

FINAL CONFERENCE:

**SSD-SMM - Strengthening social dialogue in the retail,
food-processing and agriculture sector in Slovenia, Macedonia and Montenegro**

Social dialogue in Slovenia and the role of ZDS as employers' representative

Skopje, 6 December 2012

ZDS – Association of employers of Slovenia

- 1st voluntary association in Slovenia representing economic interest of employers
- has been representing and protecting employers' interests since 1994



Main tasks

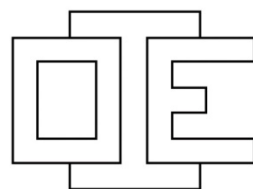


- to **ENSURE THE COMPETITIVENESS OF COMPANIES** on both the domestic and foreign markets, mostly from the standpoint of labour market, taxes, etc.
- to **ENSURE A PROFESSIONAL BASE AND CONDUCT NEGOTIATIONS OF COLLECTIVE AGREEMENTS** at all levels
- to actively **CO-OPERATE IN THE PREPARATION AND ADOPTION OF NEW LEGISLATION** in the field of industrial relations
- to **MONITOR, PUSH FORWARD AND REPRESENT ENTREPRENEURS' INTERESTS**
- to **PROMOTE EMPLOYERS' VIEWS IN SOCIAL DIALOGUE**

ZDS – Main activities



ZDS is a member of



Start of social dialogue in Slovenia



Bipartite

- **Late 1980's** – market economy system “demanded” a new modern bipartite social dialogue, based on equality of partners
- **1989** - Law on basic labour relation rights (Zakon o temeljnih pravicah iz delovnega razmerja) – introduced collective bargaining as the fundamental way of bipartite relations between workers and employers
- **1990** – the same law stated that individual worker's rights have to be determined by collective agreements and the law also determined separate components of collective agreements

27 June 1990 – ZZZS (Free Trade Unions of Slovenia) and CCIS after 3 months of negotiations signed the **1st General CA for the private sector** – bridge between the non-suitable labour legislation and labour relations in practice

Start of social dialogue in Slovenia

Tripartite



- **1990**– Ministry of labour right after the election of the new government established Council for employment (Svet za zaposlovanje) – representatives of ministry of labour, CCIS and unions
- **BUT** government did not take into account the opinions of the Council
- **End of 1991** – the Government proposed to the unions and CCIS a special Social partnership Agreement (Sporazum o socialnem partnerstvu) – issues of establishing social stability
- **July 1992 – 1994** – negotiations between G, U and CCIS – because of differences among activities (sectors) negotiators were not able to conclude the agreement

Start of social dialogue in Slovenia

Tripartite



- **1994** – negotiators decided on a separate agreement anyway – Agreement on wage policy in the private sector
- the social partners as **the condition** to sign this agreement set the immediate establishment of the **tripartite Economic and Social council**
- **25 April 1994** - the Agreement on wage policy in the private sector was signed with a separate on establishing Economic and Social Council
- **1 June 1994** – the 1st session of the Economic and Social Council

Economic and social dialogue in Slovenia



Tripartite

- Economic and Social Council
- Social Agreements: 1995, 1996, 2003-2005, 2007-2009
- Wage Policy Agreements (until 2005)
- Tripartite bodies (health, pensions, employment, etc.)

Bipartite

- General collective agreements for private sector in 1990, 1993, 1997, 2000
- 2006: **1st bipartite wage policy CA for private sector**, excluding existing sectoral CA
- Collective agreements on sectoral level (activities)
- Collective bargaining on company level

Who are the social partners in Slovenia?



Employers (5):

- **1990 – 1994 :**
 - GZS - Chamber of commerce and industry
 - OZS - Chamber of Crafts
- **1994:**
 - **ZDS – Association of employers of Slovenia**
 - **ZDOPS – Association of small and crafts employers (OGISTTA at the time)**
- **2007:**
 - TZS – Chamber of commerce

Who are the social partners in Slovenia?



Trade unions (45 representative at the state level):

- Law on representativeness of trade unions (Zakon o reprezentativnosti sindikatov, Uradni list RS, št. 13/1993)
- The whole list:
http://www.mddsz.gov.si/si/delovna_podrocja/delovna_razmerja_in_pravice_iz_dela/socialno_partnerstvo/seznam_reprezentativnih_sindikatoev/
- 7 who are in the ESC:
 - Zveza svobodnih sindikatov Slovenije
 - Konfederacija sindikatov Slovenije PERGAM
 - Konfederacija sindikatov 90 Slovenije
 - Neodvisnost - Konfederacija novih sindikatov Slovenije
 - Slovenska zveza sindikatov ALTERNATIVA
 - Zveza delavskih sindikatov Slovenije – SOLIDARNOST
 - Konfederacija sindikatov javnega sektorja Slovenije

Representativeness?

Employers

- **NO LAW !**
- **Mutual agreement on who is the member of ESC**

Trade unions

- **OLD LAW !**
- **Law on representativeness of trade unions (Zakon o reprezentativnosti sindikatov, Uradni list RS, št. 13/1993)**

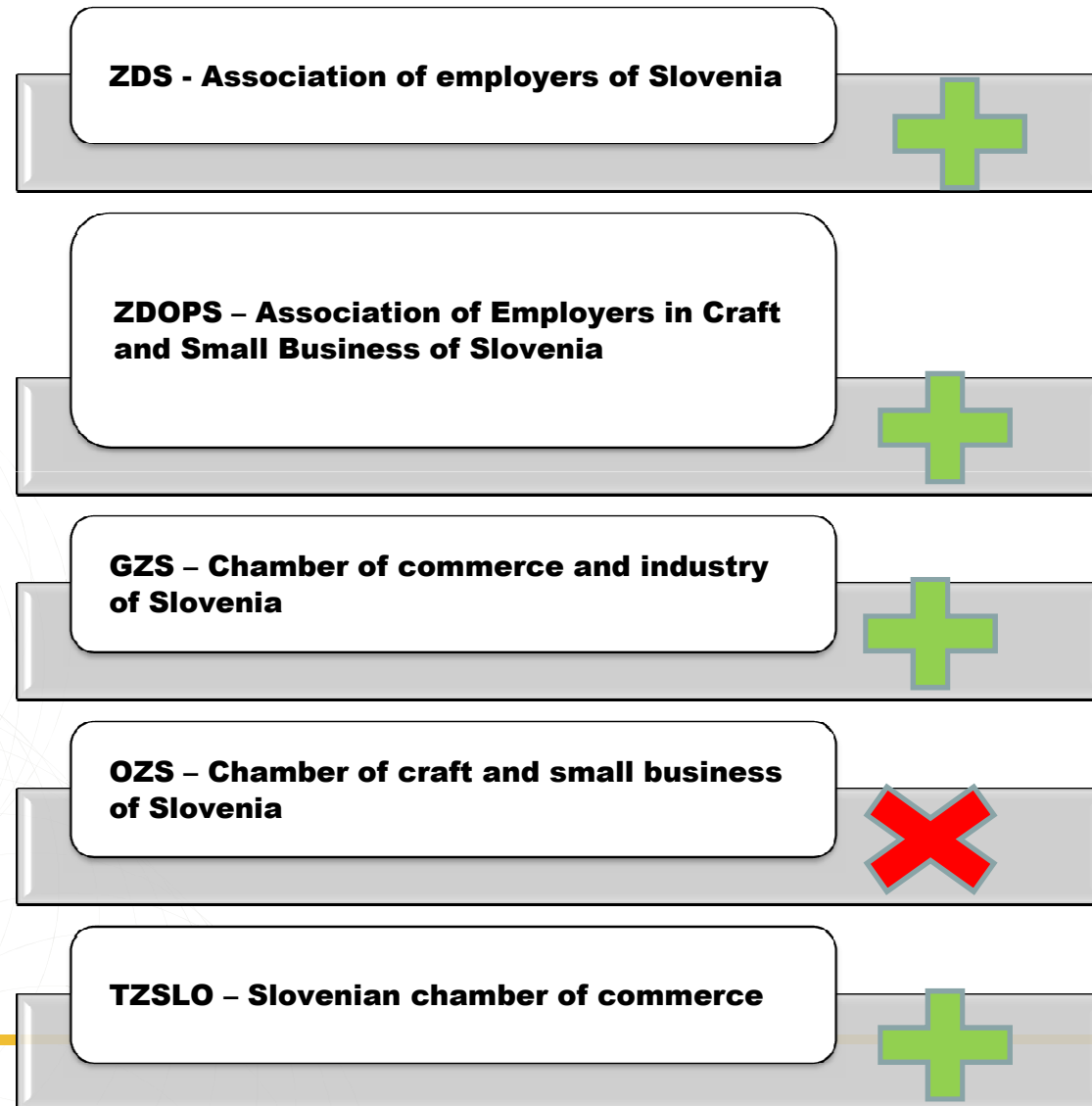
Economic and Social Council



- Established in 1994
- Consists of three groups of representatives:
 - › Employers (ZDS, ZDOPS, GZS, OZS, TZS)
 - › **Trade unions** (7 representative confederations on national level)
 - › Government
- Regular sittings, rotating presidency – one year (ZDS April 2011 – September 2012)

The opinion of Council is respected in parliament when adopting a law on social and economic status of employees

Employers in collective bargaining – sectoral level



**Collective
Agreements
Act**

**Mandatory
membership**

Collective Agreements Act



- **Ur.I. RS, št. 43/2006** – after 10 years of on and off negotiations
- **Extension** of CA
- Who is **entitled to** negotiate and to sign CA
- The **use of CA**

Existing CA's in force



1.KP za kmetijstvo in živilsko industrijo Slovenije

- 2.KP za gozdarstvo Slovenije
- 3.KP za premogovništva Slovenije
- 4.KP za tekstilno, oblačilno, usnjarsko in usnjarsko predelovalno dejavnost
- 5.KP za lesarstvo Slovenije
- 6.KP celulozne, papirne in papirno predelovalne dejavnosti
- 7.KP grafične dejavnosti
- 8.KP časopisnoinformativne, založniške in knjigotrške dejavnosti
- 9.KP za kemično in gumarsko industrijo Slovenije
- 10.KP za dejavnosti pridobivanja in predelave nekovinskih rudnin Slovenije
- 11.KP za kovinsko industrijo Slovenije
- 12.KP za dejavnost elektroindustrije Slovenije
- 13.KP za dejavnost kovinskih materialov in livarn Slovenije
- 14.KP dejavnosti elektrogospodarstva Slovenije
- 15.KP gradbenih dejavnosti
- 16.KP dejavnosti trgovine Slovenije
- 17.KP dejavnosti gostinstva in turizma Slovenije
- 18.KP za dejavnost železniškega prometa
- 19.KP dejavnosti cestnega gospodarstva
- 20.KP za cestni potniški promet Slovenije
- 21.KP za poštne in kurirske dejavnosti
- 22.KP za zavarovalstvo Slovenije
- 23.KP komunalnih dejavnosti
- 24.KP za dejavnost poslovanja z nepremičninami
- 25.KP med delavci in družbami drobnega gospodarstva
- 26.KP za obrt in podjetništvo
- 27.KP dejavnosti bančništva Slovenije

The wage system in Slovenia

**General commitment of
social partners**

**Lowest basic wages /
starting level wages**

Social
agreement

Collective agreement
on wage adjustment, etc.

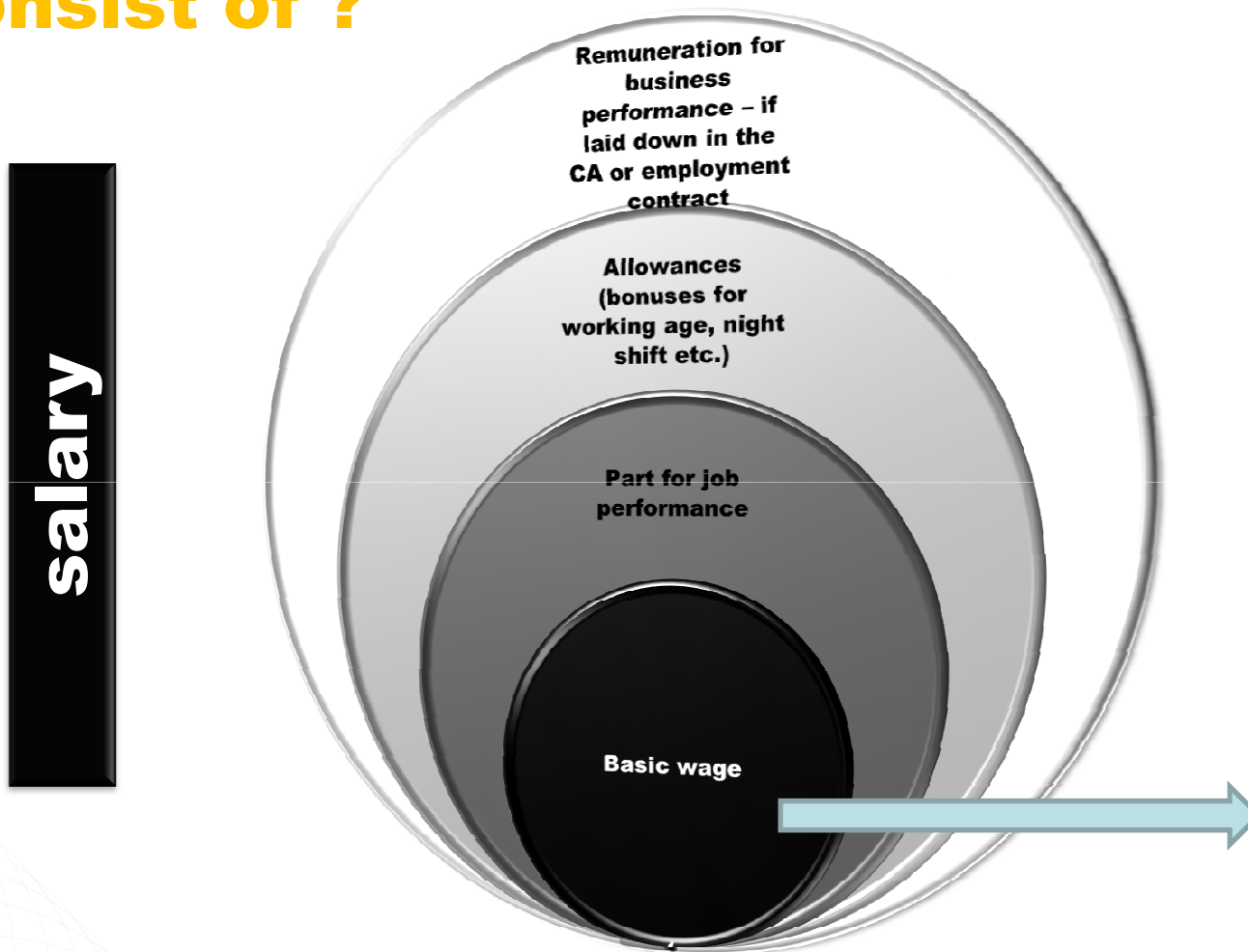
*80.000 people – app. 15% of
all employees in the private
sector*

Sectoral collective agreements

27 sectoral CA

Firm level developments

What does salary of a worker consist of ?



Cannot be lower than the lowest basic wage in CA

Source: Employment Act (Official Gazette of Slovenia, 42/2002)

salary



+ meal reimbursement

+ travel to work expenses

+ annual holiday bonus



Source: Employment Act (Official Gazette of Slovenia, 42/2002)

Minimum wage vs. Lowest basic wages



Lowest basic wages:

- Set down in [CA, bipartite](#)
- Basic wage of employee – cannot be lower
- Ranked by tariff ranks – depending on education and training needed for a certain workplace

Minimum wage:

- Set by [law](#)
- Comprises
 - basic wage,
 - part for work performance,
 - allowance (bonuses) – does not comprise pay for overtime work

Minimum wage setting and adjusting



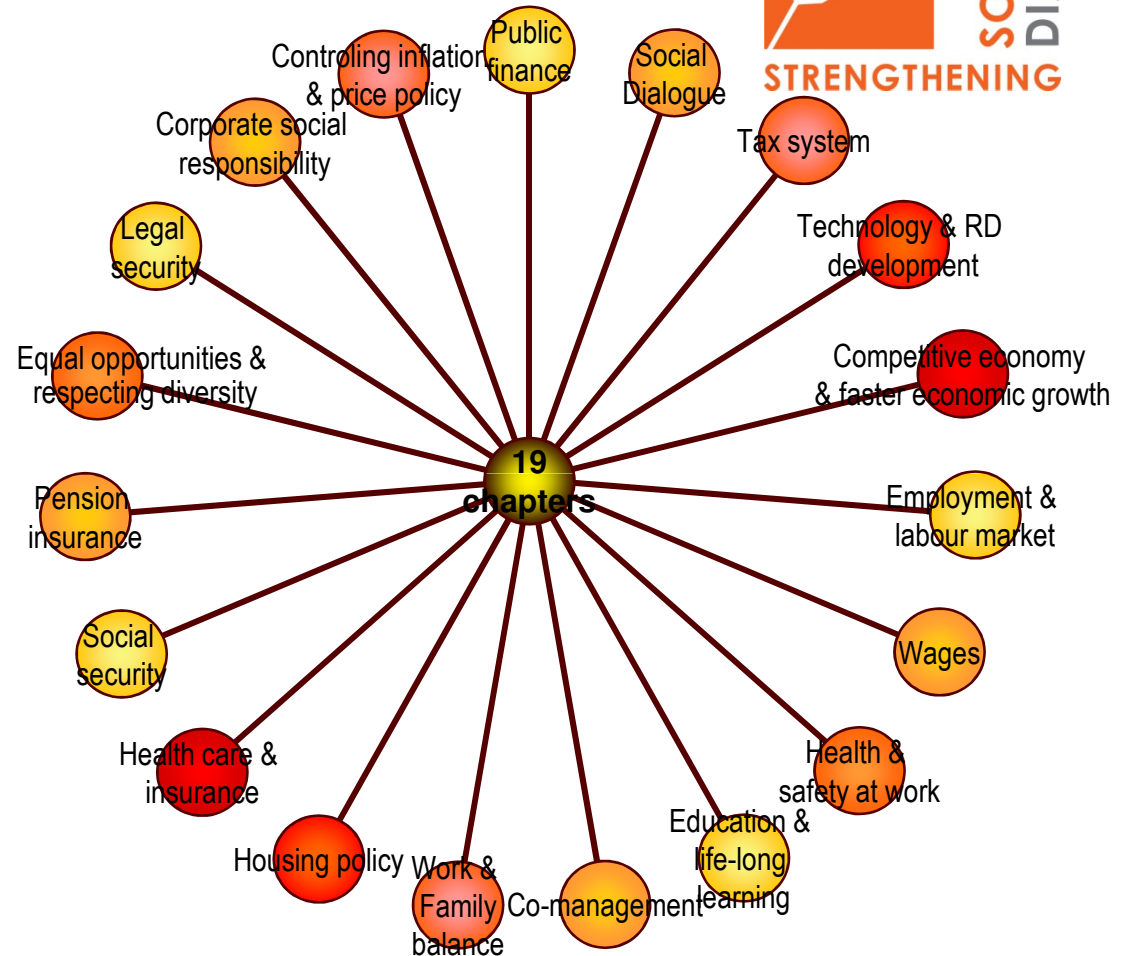
- **Setting MW must take into account:**
 - › Consumer price growth
 - › Wage growth
 - › Economic growth / economic situation
 - › Employment growth
- The **amount** of MW is **set by Minister of labour after consulting with social partners**
- For employees working full time; shortened work time – MW lowers accordingly
- MW **adjusts once a year** for at least consumer price growth (CPI dec t / CPI dec t-1), 1. January each year – **AUTOMATIC INDEXATION !!!!**

*Source: Official Gazette 13/2010; 22.
February 2010*

Example: Social Agreement 2007-2009



- Practice of well developed social partnership
- Initialled on 26 July 2007 after a year and a half of negotiations
- Main aim: **enhanced welfare in Slovenia based on increased competitiveness of Slovenian economy (business sector)**

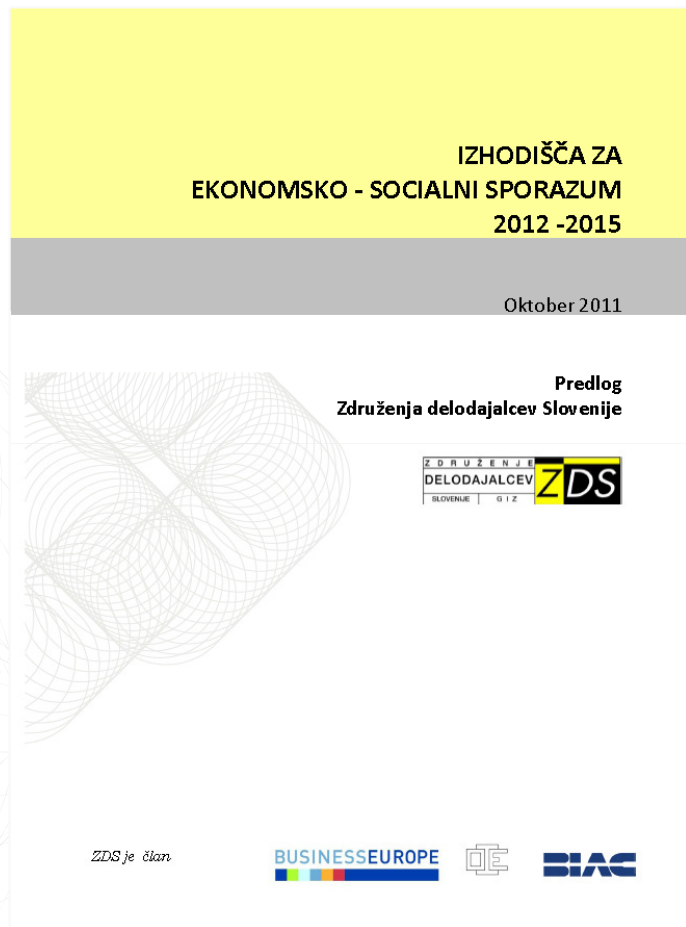


2010-2011: NO SOCIAL AGREEMENT!



- For the 1st time **NO agreement – GOVERNMENT NO NEED ?**
- **Referendums** on pension reform and small jobs act
- No labour legislation changes (or any other)
- **ZDS tried to revive the dialogue**
 - › Economic and social council – presidency
 - › Bipartite dialogue on CA then start of negotiations on Social agreement

2012



- 212 th Economic and social council session at Brdo pri Kranju with the new Government
- Members of ESC – Ministers
- Common ground for the Social Agreement 2012-2017
- Was signed in May 2012

Process of negotiations / Conclusion



- Consult widely on developed options
ZDS has 4 expert commissions (on wages, on labour legislation, on health and safety at work, on taxes and social contributions)
- Ensure majority support for finally recommended position
Presidency, Boards of sections, governing board, assembly
- Consult other business organisations (*ZDOPS, GZS, OZS, TZS*)
(*GZVZD, STO, Združenje manager*)
- Avoid any sort of public debate on an issue before you have completed your internal consultation and decision-making processes !!!!



The project »SSD-SMM - Strengthening social dialogue in the retail, food-processing and agriculture sector in Slovenia, Macedonia and Montenegro« is co-funded by the European Commission.

Thank you for your attention!

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