing extension procedures; Downward wage competition enforced by wage cuts and wage freezes which promote economic stagnation and depression; Deconstruction of multi-employer bargaining at national and sectoral level by far-reaching decentralization and undermining extension procedures; Using the opportunity of the crisis for a more fundamental transformation of power relations in Europe; Enable companies to invest in new technologies and working capital in addition to payment of wages, the shift from the general to the individual approach, when determining rights and obligations in relation employer-employee, and other.

- **System of tripartite social dialogue**

Social dialogue, both tripartite and bipartite remains limited, due to problems-tripartite social dialogue at the national level has had a limited impact on the economy, as the consultations between social partners do not take place regularly. The introduction of institutional employee representation (i.e. elected by the entire workforce) in companies, in the form of works councils, has been advantageous both in terms of enhancing opportunities for employee participation and also increasing scope for recruiting new trade union members. The most important levels of collective bargaining for the setting of pay are different for public and private sectors – in the public sector it is intermediate (sectoral) level, while in the private sector bargaining is largely decentralized (branch agreements exist in only two sectors) and are far from universal. Determination of the minimum wage is fully centralized, within the Social and Economic Council, and the minimum wage is binding for the whole economy, including sole proprietorships and employees outside the corporate sector.

Working time is largely determined centrally. The Labour Code and general collective agreement are primary sources of general rules regarding working time, while sectoral collective agreements in the public sector may contain branch specific regulations concerning working time, depending on working conditions.

At the branch level, both collective agreements that were recently signed (in Construction and in Agriculture) had a clause stipulating that they would only become valid once the Minister decided on their extended application, so the decision of the Minister had to be awaited in order to make the agreements applicable in the first place. In general, there are few instruments to monitor and enforce the implementation of collective agreements; therefore even extending them by a decree does not guarantee that all their terms will be applied in practice.

There are no other institutionalized voluntary mechanisms of extending the terms of collective agreements. The Social and Economic Council is in charge of negotiating and adopting the general collective agreement and minimum wage determination every six months (consensus is needed, however, otherwise the Minister of Labour makes a decision). Judging by the collective agreements signed, the main trends with regard to collective bargaining are differentiated – in the public sector, there is a tendency for sectoral negotiations, while in the private sector decentralized, company-level bargaining is more common. The state of collective bargaining is hard as the main institution-Economic Council has frequently stalled in the past few years. In branch and signed collective agreements, collective agreements and the activities obstructions are often carried out in the implementation of the achieved rights in these sectors and consequently the letter of law is not applied. Limited effects of the widespread dissatisfaction with current practices are the result of the absence of mutual trust and willingness to adequately take into account the interests and positions of other participants in the social dialogue process.

- **Social insurance systems**

Pensions

Table: Pensioners 2010-2014

	2010	2011	2012	2013 Dec	2014 Jun)
Beneficiaries of pensions total(utilization of rights)	1 494 386	1 502 669	1 565 386	1 722 649	1.722.834
Structure					
Old- age pensions*	708 934	725 516	780 953	1.021.216 (59.28%)	1.030.620 59,6%
Disability pensions	322 954	314 488	311314	334.040 (19.39%)	327.501 19,2%
Survivors pensions	313 865	313 842	328625	367.393 (21.33%)	364.713 21,2%.
Compensation for physical injury (No. of users)	87 246	82 930	79271	74 237	78.000
Compensation for assistance and nursing(No. of users)	61 407	61 893	63174	61.536	77.000
Pension benefits in RSD					
Pension benefits	19.890	21.285	22.450	23.947	24.312
Real growth rate	-5.9	-3.6	-2.2	0,3	-2.0

Source: Republican Fund for Pension and Disability Insurance

Table: Average Pensions, 2010-2014 RSD

	2010	2011	2012	2013	2014
Average pension adjusted by the law, RSD	21790	23200	25033	23.947 (213 EUR)	23.724 (199 EUR)

Source: Republican Fund for Pension and Disability Insurance, NBS, 2013

Health

Table: Number of insured persons by insurance base, 2010-2013

Insurance basis	2010		2011		2012		2013	
	No. of insured	In %	No. of insured	In %	No. of insured	In %	No. of insured	In %
Employed persons	2.875.243	42.01	2.850.962	41.60	2.842 446	41.27	2.828.201	40.00
Unemployed persons	95.358	1.39	87.592	1.28	86 693	1.26	88 000	1.30
Beneficiaries of pension	1.895.397	27.69	1.893.339	27.63	1.887.801	27.41	1.920.584	28.00
Self-employed	287.214	4.20	284.151	4.15	274.832	3.99	278.000	4.00
Farmers	320.771	4.69	317.639	4.64	303.879	4.41	300.800	3.20
Health insurance	1.370.015	20.02	1.419.137	20.70	1.329 833	19.31	1.358.202	20.00

is covered from the budget of the RS								
Other					161.420	2.34	418913	3.30
Total citizens covered	6.843.998		6.852.820	96.24	6.886.904	99.9	6.886.900	99.8

Source: Republican Fund for Health Insurance; <http://www.rfzo.rs/index.php/baza-osiguranika-stat-menu/broj-osig-menu>

• Education and vocational training

Table: Serbian Population 15+, by Educational attainment, census 2002 and 2011

Serbia	Census 2002		Census 2011		2012		2013	
	Total	%	Total	%	Total	%	Total	%
	6 321 231	100	6 161 584	100	6 117 563	100	6 161 584	100
Without educational Attainment	357 552	5.66	164 884	2.68	132 909	2.17	164 884	2.67
Illiterate	232 925	3.45	164.884	2,68	127 462	1.96	24 424	0.36
Incomplete primary education	1 022 874	16.18	677 499	11.00	653.032	4.57	677 499	10.99
Primary education	1.509 462	23.88	1 279 116	20.76	1 473 287	32.25	1 279 116	20.75
Secondary education	2.596 348	41.07	3 015 092	48.93	3 000 873	49.05	3 015 092	48,93
Higher education	697 000	11.3	652 234	10.59	720.000	11.76	1 000 569	16.23
Computer literate					2.108.144	59,9	3.906 444	63.4
Computer illiterate					3.142.854		2.255 139	36.6

Source: SYB

• Employment rate

Table: Employment rate, 2010-2014 III Q (age 15-64)

	2010	2011	2012	2013	2014
Population aged 15 and over				6 117 563	6 095 268
Employed persons average (thousands)	1.796	1.746	1.731	1.723	1 715
Employment rate	47,1	45.3	45,3	49.2	50,8
Activity rate (Working age 15-64)	59,0	48,2	60,1	49.0	62,2
Employees in legal entities average (thousands)	1 355	1 343	1341	1 335	1 320
Entrepreneurs and other employees	441	403	386	380	356
Informal sector employment rate	17,8	17.0	17.9	18.9	23,4

Source: RSO, NBS, NEA, LFS and EPF, Euro fund, 2014

• Unemployment rate

Table: Unemployment rate, 2010-2014

	2010	2011	2012	2013	2014(October)
Unemployed persons average (thousands)	744 222	752 838	761 834	762.638	741.362
Unemployment rate, ILO definition in %	19.2	23.7	25.5	24.1(ILO)	17,6 (ILO)
First time job seekers	267 979	275 039	270 256	267.904	260.949
Unemployment benefit recipients	81 896	64 776	61 633	77.216	67.798
Nearly registered	39 105	15 288	40 119	36.951	40.550
Deleted from the register	34 993	43 600	47 219	50.928	62.692
Registered vacancies	94 418	52 944	55 931	36724	39.000
Employed from the register	140 588	183 452	206 207	115.348	24.051

Source: RSO, NBS, NEA and EPF Unemployment,

- **Average monthly salaries**

Table: Average monthly Net salaries, in RSD, 2010-2014 (October)

	2010	2011	2012	2013	2014
Net salaries	34,142	38,363	41,377	44120	44.021
in EUR	323.6	366.8	380.3	385.5	375.1
Real growth rate	0.7	0.2	1.1	-2,0	-0.3

Source: NBS, Labour Force Survey, 2014 Statistical Office.

- **Gender pay gap**

According to the research results (Women and Men in Serbia, 2014) Women make up 51.3% of the total population of the Republic of Serbia. Broken down by age, with adult and old population number of women is higher, while in men younger population numerically dominant. Women are on average older than men by 2.7 years. The average household in Serbia has three members. The most common single-family households are married / common-law couples with children - every third household, or 36.4%. Followed by single-person households, which make up 22.3% of the total, while households marital / common-law couples without children has 18.5%. Men predominate as the person to whom the household in all large families. In single households is far greater representation of women - 60% to 40%. Thus, when one person households whose head is aged 65 and over, almost three-quarters are women, and among the "singles" younger than 50 years is 61% of men. 79% of single-parent families of the type "the mother with the children." Over 70% of these families have only one child. More than half, or 57% of men and 53% of women older than 15 years living in a marriage / community. Among unmarried / unmarried women is 15% less than men (43% versus 58%). However, women are more represented among divorced persons, while in the category of widow / widower, women even 3.6 times more numerous than men. Among the population aged 15 and over, 80% of women and 81% men cohabiting formally or according to legal marital status, single / unmarried. Women living in cohabiting old on average 39 and men 42 years. Women are most represented in the category of "dependent" (57.6%), followed by women whose main source of income for retirement (57%), grants (56.5%) and social benefits (55.5%). Women are spatially more mobile: more than half of them, or 53% of the women who arrived at the place of permanent residence from another settlement in the Republic of Serbia or abroad, while 63% of men never moved. Most immigrant population arrived from other areas: one in five women and 15% men. Among daily commuting to work, it is considerably larger share of men (62%) than women (38%). On the other hand, living among migrants who are educated, slightly higher share of women - 51% versus 49%. According to the results, the highest rate of poverty risk in 2014 is among the youth of both sexes, and it is 26.8 for women and 27.7 for men, while the lowest rate among the elderly male population - 15.3. Wage differentials between men and women in Serbia are still high. According to Eurostat, gender pay back has been 3.5% (Eurostat).

According to the data of the Statistical office, 2014 (October), the wages of employed women were lower than for men. So, the pay gap could be illustrated by: Wages for women were lower than men by 200 euro in 2014 (monthly average) for the same job and qualification; The biggest pay gap is among employed women with higher education; Secondary school educated women earned 100 euro lower wages than man; For highly qualified workers - the pay gap is around 250 Euros with men; as well as among semi-qualified workers. The lowest gap was among non-qualified workers. The lowest wages belonged to single mothers and married mothers with children who are pre-schoolers. According to the Labour Force Survey from 2008-2014, As resume; regarding **equal opportunities** between women and men, legislation with regard to the dismissal of pregnant women and women on maternity leave, sexual harassment and inequality in promotion and salaries needs to be systematically enforced. Administrative capacity on gender equality issues in

2014 remains weak. The law on Ministries from April 2014 dismantled the previous Directorate for Gender Equality. The new Ministry of Labour, Employment, Veterans and Social Policy include a Unit for gender equality under the sector for development and planning. Labour legislation needs to be fully implemented, particularly regarding the dismissal of pregnant women and women on maternity leave, sexual harassment and inequality in promotion and salaries.

- **Monthly minimum wage**

Table: Minimum Net salaries, period average, in RSD, 2010-2014

	2010	2011	2012	2013	2014
For 174 hours work	15.880,00	17.748,00	20.010,00	20.240.00	21.160 (for 184 hours)
Per hour	87,00	95,00	115,00	116.32	115.00

Source: SYB, 2014.SRB

- **Actual weekly working hours**

Table: Actual weekly working hours, 2010-2014 / % of total employed/

	2010	2011	2012	2013	2014
15-64	1.796 000	1.746000	1.731000	1.723,000	1.715.000
1-4 hours	0.1	0.2	0.2	0.2	0.2
5-19 hours	0.5	0.5	0.6	2.7	1.2
20-29 hours	0.5	1.2	1.0	3.8	3.0
30-39 hours	0.8	2.4	2.5	3.1	3.0
40-49 hours	93.3	92.8	93.2	73.4	83.0
50-59 hours	1.5	1.4	1.3	8.2	8.2
60 and more hours ²	1.2	1.2	1.1	8.5	8.4
Other	2.1	0.3	0.1	0.1	0.2

Source: Labour Force Survey, 2014,SRB

- **Normal work/atypical work**

Table: Normal work/atypical work in %, 2010-2014

	2010	2011	2012	2013	2014
1. Normal work/ full time, open-end contracts	78.5	81,4	88,2	88.3	2137576
2. Atypical work / fixed term contracts	21.5	18.6	11.8	12.9	337560
2.1. Part time	9.1	8.6	8.2	9.1	
2.2. Seasonal	2.6	3.1	1.2	1.3	
2.3. Temporary	9.8	6.9	2.4	2.5	

Source: SYB, Labour Force Survey, SRB 359 RS10 301213

- **Migration**

Table: **Migration** Serbia, 2009-2014

	2009	2010	2011	2012 Residing in Serbia	2012 Originating from Ser- bia	2013	2014
Refugees	195,626	195, 628	183,289	70,707	161,671	64.000	57,083
Asylum Seekers	12.300	20,020	21200	399	15,381	19.000	400
Returned Refu- gees	2,705	308	399	392	392		168
Internally Dis- placed Persons (IDPs)	224,881	204,000	228,444	228,215	228,215	210.000	227,495

Returned IDPs	871		1,803	845	845	-	780
Stateless Persons	n.a.	12,000	8,599	8,500	n.a.	2,500	4,195
Various	386	50	8,599	519	9,679	350	777
Total population of Concern	436,775	236,070	438,729	309,577	416,183	282,850	290,898

Source: UNHCR Global Appeal 2009-2014 Serbia

Table: 2014 UNHCR's budget in Serbia (USD)

2014	2015					
2014 Revised budget (as of 30 June 2014)	Refugee programme PILLAR 1	Stateless programme PILLAR 2	Reintegration projects PILLAR 3	IDP projects PILLAR 4	Total	
16,585,990	2,568,713	1,198,094	0	12,801,434	16,568,241	

Source: UNHCR Global Appeal 2015 Update

• Human Development Index

Table: HDI, 2009-2013

	2009	2010	2011	2012	2013	Change in rank, 2012-2013
HDI	0,678	0,764	0,824	0,743	0,745	
HDI ranking	71	60	59	76	77	1

Source: HD Report 2014, World Bank

• GINI-coefficient

Table: **Gross national income (GNI) per capita** (constant 2005 PPP \$), 2009-2013

	2009	2010	2011	2012	2013
GINI	27.80	9,958	10,236	9,533	11,301

Source: HD Report 2014, World Bank

• Collective agreement coverage

The entire public sector (approximately one-third of total dependent employment) has nearly full coverage of sectoral agreements. Only two branches in the private sector (Agriculture and Construction) have branch agreements, but with incomplete coverage. Also, there are some company-level agreements in the private sector. Therefore, the coverage rate of collective agreements (apart from the expired and never fully implemented General Collective Agreement) can be estimated at slightly over 50%.

National level of collective bargaining remains de facto the most important, despite the fact that the General Collective Agreement concluded in 2008 has been of little practical importance and actually expired in May 2011. Its importance stems from the institutions, such as the Social and Economic Council, and equally important, from the involvement of central bodies of national industrial relations in sectoral and sometimes even company-level bargaining. Sectoral level is the dominant form of collective bargaining in the public sector, which accounts for the majority of union members and where the coverage of collective agreements is very high. Company level is dominant in the private sector, which is characterized by low union density and a low incidence of collective bargaining and collective agreements. In general, issues of training and lifelong learning are not given much attention in branch and company collective agreements, other than repeating general prescriptions from the Labour Code and General Collective Agreement. The recently signed (2011) Branch Collective Agreement for the agricultural sector covers the responsibility of employers to provide training and education to its employees in accordance with changes

of the working process, technological and organizational changes in the company, etc. However, there is no explicit mention of the lifelong learning concept.

- **On-going important collective bargaining agreements**

According to the data from the SEC records up until the December 2014, Active Collective Agreements are:

1. The General Collective Agreement with its Annex of extension, and further Special Collective Agreements:
2. Special CA for employed in primary and secondary schools and pupils homes , ("Sluzbeni glasnik RS", 12/09, 67/11 and 1/12), 15.12.2011. on which is concluded Agreement with an extension of validity of CA,
3. Special CA for high education ("Sluzbeni glasnik", No.12/09 and 9/12), 20.01.2012. on which is concluded Agreement with an extension of validity of CA
4. Special CA for government bodies and institution ("Sluzbeni glasnik RS", no.95/08 and 86/11), on which is concluded Agreement with an extension of validity of CA,
5. Special CA employed in institutions and organizations of local government and provinces ("Sluzbeni glasnik", 23/98, 95/08, 11/09 and 15/2012), on which is concluded Agreement with an extension of validity of CA,
6. Special CA for employed in the institutions of students standard ("Sluzbeni glasnik RS", 14/07 и 7/10) – implemented from 14.02.2013,
7. Special CA for employed in culture institutions whose founder is the Republic of Serbia concluded 27.11.2009, ("Sluzbeni glasnik RS", 97/09 and 112/09; with extended action – decision No. 110-001397/02 and 28.12.2009),
8. Special CA for social protection ("Sluzbeni glasnik RS", 22/02 and 110/06; extended action – decision No 110-00-1044/2006-02 and 14.11.2006),
9. Special CA for health institutions whose founder is the Republic of Serbia („Sluzbeni glasnik RS”, 36/10 и 42/10; extended action – decision No. 110-00-581/2010-02 from 07.06.2010),
10. Special CA for police officers – concluded 28.02.2011, („Sluzbeni glasnik RS”, no. 18/11),
11. Special CA for construction industry and production of constructing material , concluded 14.02.2012for time of two years period, („Sluzbeni glasnik RS”, no.15/2012 and 21/2012) - extended action – decision No.110-00-137/2012-02 from12.03.2012,
12. Special CA for agriculture, processing tobacco and water industry, – concluded 09.02.2011, ("Sluzbeni glasnik RS", broj 11/11, 14/11 и 50/11 extended action – decision No.110-00-121/2011-02 from 23.02.2011),
13. Special CA for chemistry and non-metals – concluded 13.12.2011, („Sluzbeni glasnik RS”, no. 103/11 и 14/2011) – extended action – decision No. 110-00-1239/2011-02 from 06.02.2012
14. Special sectoral CA – for metal industry ("Sluzbeni glasnik RS", no. 10/2012, 41/2012, 69/2012, 80/2012 and 101/2012); extended action – decision No. 110-00-1224/2011-02 from 23.04.2012,
15. Special CA for work engagement of the entertainment industry and music artists and performers in the hospitality industry (covers 20,000 performers in the country) signed by Autonomous Entertainers' Union of Serbia and Serbian Employers' Association.
16. At the company level are interesting new Collective Agreements signed with: Mercator and in ex-US STEEL Smederevo by the two representative trade unions and the employer (temporarily resolving the destiny of 5,200 workers of who the most are on the paid leave getting 60 % of their regular wages).

- **Trade union density**

There are two sides of the trade union density equation – trade union membership and the eligible workforce. The Trade union density is different in various kinds of enterprises. In 2014 there were around 2,2 million employees in Serbia, out of which: one third (680.00) were in public sector, (where the trade union density rate is 70 present), and from the private sector union memberships is made up of workers in micro-businesses (from none -9 employees) with 5%, from small enterprises (from 10-49 employees) with trade union density of 15 present, from medium businesses (from 250-249 employees) where density is around 25% and large (from 250 employees on) with trade union density of 40%. 380.000 Self-employed, solo trades have to be added but have low trade union activities. Trade unions traditionally organize self-employed workers in some quite specific professions characterized by high skills and significant autonomy in the performance of their work, such as journalists and performing artists. Another sector with a high incidence of self-employed workers and where trade unions often have an established representation is Construction. In transport, especially in road haulage, the situation is more mixed, but trade associations seem to prevail, even if there are recurrent debates on whether trade unions should more clearly try to organize (or involve) self-employed truck drivers alongside employees. In the other traditional sectors of the economy, such as Agriculture and crafts, business organizations clearly prevail. In addition to these types of workers, in recent years trade unions have tried to extend their representation to new groups of workers which were formally self-employed but have a less clear-cut professional identity. This is particularly the case where new types of employment contracts have been introduced in recent years in the context of labour market deregulation – or even with the aim of normalizing formerly unregulated positions. Beside this category, farmers and the self-employed in agriculture are also not covered by trade union activities, which, as well as unemployed and people working in informal sector, accounts for a total of around 350-700,000 workers. The trade union density rates can be further detailed according to the difference between the old but privatized companies (30 per cent) and newly-established private companies (5 present). Trade union density rates can be estimated for 2014 to be around 30% (2% down on the previous year with a trend of further decrease). The factor which has significantly slowed down trade union density has been the fall in private dependent employment. In other words, trade union density remains high in the public sector and is low in the private corporate sector.

- **Workplace representation**

Workplace representation covered by trade unions could amount to 25% (Euro found and national research data). New legislation, such as the New Law on Criminal Proceedings violates the right of trade union representatives to represent members who authorize them to do so and thus threatens the very existence of trade unions; since the workers become union members primarily in order to have their collective and individual rights and interests protected, New Labour Law, as well as actual practical employer's behaviour, demonstrated unfavourable conditions for workplace representation. Employee representation at establishment level could be summarized as: Trade union high, joint trade union committee low, Works council low, Health and safety committee low representation.

The two most relevant trade union confederations currently recognized as representative on the national level are the Confederation of Autonomous Trade Unions of Serbia (CATUS, Savez samostalnih sindikata Srbije, SSSS) and the United Branch Trade Unions (UGS Nezavisnost), both of which participate in the Social and Economic Council at the national level. Apart from them, the most prominent trade union confederations that are currently struggling for national representative status are the Association of Free and Independent Trade Unions (Asocijacija slobodnih i nezavisnih sindikata, AFITU) and the Confederation of Free Trade Unions ((Konfederacija slobodnih sindikata, CFTU), whose

representativeness at the national level ought to be verified in the near future, but only the confederation that has been able to preserve membership and financial stability during the past five years. Overall, there exists more than 20,000 trade unions in Serbia at all levels, from company to national level, and 31 sectoral trade unions belonging to the main Confederations.

Only 25–30 % of members pay any subscription at all or the subscription laid down in the statutes. Membership subscriptions are collected by the employer – who can thus exercise complete control over union members in the company. The subscriptions are then passed on directly to company trade union representatives, who, under union statutes, can use between 60 % and in extreme circumstances up to 90 % of the funds for their own purposes. The remaining income from membership subscriptions must be shared between the sectoral association and umbrella organization (in Serbia the latter receives around 5%). This means that a sectoral organization has on average a mere 10-15% of membership income at its disposal – too little for financing the running costs of the organization along with campaigns, activities or the necessary expert personnel, not to mention amassing a strike fund for use in the event of a serious industrial dispute. As a consequence, umbrella organizations continue to have limited scope, and a decentralized structure based primarily at company or site level continues to predominate. The minimum number of members required for the establishment of a union in a company is 3 employees, as well as minimum number required to establish a trade union. The principal ‘filter’ in this respect is once again the ubiquitous rule that employees may only join a union via the company trade union.

- **Employer’s organization density**

By far the most relevant employer organisation in the recent period has been the Serbian Association of Employers (Unija poslodavaca Srbije, SAE), which remains the only representative employer organisation at the national level in Serbia and as such belongs to the International Organisation of Employers (IOE) as a full member. It is also a member of number of international organisations. In mid-2008 the SAE saw a major upheaval (the third since 2003), which resulted in the creation of the Association of Small and Medium-sized Entrepreneurs (Asocijacija malih i srednjih preduzeca, ASME), formed by breakaway members of the SAE. The ASME has repeatedly disputed the representativeness of the SAE and invested considerable time and energy trying to obtain representative status itself, but these attempts have so far not succeeded. In 2010 another employer organisation was registered at the national level, known as Poslodavac (Employer) and led by one of the most prominent business leaders in Serbia, Miodrag Kostic. This employer organisation was openly supported by the Chamber of Commerce of Belgrade. However, up to this point the SAE remains the only employer organization at the national level in Serbia that actively operates and provides services to its membership in return for their membership fees. The remaining two employer organizations do not collect membership fees and their membership is free of charge.

- **Employer representation**

As in the case of trade unions, mutual recognition of representativeness among the employer organizations has not been attempted in the past, whereas the SAE has been making efforts to retain its representativeness. The legitimacy of the SAE is disputed by its rivals but also sometimes by other social partners on the grounds that its representativeness is questionable. The legal requirement for representativeness at national level is that an employer organization unites at least 10% of all registered employers, and that these employers employ at least 15% of the total number of employees in the country. In most cases, self-employed workers are regarded as entrepreneurs and (potential) employers. Their typical collective representation is therefore to be found within the boundaries of

business associations, sometimes with a general interest representation role with regard to public authorities and without specific employer representation functions. Moreover, it should be noted that practically no business representation exists as such for self-employed workers without employees; rather, they have essentially to refer to professional associations, small and medium-sized enterprises (SMEs) or general employer associations, as well as to public representation bodies, such as the Chambers of Commerce.

In 2011 the International Organization of Employers and the International Labour Organization jointly warned the Serbia government against excessive involvement in the functioning of employer organizations in Serbia, after the repeated Collaboration of the Chambers of Commerce of Serbia and Belgrade with newly established employer organizations. The SAE is the only employer organization involved in collective bargaining and recently it signed branch collective agreements in the Construction and Agriculture Sectors, although its presence and membership in these two branches is rather low.

There has not been a consolidation of the processes of organisational changes in employers' organizations in 2014, just fragmented trends in SAE. According to European research and employers' data the Employer's organizations density is around 25% in Serbia. The Union of Employers of Serbia (UPS) as the main national organization of employers has enjoyed good cooperation with the Ministry of Labour and Social Policy, participating regularly in the activities of the Social and Economic Council of the Republic of Serbia, and with other Employer's organizations in the Business Council founded by new Government in 2012, is consulted on major economic and social issues, proposals and laws.

Table: National Trade Union Confederations

	Trade Union	Number of individual members	International affiliations
1	Savez samostalnih sindikata Srbije, SSSS, Confederation of Autonomous Trade Unions of Serbia, CATUS	450,000	International Trade Union Confederation (member) European Trade Union Confederation (observer)
2	Ujedinjeni granski sindikati Nezavisnost, "Independence" Trade Union Confederation	200,000	International Trade Union Confederation (member) European Trade Union Confederation (observer)
3	Asocijacija slobodnih i nezavisnih sindikata ASNS, Association of the Free and Independent Trade Unions, AFITY	159. 000	-
4	Industrijski sindikat, (ISS), Industrial Trade Union of the Serbia	35,000	IndustriAll-ETU
5	Udruženi sindikati Srbije Sloga Associated Trade Unions of Serbia - Sloga	100,000 Members mostly from public and utilities sector	-
6	Konfederacija slobodnih sindikata, Confederation of the Free Trade Unions	185 000 Members mostly from public sector	EPSU/PSI, EUROFEDOP, UNI global union

Source: Web sites of organizations data, data from interviews with leaders published

Table: Important trade union federations by branches

Trade union	Mem-	National	International
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	bers	Confederation	affiliation
Samostalni sindikat zaposlenih u poljoprivredi, prehrambenoj, duvanskoj industriji i vodoprivredi, Autonomous Trade Union of Workers in Agriculture, Food, Tobacco Industry and Water Management	70,000	CATUS	
Samostalni Sindikat metalaca Srbije, Autonomous Metalworkers of Serbia (AMWUS)	25,000	CATUS	IndustriAll-ETU; IndustriAll-Global Union
GS "Nezavisnost", Trade Union of Metalworkers	20,000	UGS Nezavisnost	IndustriAll-ETU; IndustriAll-Global Union
Sindikat radnika gradjevinarstva i industrije gradjevinskog materijala Srbije, Trade Union of Workers in Construction and Building Materials Industry of Serbia	45,000	CATUS	BWI
PTT Serbia, Postal Workers Trade Union Serbia	9,500	Confederation of the Free Trade Unions	
Samostalni sindikat trgovine Srbije, Autonomous Trade Union of Commerce Workers of Serbia	20,000	CATUS	
Samostalni sindikat hemije i nemetala Srbije, Autonomous Federation of Chemistry and Metallic Minerals Workers of Serbia	36,520	CATUS	IndustriAll-Global Union
Samostalni sindikat ugostiteljstva i turizma Srbije, Autonomous Union of Catering and Tourism Workers of Serbia	18,000	CATUS	
Sindikat zaposlenih u zdravstvu i socijalnoj zaštiti Srbije, Health and Social Protection Employees Union of Serbia	80,000	CATUS	
Unija sindikata prosvetnih radnika Srbije, Association of Teachers Unions of Serbia	30,000	Confederation of the Free Trade Unions	

Source: Web sites of organizations data, data from interviews with leaders published

Table: Employers' Organisations

	Employer's organisations	Number of members	International affiliations
1	Unija poslodavaca Srbije, UPS / 1994/, United Employers' of Serbia	1.666 Big enterprises, SMEs and associations of entrepreneurs with 372.000 employees	International Organization of Employers - IOE Union of Black Sea and Caspian Confederation of Enterprises - UBCCE Union of Mediterranean Confederation of Enterprises - BUSINESSMED Adriatic Regional Employers' Centre – AREC
2	Asocijacija malih i srednjih preduzeca i preduzetnika Srbije, (APPS), /2008/ Association of SMEE of Serbia	145.000 employers with 220.000 Employees	Eurochambers
3	Udruženje privrednika Poslodavac /2010/ Association of Employers – Employer	500 enterprises with 250.000 employees	-
4	Srpski poslovni klub Privrednik, Serbian Business Club Businessman	The biggest and most successful in private companies and financial institutions, as well as personal businessman membership It is not registered according to the Law of Labour, but of Low of Civil Associations 100.000 employees	International employers' associations Eurochambers

Source: Web sites of organizations, data from interviews with leaders published in 2012.