



TOURISM IS PEOPLE:
WORKING TOGETHER FOR STRONG
SOCIAL DIALOGUE IN THE TOURISM AND
HOSPITALITY SECTOR



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PUBLICATION

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1. About the project

Tourism is people: Working together for strong Social Dialogue in the Tourism and Hospitality sector

Through this project, measures to foster transnationality and to expedite economic, social, and communication flows with the region were promoted. Project collaboration also strengthened and renewed ties between the SEE countries.

Slovenia has come far in improving its social dialogue system since its EU accession, and has implemented numerous social dialogue outcomes on the national and sectoral level. As ZDS closely cooperates with employers and trade union organisations in SEE and has established links between them in the field of economy and any other area, we wanted to promote the realisation of sustainable economic and social development in the countries of the region.

As the TH sector is a strategic sector in the participating countries and on the basis of strong bipartite social dialogue, ZDS in cooperation with EFFAT and BUSINESSEUROPE provided know how, expertise, and good practice to the project partners, and shared experience in establishing efficient social dialogue system with our SEE partner countries which is key for this branch.

Candidate countries as FYR Macedonia, Montenegro, and Serbia have only modestly developed social dialogue and Croatia also appreciated good practice examples on how to improve the collective agreement on the TH sector. Also project partners (especially in candidate countries) missed know how on how to respond to the economic slowdown and adapt social dialogue to the challenges (like modernisation of labour markets, flexicurity, work time, skills, quality of work, and decent work).

Expected deliverables were:

- Publication on social dialogue and collective bargaining in the TH sector;
- Bilateral meetings between project experts;
- 5 panel discussions on state of play of social dialogue in the TH sector and general, as well on the modernisation of labour markets in all SEE partner countries;
- 2 E-leaflets on the (European) social dialogue and social activities;
- 5 National workshops in participating countries to identify solutions needed for the TH sector, challenges of the sector, feasibility of Passports, and for training negotiations;
- Final conference with a press conference on social dialogue in the TH sector on the European and national level;
- Website on (European) social dialogue, changes in employment and work, and modernisation of labour market.

Project partners:

Employers' organisations:

- HUP – Croatian Employers Association
- BCM – Business Confederation of Macedonia
- UPCG – Montenegrin Employers Federation
- UPS – Serbian Association of Employers

Trade Unions:

- SGITS – Slovenian Trade Union for Hospitality and Tourism Sector
- STUH – Tourism and Services Trade Union of Croatia
- CCM – Federation of Trade Unions of Macedonia
- TCM – Trade Union of Tourism and Catering of Montenegro
- AUTCS – Autonomous Trade Union of Tourism and Catering of Serbia

European sectoral social partner:

- EFFAT – European Federation of Food, Agriculture, and Tourism Trade Unions

With support by the European social partner organisation:

- BUSINESSEUROPE

2. Importance of European Social Dialogue

EFFAT, the European sectoral social partner organisation representing workers in the hotel, restaurant, and catering sector, was a partner in the project and participated in the kick-off meeting, national workshops, and the final conference.

Furthermore, EFFAT facilitated the study tour to Brussels in December 2015, which enabled the social partners from the participating countries to attend the annual plenary meeting of the Sectoral Social Dialogue Committee for the European Hotel and Restaurant Sector (HoReCa) run by the European sectoral social partners HOTREC and EFFAT.

At the meetings, EFFAT made presentations on “European Social Dialogue - Challenges & Achievements”, focusing on EU employment and social policies, the legal basis for and forms of European Social Dialogue, European Social Partner organisations, Sectoral Social Dialogue Committees (SSDC) and how they work, social dialogue results, examples of topics dealt with, etc. (see attached PowerPoint Presentation).

Concrete examples of achievements by the EFFAT-HOTREC SSDC for the European Hotel and Restaurant Sector and the EFFAT-FoodServiceEurope SSDC for the European Contract Catering Sector were, e.g.:

- European Hospitality Skills Passport (EHSP);
- Joint EFFAT-HOTREC Statement on Undeclared Work in the European Hotel and Restaurant Sector;
- Joint EFFAT-HOTREC Statement on the “Sharing Economy” – “For a level playing field and fair competition in hospitality and tourism”;
- Joint EFFAT-HOTREC Pledge to enhance quality and attractiveness of apprenticeships schemes in the European hotel and restaurant sector;
- EFFAT-FSE “Guide to the economically most advantageous offer in contract catering”;
- EFFAT-FoodServiceEurope Agreement on CSR in the Contract Catering Sector;
- Online Training Tool “Food Hygiene Training for All”.

The main advantage of the EU sectoral social dialogue is its ability to address specific aspects of sectoral concern and to provide a proper forum for discussion between and joint actions of the social partners on issues linked to employment, working conditions, qualification and training, industrial change, demographic developments, enlargement, globalisation, etc.

It was highlighted that social dialogue is one of the “acquis communitaires” of the EU, and that hence the EU and Member States have not only to tolerate and accept social dialogue, but they need to protect, promote, and facilitate national / sectoral social dialogues. National governments have a particular responsibility for the capacity building of autonomous social partners. Standards agreed at EU level are minimum standards, this is why a non-regression clause has to be included in each agreement reached at the European level, to ensure that existing better provisions in Member States continue to prevail. National problems, experiences, and solutions have to be fed into European social dialogue, and jointly concluded results need to be taken up and implemented at national level.

3. European Hospitality Skills Passport

The European Hospitality Skills Passport (EHSP), jointly elaborated by the social partners for the European Hotel and Restaurant Sector HOTREC and EFFAT, was launched in June 2014 as a new tool offered on the EURES Portal (see attached PowerPoint Presentation).

The EHSP was to

- allow workers to record all skills and competences gained during education, training, and practical work experience, complementing a traditional CV;
- enable employers to easily find the skills they need; and hence
- facilitate a better match between offer and demand on the hospitality sector labour market.

A continuous monitoring of the use of the EHSP showed that it has not been taken up massively yet, particularly not by employers, also due to the fact that the prominent visibility of the EHSP on the EURES website disappeared and access is only possible when users know about it and actively register. EFFAT and HOTREC are actually in discussion with EURES to improve visibility and take up of the EHSP. Furthermore, national social partners need to do more for the promotion of the EHSP at national level.

4. National reports

In the scope of project activities project partners drew up and completed a questionnaire, presenting the legal basis for the functioning of social dialogue in individual countries in general and specifically in the TH sector, describing the current situation and addressing the issue of developing social dialogue in the TH sector. The conclusion includes the recommendations for the further development of social dialogue in individual countries.

At country level, the questionnaire was completed by both social partners, who presented a shared view of the issue of development and status of social dialogue in the TH sector.

Below we present the questions and answers pertaining to each individual country - project partner.

4.1. Montenegro

4.1.1. Industrial relations in the TH sector

a) Number of representative Trade Unions in the TH sector: one

Trade Union of Tourism and Catering of Montenegro – TCM.

Trade Union density rate in the TH sector: no data

b) Number of representative Employers' organisations in the TH sector: one

Montenegrin Employers Federation – MEF.

Employers' organisations density rate in the TH sector: no data

c) Is the Act on representation of Trade Unions and Employers' organisations adopted in your country? Please indicate if yes and the date of its adoption? What are the main criteria for being a representative Trade Union or Employers' organisation?

In Montenegro there is a valid Act about the way and procedures of registration of employer's federation and criteria for determinations representatives of representative's employer's federations. ("Sl. list RCG", No. 34/05 since 09.06.2005).

A main criteria for determining representativeness of an employers association is that members of the employer's federation employ minimum 25% of all employees in the real sector.

Also in Montenegro there is a valid Act on Trade Union representatives ("Sl. list CG" No. 26/10 since 07.05.2010).

A main criterion for representativeness of a Trade Union on branch level is that they have minimum of 15% of total number of employees in specific sector.

d) Is the Act that defines the collective bargaining procedure, content of the collective agreement, parties and form of collective agreement adopted in your country? If yes please indicate the date of its adoption?

The Labour Act in Montenegro determinates all regarding the collective bargaining and collective agreements. Last Labour Act was concluded in 2012.

e) How well are the sectoral social dialogue and social dialogue on company level in the TH sector developed in your country?

Social dialogue on the company level is not so developed and also in some branches is not so good. There are a few branch collective agreements concluded in 2004 and they are out of date. For the TH sector, we can say that social dialogue is better developed and we have branch agreement concluded in 2010 but we had changes in GCA in 2014 so we need to harmonise that BCA for the TH sector with this. Sectoral social dialogue in the TH sector is not so developed because of the fact that there are so many small companies that don't have interest to implement social dialogue on the company level. Regarding big companies, social dialogue is on a good track.

f) Is the collective agreement for the TH sector on the national level concluded in your country? If yes please indicate since when? When was the last collective agreement for the TH sector concluded on the national level?

There is a branch collective agreement in Montenegro for the TH sector. It was adopted on 17.6.2011. That was the last branch collective agreement for the TH sector.

g) If the previous answer is positive, what is the coverage rate of workers and employers?

The branch collective agreement is related to all workers in the TH sector.

h) Were there any conflicts and industrial action in the TH sector in your country in the last 5 years?

There were no conflicts or industrial action in the last 5 years.

i) General satisfaction with social dialogue in the TH sector in your country?

Social dialogue is developed in the TH sector but there is huge space for future development. First thing is to harmonise the current branch collective agreement with the new general collective agreement in Montenegro. Because there is lot of small employers (just one person per enterprise) there are no Trade Unions in all of them. Because of that there is space for improvement of social dialogue.

4.1.2. Problems regarding qualifications of workers and the development of their skills in the TH sector

There is lack of some qualification for the TH sector especially qualifications with high school. For example the labour market needs more room keepers, cooks, and many other qualifications similar to this.

4.1.3. Problems regarding undeclared work in the TH sector

Some workers still work undeclared but the situation is improving compared to the previous period. Also, there are some unregistered companies that operate in the TH sector and that is also an obstacle for the development of this sector.

4.1.4. Problems regarding precarious forms of work (employment for definite time, student work, civil contracts, etc.) in the TH sector

Other than undeclared work there is no problem about other work forms. The TH sector has seasonal character and more contracts are just for the season. Also, there is a seasonal form of employment of students to work during the season in Montenegro.

4.1.5. Membership of EU Social Partners – cross sectoral or sectoral

Montenegrin Employers Federation is a permanent member of BUSINESSEUROPE.

Trade Union of Tourism and Catering of Montenegro is a member of EFFAT.

4.1.6. Recommendations for improving social dialogue in the TH sector

At the beginning it is necessary to improve communication and cooperation between social partners. It is obvious that social partners need to work together in a way to improve the current state in a field of social dialogue. Social partners must be more closely involved in all aspects of relations (employee/employer) in the field of tourism, such as studies, common positions, etc. This is very important because of the fact that the joint voice of social partners is stronger when it comes to the national level and in communication with Government.

One of the tasks for the further period for social partners should be a joint declaration/statement sent to Government to ask for better conditions for workers and employers in the tourism and hospitality sector. With this, social partners will become a real partner of Government in a process of creation of legislation and other conditions for doing business in this field.

Joint activities of social partners to tackle the informal economy are very important for the further period. Regarding to various reports, the informal economy is a huge problem in the tourism and hospitality sector and activities of social partners should be more focused on that. In that context, together with EU institutions in the country and ILO support social

partners will create a list of activities that need to be completed if we want to tackle and reduce the informal economy.

Second, social partners need to start negotiations about new/changing of branch collective agreements for the tourism and hospitality sector. Even the fact that the current collective agreement is good and very acceptable for trade unions and employers it needs to be harmonised with the new Labour law and new general collective agreement.

Further, social partners need to work more together in the field of skills for the tourism and hospitality sector in Montenegro. Having in mind that more than 20,000 foreigners work during the seasons in Montenegro, social partners jointly with the Government need to work on development of a list of skills that employers need during the summer.

Social partners need to put additional efforts into the process of harmonisation of the education system with the needs of the labour market. It is clear that a huge number of school leavers don't have appropriate practical skills after the education process. Jointly, social partners need to react and need to invest additional effort to realise the Ministry of Education's and also other relevant institutions' improvement of the current situation.

Last but not the least, social partners need to work more on development and implementation of EU projects that improve the state of social dialogue in this field. It is clear that projects like this bring new knowledge and the transfer of best examples in Montenegro. With the experience from the EU and the region, Montenegro can become more a competitive country in this sector, which is very hard currently having in mind that global trends in tourism are changing very fast.

4.2. Croatia

4.2.1. Industrial relations in the TH sector

a) Number of representative Trade Unions in the TH sector: two

1. Trade Union of Catering and Tourism of Croatia
2. Trade Union of Istria, Kvarner and Dalmatia

Trade Union density rate in the TH sector: 18%

b) Number of representative Employers' organisations in the TH sector: two

1. CEA - Catering and Tourism Association (HUP UUT)
2. The Association of Croatian Travel Agencies (JHPA)

Employers' organisations density rate in the TH sector: cca. 45 % (regarding number of employees)

c) Is the Act on Representation of Trade Unions and Employers' Organisations adopted in your country? Please indicate if yes and the date of its adoption. What are the main criteria for being a representative Trade Union or Employers' organisation?

The Act on representation of employers' associations and trade unions is valid since July 15th 2014.

Criteria for trade union associations' representation: registered for at least 6 months, affiliated trade unions must have at least 50,000 members altogether, there must be at least 5 trade unions of different professions affiliated, affiliated trade unions must have regional offices in at least 4 counties, fully equipped office and at least 5 employees with full term contracts, full time.

Criteria for employers' associations' representation: registered for at least 6 months, affiliated at least 3,000 employers or at least 100,000 employees by the employers affiliated, at least 5 employers' associations of different professions affiliated, must have regional offices in at least 4 counties, fully equipped office and at least 5 employees on full term contracts, full time.

d) Is the Act that defines the collective bargaining procedure, content of the collective agreement, parties and form of collective agreement adopted in your country? If yes please indicate the date of its adoption?

Labour Law passed on July 15th 2014. The first one was passed on June 16th 1995.

e) How well is the sectoral social dialogue and social dialogue on company level in the TH sector developed in your country? Please describe briefly.

The sectoral social dialogue in the Croatian tourism sector is well developed. Namely, not only is the collective bargaining on the national level an example of good experience, but also on the company level it is well developed and mostly the biggest hotels companies have yearly collective bargaining and company collective agreements for many years. The trade unions are bargaining mainly about salaries and other important work conditions.

f) Is the collective agreement for the TH sector on the national level concluded in your country? If yes please indicate since when? When was the last collective agreement for the TH sector concluded on the national level?

The collective agreement for the TH sector was concluded on 10th May 2002. The last collective agreement was concluded on 15th January 2015.

g) If the previous answer is positive, what is the coverage rate of workers and employers?

The coverage rate of workers is 18% and employers' cca. 15 % by number of companies – or cca. 45 % by number of workers in companies which are members of Employers' Associations.

h) Were there any conflicts and industrial actions in the TH sector in your country in the last 5 years?

There was a strike organised in a state owned company due to the problems with salaries payment and privatisation of the company.

i) General satisfaction with social dialogue in the TH sector in your country?

Social dialogue in the tourism sector is one of the best in Croatia. Beside the long-standing bipartite dialogue, mostly run through the collective bargaining on the national level, 3 years ago the social partners established the Social Council for Tourism where we solve all the main issues in the tourism sector. There is also a very intensive social dialogue on the companies' level in the tourism sector. Some less effective social dialogue is run on the tripartite level. It is mostly based on working on acts and regulations of specific professions in the tourism sector.

4.2.2. Problems regarding qualifications of workers and the development of their skills in the TH sector

The communication between employers and the education system is not well developed so the education outcomes are not following the needs of the labour market in the TH sector. For example there is a lack of general skills – communication skills, customer care... or lack of some new qualification as revenue manager, F&B manager, animator or sommelier (imbalance in qualitative and quantitative levels). Also there is a big problem on the system

level regarding school practice in VET education (lack of vocational experience – the students doesn't have enough "working education" in the real sector, etc.)

4.2.3. Problems regarding undeclared work in the TH sector

Undeclared work is highly presented in the tourism sector. It is typical for so called small employers with fewer than 20 employees. It is most common in coffee shops, bars, restaurants, and small family owned hotels. The most common victims of undeclared work are young workers and women. Their salaries are not registered, with no benefits or taxes paid.

4.2.4. Problems regarding precarious forms of work (employment for definite time, student work, civil contracts, etc.) in the TH sector

There is a high percentage of precarious work in the tourism sector. The most common forms of precarious work are: short term contracts (for very short period of time – 1 or 2 months, seasonal employment, employment of students in large numbers, using agencies' workers for core and continuous jobs and positions in companies (waiters, housekeepers, receptionists, support staff). Almost 90% of newly employed workers are facing some sort of precarious work. The management staff, from the lowest level, sign contracts which are not typical for employment, nor do they have any reference in Labour law (so called managers' or special contracts).

4.2.5. Membership of EU Social Partners – cross sectoral or sectoral

Trade union of catering and tourism of Croatia is member of:

- EFFAT

Croatian Employers' Association is member of:

- BUSINESSEUROPE
- International Organisation of Employers (IOE)
- International Labour Organisation of Employers (ILO)

4.2.6. Recommendations for improving social dialogue in the TH sector

Social dialogue in the sector of tourism and hospitality could be taken as example of the best sectoral social dialogue in the Republic of Croatia. So it could be an example of good practice to the neighbour countries. What characterizes it is:

- a) long duration of the collective agreement for hospitality sector - KUU (and also another collective agreement for travel agencies),
- b) permanent adjustments - changes and collective bargaining,
- c) large number of collective agreements at the company level, as well as
- d) continuous monitoring and interpretation of the collective agreement for hospitality sector in practice through a joint body for interpretation of KUU (bipartite body which can be contacted by all interested entrepreneurs and workers ect.).

Examples of good practice to highlight, that also prove the development-level of sectoral social dialogue in the tourism and hospitality industry of Croatia, are:

- a) Social Council for Tourism - a bipartite body with a number of joint initiatives of interest for the development of tourism in Croatia in general
- b) Enactment of the decision on the extended use of KUU on the whole hospitality sector
- c) Committee for Occupational Health and Safety - bipartite body for the development and promotion of occupational safety and health ect.

4.3. Macedonia

4.3.1. Industrial relations in the TH sector

a) Trade union representation in your country

Number of representative Trade Unions in the TH sector: one

Trade Union of Workers in catering, tourism, communal - housing economy, crafts and the associations of the Republic of Macedonia

Trade Union density rate in the TH sector: no data

b) Employers' organisations

Number of representative Employers' organisations in the TH sector: three

Business Confederation of Macedonia

HOTAM Association of hotels, restaurants and cafes of Macedonia

Chamber of Tourism of Macedonia

Employers' organisations density rate in the TH sector: no data

c) Is the Act on Representation of Trade Unions and Employers' organisations adopted in your country? Please indicate if yes and the date of its adoption? What are the main criteria for being a representative Trade Union or Employers' organisation?

In the Republic of Macedonia, the Act on the representatives was adopted in 2009.

A representative trade union for the territory of Macedonia is a trade union that meet the following conditions:

- is registered in the register of trade unions that is led by the ministry in charge of matters of labour;
- has membership of minimum 10% of the total number of employees in Republic of Macedonia that pay membership fee to the trade union;
- incorporates at least three trade union on national level in different branches or departments that are registered in the register of trade unions lead by the ministry in charge of matters of labour;
- acts on national level and to have registered membership in at least 1/5 of the municipalities in Republic of Macedonia;
- acts in accordance with its statute and democratic principles; and
- has membership of trade unions that have signed or joined at least three collective agreements on a branch level, i.e. department.

Representative Trade Union in the public sector is a Trade Union that is registered in the register of Trade Unions led by the ministry in charge of matters of labour and that has membership of at least 20% of the employees in the public sector that pay membership fees.

Representative Trade Union in the private sector in the economy is the Trade Union registered in the register of trade unions led by the ministry in charge of matters of labour and that has the membership of at least 20% of the employees in the private sector that pay membership fees.

Representative Trade Union on the branch level, i.e. department is a Trade Union registered in the register of Trade Unions led by the ministry in charge of matters of labour and that has membership of at least 20% of the employees, i.e. department that pay membership fees.

Representative Trade Union on an employer's level is a Trade Union which has membership of at least 20% of the number of works employed with the employer and that pay membership fees.

A representative Employers' organisation for the territory of Republic of Macedonia is an organisation that meets these conditions:

- is registered in the register of Employers' organisations led by the ministry in charge of matters of labour;
- the organisation must have membership of minimum 5% of the total number of employers in the private sector in the economy in the Republic of Macedonia or the employers-members of the organisation to employ minimum 5% of the total number of employees in the private sector in the Republic of Macedonia;
- members of the organisation are employers in at least three branches, i.e. departments;
- has its own members in at least 1/5 of the municipalities in the Republic of Macedonia;
- has made or accessed at least 3 collective agreements on a branch level, i.e. department;
- acts in accordance to its statutes and democratic principles.

A representative Employers' organisation in the private sector in the economy is an organisation registered in the register led by the ministry in charge of matter of labour and which has membership of minimum 10 of the total number of employers in the private sector or the employers-members of the organisation to employ at least 10% of the total number of employees in the private sector.

A representative Employers' organisation on a branch level, i.e. department is an organisation that is registered in the register led by the ministry in charge of matters of labour and which has membership of minimum 10 % of the total number of employers in the branch, i.e. department, or the department or employers-members in the organisation to employ at least 10% of the total number of employers in the branch or department.

d) Is the Act that defines the collective bargaining procedure, content of the collective agreement, parties and form of collective agreement adopted in your country? If yes please indicate the date of its adoption?

The collective bargaining procedure, content of collective agreement, parties and form of collective agreement is determined in the Labour Law - consolidated text Official Gazette 145/2014 - there Chapter XIX COLLECTIVE AGREEMENTS Articles 203 to 235.

e) How well is the sectoral social dialogue and social dialogue on the company level in the TH sector developed in your country? Please describe briefly.

The social dialogue on the company level in the tourism sector is very low. Our informal research showed that employers do not show any interest in the workers' needs. The workers are put in an extremely unfavourable situation, they are constantly uncertain in their jobs because their rights aren't protected. They are forced to work illegally trying to make minimum income in order to survive. In our country there is only one collective agreement in the hospitality sector which has expired and which we are not sure if the workers even knew existed. In the Republic of Macedonia only 4-7% of the companies have work councils and that is not the case with the TH sector since tourist agencies in Macedonia have maximum 10 employees (only 2 or 3 of them) and the rest have maximum 5 employees. In the hotels the situation is a bit different, and there is an opportunity for trade union organising.

f) Is the collective agreement for the TH sector on the national level concluded in your country? If yes please indicate since when? When was the last collective agreement for TH sector concluded on the national level?

The Trade Union of Workers in Catering, Tourism, Municipal Housing, Economy, Crafts and the associations of Macedonia (SUTKOZ), members of the Trade Union of Macedonia and the Association of Hotels, Restaurants and Cafes - HOTAM on 27.12.2007 concluded a collective agreement - Official Gazette of the Republic of Macedonia No. 2/08, with a validity of five years. There is an article which explains that after the deadline of the agreement its articles will be applied until signing a new collective agreement.

g) If previous answer is positive, what is the coverage rate of workers and employers?

26,025 total employees, 22,856 workers, 1,968 Employers.

h) Were there any conflicts and industrial actions in the TH sector in your country in the last 5 years?

In the last 5 years, in the TH sector there were no observed industrial activities or noticeable conflicts.

i) General satisfaction with social dialogue in the TH sector in your country?

There is no social dialogue in the TH sector, and there is very small awareness that it should be developed.

4.3.2. Problems regarding qualifications of workers and the development of their skills in the TH sector

The overall objective of the schools is envisaged formation, education, and the production of staff to meet the needs of hospitality and tourism.

The purpose of the schools' overall activity is to equip students for the development of this market activity. The whole activity of the school is directed to the adjustment to the individual development of students, their motivation, abilities, desires, aspirations, needs, and enables them to continue education and cultural elevation.

The possibilities for horizontal transition in educational profiles of the same or similar profession and opportunities for post-secondary and higher vocational education is as follows:

- Profile of the three-year education (waiter, cook, and confectioner) through training, through the extraordinary education of the same educational profile of the profession-level specialist year education (chef specialist, waiter specialist, confectioner specialist and barman)
- Educational profile of the three-year education (waiter, cook, and confectioner) through retraining in a different profile from the same level of catering and tourism profession;
- Educational profile of the hotel-tourist technician with four years' educations with part-time schooling for all educational profiles, three years of education;
- Three years of education (waiter, cook, and confectioner) with extraordinary education through retraining of educational profile hotel-tourist technician;
- From all educational profiles of three and four years education through retraining for other occupations and profiles;
- Education of four (hotel-tourist technician) through full or part-time education with a qualification higher and higher education respectively;
- Education of four (hotel-tourist technician) of other faculties (economic, legal, philological, etc.) with regular and part-time schooling.

In Macedonia there are six universities whose composition college's guidelines that are taught subjects in tourism, hospitality, and gastronomy. Four of them are public and two private.

Programmes and subjects of the tourism guidelines, the six universities, are similar to one another, except for a few items that are included in another programme.

All faculties' programmes are harmonised with the principles of the Bologna declaration and all of them use the European credit transfer system and modern ways of organising teaching (presentations, interactive lectures preparation of projects, papers, and other things).

But despite all this, there is a gap between the skills needed by employers and workers they have. Formal education does not offer a sufficient number of personnel to adequately meet

the demand of labour in particular sectors. Employers hire people who are educated and informally due to dissatisfaction with the quality of education. They have low costs for their training in the workplace, and therefore it is not a problem to continue with such a practice.

4.3.3. Problems regarding undeclared work in the TH sector

Undeclared work in the tourism and hospitality sector has the most active periods of the year/seasons. There we are facing an influx of workers who are interested in that work for increased level of performance. Many of those workers are informally educated workers; many of them are students and young people in their twenties. Among other conditions, regular students in Macedonia are not allowed to be employed (fully or part-time) but they still need revenue, which with these jobs can be achieved. Therefore, they often agree to work unregistered, taking into account the risks that are associated. Because they aren't protected in any way, employers often don't pay the wages that they deserve, even if they are working for several months.

4.3.4. Problems regarding precarious forms of work (employment for definite time, student work, civil contracts, etc.) in the TH sector

Young people, or most of them can't recognise the grey economy. The Ministry of Education made a survey aimed at identifying all forms of the grey economy. The question "Do you know that you have to sign a contract if you want to start to work and to be registered," 91 percent of young people said yes, which is a good sign that they will refuse a job on the grey market, after they have completed their education.

More than half of them, 56 percent aren't familiar with the Labour Law, and a nearly identical number of students don't know that temporary employment agencies existed, as an opportunity to regulate the employment of shorter periods.

After over 15,000 inspections were made, there were found 531 unregistered people. All necessary measures were taken against the employers, foreseen by law and in accordance with legal obligations such that they have to declare their employees and pay salaries for three months.

Areas which have the most workers engaged illegally are construction and tourism. In construction, the number decreases, while in the field of tourism for the summer season it has an increasing trend.

4.3.5. Membership of EU Social Partners – cross sectoral or sectoral

Trade Union of the Workers in Catering Tourism, Communal Economy, Handicraft and Companies Training and Employing Disabled Persons (SUTKOZ) is a member of EFFAT

4.3.6. Recommendation for improving social dialogue in the TH sector

Continue with intensive activities aimed at strengthening social dialogue primarily in the sense of a need for additional efforts to be made by social partners to enhance social

dialogue which would entail mutual consultations and strengthen the relations of mutual respect and trust.

Further strengthening the role of the social council and insisting that all regulations important for achieving the economic and social position of employees and employers must be considered by these bodies.

Strengthening the capacities of social partners, where it is necessary, through strengthening their negotiation skills, administrative and technical conditions, etc.

Improve the work of local social councils and establish new ones where possible.

Intensify the activities of social dialogue promotion, raising awareness about its importance, advantages, and benefits for societies of each country in particular as well as for the entire region.

4.4. Slovenia

4.4.1. Industrial relations in the TH sector

a) Trade union representation in your country

Number of representative Trade Unions in the TH sector: two

1. The Catering and Tourism Workers' Union of Slovenia (Sindikat GiT)
2. The Catering and Tourism Workers' Union of Slovenia at Confederation '90 (SDGiTS KS90)

Trade Union density rate in the TH sector: 32%

b) Employers' organisations

Number of representative Employers' organisations in the TH sector: four

1. The Association of Employers of Slovenia (ZDS)
2. Section of Catering and Tourism at the Chamber of Craft and Small Business of Slovenia (OZS);
3. Tourism and Hospitality Chamber of Slovenia (TGZS) at the Chamber of Commerce and Industry of Slovenia (GZS);
4. Employers' Association of Craft and Entrepreneurs of Slovenia (ZDOPS).

Employers' organisations density rate in the TH sector: 60%

c) Is the Act on representation of Trade Unions and Employers' organisations adopted in your country? Please indicate if yes and the date of its adoption? What are the main criteria for being a representative Trade Union or Employers' organisation?

The Law on Representative Trade Unions was adopted on 26th of February 1993 and is valid since 27th of February 1993. The Act stipulates that the representative trade unions shall sign contracts with general validity. Furthermore it defines representative trade unions as those which:

- are democratic;
- have open membership;
- ensure functional freedom of the union;
- put into effect membership rights and obligations;
- have been operating without interruption for at least the previous six months;
- are independent of state organs and employers;
- finance themselves primarily through union dues and their own sources;
- have a certain number of members.

Association or confederation of trade unions – which covers the territory of the state and which includes trade unions from different branches, activities, or professions – has to

represent at least 10% of the workers from individual branches, activities, or professions. While those trade unions which shall also be representative, members or non-members of an association or confederation, should represent at least 15% of workers of individual branches, activities, professions, municipalities, or wider local communities. The same applies to a trade union within an organisation.

There is no Act that determines the representativeness for employer organisations. The Collective Agreements Act defines the representativeness of employers' organisations only for the purpose of extended validation of the collective agreement or some of its part.

d) Is the Act that defines the collective bargaining procedure, content of the collective agreement, parties and form of collective agreement adopted in your country? If yes please indicate the date of its adoption?

The Collective Agreement Act was adopted on the 21st of April 2006. The Act defines the collective bargaining procedure, content of the collective agreement, and its parties.

e) How well is the sectoral social dialogue and social dialogue on the company level in the TH sector developed in your country?

In Slovenia sectoral social dialogue is well developed. The collective agreement for the TH sector was concluded in 1991. Since then social partners are cooperating closely in the field of industrial relations.

Also social dialogue on the company level is well developed. Almost all large companies in the TH sector have their company collective agreement.

f) Is the collective agreement for the TH sector on the national level concluded in your country? If yes please indicate since when? When was concluded the last collective agreement for the TH sector on the national level?

The first collective agreement for the TH sector was concluded in 1991. The last signed and valid collective agreement for the TH sector was signed on 19th of February 2016 and is valid till 31st of December 2017.

g) If the previous answer is positive, what is the coverage rate of workers and employers?

The collective agreement for the TH sector has extended validity, but only for the next business activity in the TH sector:

- hotels;
- camps;
- travel agencies;
- Casinos.

h) Were there any conflicts or industrial action in the TH sector in your country in the last 5 years?

There were no conflicts or industrial action in the last 5 years.

i) General satisfaction with social dialogue in the TH sector

The Horeca sector in Slovenia is well covered with collective agreements. Companies are represented by two sectoral employers' associations that cover sectoral specificities and three that are active in the collective bargaining, as well as three employees in the sector, with Trade Union GIT being the biggest and the best at covering the specificities of the sector.

4.4.2. Problems regarding qualifications of workers and the development of their skills in the TH sector

Secondary school and university students have adequate theoretical education, but lack hands-on work experience. Practical education is insufficient in our education system and this should be changed.

We also noted that not enough young people opt for catering and tourism occupations.

4.4.3. Problems regarding undeclared work in the TH sector

During the summer season the sector is experiencing a shortage of labour. As a result, companies are employing students and unemployed with no legal basis, particularly in the restaurant industry – for example in small bars.

4.4.4. Problems regarding precarious forms of work (employment for definite time, student work, civil contracts, etc.) in the TH sector

Many of employments in the HT sector are part-time, especially due to the predominantly seasonal nature of work.

Numerous secondary school and university students are employed based on student referral form.

Recently, we have recorded many workers doing the job of waiter, cook, and other as sole proprietors.

4.4.5. Membership of EU Social Partners – cross sectoral or sectoral

ZDS is a member of BUSINESSEUROPE.

SGIT is member of EFFAT.

4.5.6. Recommendations for improving social dialogue in the TH sector

Social dialogue is well developed in the hospitality and tourism industry. For nearly 20 years, the activity has been regulated by the Collective Agreement, wherein the social partners succeeded in agreeing on major specifics of employment in this sector. Members of the bipartite dialogue since 2016 have been the Trade Union for Catering and Tourism Industry Employees of Slovenia, which is representative, and two employers' organisations, namely the Catering and Tourism Section within the Association of Employers of Slovenia (ZDS) and the Tourism and Hospitality Chamber of Slovenia (TGZ). The last Collective Agreement was signed on 31 December 2015 and is valid until 1 January 2018. Based on the Minister's decision, the CA gained the status of extended activity for:

- activity of hotels and similar accommodation facilities;
- activity of campsites, camps;
- activity of travel agencies, tour operators and travel-related activities;
- activity of casinos.

Together with its social partners, the Trade Union for Catering and Tourism Industry Employees of Slovenia adopted a decision to draft a suitable new salary model for all occupations in the industry by the signing of the new Collective Agreement. At this time, the social partners' objective is to prepare expert basis for negotiations on salaries of employees in the HT sector. The tariff attachment of the present CA specifies too low amounts of mandatory minimum standard, providing the basis for setting salaries in corporate collective agreements (CCA) Too low salaries are one of the reasons for lack of personnel in the HT sector, which this season peaked. A new wage policy would enable just rewarding of employees and prevent the outflow of quality young and professional personnel, especially cooks and waiters, to other countries, lines of business and professions. The interest in education and gaining new competencies in tourism would increase, as we would enhance interest in young people regardless of working time specifics. Proper remuneration would improve their competitiveness, the need for additional education; employees receiving a fair remuneration are satisfied and work more and better, which is the fundamental condition for successful tourism.

The planned project would also be of interest for the entire European tourist arena, since tourism is one of the flagship industries of the European economy. The problems of salaries, precarious employment, and working time are common to all European partners, both employers and employees in the HT sector.

4.5. Serbia

4.5.1. Industrial relations in the TH sector:

a) Number of representative Trade Unions in the TH sector: two

1. Autonomous Trade Union of tourism and hospitality
2. UGS Nezavisnost

Trade Union density rate in the TH sector: not available

b) Number of representative Employers' organisations in the TH sector: one

Serbian Association of Employers (SAE)

Employers' organisations density rate in the TH sector: SAE includes 34% of companies which employ 46% of workers

c) Is the Act on representation of Trade Unions and Employers' organisations adopted in your country? Please indicate if yes and the date of its adoption? What are the main criteria for being a representative Trade Union or Employers' organisation?

There is no separate law on representation of TUs and EOs, but it is regulated by the Labour Law (Official Gazette of RS Nos. 24/2005, 61/2005, 54/2009, 32/2013, and 75/2014).

Representation of TUs is regulated by Articles 218-220, which stipulate that a representative TU:

- within a company: is established and operates on principles of a TU, it is independent from the state bodies and employers, it is financed mostly from membership fees and other own sources, and it covers at least 15% of employees working in a company
- within a sector, group, subgroup, or economic activity: covers at least 15% of employees within a particular group, subgroup or economic activity
- on the national level, or on the level of the region or local self-administration: cover at least 10% of employees within the relevant level of administration

Representation of EOs is regulated by Articles 221-222, which stipulate that a representative EO:

- in all cases: covers at least 10% of all employees (on adequate level) which employ at least 15% of employees (of a particular level)

d) Is the Act that defines the collective bargaining procedure, content of the collective agreement, parties and form of collective agreement adopted in your country? If yes please indicate the date of its adoption?

The Labour Law (adopted in 2005, latest changes adopted and came into force July 2015) defines subject and form; types; participants to collective bargaining; negotiations and conclusion; implementation; validation and cancellation; dispute solving; registration of collective agreements; publication.

Plan of the Government of RS, adopted in February 2015, includes Draft of law on social partnership and collective bargaining, with December 2015 as a deadline.

e) How well is the sectoral social dialogue and social dialogue on company level in the TH sector developed in your country? Please describe briefly.

The last research dealing with the registration of collective agreements was conducted by SAE in 2011. It showed that only 38.89% of companies have concluded a collective agreement. When it comes to tourism and hospitality sector, percentage is somewhat higher - 43.48% . The research also revealed that there were big differences between cities, which clearly pointed out poor development of the mechanism of the social dialogue, low degree of organised workers and employers.

After adoption of the latest changes to the Labour Law in 2014, all the sectoral collective agreements ceased to be valid since January 2015. At the moment the negotiations are initiated in 4 sectors

f) Is the collective agreement for the TH sector on the national level concluded in your country? If yes please indicate since when? When was the last collective agreement for the TH sector concluded on the national level?

The collective agreement for the TH sector was concluded on January 11, 2007, between SAE and the two representative TUs, and it was registered with the Registry of the collective agreements. It ceased to be valid in January 2015.

g) If the previous answer is positive, what is the coverage rate of workers and employers?

Not applicable.

h) Were there any conflicts or industrial action in the TH sector in your country in the last 5 years?

There were no conflicts on the bipartite level and there were no strikes or shutdowns over the last 5 years. All the incurred problems related to increase of costs of doing business, which were particularly evident in 2010.

Unlike other sectors, the TH sector has a big potential and it records positive results. According to the data of the Serbian Chamber of Commerce, tourism and hospitality contribute to the GDP 2%, and when indirect effects of tourism on Serbia are taken into consideration, the contribution is estimated at 5%. Foreign exchange flow from tourism was 765 million Euro for the period January-November 2014, which is 8.1% more than for the same period in 2013. Outbound tourism in 2014 records an increase of 5.91% when compared to 2013, which brings to a conclusion that inbound tourism in 2014 records a bigger increase than outbound tourism. This sector creates additional possibilities for increase of employment, GDP growth, and export increase, which has a strong positive effect on related economic activities such as agriculture, trade, transport, construction, and thus can contribute to the economic recovery of the country.

SAE conducted research in 2010 which showed that it is necessary to make the tourist offer of Serbia more competitive through reduction of burdens put on this sector and increase of investments into development of tourist facilities. Average burden in the TH sector includes 38 different taxes, levies, and fees which were drastically increased in 2010, and insolvency

became the dominant problem. Companies from this sector were also heavily burdened by the high interest rates for credits – these were 2 and 3 times higher than in the EU. Tourist agencies and hotels had particularly big problems because they were forced, due to reduced overnight stays, to sell their services on 6, 9 and even 24 monthly instalments. Apart from this, the level of informal economy was 40.7% of GDP in the first half of 2010. In the TH sector the informal economy is visible through illegal catering facilities, lodgings for the night, camps, and significant number of unregistered guests (30%), which brought unfair competition.

The Ministry of Trade, Tourism and Telecommunications opened a public debate on January 26, 2015 about changes to the Law on tourism aimed at fighting against the informal economy and protection of travellers. The changes should also create a legal framework for successful and efficient managing of the development of tourism, bring accord with the Law on protection of consumers and EU standards, and better definition of provisions related to better protection of users of tourist services. The proposed changes also look to increase efficiency of work of all those who work in this field and to open new market possibilities.

i) General satisfaction with social dialogue in the TH sector in your country?

Social dialogue between trade unions, employers, and the state, both on the national and the sectoral level, is characterised by a lack of trust among social partners, when it comes to representation and the good will to come through social dialogue to concrete agreements and arrangements that bring compromise solutions in order to overcome the present situation.

Social dialogue, which means difficult but productive discussions among trade unions, employers, and the state, exists in Serbia, but it needs to be promoted in order to make it more productive for all three interested parties. This requires the whole network of bodies on both the sectoral level and on the level of the local autonomy, i.e. local self-administration, in order to be able to talk about the system concept and practice at all.

The last collective agreement for tourism and hospitality was concluded on January 11, 2007 for a three year period. The next negotiations started on March 8, 2011, but these were ceased after the fourth meeting when the discussions reached the topic of wages, i.e. salary grades.

4.5.2. Problems regarding qualifications of workers and the development of their skills in the TH sector

In the Republic of Serbia, on the level of the vocational education and training, the existing occupations include confectioner, merchant, store decorators, trade and tourism technician, waiter, cook, culinary technician, catering technician and similar. Within higher education, there are private and public vocational high schools (three years studies) and universities (four years) which include economics and tourism, tourism management, organisation of travel, and tourist guiding, hospitality, gastronomy, etc. One of the key lacks is the lack of the quality practical classes during the formal education. This is particularly evident in activities of

the tourist agencies. The positive example of gaining practical knowledge during the formal education of the pupils in the VET for hospitality where cooperation is established with one hotel in Belgrade, where the pupils participate in all phases of work and have the opportunity to directly communicate with the clients and gain practical competences with the support of a mentor.

4.5.3. Problems regarding undeclared work in the TH sector

Total number of inspections made by tourist inspection in 2014 was 18,371, which is 17.62% less than in year 2013. This is the consequence of not only the emergency situation during the floods that heavily hit tourism as well, but also of the reduction of the number of tourist inspectors and restrictions for usage of official cars.

The biggest number of controls the tourist inspectors made in the hospitality sector (76.2%), which is in accordance with the number of these companies on the tourist market, but also with the number of the complaints filed by the citizens. During the previous period, on the annual level, the inspection received 1,400 to 1,800 complaints (which means that less than 10% of the controls on the annual level were made on the basis of the complaints), and 2/3 of these complaints were related to hospitality companies. This year the total number of complaints increased by 480 and the tourist inspectors received 2,254 complaints, the biggest number until now.

During the period January 2011 – December 2014, inspections made in the hospitality companies found 3,214 cases of illegal work, i.e. performing hospitality activity without being registered within the relevant registry. This year, the tourist inspectors have found illegal work in 804 controls, which means near 6% of controls made in hospitality companies.

The tourist inspection has data on companies in which illegal work was noted, and the special records on this were kept since January 2011.

4.5.4. Problems regarding precarious forms of work (employment for definite time, student work, civil contracts, etc.) in the TH sector

We do not have separate data concerning the TH sector. Generally speaking, the majority of the problems relate to the work for a definite period of time. Abuse of this type of contract means that an employer successively concludes with an employee labour contract for a definite period of time, even though there is no legal foundation for something like this because the need for the work of this particular employee is constant. However, this was doable in a completely legal way because every period of time longer than 30 days within which an employee was not under the contract was considered as an interruption of the labour relation, so any further labour contract that he/she would conclude (with any employer, therefore possibly with the same employer) would be considered as a new labour relation. Legally speaking, there is no continuity in employing a certain person if that person is not hired within 30 days. In practice such behaviour of employers, not only in private companies but also in state institutions, was observed. It was also observed that employers conclude all further labour contracts (with the same person that they used to employ) for similar, but different job descriptions, so an employee could not prove during a possible court procedure that there is a constant need for an executor of certain tasks/job.

Changes of the Labour Law, Article 37, introduced that work for a definite period of time cannot be longer than 24 months (previously 12 months) and the essence of this Article is to more precisely define exactly the issue of labour contract for a definite period of time. The changes prevent abuses in a form of extending (actually re-concluding) the labour contract for a definite period of time indefinitely, which we witnessed so far in different ways. Now, in accordance with Article 37 of the Labour Law, an employer can conclude one or more labour contracts on the basis of which labour relation is established with the same employee for a period that cannot be longer than 24 months, with or without interruptions.

4.5.5. Membership of EU Social Partners – cross sectoral or sectoral

Serbian Association of Employers is member of BUSINESSEUROPE (observer).

Independent Trade Union of Catering and Tourism of Serbia is member of EFFAT.

4.5.6. Recommendations for improving social dialogue in the TH sector

To use positive practices from countries of this Region and their policies that brought positive changes towards more competitive standards in the TH sector.

Social partners should have a more active role in defining a generally accepted national vision for this sector, with the goal to define the key priorities on both the national and local level.

Social partners have to put joint efforts for strengthening HR capacities in this sector.

Strengthen social dialogue in establishing and adopting a legal framework that will enable better mobility of the labour force, efficiency of the employment system, flexible working time, and contribute to the overall development of the TH sector.



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