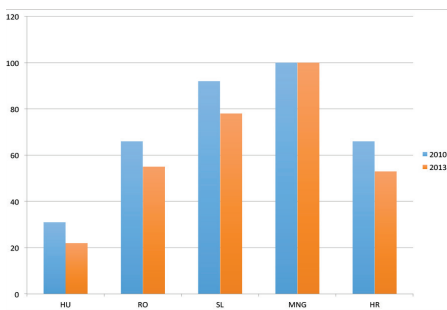


CEELAB is a research project, funded by the European Commission, led by MGYOSZ-BUSINESSHUNGARY in cooperation with its partners: the Association of Employers of Slovenia (ZDS), the Montenegrin Employers' Federation (MEF), the University of Rijeka - Faculty of Law (PRAVRI) and the Labour law and social law department of Eötvös Lóránd University (ELTE, Budapest), as the main researcher in the project. The research aims to find out more about the contribution of the cross-sectoral industrial relations structures to labour market reforms with a focus on Central-Eastern Europe - Slo-

venia, Montenegro, Hungary, Croatia and Romania are covered by the study. The project investigates, whether and how social partners at all appropriate levels have contributed in government consultation and/or autonomous negotiation to the creation of more and better jobs in order to recover from the crisis. Secondly, the research deals with the impact of national social partners on the European semester process, the implementation of the country specific recommendations in those countries, which display weak industrial relations structures.

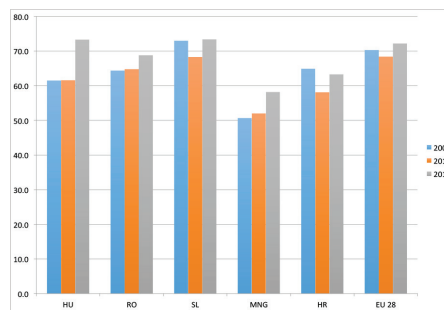
Labour market facts in the project countries

Collective bargaining coverage in all levels, %



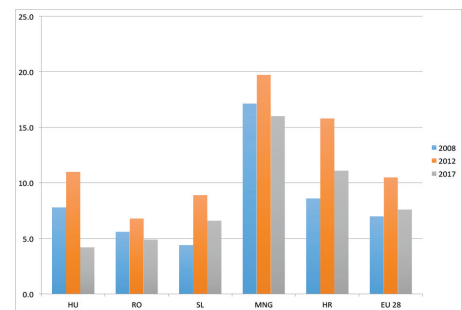
Source: Eurofound

Employment rate, %



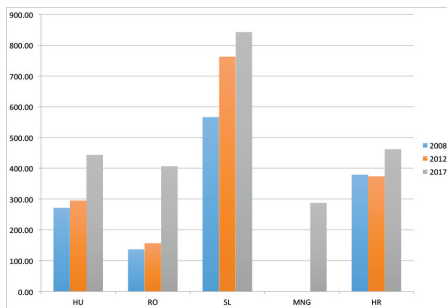
In Montenegro the first year is 2011 instead of 2008

Unemployment rate, %



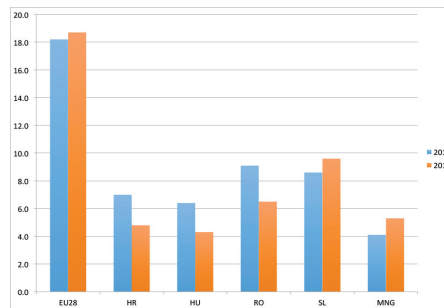
Source of Montenegro data: Worldbank

Minimum wage, in euro

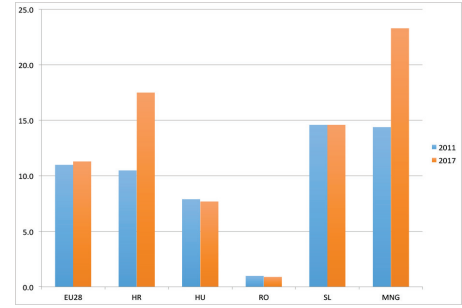


Statutory minimum wage exists in recent form from 2011 in Montenegro. Source: Eurofound, CEELAB own compilation

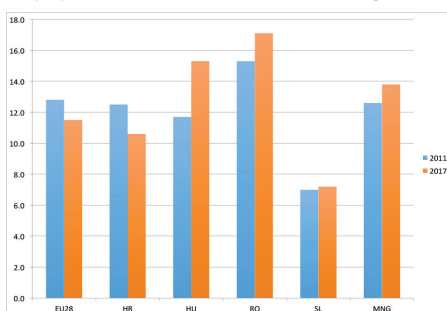
Part-time employment rate, %



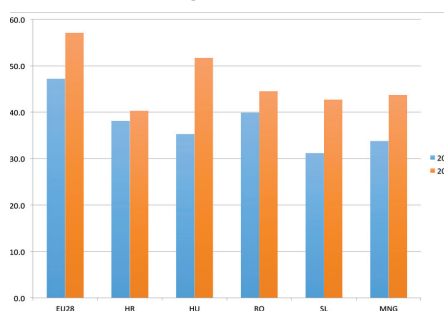
Temporary employees as percentage of the total number of employees, %



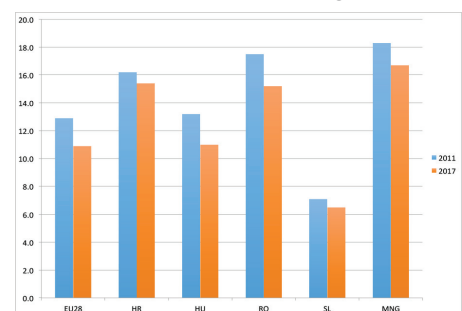
Gender employment gap, % (difference between the employment rates of men and women at the age 20-64)



Employment rate of older workers age 55-64, %



Young people neither in employment, nor in education and training, %



Source: EUROSTAT, please check: www.ceelab.eu



ELTE ÁJK
ÁLLAM- ÉS JOGTUDOMÁNYI KAR



Key messages of participating employers' organisations

Social partners' involvement is a key factor for successful labour market reforms. Labour shortage or skills mismatch cause salient structural labour market problems in Hungary, finding a satisfactory solution requires a comprehensible approach to the economic development and close cooperation among employers, trade unions and the government. Regular and all-encompassing tripartite social dialogue could prevent emerging crisis in the labour market, helps improving competitiveness, and promotes labour conditions. Thus MGYOSZ-BusinessHungary recommends to boost tripartite dialogue within the existing framework by improving the frequency and the scope of negotiations.

/Confederation of Hungarian Employers and Industrialists, MGYOSZ BusinessHungary/

Montenegrin Employers Federation sees labour market reform as one of the most important topics of social dialogue, and believes that quality reform is only possible through genuine social dialogue, where social partners aim to promote the social and economic development of Montenegro. An adequate labour regulatory framework which balances the needs and interest of both employers and employees is a pre-eminent element for economic progress in Montenegro. The Montenegrin Employers' Federation will always be a reliable and responsible partner in responding to all challenges and resolving pressing issues for the Montenegrin economy, who at the same time contributes to a quality social dialogue that is a prerequisite for progress.

/Montenegrin Employers' Federation, MEF/

Although the tripartite dialogue in the frame of Economic and Social Council in Slovenia had been very important when adopting important legislation in the time of crisis, its importance was diminished by many government decisions in the past years. This is especially evident in the area of minimum wage, where decisions are made without tripartite social dialogue even though the adopted legislation and related ILO conventions demand it.

The importance of adequate social dialogue should be respected to meet the priority goals: reduction of tax wedge (redefining social contributions) and reduction of general tax burden in Slovenia, preparation and implementation of structural reforms that are necessary to meet demographic changes including the issue of ageing population (pension reform, health reform, long-term care reform).

/Association of Employers of Slovenia, ZDS/

The importance of genuine social dialogue in the field of labour market reform in Croatia is unquestionable. Due to demographic changes (aging of the population and emigration of labour force), Croatian employers have been facing shortage of labour for many years. At the same time the overwhelming tax burden on wages creates further challenges for employers to retain labour force in the country. Representing the interests of employers, CEA/HUP publicly urges further tax reduction and consistently held at the national tripartite Social Council that these measures are crucial for employers to elevate wages and keep workforce engaged. There is a wide consensus among social partners that tax reduction would be the key element for a comprehensive labour market reform and for a sustainable economic growth elevating living and working standards of Croatian citizens

/Croatian Employers' Association - CEA/

The labour market is changing faster than ever before. This is why Concordia Employers' Confederation is committed to contribute to a consistent and constant dialogue among social partners and between social partners and the government. The quality of social dialogue will be reflected in the quality of the legal framework that will enable the labour market to face the challenges of the digital era.

Moreover, Concordia Employers' Confederation focuses on structural reforms, especially on infrastructure upgrading in education and healthcare to support the government in the establishment and effective implementation of such reforms, which are vital in the future development not only of the labour market, but of the entire country's economic and social systems.

/Concordia Employers' Confederation/

BusinessEurope:

In June 2016, the European Commission, the Dutch Presidency of the Council, and the cross-industry European social partners signed a quadripartite statement on "a new start for the social dialogue". The co-signatories welcomed the fundamental role of social dialogue as a significant component of EU employment and social policy making. The statement emphasised the need to strengthen the capacity of social partner organisations to achieve a strengthened involvement of social partners in EU policy and law making.

Social partners' role in the European semester is increasingly important. Improvements were made in the last years to associate more closely EU and national social partners to the yearly cycle of interaction between the Commission and Council's relevant bodies with respect to the preparation of country reports and country-specific recommendations. As recognised in the 2016 quadripartite statement on "a new start for the social dialogue", it is important to progress towards a more substantial involvement of social partners in the European semester.

Timely and meaningful involvement of social partners throughout the European semester is key to improve social partner engagement in policies thereby facilitating their successful implementation in a way that balances the

interests of workers and employers. A key objective is to improve the role of the EU to provide information, incentives and know-how for Member States and social partners to design, implement and evaluate policies really addressing the structural labour market challenges they face, in a way that is understood and acceptable to their societies. The role of benchmarking should be strengthened as it is an effective tool for Member States to learn from the best in different policies, gradually converging towards the best performing ones.

Social dialogue implies industrial relations models in which social partners can autonomously exercise their practices of collective bargaining. Depending on countries' preferences, collective bargaining can be organised at cross-industry, sectoral or territorial level. In all cases, social dialogue requires social partners that are strong, representative, autonomous, mandated and equipped with the capacities needed. Social partners also need to dispose of the institutional settings allowing for their dialogue to take place and to be effective.

In the future, a key factor to encourage enterprises and their organisations to invest in social dialogue is to ensure that it positively contributes in terms of competitiveness. Essential in this respect is that companies have enough flexibility to adapt their workforce to changing

economic circumstances, notably in terms of working time, wages and contracts.

Partly due to the increasing expectations for social partner involvement in policy making (including consultations, negotiations and the European semester) and in the implementation of European level policies, legislation and agreements (including Autonomous Framework Agreements), the need for capacity building is growing.

In this context, the project run by BusinessHungary CEELab plays an important role to identify and raise awareness of the EU institutions on where progress is needed to achieve an effective involvement of social partners in the reform process in EU countries as Hungary, Romania, Slovenia, and Croatia and in Montenegro, a candidate country.

A key requirement in a number of EU Member States, including those covered by this project, is additional staffing capacity to deal with more frequent and complex demands coming from the EU institutions in relation with the European dimension. There are also increasing needs to exchange information between organisations both at national and European level and to learn from good practice. The European social fund needs to be better mobilised to better meet these unmet needs.

/BusinessEurope/