

**SURVEY ON THE STATE OF SOCIAL
DIALOGUE AT THE COMPANY
LEVEL**

MACEDONIAN REPORT



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ABOUT THE SURVEY

The main aim of the survey is to obtain relevant information on current situation in the field of employee involvement in companies' decision making process and social dialogue in candidate countries Macedonia, Montenegro and Serbia. The survey focuses on gathering basic information in order to define the level of development of employee involvement in each candidate country. Obtained information helps the partners to plan and prepare tailor-made activities for know-how transfer (study visit and workshops) regarding adaptation to particular situations in individual countries.

National report includes Macedonian companies. Also, comparative report and two additional national reports, i.e. for Serbia and Montenegro, are available.

METHODOLOGY

A web survey was used as methodology for data collection. The questionnaire was adapted to three languages: Serbian, Macedonian and Montenegrin. Special emphasis was made during the translation phase to provide as unique and unambiguous questions as possible in each language to provide reliable and valid comparison between countries. For these purposes the same questions were adapted in all languages.

The survey was mailed to app. 3000 contacts per country, response rate was XX%. The sample used in the survey was restricted to members of employer associations, which does not make the sample random.

While data collection, general ethics of research were considered, which includes the highest level of anonymity.

The first set of the questionnaire contains general questions about characteristics of the companies (sector of activity, size, ownership structure), the second focuses more on gathering the information about the trade unions at the company level and collective agreement within them. The third set focuses on works councils and the social dialog. The questionnaire consists of 12 questions, but not every respondent answered all the questions. If a respondent answered that their company does not have trade union or works council, they were not able to answer questions related to these two categories.

Almost every question in the questionnaire contains the option “no answer” for a case when the respondent had no answer either because they were unable or unwilling to answer. This allows respondent to have free choice of answering and it underlines voluntary participation in the survey. All the questions in the survey were mandatory, so every respondent had to answer every question. This is why the option of “no answer” is important to avoid the confusion or early resignation from the research.

ANALYSIS

Analysis of the survey sample is represented in the first chapter. All analyses in this report are made with emphasis on comparing companies on the basis of their size. The analysis reveals how companies involve their employees in decision making process and social dialogue.

The first part involves basic information about the companies; the second part concerns trade unions and their role in the companies, including the collective agreement at the company level. The third part relates to works councils and their role in social dialog.

The missing answers (when the respondents chose the option “no answer”) were excluded from the analysis. Therefore every analysis contains the data of the size of the survey sample

of the individual segment (the size of the company). If the respondent early withdrew from the survey, they were included in the analysis with answers that they provided. Because of these respondents, the number of respondents varies from question to question. If respondents, who have not completed the survey in full, would be excluded from the sample, the sample would be diminished, which is avoided by proper treatment of missing values in the analysis.

SUMMARY

Most companies have trade unions organized at the company level, and these are most common among larger companies. The assessment of the trade unions' role is rather positive than negative and is the highest among larger companies. Most of the companies have a collective agreement concluded with trade unions; the most common topic in collective agreement are wages. Very few companies have a works council organized at the company level, and these are most common among medium sized companies. The works councils most often play roles of informing; their role is rather positively than negatively assessed. The most common topic of dialogue with works councils are also wages. Just a few companies claimed to have some other form of social dialogue.

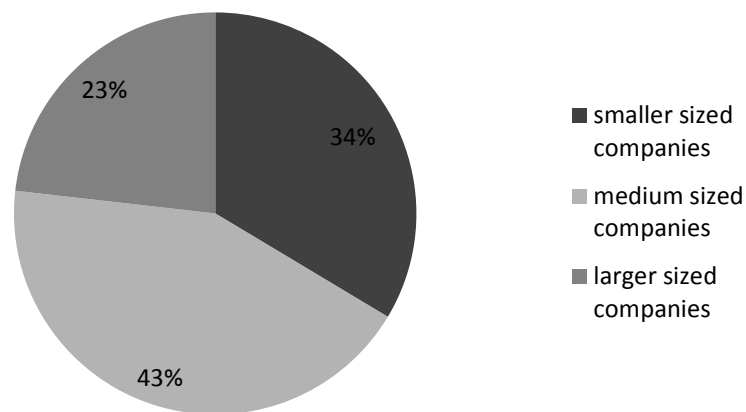
SURVEY SAMPLE DESCRIPTION

The sample is biased which is demonstrated by the fact that **the sampling frame includes only members of employer associations**, which does not totally reflect the population. This fact must be considered when interpreting the results. Incomplete answers were treated as missing values, appropriately recoded, and excluded from analysis.

The complete survey reached 477 respondents from Serbia, Macedonia and Montenegro. Macedonian companies represent 37% of total response rate.

There were 176 Macedonian companies that responded, but all of them did not complete the questionnaire in full, and that is why numerus varies from question to question.

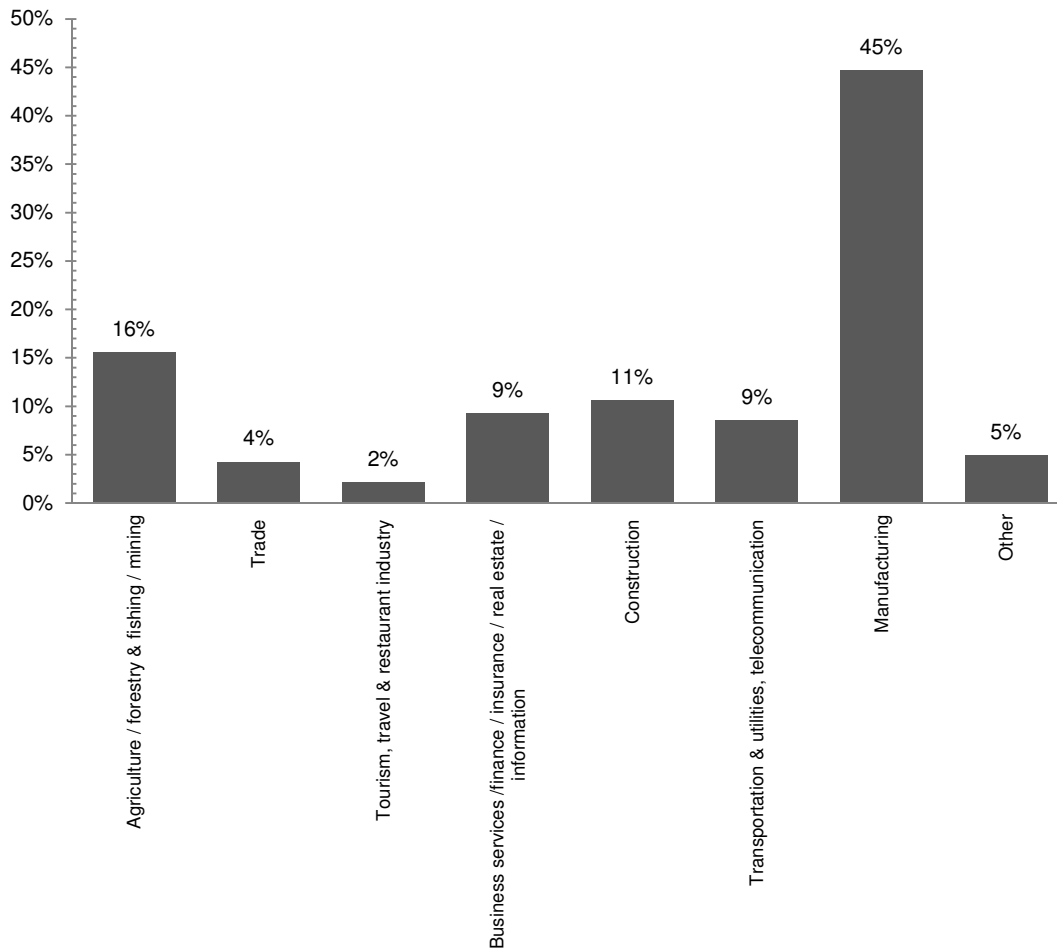
Regarding the company size (expressed as number of employees), there is the highest share of medium sized companies (43%) included in the Macedonian sample, which are the companies that have between 51 and 250 employees. Smaller sized companies represent 34% of the survey sample, where 24% of the sample represent companies that have between 11 and 50 employees and 10% of those with up to 10 employees. The percentage of larger sized companies in the Macedonian sample is the smallest (23%) with more than 250 employees.



Picture 1: Companies regarding the size (n=125)

The highest share of the companies (45%) is represented by manufacturing sector. The rest of the companies are represented by Agriculture / forestry & fishing / mining (16%) and Construction (11%); the shares of others are negligible.

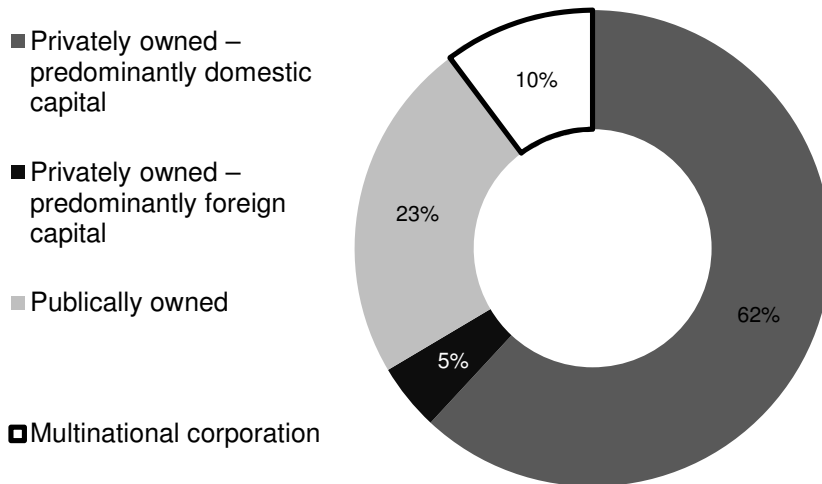
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Picture 2: Companies regarding the sector of activity (n=125)

In the context of the ownership structure, most of the companies are privately owned – 62% by predominantly domestic capital and 5% by predominantly foreign capital. There is also a high share (23%) of publically owned companies; the rest (10%) are the multinational corporations.

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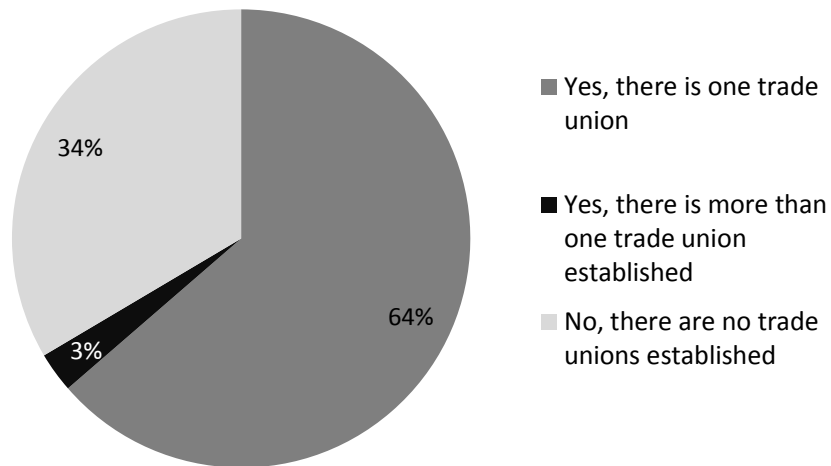


Picture 3: Companies regarding the ownership structure (n=176)

TRADE UNIONS

Survey was focused on the presence of trade unions at the company level and social dialog within companies with organized trade unions. The first question, which is selective, is *Do you have a trade union organized at company level?* If respondent answered that there is at least one trade union organized at the company level, they were asked three more questions related to trade unions. These questions were answered by a maximum of 116 respondents.

Macedonian companies mostly have trade unions organized at the company level (67%), of which 3% have more than one organized trade union. About one third (34%) of the companies stated that they do not have any trade unions.



Picture 4: Trade unions organized at the company level (Do you have a trade union organized at company level?) (n=176)

Taking into account the size of the companies, the results are fairly predictable. The larger the company, the bigger the possibility of having established trade unions. As shown in the picture below, mostly larger sized companies claimed having organized trade unions, where 76% of larger sized companies have one trade union and 7% of them at least two trade unions established at the company level. There are 76% of smaller sized companies that have no trade unions, and 72% of those having a trade union within medium sized companies. There are no entities in smaller and medium sized companies which have more than one trade union.

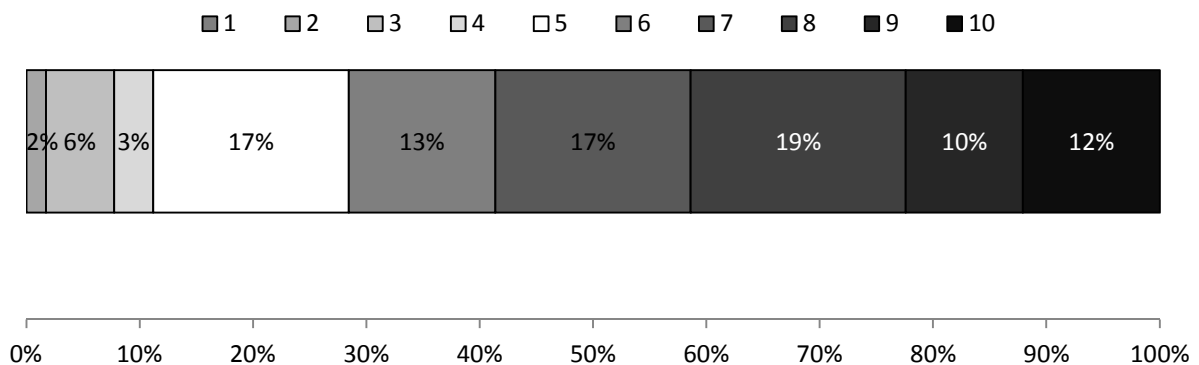
	smaller sized companies (n=42)	medium sized companies (n=54)	larger sized companies (n=29)
Yes, there is one trade union	24%	72%	76%
Yes, there is more than one trade union established	0%	0%	7%
No, there are no trade unions established	76%	28%	17%

Picture 5: Trade unions organized at the company level regarding the company's size (Do you have a trade union organized at company level?) (n=125)

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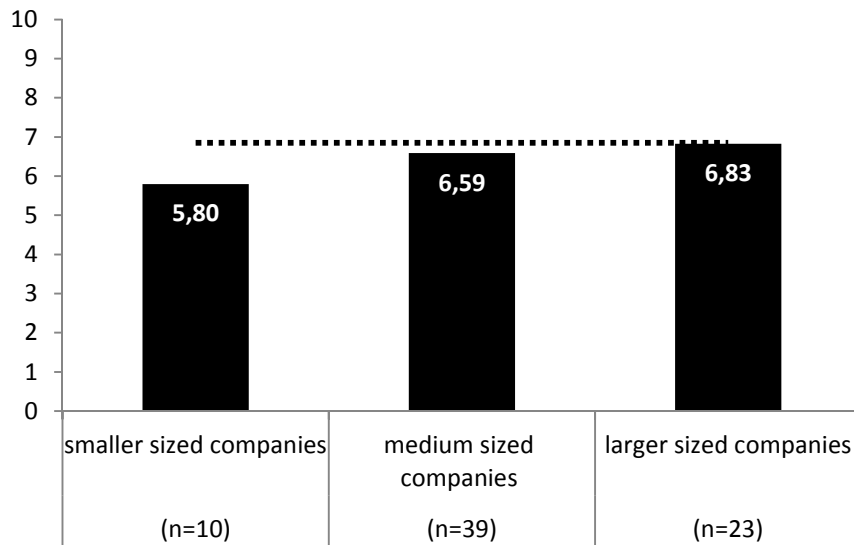
How are Macedonian companies estimating the trade unions' role in the company? Respondents made estimations on the 10-point scale, where higher score reflects more positive estimation of the trade unions' role.

The average rate of the trade unions' role is 6.85 on 10-level scale. Almost three quarters (72%) of respondents estimated the trade unions' role with the rate higher than or equal to 6. Those respondents most frequently estimated the trade unions' role with the rates of 8 (19%) and 7 (17%). Respondents who estimated the trade unions' role with the rates lower than or equal to 5 (28%) most frequently estimated their role with the rate of 5 (17%).



Picture 6: The estimations of the trade unions' role in the company (How do you estimate the trade union's role in the company?) (n=116)

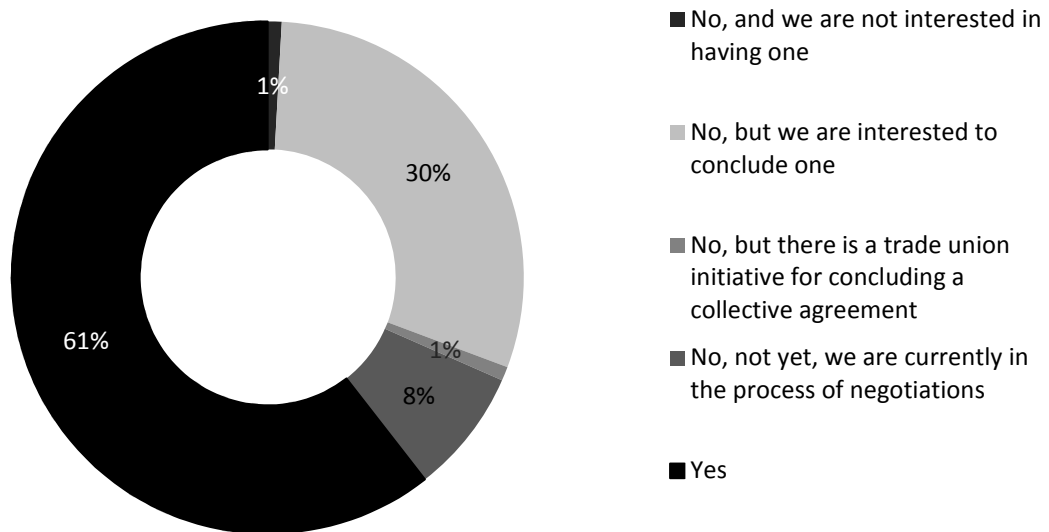
The larger the company, the higher the average trade unions' role rate; the role estimation among larger sized companies (6.83) is therefore higher than among medium (6,59) and smaller sized companies (5.80), but no estimation exceeds the average of Macedonian companies. This situation occurs as a result of all respondents not answering the question on the number of employees in the company in which they are employed. The average role rate (6.85) is presented by dashed line in the picture below.



Picture 7: The estimations of the trade unions' role in the company regarding the company's size (How do you estimate the trade union's role in the company?) (n=72)

THE COLLECTIVE AGREEMENT

The respondents with trade unions established at the company level were also asked about the collective agreement concluded at the company level. There were four possible explanations available, represented in the picture below.



Picture 8: Collective agreement at the company level (Do you have a Collective agreement concluded at company level?) (n=114)

As presented in the picture above, 61% of the companies which have trade unions stated that they also have concluded collective agreement. The rest of the companies claimed that they do not have a collective agreement yet, but are currently in the process of negotiations (8%) or are either interested to conclude one (30%) or not interested in having one (1%), and also very few (1%) stated that there is a trade union initiative for concluding a collective agreement.

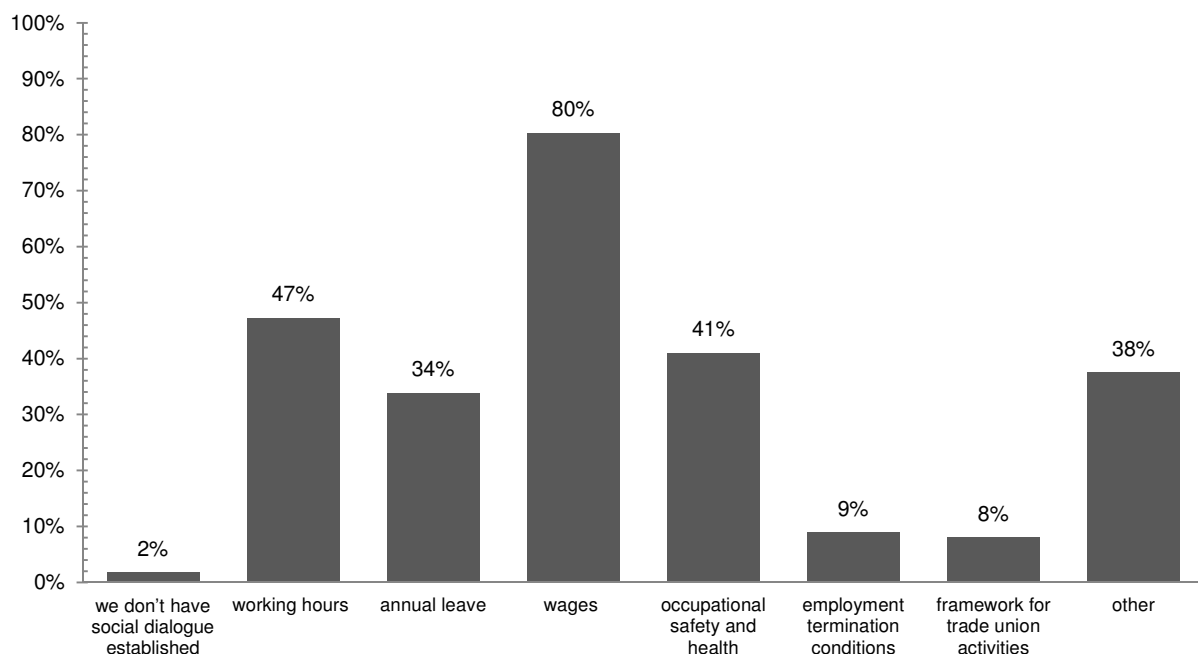
Regarding the company size, the share of medium sized companies that have trade unions and concluded collective agreements is the highest (61%). There are 55% of larger sized companies with trade unions established that have collective agreements. However, the rest (36%) of the larger sized companies expressed their interest in having one or are already in the process of negotiations (9%). A collective agreement is less widely represented among smaller sized companies (10%), among which 10% are currently in the process of negotiations, but very high share (80%) of smaller sized companies expressed an interest in concluding one. Although the numerus of answers is small, it shows that collective

agreements are either concluded within trade unions, or there exist an interest in concluding one.

	smaller sized companies (n=10)	medium sized companies (n=38)	larger sized companies (n=22)
No, and we are not interested in having one	0%	3%	0%
No, but we are interested to conclude one	80%	26%	36%
No, but there is a trade union initiative for concluding a coll	0%	3%	0%
No, not yet, we are currently in the process of negotiations	10%	8%	9%
Yes	10%	61%	55%

Picture 9: Collective agreement at the company level regarding the size of the company (Do you have a Collective agreement concluded at company level?) (n=70)

Most common topic in collective agreement with trade unions are wages (80%), but also working hours (47%), occupational safety and health (41%), and annual leave (34%) occur more or less frequently. The companies that concluded collective agreement with trade unions, but do not have social dialogue established, are represented by 2%. The sum of the shares exceeds 100%, as multiple responses were available.



Picture 10: The main topics in collective agreement / social dialog with trade unions at the company level (What are main topics in collective agreement / social dialogue (with trade union at company level)?) (n=112)

A quite high share (38%) of Macedonian companies stated that there are some other topics in collective agreements that do not belong into any of the categories offered. The other topics are the following:

бенифициран стаж за рударите
бенифициран стаж,неделен одмор
бонуси
вишок работни часови,проблеми со плата по учинок за докторите,волонтерската работа да се замени со лица вработени на неопределено работно време
допринеси
други надоместоци на плата
закон за работни односи
изработка на нова систематизација
имаат спогодбени решенија
минимална плата
државни празници
платени придонеси,плати-здравствени картони
надоместоци
надоместоци од плата
додатоци
новогодишна премија(плата),исплата на законската 0,5%за стажот секоја година и др.
одговорност
помош на загрозени работници со неповратни и повратни средства
почитување на законот за работни односи
права утврдени со закон за работни односи и колективен договор
прекувремена работа
прекувремени работни саати,бонуси
прекувремени саати,надоместоци
придонеси за здравствено и пензиско осигурување
работно време во смени
се е наведено во колективниот договор и со законот за работни односи
се што ги интересира вработените
систематизација
сите права кои се утврдени бо законот за работни односи и општиот колективен договор
сите права кои се утврдени во законот за работни односи и општиот колективен договор и пошироки права за вработените

сите прашања кои ги засегаат вработените

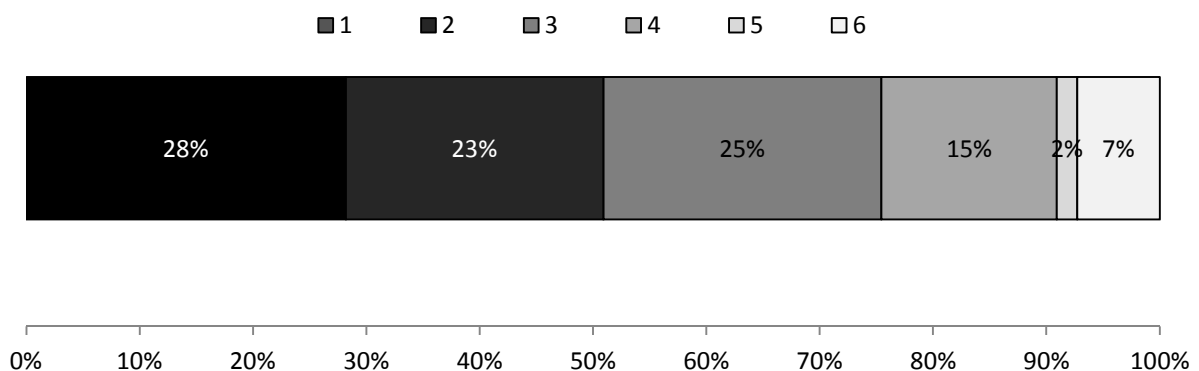
социјална помош

теренски додаток

теренски надоместоци, почитување на закон за работни односи и колективен договор

учество во дисциплински постапки

As it was possible to answer this question with multiple responses, the shares of the respondents who had chosen a certain number of topics are presented in the picture below.



Picture 11: The share of the respondents choosing a certain number of offered topics (What are main topics in collective agreement / social dialogue (with trade union at company level)?) (n=112)

The majority of respondents chose one (28%), two (23%) or three (25%) offered topics as the subject of social dialog with trade unions. There are also 15% of the companies that have 4 topics as the subject of social dialog, and only 2% of such with 5 topics. Small share of the respondents (7%) claimed to have all offered topics in the dialog with trade unions.

According to the size of the companies that have concluded collective agreement, the topic “working hours” is more common among larger sized companies (62%), which are however most commonly represented by the topic “wages” (95%), but the latter topic is more likely present among smaller sized companies (100%). The topic “annual leave” is more significant for smaller sized companies (50%) than for medium (21%) and larger sized (38%) companies. The topic “occupational safety and health” is at least present among medium sized (33%) and with 38% among larger sized companies while it is significantly more likely to appear

among smaller sized companies (60%). “Other” topics in social dialogue are most common among medium (41%) and larger (38%) sized companies.

To sum up, the topic “wages” is the most common topic among companies of all sizes while “occupational safety and health” appears to be important among smaller sized companies, but not among others. The topic “working hours” is more common among larger sized companies. This question was answered only by those respondents who have trade unions organized at the company level.

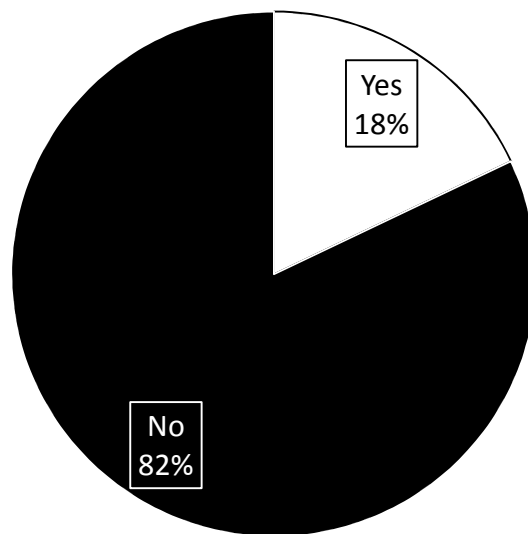
	smaller sized companies (n=10)	medium sized companies (n=39)	larger sized companies (n=21)
we don't have social dialogue established	0%	0%	0%
working hours	40%	41%	62%
annual leave	50%	21%	38%
wages	100%	69%	95%
occupational safety and health	60%	33%	38%
employment termination conditions	0%	0%	14%
framework for trade union activities	0%	3%	5%
other	20%	41%	38%

Picture 12: The main topics in collective agreement / social dialog with trade unions at the company level regarding the size of the companies (What are main topics in collective agreement / social dialogue (with trade union at company level)?) (n=70)

WORKS COUNCILS

The third part of the survey focuses on the presence of the works councils at the company level and their role in the social dialog within companies with organized works councils. This part also includes selective question *Do you have Works council organized at company level?* which provided answers of all participants on subject of having trade unions or not. If a respondent answered there is works council organized at the company level, they were again asked three more questions related to the works councils. These questions were answered by only 9 respondents.

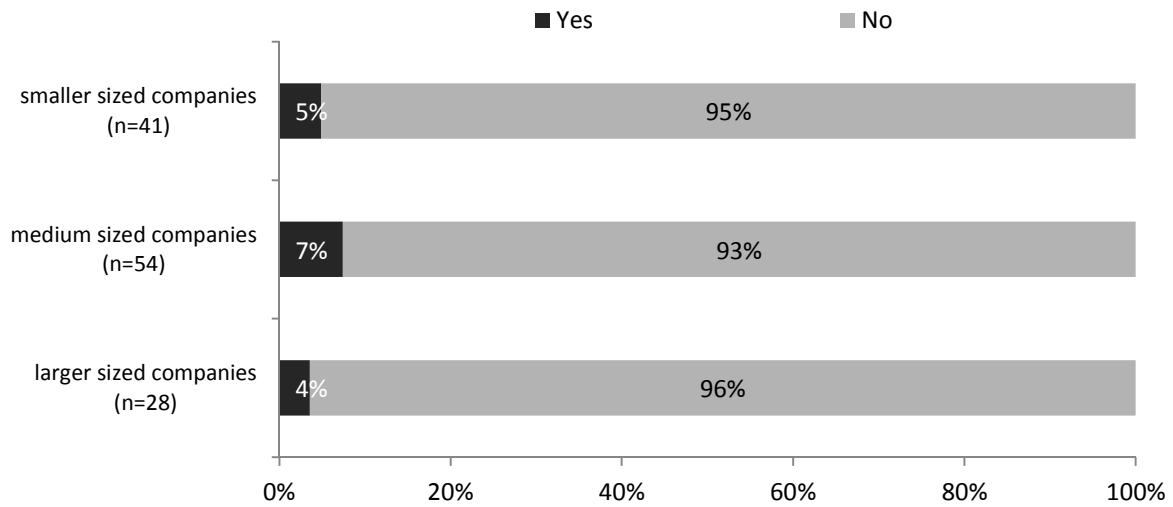
Among the Macedonian companies which participated in the survey, most companies do not have organized works councils at the company level (82%). Only 18% of the respondents stated that they have organized works councils. Complete analysis in this chapter needs to be interpreted with caution, because there was only a small amount of companies included in the analysis.



Picture 13: Works council organized at the company level (Do you have Works council organized at company level?) (n=173)

As shown in the picture below, the share of organized works councils is 7% and is the highest among medium sized companies; even though this share is still low, it is the highest among all segments (according to size). Only 5% of smaller sized companies have a works council while the share of larger sized companies in the survey sample, which have one, is even smaller (4%).

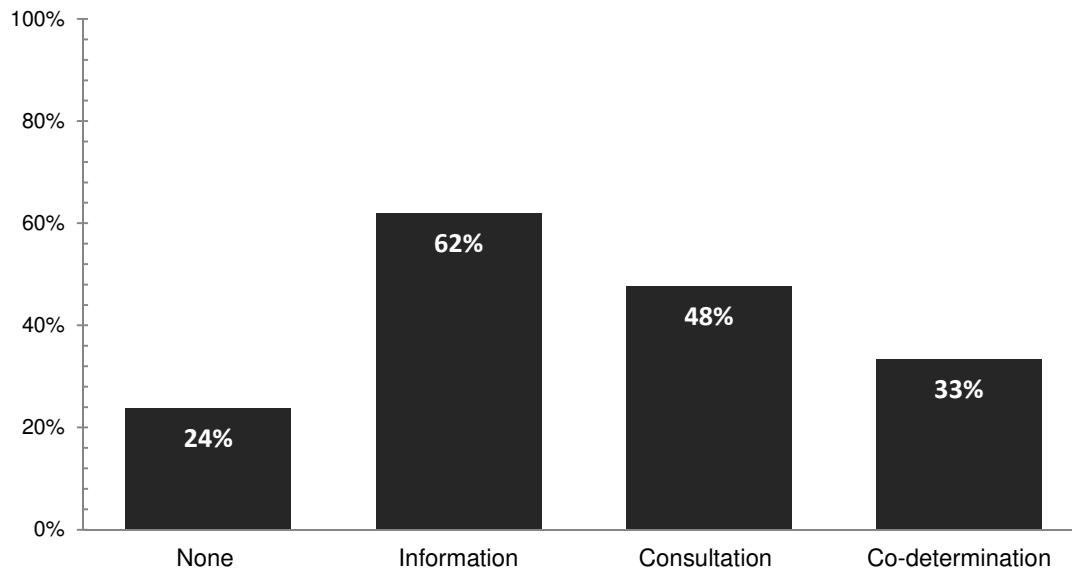
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Picture 14: Works council organized at the company level regarding the size of the company (Do you have Works council organized at company level?) (n=123)

The most common role of works council in a decision making process in the companies is information (62%). The role of consultation is the next most common role and is present in almost half of the companies (48%). The picture below suggests that the works councils however play some role in decision making in the majority of the companies, since 24% of the companies have chosen the answer “none”.

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Picture 15: Works council's role in decision making in the company (What is the Works council's role in decision making in your company?) (n=21)

Regarding the size of the companies, the works council does not play any role among smaller sized companies, while more than two thirds (67%) of the medium sized companies have chosen the role of information as main works councils' decision making role. The role of information is widely present among larger sized companies (100%). As the numerus is very small (n=5), the result should be considered as not reliable.

	smaller sized companies (n=1)	medium sized companies (n=3)	larger sized companies (n=1)
None	100%	33%	0%
Information	0%	67%	100%
Consultation	0%	0%	0%
Co-determination	0%	0%	0%

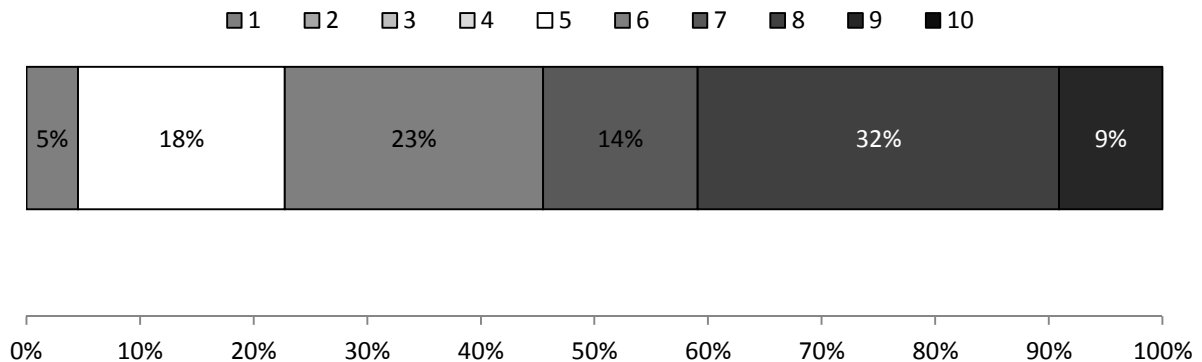
Picture 16: Works council's role in decision making in the company regarding the size of the company (What is the Works council's role in decision making in your company?) (n=5)

The works council's role is estimated with the average rate of 6.64 on the 10-point scale. The participants most commonly (32%) estimated its role with the rate of 8. There are 23% of the

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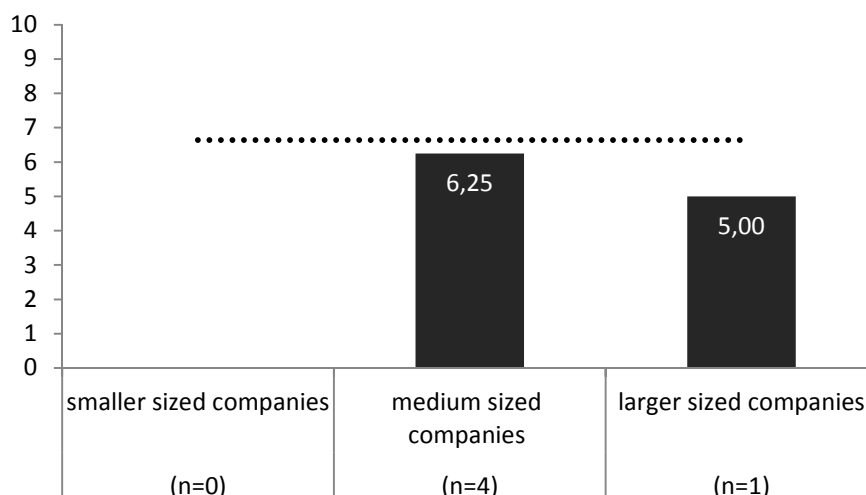
companies that estimated its role with the rates lower than or equal to 5 which suggests more positive assessment.

It should be noted again that the numerus is very small which requires special consideration when interpreting the results.



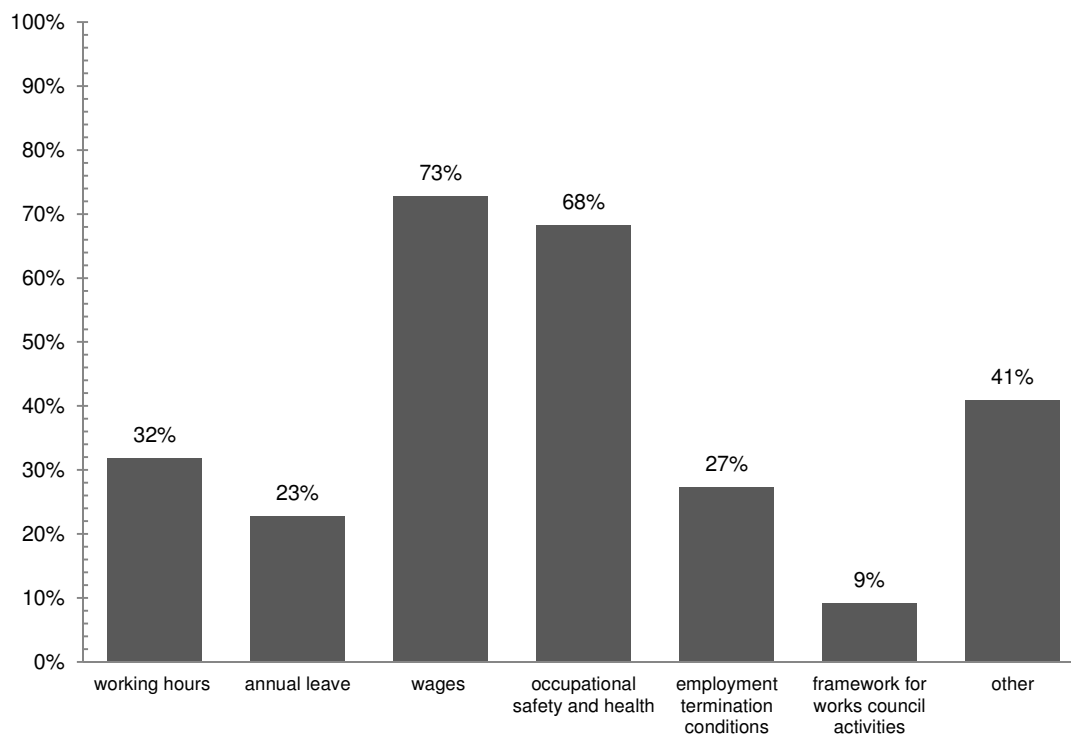
Picture 17: Works council's role in the company (How do you estimate the Works council's role in the company?) (n=22)

The picture below represents the average works council's role rate regarding the size of the company. The average role rate among larger sized companies (5.00) is lower than among medium sized companies (6.25). The average role rate (6.64) is presented by the dashed line in the picture below.



Picture 18: Works council's role in the company regarding the company size (How do you estimate the Works council's role in the company?) (n=5)

The main topics of dialogue within works councils are presented in the picture below. The most common topic (73%) is “wages”, but also slightly fewer companies (68%) claimed “occupational safety and health” is the topic of dialogue with the works councils. The topic “working hours” is the next most common topic of dialogue (32%) while “employment termination conditions” (27%) “annual leave” (23%), and “framework for works council activities” (9%) are less common topics of dialogue.



Picture 19: The main topics of dialogue with works council (What are the main topics of dialogue with works council?) (n=22)

Respondents also commonly (41%) stated that there are some other topics of dialogue with works councils. The respondents’ statements relating to other topics of dialog are the following:

патни трошоци, теренски додаток

награди

договор за вработување, плавни-здравствени картони

минимална плата, мобинг на работноместо, пристојна работа

мобинг на работно место

минимална плата, мобинг,пристојна работа

пекувремена работа,теренски надоместоци

мобинг,притисок врз вработените во различни услови

систематизација на работни места

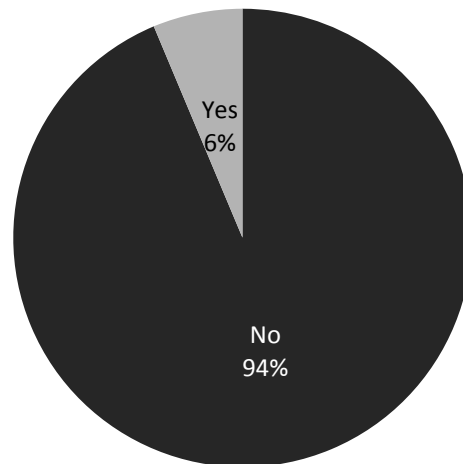
As shown in the picture below, medium and larger sized companies have similar topics of social dialogue with works councils while it appears that smaller sized companies have different topics. The numerus is very small, so the result are not reliable.

	smaller sized companies (n=1)	medium sized companies (n=4)	larger sized companies (n=1)
working hours	0%	50%	100%
annual leave	0%	25%	0%
wages	0%	50%	100%
occupational safety and health	0%	50%	100%
employment termination conditions	100%	0%	0%
framework for trade union activities	0%	0%	0%
other	0%	0%	0%

Picture 20: The main topics of dialogue with works council regarding the size of the company (What are the main topics of dialogue with works council?) (n=6)

The question *Are there any other forms of social dialogue in your company?* was posed to all the participants regardless of them having trade unions and works councils or not.

As shown in the picture below, most Macedonian companies do not have any other form of social dialogue (94%).



Picture 21: Other forms of social dialogue (Are there other forms of social dialogue in your company?) (n=79)

In case the respondent answered that the company has some other form of social dialogue (6%), they were asked which forms these are. Their responses are represented on the list below:

kolegiumi i oddelenski sostanoci

дел од работниците се акционери и одлучуваат на акционерско собрание

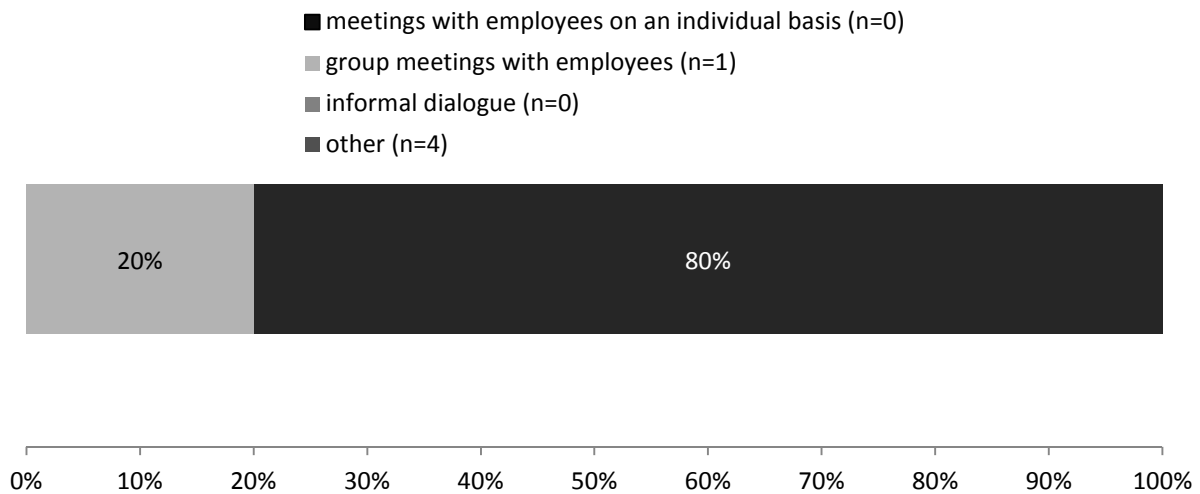
други форми-советодавно одлучување на работниците и подобрување на квалитетот на услуги

имаат улога во одлучувањето

повремено учество во носењето одлуки на ниво на нашата организација

The open answers were classified into 4 groups, presented in the picture below:

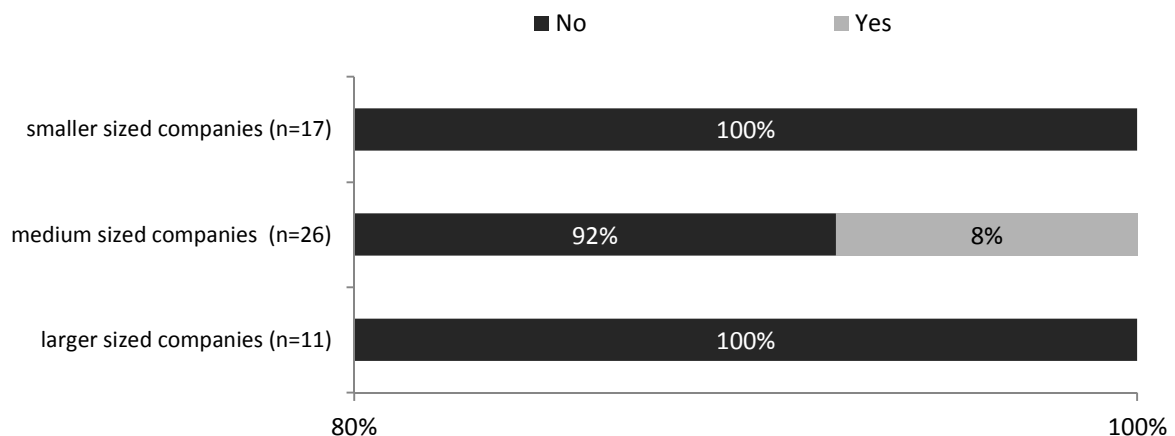
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Picture 22: Other forms of social dialogue (Are there other forms of social dialogue in your company?) (n=5)

The unclassified statements are grouped in the category “other” (80%), which is the most common, but also group meetings with employees appear to be fairly common (20%).

Other forms of social dialogue are present only in the medium sized companies (8%). Larger and smaller sized companies do not have other forms of dialogue at all.



Picture 23: Other forms of social dialogue regarding the size of the company (Are there other forms of social dialogue in your company?) (n=54)

SUGGESTIONS

The key finding of this analysis is that trade unions are present in two thirds of the Macedonian companies, and also more than half of them have a concluded collective agreement with the trade unions. But there is only small share of companies that have works councils organized at the company level which makes the results from the analysis of the part related to works council unreliable.

This survey can be upgraded with additional research methods in order to explore the causes of why companies do not have works council organized. For this purpose the qualitative research methods can be used, such as interview and focus groups, which would contribute to a deeper insight into the situation.