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Table of Contents

List of abbreviations

GCA for the private sector – General collective agreement for the private sector

GCA for the public sector – General collective agreement for the public sector

ICA – Individual collective agreement

KSS – Confederation of Free Trade Unions of Macedonia

LRL – Labour Relations Law

MLSP – Ministry of Labour and Social Policy

NCA – National classification of activities

OEM – Organization of Employers of Macedonia

SCA – Specific collective agreement

SSM – Federation of Trade Unions of Macedonia

Summary

The legal framework that regulates freedom of association and the right to collective bargaining in North Macedonia consists of four ratified ILO Conventions[1] and several key domestic sources of labour law, the most significant being the Constitution of the Republic of North Macedonia[2] and the Labour Relations Law.[3] The Labour Relations Law from 2005 is the basic valid legislation that regulates the legal framework of collective bargaining in North Macedonia. After more than 15 years since its adoption and after more than 35 amendments and addenda, North Macedonia is about to adopt a new draft law that is being harmonized with social partners. The new law is expected to address several important issues related to freedom of association and the right to collective bargaining, and legal and labour professionals have been keen to gain insight into its implications in the workplace and for society at large. Among their concerns are regulation of the structure (levels) of organizing workers and employers, legal subjectivity of trade unions, functional and scope of application of collective agreements, extension of the validity of the collective agreements concluded at the level of the branch, i.e. department, according to the National Classification of Activities, and the duration, extension of validity and termination of collective agreements.

This analysis gives an overview of the state of play of collective bargaining in North Macedonia gathered through domestic collective agreements and collective bargaining practices.

Both the normative sections (on working and employment conditions) and the obligatory sections (on rights and obligations between parties to the collective agreement), reviewing more than 20 collective agreements concluded at the national level (i.e. general collective agreements for the private and the public sector), have been analysed in detail, both at the branch level, i.e. department, according to the National Classification of Activities (specific collective agreements), and employer level (i.e. certain individual collective agreements). By analysing their content and placing them in the context of relevant provisions of the Labour Relations Law, this analysis addresses vital issues which constitute the framework of collective bargaining in North Macedonia; they are further subject to in-depth legal interpretation, with the purpose of ensuring more correct and more appropriate application of disputed or unclear provisions of the Labour Relations Law.

The process, dynamics, problems and challenges that social partners encounter during collective bargaining are also covered by this study, with special reference to issues related to wages and payments and the impact of the Covid-19 pandemic on collective bargaining.

[1] North Macedonia has ratified the two fundamental ILO conventions on freedom of association and protection of the right to organize (Convention No. 87) and protection of the right to organize and collective bargaining (Convention No. 98). In addition, integral parts of North Macedonia's legal order are other relevant standards in the field of freedom of association and collective bargaining (Collective Bargaining Convention No. 154, Workers' Representatives Convention No. 135, Labour Relations (Public Service Convention) No. 151).

[2] Constitution of the Republic of North Macedonia (Official Gazette of the Republic of Macedonia, No. 52, 1991 – hereafter Official Gazette).

[3] Labour Relations Law (Official Gazette, No. 62, 2005).

Methodology

The methodological framework of the research consists of three components.

An analysis of the legal framework of collective bargaining regarding its subject and content (material scope), application, hierarchy, duration of and extensions to validity, levels and parties, representativeness of trade unions and employers' associations for participation, implementation and disputes, and other procedural aspects (bargaining in good faith, registration and so forth).

A review and analysis of more than 20 collective agreements concluded between the relevant social partners at different levels. This component is supplemented with an overview of the basic data on concluded general and specific collective agreements in North Macedonia, as well as relevant statistical data related to collective bargaining in the country.

Interviews with representatives of the representative trade unions at the national level (Federation of Trade Unions of Macedonia – SSM and the Organization of Employers of Macedonia – OEM) and the Ministry of Labour and Social Policy (MLSP). During the interviews, special emphasis was placed on collective bargaining in sectors like education, food processing, healthcare, hospitality and transport.

Material scope of a collective agreement disaggregated by level

The material scope and subject of collective bargaining in North Macedonia is determined indirectly through the Labour Relations Law.[4] The subject of the collective agreements makes reference to two significant groups of provisions (obligatory and normative), through which the content of collective bargaining is expressed.

The first group of provisions covers the *rights and obligations* which bind the contracting parties (the union and the employer, i.e. the employers' association). These provisions make up the so-called "obligatory part" of the collective agreement. The second group of provisions covers the conclusion, content and termination of the employment relationship and other issues in the sphere of, or in relation to, the employment relationship, or the so-called "normative part" of the collective agreement. Thus determined, the subject and content of collective agreements are narrowed down to a range of issues through which the freedom of bargaining of the parties is expressed.

The **"obligatory part"** of collective agreements in North Macedonia usually consists of the obligations and rights that apply to and bind the contracting parties. (For example: conditions and procedures for amending and supplementing, procedures for amicable settlement of collective labour disputes, monitoring and interpretation, cancellation and so forth). Collective agreements in North Macedonia usually contain provisions that regulate issues related to working conditions of trade union members, working conditions and special protection of trade union representatives, and informing and consulting with workers with the mediation of their representatives. These provisions of the collective agreements are considered provisions of an "obligatory nature" (see Starova 2009, 68); however, considering that they indirectly have a normative effect on the working conditions and employment of workers, the approaches of comparative labour law are also worth noting, which consider these types of provisions as special, i.e. "normative provisions" of a collective nature (see Engels and Salas 2005).

The **"normative part"** of collective agreements in North Macedonia covers issues that are part of all essential stages of the existence of an employment relationship (conclusion, content and termination). These issues normally regulate **working conditions** (for example, wages, working hours, holidays and leave, among others) and **employment conditions** (for example, equal opportunities in the workplace, terms of reference, probation and internships, vocational training and education, termination and so on).

[4] See: Labour Relations Law (Official Gazette, No. 62, 200), article 206, paragraph 1.

1. Determining working and employment conditions

1.1. Working hours, holiday and leave

Collective agreements do not contain provisions that significantly deviate from the legal framework governing the duration and organization of **working time**. The Labour Relations Law provides an alternative to reduce the ***duration*** of full-time work, which is limited to a maximum of 40 hours per week, by using a collective agreement, but it cannot be less than 36 hours per week. However, the findings here show that neither General nor Specific Collective Agreements introduce full-time work shorter than the standard 40 hours per week. Certain collective agreements leave room for such an opportunity to be provided in collective agreements at the level of the employer. [6] [7]

In other agreements, the possibility of reducing the duration of full-time work through a company-level collective agreement is associated with the organization of shift work, assuming that shorter working hours would increase labour productivity.[8] A third group of collective agreements do not seem to reflect the purpose of the legal provision that provides an alternative to reduce the duration of full-time work collectively, and this alternative is strictly limited to those cases when the working conditions are extremely difficult.[9] As with the duration of full-time work, collective agreements do not significantly address the part of the legal framework that regulates ***overtime work***. Certain collective agreements provide specific details regarding limitations on the duration of overtime work and the manner of its introduction by the employer. For instance, we found some provisions in which a limit is also introduced for the duration of daily working hours – not to exceed 10 hours per day.[10] As for overtime work, several collective agreements fill in the legal gap that exists in the Labour Relations Law, stating that overtime work shall be introduced in writing; if overtime work is introduced by means of a verbal order (e.g. CA for the energy industry), or verbally, by telephone, and electronically (e.g. CA for independent regulatory bodies), such an order should be confirmed by a written decision made within 3 days[11] or 48 hours[12] from the introduction of overtime work.

Collective agreements also regulate the ***redistribution of working hours*** (i.e. averaging total working time over a certain reference period no longer than one year). While certain collective agreements closely regulate the reasons why redistribution of working hours may be introduced (due to the nature of the activity and the organization of work, better use of means of work, more rational use of working hours and performance

[5] Labour Relations Law, article 116, paragraph 3.
[6] Recently, a new website of the Association of Labour and Social Law (ЗТСП) was launched. The website contains database of all the relevant CBA (General and Speceifi, as they are mandatorily published in the Official Gazette). The website of the association is https://trudovopravo.mk/, while the link leading directly to the CBA database is https://trudovopravo.mk/propisi/kolektivni-dogovori/.
[7] See: CA for tobacco industry, article 101, paragraph 3; CA for agriculture and food processing, article 74, paragraph 3; CA for energy, article 16, paragraph 3.
[8] See: CA for hospitality, article 88; CA for companies from other monetary intermediation and the activity of intermediation in operations with securities and commodity contracts, article 17; CA for communal activities, article 83.
[9] See: GCA for the private sector, article 36, paragraph 2; CA for textile industry, article 51, paragraph 2; CA for leather and footwear industry, article 51, paragraph 2.
[10] See: CA for tobacco industry, article 104; CA for agriculture and food processing, article 77, paragraph 1.
[11] CA for energy, article 22, paragraph 3.
[12] CA for independent regulatory bodies, article 41, paragraphs 3 and 4.
[13] See: CA for agriculture and food processing, article 76, paragraph 1 and CA for the tobacco industry, article 103.

of certain tasks and tasks with set deadlines, maintenance and overhaul, preparation of calculations and analyses, observance of certain deadlines in the interest of the employer, and so on),[13] other collective agreements provide deadlines for the compensation of overtime work in the form of days off within a strict reference period or by registering overtime in the employee's length of service in accordance with pension insurance regulations.[14]

Interestingly, ***flexible working time arrangements to accommodate work-life balance*** have not gained much traction in the scope of issues subject to collective bargaining. We identified only one instance that introduces flexible working hours that start at 07:30–08:30 a.m. and end at 15:30–16:30 p.m.[15] Some research shows that more "innovative" models are acceptable to both employers and unions (i.e. flex-time, credit and debit balance of working hours and so on). However, these are rarely applied in practice due to insufficient legal provisions on the reference periods in which redistribution, i.e. averaging, of working hours can be done and due to the lack of appropriate rules for limiting and protecting workers from overexploitation (Kalamatiev and Ristovski 2013).

Collective agreements' treatment of **breaks and daily and weekly rest** do not differ from national legal provisions. However, an authentic reflection of collective bargaining can be found in regulation of the duration, criteria and manner of using **annual leave**. The *duration* of annual leave is a sensitive issue that causes disputes in collective bargaining and results in an unequal normative approach.

A major stumbling block is caused by a provision in the Labour Relations Law which determines the upper limit of annual leave at 26 working days.[16] However, the Labour Relations Law provides a possibility to extend annual leave beyond 26 working days for certain categories of workers.[17] The cogent legal provision, which prescribes a maximum limit of annual leave, "puts to the test" the interpretation of the "principle of favourability" for workers regarding the regulation of labour relations from lower-level legal sources, and it leads to various solutions in collective agreements. Typically, higher-level collective agreements provide for a better chance to "break through" the maximum limit for annual leave than lower collective agreements. Thus, the General Collective Agreement leaves it to the special and individual collective agreements to provide for longer annual leave than the national maximum,[18] and certain specific collective agreements leave such a possibility to individual collective agreements.[19] We found one collective agreement that limits the maximum duration of annual leave to 33 working days.[20]

Considering that the Labour Relations Law sets the lowest and highest limit for the duration of annual leave, collective agreements more closely regulate the *criteria* used to determine the exact number of days off for workers. These criteria usually include length of service, complexity of the work and working conditions. Other criteria might include shift work and social conditions,[21] special pension schemes,[22] contribution to work.[23] and so on. Certain collective agreements also regulate the procedure and manner for requesting annual leave

[14] See: CA for hospitality, article 85, paragraph 1 and article 86, paragraph 1.
[15] See: CA for state administration, article 8.
[16] See: LRL, article 137, paragraph 2.
[17] See: LRL, article 137, paragraph 3.
[18] See: GCA for the private sector, article 40, paragraph 5.
[19] For example, the CA for agriculture and food processing stipulates that a collective agreement at the level of the employer can provide for a longer annual leave, which can be up to 36 working days (article 94, paragraph 1).
[20] See: CA for defence, article 33.
[21] See: CA for hospitality (article 100 and article 101), whereby, under the criterion "social circumstances", CA refers to an increase in days of annual leave for a single parent (article 101).
[22] See: CA for agriculture and food industry (article 93, paragraph 3), CA for the tobacco industry (article 115, paragraph 3).
[23] See: CA for communal activities (article 92, paragraph 2)

as to how and when an employee may take time off.[24] [25] Considering occupations like national defence or internal affairs, some collective agreements provide for early *termination or postponement* of started or planned annual leave, for the purposes of the service(s).[26] Additionally, these collective agreements envisage the consequences arising from termination or postponement, for which the respective employees are entitled to appropriate compensation commensurate to incurred or expected costs.[27]

Absence is also regulated by collective agreements. The specificity of collective agreements in relation to the Labour Relations Law is best reflected in regulation of the grounds (cases) for paid leave due to personal and family circumstances or so-called "paid extraordinary leave", and the number of days thereof. The general collective agreements include cases like marriage, birth or adoption, family bereavement, professional qualifications, natural disasters, relocation and children's schooling.[28] A few collective agreements also cite cases like high school enrolment outside one's official place of residence,[29] divorce,[30] burglary[31] and so forth. An employee can use paid extraordinary leave regardless of the requirements of the work process, i.e. no special approval from an employer is required.

Collective agreements also regulate the grounds (cases) for exercising the right to *unpaid leave*. According to the general collective agreements, such cases include caretaking of a family member; property construction or repair; cultural and sports events; professional development and the like; private medical treatment and so forth. In addition, some specific collective agreements also include urgent personal affairs, overseas travel,[32] bar exam preparation, thesis or doctoral research[33] and so on.

1.2. Employment contracts, termination, probation

North Macedonia's Labour Relations Law and other special laws primarily spell out the procedures for establishing an employment relationship as well as the rights and obligations of the parties in concluding the employment contract; collective agreements are usually restricted to the regulation or further regulation of certain aspects of the employment relationship as prescribed in the superior legal source, primarily the Labour Relations Law. These may include, for example, determining what constitutes the justified reasons that do or do not prevent an employee from appearing at work or the unilateral reassignment of an employee to perform work for which they are not contracted. Collective agreements foresee the following *justified reasons* that prevent an employee from starting work on the first day determined by their employment contract: illness, death of an immediate family member or natural disaster, as well as other cases determined in a lower-level collective agreement or employment contract.[34]

[24] For example, the CA for agriculture and food industry provides for the preparation of an Annual Leave Plan by the company, whereby the employer should take care that the same workers do not use the annual leave at the same time each year, as well as take into account the wishes of workers, if not contrary to the requirements of the work process (article 97, paragraphs 1 and 2).
[25] For example, the CA for higher education provides for the preparation of a plan for the use of annual leave in public higher education and scientific institutions no later than 20 days before the use of annual leave and the right of each employee to request a change in the schedule for use of annual leave (article 45, paragraphs 1 and 2). Similar provisions are contained in the CA for primary education (article 23), CA for secondary education (article 23), CA for culture (article 52) and so on.
[26] *See: CA for defence, article 37; CA for internal affairs, article 115, paragraph 1.*
[27] *See: CA for defence, article 38; CA for internal affairs, article 115, paragraph 2.*
[28] *See: GCA for the private sector, article 42; GCA for the public sector, article 28.*
[29] *CA for culture, article 53.*
[30] *CA for culture, article 53; CA for the state administration bodies, article 13; CA for social protection, article 32.*
[31] *CA for the state administration bodies, article 13.*
[32] *CA for hospitality, article 106.*
[33] *CA for the state administration bodies, article 14.*
[34] *See: GCA for the private sector, article 6 and GCA for the public sector, article 7.*

Collective agreements also regulate so-called "functional flexibility", i.e. *conditions and cases of unilateral reassignment* of employees to perform tasks that are unforeseen in an employment contract. The basic rule arising from the Labour Relations Law is that amendments to the employment contract can be made with the mutual consent of both contracting parties.[35] However, another provision in the Labour Relations Law provides an opportunity, in cases determined by law and collective agreement, for the employer to oblige the employee to perform other work, if it is within the scope of their professional training.[36]

The conditions for unilateral reassignment of workers and the cases thereof are primarily regulated in the general collective agreements. In this regard, for example, the GCA for the private sector provides that an employee is obliged to perform other work that is not provided for in their employment contract for no longer than for two months. The employer may temporarily assign the employee to perform other tasks, for example, to cover for an absent employee or a dramatic increase in work, or to complete urgent repairs. In all cases when an employee performs work outside their employment contract, they are entitled to a salary no lower than their normal, contracted post.[37] In principle, these rules are also embedded in other private-sector collective agreements concluded at a lower level.[38] One specific collective agreement from our sample provides for a temporary unilateral reassignment of employees to jobs that require a lower levelof professional training in certain "exceptional" cases.[39] The conditions under which these workers are unilaterally reassigned are different and in some ways less favourable compared to provisions in the GCA for the private sector.

The legal framework governing the working conditions of **non-standard (atypical) employment contracts** primarily falls within the scope of the Labour Relations Law and other special laws. Collective agreements do not contain provisions that regulate issues related to non-standard (atypical) employment agreements.

General Collective Agreements specify very little about the cancellation of employment contracts, and Specific collective Agreements take up the slack to regulate the **justified reasons and the procedure** for termination of employment contracts by an employer. The reasons for termination of an employment contract by an employer are largely regulated by the Labour Relations Law, which establishes a "trichotomous" division: personal reasons, misconduct and business reasons. In practice, *personal reasons* for dismissal are the least familiar and least applied grounds for termination (Tomanovi 2003). This is due an imprecise regulation of the cases that fall under generic grounds for dismissal, a lack of objective criteria and measures for monitoring and evaluating an employee's capabilities and results (performance) and so forth.

[35] *See: GCA for the private sector, article 8.*
[36] *For example: CA for the chemical industry, article 9; CA for hospitality, article 10; CA for the leather and footwear industry, article 12; CA for the textile industry, article 12; CA for agriculture and food processing, article 19; and others.*
[37] *See: GCA for the private sector, article 8.*
[38] *For example: CA for the chemical industry, article 9; CA for hospitality, article 10; CA for the leather and footwear industry, article 12; CA for the textile industry, article 12; CA for agriculture and food processing, article 19; and others.*
[39] *CA of companies from other monetary intermediation and the activity of intermediation in operations with securities and commodity contracts, article 14, paragraph 1.*

Certain collective agreements more closely regulate the cases[40] and procedures for terminating employment contracts for personal reasons.[41]

In practice, another issue is the regulation of cases of dismissal by an employer without a notice period due to an *employee's misconduct* (serious violations of work, discipline or obligations). The law allows for an indicative list of cases that can be sanctioned with dismissal without a notice period that are apt for a collective agreement, but without explicitly limiting this action to cases of serious violations that make an employment relationship untenable. Hence, certain collective agreements include cases that are disputable as to whether they are in the range of cases that can be sanctioned with dismissal without notice (for example, sleeping on the job,[42] refusal to perform contracted work,[43] gambling during working hours[44] and so on).

Collective agreements are essential for regulation of *the procedure for termination of employment* due to an employee's misconduct. They fill in the legal gaps in the Labour Relations Law, which, among others, refers to determining the facts before dismissal. Thus, some collective agreements specify how evidence, statements and witness testimony are to be collected by an employer.[45] A preliminary hearing may also be part of this pre-dismissal procedure. Certain collective agreements explicitly provide for an employee's right to a written statement about their case,[46] while others provide an opportunity for the employee to present both a verbal statement (to be included in the records) and a written statement.[47] The importance of an employer's obligation to hear their employee (if such an obligation is provided for in a valid collective agreement) is also recognized by the competent courts.[48]

Finally, collective agreements are also essential to regulating the procedure for terminating employment contracts due to *business reasons*, including collective redundancies. The importance of collective agreements, above all, is reflected in the setting of criteria and standards for the selection of workers who will have priority to keep their jobs.

[40] *For example, the Collective Agreement of the companies from other monetary intermediation and the activity of intermediation in operations with securities and commodity contracts refers to the following "personal reasons" for termination: (1) unsatisfactory level of overall performance of the work, non-fulfilment of the set individual goals (targets); (2) frequent mistakes in accomplishing work tasks and responsibilities; (3) unsatisfactory capacity to understand assigned duties, responsibilities and tasks by the employee; (4) untimely fulfilment of the given tasks, with frequent delays, lack of customer orientation, not meeting the requirements for service, maintenance and development of business relationship with customers (untimely service, lack of kindness, flexibility, proper application of sales skills, attracting new customers); (5) lack of ability and engagement to include and encourage teamwork, inefficient communication skills, inability to express their views and ideas in individual or group situations, poor ability to convey messages in a clear, precise and understandable way when expressing views and ideas, either orally or in writing; (6) and in other cases determined by a Collective Agreement at the level of the employer or an internal act, article 71, paragraph 3).*

[41] *For example, the Collective Agreement for employees in agriculture and food processing provides for the following stages of the procedure for termination of the employment contract for personal reasons: the immediate supervisor of the employee notes unsatisfactory performance of tasks by the employee and submits a report to the responsible person at the employer; the responsible person at the employer issues a written warning to the employee to improve the work within 30 days; the responsible person at the employer makes a decision to establish a commission for assessment of the employee's ability, which is obliged to obtain all the necessary data for assessment of the conditions, circumstances and reasons for the employee's inability to perform the contractual obligations; based on the assessment of the commission, the responsible person at the employer may make a decision to terminate the employment contract with a notice period (article 25).*

[42] *CA for hospitality (article 40, paragraph 1, item 22).*

[43] *CA for the chemical industry (article 28, paragraph 1, item 8) and others.*

[44] *CA of companies from other monetary intermediation and the activity of intermediation in operations with securities and commodity contracts (article 76).*

[45] *See: CA of companies from other monetary intermediation and the activity of intermediation in operations with securities and commodity contracts (article 81, paragraphs 1 and 2); CA for agriculture (article 34, paragraph 2); CA for the tobacco industry (article 38, paragraph 4).*

[46] *For example, the Collective Agreement for the leather and footwear industry of the Republic of Macedonia (article 23).*

[47] *For example, the Collective Agreement of companies from other monetary intermediation and the activity of intermediation in the operation of securities and commodity agreements (article 81, paragraph 3 and paragraph 4);*

[48] *With Decision No. 8/13, the Basic Court in Strumica annulled the decision for termination of the employment contract of the worker because, inter alia, the commission for determining injuries at work of the defendant (the employer) failed to determine (by oral hearing of the plaintiff) the important circumstances based on which it gives an opinion on the liability of the plaintiff for the incurred damage.*

In most of these agreements, the predominant criteria include *vocational training and qualification, length of service, type and significance of the job, performance results, age and so on.*[49] Collective agreements also contain certain social criteria (for example, an employee's *health and socio-economic condition)*; however, they usually weigh less in the final score.[50] Social criteria usually are decisive when workers are in the same position (with the same number of points) after their scoring according to the previous criteria and standards.

For **probationary work**, collective agreements usually limit the maximum duration of the probationary period, divided by type of work, i.e. complexity (for example, for jobs rated with a lower complexity, the maximum duration of the trial is up to two months; for jobs with the highest complexity, the maximum duration of the trial is up to four months).[51]

1.3. Workers' wages and pay

In principle, the system and structure for setting workers' **wages** with collective agreements derives from the GCA for the private sector, which introduces a unified wage-setting formula which is further applied in the specific and the individual collective agreements. In accordance with the formula, a salary is obtained by *multiplying* the amount of the *minimum wage* (so-called *calculation value per unit-coefficient*) which is determined by a collective agreement at the branch level, department level or by the employer, with t*he coefficient of complexity level of the workplace*. The salaries of public sector employees are determined using a similar formula if a collective agreements exist.[52]

The minimum wage determined by collective agreements in our sample has two functions. The first one *is to determine the lowest labour cost in the branch/department,* i.e. with the employer, set for the simplest jobs with the lowest coefficient (coefficient 1). The second function of the minimum wage is to determine (calculate) *the lowest basic net salary* in the branch/department, or with the employer, i.e. the labour cost for the jobs with the lowest coefficient of complexity 1, and through it, the lowest basic net wage is determined (the price of labour) for more complex work that has a higher coefficient of complexity.

The coefficient of complexity organizes jobs into groups of varying degrees of complexity. Jobs in the GCA for the private sector range across nine classifications: from group 1 – *simple, repetitive and diverse tasks with coefficient* 1 – to group 9 – *most complex, specialized, creative and independent tasks with a coefficient of* 3. This model tends to be applied in lower-level collective agreements, allowing room for other groups and higher degrees and coefficients of complexity to be defined. Public sector jobs are also organized into groups/subgroups and presented with coefficients of complexity.

The Labour Relations Law and collective agreements (in the private sector) determine **three main components** of salaries: basic wage, performance-related wage and additional allowances. A similar structure was observed in public sector employees' salaries: they consist of a basic component and an extraordinary component of the salary, which is made up of performance-related wage, wage supplements and other allowances. Important components that make up salaries include allowances for work-related costs and other types of allowances.[53]

[49] Collective agreements that meet these criteria are the CA for employees in the food industry; CA for the textile industry; CA for public institutions for care and education of children and institutions of recreation of children, and others.
[50] Collective agreements that meet these criteria are the CA of the companies from other monetary intermediation and the activity of intermediation in the operation of securities and commodity agreements; CA for culture; CA for primary education and others.
[51] See: GCA for the private sector, article 9.
[52] For example, according to the CA for social security, the basic wage is determined by multiplying the wage points by the value of the point for calculating wages (article 51, paragraph 1).
[53] See: CA for social protection, article 47; CA for higher education, article 68.

There are additional allowances which should be added to the listed components that make up the wages, which are paid in cases when a worker is absent and for a duration provided for in the law and the collective agreement. The Labour Relations Law and the respective collective agreements use the term "salary compensations" for these allowances.

The basic salary (lowest basic wage) is paid for a certain quantity and quality of labour (defined as labour force in this instance) put in by an employee within an employment relationship. The quantity and quality of the invested labour as measures for attaining the basic wage are determined by two criteria: working hours and/or work-related performance. Collective agreements typically combine the previous two criteria: the basic wage is set as a "time-based wage" paid for "full-time working hours" and "normal working conditions" and also as a wage paid on the basis of achieving certain average operating results that are commonly described as "normal work-related performance". In the analysed collective agreements, we did not find a more detailed specification of the norms and standards that an employee should meet in order to achieve a normal work-related performance; hence, they are determined by an employer by an internal act. However, trade unions are indirectly involved in the assessment of the feasibility of norms and standards. Thus, if a certain percentage of workers in certain branches (for example, 30 per cent in the case of the CA for agriculture and food processing or 50 per cent in the case of the CA for the chemical industry) do not meet the established norms and standards, the union may initiate a re-examination.

The performance-related wage is a variable part of a salary that is paid to individuals or groups of workers for greater results in operations. We found such a component of workers' wages in almost all analysed collective agreements, which provide the same or similar criteria and measures for determining the performance-related part of the wage (economical conduct, volume, quality, creativity and inventiveness, achieved productivity, economy, savings in the work process, efficiency and use of means of work and working hours, and so on), as well as the same or similar procedure for attaining work-related performance (where employees are acquainted in advance with the criteria and measures for achieving work-related performance allowance, which is assessed later by a manager). In addition to the payment of a performance-related wage, collective agreements can provide for a possibility to pay part of the wage due to profits of the business activities of the employer. None of the analysed collective agreements elaborate on this component of an employee's wage in more detail.

Wage supplements/allowances are paid for special working conditions arising from the working conditions at the workplace or from the arrangement of working hours. Collective agreements provide for the payment of wage supplements in cases where a worker is exposed to adverse environmental conditions, uses protective equipment for work or is exposed to potential life-threatening hazards. Collective agreements also provide for an increase in the basic wage around working hours by a certain percentage amount calculated per hour. Nearly without exception, collective agreements provide for wage supplements/allowances in the following cases: overtime – 35 per cent, night shift – 35 per cent, triple shifts – 5 per cent, weekends – 50 per cent, and work on religious and legal holidays – in the amount of the regular per diem/hour of the employee and the regular per diem/hour for the working hours spent at work increased by 50 per cent or in total in the amount of 250 per cent. The wage supplements also include a seniority allowance. This length of service allowance automatically increases an employee's basic wage by 0.5 per cent for each year. In the case of public sector employees, this is considered an integral part of the basic wage.

Allowances for work-related costs are usually paid in the following cases and amounts: domestic business trips (per diems at eight per cent of base salary); international business trips (determined by government decree); field allowance (determined by employer-level CA); family separation (compensation not less than 60 per cent of the base, provided that certain CAs set a proportional reduction of this allowance if an employee is provided with accommodation, food and other services); personal vehicle use (30 per cent of the price per litre of fuel for each kilometre travelled) and relocation (reimbursement of actual costs). Food and travel expenses also fall into this group. In principle, collective agreements allow employers to pay these allowances either in kind (by arranging on-the-job meals and organized transportation to and from work) or in money. The average monthly net wage per employee in the country paid in the last three months is usually taken as the base for calculating and paying wage allowances.

Collective agreements may also provide for **other heterogeneous types of allowances**, from which some are treated as assistance intended for the worker or their family members. Allowances in this group may be paid in the following cases: sick leave of more than six months due to work-related injury and occupational disease, death of an employee or death of an employee's family member in the same household, and severe consequences of natural disasters. Allowances also may be related to an employee's length of service, such as jubilees and retirement. Allowances also may be awarded for certain occasions or times of year when workers face increased costs. The most significant is annual leave, together with a so-called New Year's allowance. The average monthly net wage per employee in the country paid in the last three months is usually taken as the base for calculating and paying these allowances. Finally, allowances can also be paid for innovations, processes and other types of authorship for an employer; such allowances shall be set by direct agreement between employee and employer.

The collective agreements in this analysis, in principle, do not address the issue of severance pay differently or in more favourable amounts than the amounts provided by the Labour Relations Law. The findings regarding the payment of certain in-kind benefits are similar. Such benefits are few and far between.

Some collective agreements provide employers with a possibility (depending on the economic justification) to arrange transportation of employees to and from work, as well as to provide a daily hot meal for employees at work.

The aforementioned components that make up a wage, in principle, differ from the allowances paid for the time an employee is absent from work in cases and in duration determined by law and collective agreement. While in the former case the wage is paid as a reward for the effort or work performed by an employee (effective work), in the latter, an employee obtains paid leave of absence for the duration of which they acquire a **paid leave allowance**. Paid leave allowances are usually recognized in the following cases and in the following amounts: for sick leave, i.e. temporary incapacity to work; for annual leave; for extraordinary leave, i.e. paid leave due to personal and family circumstances up to seven working days during the year; for holidays and non-working days determined by law or other regulation and for days off from work;[54] for education and vocational training in accordance with the needs of an employer and so on. Barring sick leave, the average monthly net wage of an employee in the last 12 months is usually taken as the base for calculating and paying the previous allowances. Collective agreements also provide for the calculation and payment of

[54] According to GCA, for sick leave up to 15 days in the amount of 70 per cent, and above 15 days starting from the first day of sick leave up to 30 days in the amount of 90 per cent of the base and at the expense of the employer, while paid leave allowance above 30 days is at the expense of the Health Insurance Fund.

paid leave allowances in other cases such as: interruption of the work process due to reasons on the part of the employer, strike and so forth.

1.4. Occupational safety and health

Collective agreements in North Macedonia contain provisions on issues related to occupational safety and health. Usually, they are general principles that are taken from the Labour Relations Law and the Law on Occupational Safety and Health. Certain collective agreements provide for specifics that more closely or favourably regulate issues in the field of occupational safety and health. For example, there are collective agreements that impose an obligation on the employer to adopt general acts for protection at work,[55] or an obligation to ensure medical examinations for workers within a period shorter than the legally prescribed period intended for the same purposes.[56]

1.5. Telework/work from home or other forms of work arrangements during a pandemic

The existing legal framework for regulating work outside an employer's working premises in North Macedonia does not regulate telework. The Labour Relations Law covers only the "traditional" form of work in a separate workplace; the sole legal basis for *work from home is the conclusion of an employment contract for performing work from home*.[57] As with the labour legislation, the General Collective Agreements for the private and public sector in North Macedonia do not address the issue of work from home/telework at all, and the same goes for the Specific collective Agreements. At the beginning of the national emergency caused by the Covid-19 pandemic, telework was not originally regulated by any decree with force of law. The only legal acts that implicitly recommended public and private sector employers to apply telework/work from home were the by-laws adopted in early March 2020.[58] However, neither the existing provisions of the Labour Relations Law that regulate work from home nor the by-laws that recommend telework/work from home offer a solution to important issues that have emerged in practice in the past, such as the possibility of introducing telework/work from home at a later stage of employment or a hybrid work combining remote work and work at the employer's premises; working conditions for remote workers, labour inspection of home offices and so on (Ristovski and Mihes 2020).

[55] See: CA for hospitality, article 118; CA for communal activities, article 115, paragraph 2.
[56] For example: The Code of Culture stipulates that the employer must provide health examinations for workers at least every 12 months (article 57, paragraph 2). Compared to the CA for culture, the Law on Occupational Safety and Health obliges the employer to provide health examinations for employees at least every 2
[57] See: LRL, article 50.
[58] See: Measures and Conclusions of the Government of Republic of North Macedonia from 10–11 March and Government Decision from 12 March 2020.

1.6. Job retention measures

Since the beginning of the Covid-19 pandemic in 2020, several measures to support employment security and workers' incomes have been adopted in North Macedonia. The most important were measures for financial support of employers for payment of salaries.[59] In parallel, the provisions of the Labour Relations Law were applied to provide flexibility to employers while maintaining job and income security for North Macedonia's workers (see Kalamatiev and Ristovski 2021). Such measures included a combination of the introduction of reduced working hours, compressed working hours, redistribution of working hours, (unilateral) salary reduction as a consequence of force majeure, (unilateral) salary reduction as a consequence of termination of work due to business reasons on the part of the employer, contractual (agreed) reduction of basic salary, contractual (agreed) reduction of working hours in order to reduce the minimum basic wage and so on. In addition to the measures in the Labour Relations Law, the GCA for the private sector provides another, authentic way that introduced the possibility for a temporary reduction of worker's wages at employers facing operational difficulties, in accordance with the union. This measure proposed a temporary reduction of the lowest basic wage of the employee of up to a maximum of 20 per cent and for no longer than 6 months, whereby the employer was required to pay the reduced amount within 6 months after overcoming the difficulties.[60]

1.7. Special protection of vulnerable categories of workers (pregnant women, young people and elderly workers)

Most collective agreements in North Macedonia contain special protections for vulnerable categories of workers. These provisions normally embed the general principles for protection of vulnerable categories of workers provided for in the Labour Relations Law. However, certain collective agreements provide for specifics that closely regulate the protection of certain vulnerable groups. For example, there are collective agreements that prohibit the employer from assigning special groups of workers to another job outside the headquarters (for example, pregnant workers, mothers with children under age three, disabled persons, single parents, single parents with children up to age seven, parents of severely disabled children and so on).[61] Other collective agreements prohibit the redundancy of workers who have five years left to fulfil their retirement requirements.[62]

[59] See: Decree with legal force for financial support of the employers from the private sector from 7 April (with several consecutive amendments) which introduced the possibility to use direct assistance in the amount of maximum 14,500 dinars per month (in the amount of the minimum wage), for the months of April, May and June for all companies affected by the crisis, with an obligation for the employer not to reduce the number of employees to a certain percentage until the end of August, except for certain clearly defined cases which do not include dismissals due to personal reasons and termination of the employment contract by mutual consent; Decree with legal force for application of the Labour Relations Law from 1 May, which is placed in the context of the previous Decree and which provided for the possibility of returning previously deregistered workers to work by mutual consent, in the period from 11 March to 30 April, with an obligation for the employer to settle all obligations arising from the employment relationship and related to the compulsory social insurance of the employee from the day of termination to the day of concluding the agreement, all in order to enable the employer to use financial support in the amount of the minimum wage; Decree with legal force for subsidizing the payment of compulsory social security contributions from 6 April (as an alternative to the Decree on financial support of wages, with the exception of employers from the most affected sectors – hospitality, tourism and transport, which can combine the measures) by which the compulsory social insurance contributions are subsidized for the months of April, May and June 2020 in the amount of 50 per cent. After the expiration of the validity of the Decrees with legal force, some of the measures envisaged in them underwent certain amendments to become subject of regulation of the Law on Financial Support to Employers Affected by the Health and Economic Crisis Caused by the Covid-19 Virus for Payment of Wages for the months of October, November and December 2020, which has been in force since 9 November 2020. In principle, in accordance with this Law, the financial support of employers is determined progressively from 14,500 dinars per employee to 21,776 dinars per employee, depending on the company's decline in revenues.

[60] See: GCA for the private sector, article 18.

[61] See: CA for companies from other monetary intermediation and the activity of intermediation in operations with securities and commodity contracts, article 13; CA for higher education, article 24.

[62] See: CA for primary education (article 79); CA for secondary education (article 76).

1.8. Vocational training and internship

Collective agreements in North Macedonia usually contain special provisions that regulate the professional training and education of workers for the needs of and in the interest of an employer, and determine workers' right to paid leave of absence, reimbursement of training and education and so forth.[63] Certain collective agreements explicitly refer to the contractual regulation of the relations between the contracting parties under conditions when an employer invests in the professional development and training of their employee, who, in turn, agrees to work for their employer for a certain period of time upon completion of professional development and training.[64] Regarding vocational training and education of workers in their own interest, certain collective agreements may regulate the right to paid leave of absence from work for exams and determine the number of days that the worker is entitled to on those grounds.[65] Certain collective agreements also contain provisions on the manner of working and the working conditions for pupils and students during their practical work.[66]

Collective agreements also regulate traineeships and their duration depending on the level of education of the trainee, the level of vocational education and work experience of their mentor and members of the traineeship exam commission, the number of times an exam may be taken and the legal consequences resulting from failure to pass.[67]

2. Regulating relations between employers and employees

Collective agreements, in principle, contain provisions governing the relationship between employers and workers by means of informing and consulting workers, i.e. their representatives. However, when analysing the collective agreements' provisions on information and consultation, one should take into account the fact that neither North Macedonia's labour legislation nor collective agreements regulate the participation of employees in the management, i.e. decision-making within the enterprise (see Kalamatiev and Ristovski 2019). Formally, the Labour Relations Law is in line with EU directives establishing a general framework for informing and consulting employees and the special legal regimes for informing and consulting employees in the context of collective redundancies and enterprise transfer, but essentially North Macedonia's labour legislation neither provides for any procedure for the election of representatives of employees for information and consultation nor does it distinguish their responsibilities from the responsibilities of trade union representatives. Collective agreements partially fill the legal gaps arising from the Labour Relations Law. With hardly any exceptions, collective agreements choose the elected or appointed trade union representatives at the employer level to act as workers' representatives responsible for informing and consulting.[71]

[63] See: CA for financial activities (article 55); CA for energy (article 89).
[64] See: CA for culture (article 85), CA for independent regulatory bodies (article 12, paragraph 6) and others.
[65] See: CA for agriculture (article 118)
[66] See: CA for energy (article 90), CA for agriculture (article 119), CA for the tobacco industry (article 138
[67] See: CA for agriculture (article 21), CA for the tobacco industry (article 22), CA for culture (articles 19–25), CA for public institutions for children (article 19–22) and others.
[68] Directive on the General Framework for Informing and Consulting Employees 2002/14/EC.
[69] Collective Redundancies Directive 98/59/EC.
[70] Directive on the protection of employees' rights in the event of a transfer of an undertaking, activity or part of an undertaking or activity 2001/23/EC.
[71] See: GCA for private and public sector.

This approach does not solve the dilemmas that arise in circumstances when no trade union is organized at that employer, i.e. workers are not represented by an elected or appointed trade union representative.

Collective agreements go "one step beyond" the LLR when it comes to the regulation of issues that require workers' information and consultation, as well as the manner of conducting information and consultation. Thus, several specific collective agreements specify the following issues for communication: annual and multi-year development reports and plans, organizational changes, decisions governing employees' employment rights, annual business results, other issues of common interest,[72] drafts or proposals of acts that regulate labour relations, wages and occupational safety and health [73] and so on. Regarding information and consultation dynamics, the General Collective Agreements stipulate that information and consultation shall take place at least once a year, or as needed,[74] while multiple specific collective agreements stipulate that information and consultation should take place regularly and in due time.[75] Information and consultation can be conducted either in writing or verbally.[76] Certain specific collective agreements more closely regulate the manner of informing and consulting, stating that this can be done through the newsletter, bulletin, during meetings and so on.[77]

Collective agreements regulate a procedure for exercise, i.e. protection of workers' rights, when workers are entitled to a right or when a certain employment right has been violated. Most specific collective agreements fill the gaps left by the labour legislation in terms of ensuring a prior meeting/hearing of the employee in a procedure for exercising workers' rights, including a procedure for protection against dismissal, in order to establish "contradiction" in a procedure and ensure proper assessment of the facts. It seems that collective agreements' intent is to ensure a prior meeting/hearing of the employee in a procedure for exercise, i.e. protection of workers' rights in the second instance, which takes place before an employer, upon complaint filed by the employee. In that regard, first the general collective agreements, and then most of the specific collective agreements, determine the right of an employee to attend the procedure for exercise or protection of their rights, which takes place before an employer's second instance decision-making body. Under such a procedure, collective agreements allow the employee to be represented by a union representative or by other person (for example, a lawyer).[78]

[72] For example: CA for energy (article 86, paragraph 1), CA for agriculture (article 109, paragraph 1), CA for the textile industry (article 91, paragraph 1) and others.
[73] For example: CA for culture (article 88, paragraph 1), CA for primary education (article 47, paragraph 1), CA for secondary education (article 44, paragraph 1) and others.
[74] See: GCA for the private sector, (article 52, paragraph 1) and GCA for the public sector (article 33, paragraph 1).
[75] See: CA for energy, CA for agriculture, CA for textile industry.
[76] See: GCA for the private sector (article 52, paragraph 3) and GCA for the public sector (article 33, paragraph 3).
[77] See: CA for agriculture and food industry.
[78] See: GCA for the private sector, article 63; GCA for the public sector, article 43

3. Regulating the relations between employers or their organizations and trade unions

3.1. Peaceful settlement of collective labour disputes through conciliation, mediation and/or arbitration

Although little distinguishes the differences in the terms "conciliation" and "mediation" (ILO 2015), North Macedonia's legislation establishes special legal regimes for the peaceful settlement of labour disputes through "conciliation" and "mediation". While "conciliation" is regulated with the Law on the Peaceful Settlement of Labour Disputes[79] and is intended for peaceful settlement of collective "interest-related" and "legal" labour disputes exclusively, "mediation" is regulated with the Law on Mediation[80] and is intended for a wide range of contentious relationships, including labour disputes.[81] In practice, these two laws compete with one another, often to the detriment of the coherence of the legal framework for peaceful settlement of labour disputes (collective labour disputes included) and the purposefulness of "external" assistance to parties during voluntary collective bargaining. However, the Law on the Peaceful Settlement of Labour Disputes is of paramount importance and relevance as it prescribes the procedure and the participation of a conciliator in the collective bargaining process (prevention of a collective labour dispute), the peaceful settlement of collective labour disputes (including participation in a strike or dispute in activities of general interest) and the manner of resolving the dispute.

In parallel with the existence of the legally regulated procedure for peaceful settlement of collective labour disputes, **conciliation** is also regulated by collective agreements. Collective agreements usually provide for a conciliation procedure that takes place before a conciliation council composed of representatives of each of the parties to the dispute and a jointly elected conciliator who chairs the conciliation council and helps the parties find a solution to the dispute. In fact, collective agreements create another, additional "channel" of conciliation, different from the conciliation provided for in the Law on Peaceful Settlement of Labour Disputes. Whether the basis for conciliation is a collective agreement or the law, conciliation is envisaged as a voluntary manner of resolving collective labour disputes.[82] Compulsory conciliation is foreseen only in the case of a strike, including a strike or a dispute within the activities of general interest, in accordance with a special law.[83]

In addition to resolving collective labour disputes through conciliation, collective agreements usually provide for **"alignment"** and **"arbitration"**. Alignment is usually applied when amending or supplementing a collective agreement, when the other party does not accept or pronounce itself on the proposal to amend or supplement the collective agreement within the prescribed period. Although alignment is formally a separate procedure intended for the joint settlement

[79] *Official Gazette*, No. 87, 2007

[80] *Official Gazette*, No. 188, 2013.

[81] Law on Mediation, article 1, paragraph 2.

[82] The only CA which explicitly refers to the selection of conciliators, i.e. arbitrators from the Register of conciliators or arbitrators of the Ministry of Labour and Social Policy, according to the Law on Amicable Settlement of Labour Disputes is the CA for agriculture and food industry (article 106, paragraph 3).

[82] See: LRL, article 236 (paragraph 3) and ZMRRS, article 18 (paragraph 1 and paragraph 2).

of the parties to the dispute and occurs before the resolution of the interest-related collective labour dispute through conciliation, we still believe that there is no essential difference between this procedure and conciliation.[84] Collective agreements may also provide for a procedure for resolving collective labour disputes through arbitration. Arbitration is voluntary, and collective agreements stipulate that it can be applied either as an alternative to conciliation, or more commonly, as a procedure for peaceful settlement of a collective dispute after a failed conciliation. In the sampled collective agreements, a pre-arbitration procedure is foreseen, i.e. an arbitration council.[85]

3.2. Protection against anti-union discrimination and support of trade union activities

Collective agreements contain special provisions that regulate the working procedures of the respective trade union, the performance of union activities and special protection of the union representative. Employers are obliged to provide trade unions, i.e. their representatives, with professional, administrative and technical conditions for work and execution of their functions. Some collective agreements specify these conditions: space for work and meetings; use of internet, telephone and fax; copying and printing of materials; use of an official vehicle and so on. Employers are also obliged to provide certain financial and accounting services to unions. In that regard, employers are obliged to calculate and pay the union membership fee from the net salary of their workers, in accordance with the decisions or written notifications of the union.

In practice, the issue of identifying **"union representatives"** is vital, considering the special protection that these persons enjoy in performing their activities. Although employers' organizations advocate for a limit on the number and clear identification of trade union representatives, the type and number of trade union representatives are usually determined by the trade union through an internal act. Collective agreements provide an indicative framework for persons who may obtain the status of trade union representatives. Such persons are usually members of the higher bodies of the union. Some collective agreements go on to expand the scope of possible trade union representatives, while others narrow it down only to the president of a trade union with an employer.[88] Trade union representatives can perform their function voluntarily or professionally.[89] Collective agreement provisions guarantee regular communication and performance of union activities by a union representative with an employer, regardless of whether the union representative is or is not employed by the employer. In order to effectively carry out trade union activities, education and training, collective agreements closely regulate the right to paid leave for trade union representatives.

[84] Certain CAs (for example: CA for financial activities, CA for the state administration, CAs for healthcare and so on), provide only for "alignment" between the parties to the dispute, at the expense of "reconciliation".

[85] See: GCA for the private sector, article 51; GCA for the public sector, article 32.

[86] See: CA for culture (article 95); CA for leather and footwear industry (article 102); CA for the state administration (article 30).

[87] See: GCA for the public sector (article 39); GCA for the private sector (59).

[88] See: CA for companies from other monetary intermediation and the activity of intermediation in operations with securities and commodity contracts (article 58, paragraph 3).

[89] For example: the CA for agriculture and food processing stipulates that the president of the trade union with the employer, which has more than 300 members of the Agro Trade Union, shall perform the function professionally (article 127, paragraph 1). In addition to this provision, it stipulates that the salary of the professional trade union representative shall be provided by the employer (paragraph 3). This provision causes dilemmas from the aspect of the independence of the trade union representative and the (un) permitted interference of the employer in the performance of the trade union activities.

Application of collective agreements

The application of collective agreements in North Macedonia causes multiple dilemmas in legal regulation, interpretation and in practice. The Labour Relations Law establishes a combined system for the application of collective agreements which depends on the level of collective bargaining, i.e. the type of collective agreement concluded. In that sense, **general collective agreements** are directly applicable to and are mandatory for all employers and employees in the private or public sector (depending on the sector for which the general collective agreement is concluded),[90] and **individual collective agreements** apply to the signatories to the collective respective agreement, binding all workers at the employer level, including workers who are not members of the trade union.[91]

While the legal effect of general and individual collective agreements is *erga omnes*, the Labour Relations Law defines a "limited" application of **specific collective agreements**. The legal provisions governing the personal scope of specific collective agreements raise questions of a substantial and terminological nature. The application of collective agreements is regulated in two separate articles of the Law (application and validity of collective agreements[92] and persons bound by the collective agreement[93]); there is no substantial difference between them despite the repetition of legal rules. Thus, while in article 205, paragraph 3, the Law provides that specific collective agreements shall apply directly and shall be binding for the employers that are members of the employers' association, signatory to the collective agreement or those that joined the association additionally, in article 208, paragraphs 1 and 2, it provides that the collective (special) agreement is binding for all parties "which have entered into it, who at the time of its concluding were, or subsequently became members of the associations that concluded it, who acceded to it and who subsequently became members of associations that acceded to the collective agreement".

The application here exposes a problem: is there a difference between the terms **"party"** and **"person"**? The "party" to a specific collective agreement can only be a trade union and an employers' association – established at the level for which the collective agreement is concluded, while the "person" or the entity that the specific collective agreement applies to can only be an employee (if they are a member of a trade union that has concluded or has acceded to a concluded collective agreement) and an employer (if the employer is a member of an employers' association that has concluded or acceded to a concluded collective agreement) as "individual parties to the employment relationship".

The existing provisions also open up additional questions for which there are no appropriate or unified answers. First, when determining the right to "accession" to the concluded collective agreement, did the legislator have in mind the accession of a collective entity that may be a "party" to a specific collective agreement (trade union or employers' association), or an individual entity that may be "party" to an employment contract (employer

[90] See: LRL, article 205, paragraph 1 and paragraph 2.
[91] See: LRL, article 208, paragraph 3.
[92] See: LRL, article 205, paragraph 3.
[93] See: LRL, article 208, paragraphs (1) and (2).

who is not a member of an employers' association and/or a non-unionized worker), or both ways of acceding? Second, will the specific collective agreement that binds a certain employer also apply to non-unionized workers (non-members) employed by that employer?

Attempting to answer is somewhat complex.

Regarding the dilemma related to the distinction between the terms **"party"** (which is bound by the CA) and **"person"** (to which the CA applies), it seems that the legislator, on the one hand, had in mind the term "parties" who concluded the collective agreement and who are bound by the collective agreement (primarily, in the "obligations part" of the agreement); and on the other hand, the term "persons" (worker and employer) that the CA applies to (above all, in the normative part of the agreement).

When it comes to the dilemma related to the **"accession"** to the concluded SCA, it seems that the legislator primarily had in mind the accession of "collective entities" who can be "party" to the SCA. This attitude also arises from the interpretation of the special article of the Labour Relations Law which regulates the possibility for additional accession to a concluded (special) collective agreement by "persons who may be a 'party' to a collective agreement" (referring to a trade union or association of employers established at the level at which the collective agreement is concluded), by submitting a statement of accession to the signatory party to the collective agreement and to the party that additionally acceded to the concluded collective agreement.[94] Individual accession of an employer who is not a member of the employers' association – signatory to the CA or who additionally joined the concluded CA is possible only if the employer becomes a member of the aforementioned employers' associations but not by "direct" accession to the concluded SCA. At the same time, labour legislation does not condition the accession to the concluded collective agreement with fulfilment of additional material conditions or obligations (certain threshold of representativeness, payment of an accession fee and so on) that would have to be fulfilled by the party that submitted the accession statement, nor does it refer to regulating such conditions or obligations in the collective agreement.

In practice, parties to the collective agreement use different ways to regulate the issue related to the application and the possibility to accede to the concluded specific collective agreement. Certain collective agreements stipulate that their provisions apply to all workers and employers in the respective branch, i.e. department for which the collective agreement has been concluded.[95] It seems that with this application, these collective agreements derogate from the legal framework governing the application of specific collective agreements in accordance with the Labour Relations Law, because without an appropriate legal basis, they provide erga omnes legal effect of the collective agreement concluded at the level of branch, i.e. department. We build this interpretation on the case law of the Constitutional Court of North Macedonia, too, which, acting on the initiative to assess the constitutionality and legality of the provisions on the personal scope of several specific collective agreements in the public sector, states that "the established rights and obligations in the branch collective agreements cover and apply to the members of the signatory unions".[96]

[94] See: LRL, article 233.

[95] See: CA for energy, article 3; CA for communal activities, article 3; CA for catering, article 3; CA for healthcare, article 4.

[96] See: Decision of the Constitutional Court of the Republic of Macedonia, У.бр.74/2018 from 21 November 2018, Skopje. In the present case, the Constitutional Court was faced with the challenge to act on an initiative to assess the constitutionality and legality of the provisions in several special collective agreements (article 3, paragraph 2 of the collective agreement for public institutions for care and education of children and institutions of recreation of children; articles 3 and 99 of the CA for elementary education and article 3 of the CA for secondary education). The applicants (group of workers members of the Independent Union of Education and Science) challenged the said collective agreements precisely in their personal scope of application. They stated that the collective agreements only apply to workers who are members of the trade union party to the concluded collective agreements (Autonomous Trade Union for Education, Science and Culture – SONK), but not to workers who are members of other trade unions, or are not members of any trade union.

Other collective agreements determine the possibility for additional accession to the collective agreement of employers who are not members of the association of employers – signatory to the collective agreement, by accession to the association, without providing any procedure or conditions for such accession.[97] A third group of collective agreements determine the possibility for additional accession by unions that are not signatories to the collective agreement, based on prior written notification and consent obtained for accession by the signatories to the collective agreement.[98] The collective agreements of this group do not specify the conditions for giving consent for accession to the collective agreement. Hence, a dilemma arises on the merits and justification of the approach taken in these collective agreements and the unlimited disposition threshold that their parties acquire in regulating the personal scope of application.

As for **the dilemma related to the application of SCA to non-unionized workers**, neither the labour legislation nor the collective agreements themselves offer an appropriate resolution on their application to non-members employed with the employer bound by the specific collective agreement. Nor have we found an appropriate resolution to this dilemma in case law. In practice, employers usually apply the "normative" part (working and employment conditions) of the valid specific collective agreement also to workers who are not members of the union. This state of play is a result of the implicit application of the constitutional and legal provisions which prohibit discrimination on any grounds, including membership, i.e. non-membership, in unions (see Kalamatiev and Ristovski 2017).

Apart from the rules for erga omnes application of general and individual collective agreements, North Macedonia's existing labour legislation **does not provide for the possibility to expand the application of specific collective agreements.**

In other words, in North Macedonia there is still no legal mechanism to expand the application of collective agreements to employers who are not members of associations – signatories to specific collective agreements – and who have not subsequently joined such associations. The social partners agree that the new law should provide a mechanism for expanding the application of the SCA, but the conditions and procedure for such an expansion need to be aligned.

[97] See: CA for the textile industry, article 2; CA for the leather and footwear industry, article 2.

[98] See: CA for primary education, article 1, paragraph 3; CA for secondary education, article 1, paragraph 3; CA for higher education, article 3.

Exceptions to collective bargaining

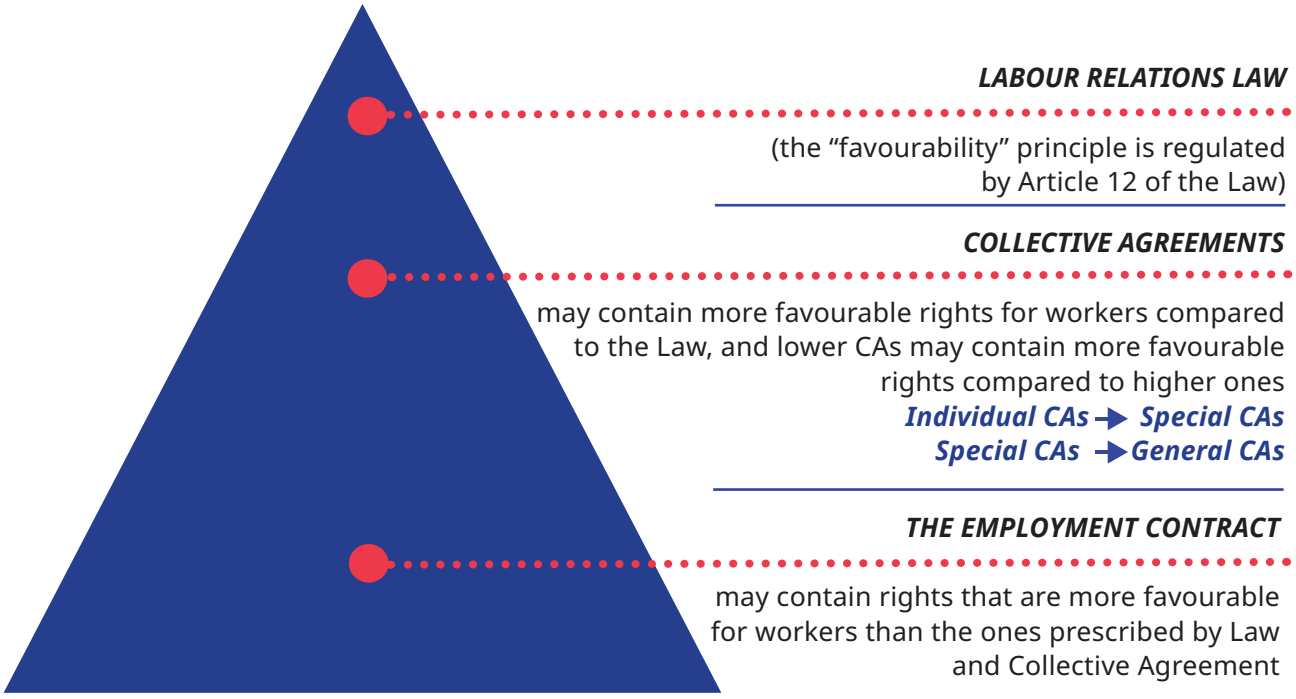
The current legal framework governing industrial relations in North Macedonia does not provide for exceptions to collective bargaining – neither on the part of employers (regardless of their size) nor on the part of workers (regardless of them being employed in the private or public sector).

Possibility of derogation by collective bargaining

In North Macedonia's labour legislation, the possibilities for derogation by collective bargaining are regulated through the "favourability principle" (in *favorem laboris*) in labour relations. The "favourability principle" assumes that in the "hierarchical scale" of labour law sources, lower-ranking sources of law must not be in conflict with higher-ranking ones.[99] Collective agreements and individual employment contracts can provide for more and greater rights and more favourable working conditions for workers; consequently, they cannot provide for less and lower rights, and less favourable working conditions than the minimum rights guaranteed by law.

Although not explicitly prescribed in law, in practice, the "favourability principle" also applies among the different types of collective agreements, as well as among the collective agreements and (individual) employment contracts used to establish a specific employment relationship with an individual worker. In cases when the rights regulated by a lower source (for example, employment contract or collective agreement) are smaller, i.e. contrary to the identical rights governed by a higher source (for example: higher-level collective agreement or law), such rights are invalid and the rights prescribed in the immediate higher source apply.

Figure 1. *Hierarchy of the sources of labour law in North Macedonia*



[99] See: LRL, article 12, paragraphs 2 and 3.

The possibility of derogation, operationalized through the principle of "favourability", however, is not absolute. The margins of freedom of collective bargaining in North Macedonia are determined by the absolutely imperative (inderogable) provisions determined by law (that the cogent rules of public order and politics result from) and the relatively imperative (inderogable) legal provisions that determine the "lowest" and "highest" limits (days, deadlines and so on), unless otherwise prescribed by the law, or unless there is a referral for a different arrangement to be made with the collective agreement. Thus, for example, absolutely imperative provisions that could not be subject to derogation are legal provisions that regulate issues related to: payroll taxes; minimum age for employment; protection of occupational safety and health; mandatory pregnancy, childbirth and maternity leave (at least 28 days before delivery and 45 days after delivery) and so on. Similarly, relatively imperative provisions that could not be subject to derogation by collective agreements (even if "more favourable" to workers) are, for example, legal provisions governing the maximum age of employment (up to 67 years of age, unless otherwise determined by a special law); statutory minimum and maximum notice periods; breaks during working hours and so on.

When determining certain rights, the Labour Relations Law unnecessarily and unjustifiably sets upper limits which, starting from the rule of inderogability of the relatively imperative provisions, would be considered as rights that cannot be regulated otherwise by a collective agreement, even when more favourable for workers. Examples include the upper limits set by the Law in relation to annual leave (at least 20 working days which can be extended to up to 26 working days) or paid leave of absence due to personal and family circumstances which, according to the Law, cannot be more than seven working days. Despite their relatively imperative nature, these limits are in practice subject to derogation by collective bargaining and are subject to the "favourability principle". North Macedonia's labour legislation (i.e. Labour Relations Law) does not recognize the principle of derogation in peius, which would allow the parties to the collective bargaining to formally introduce "less favourable" rights for workers. However, in practice, there are cases when certain rights set out in the collective agreements are formally or quantitatively "less favourable" for workers and therefore differ from some relatively imperative provisions of the Labour Law.[100]

The question of the possibilities for derogation by collective bargaining is closely related to the question of the material scope of collective agreements. In practice, collective agreements usually regulate and further regulate employment rights and obligations that are determined by law (primarily the Labour Relations Law) in the form of dispositive provisions, i.e. minimum standards, or whose regulation or further regulation is explicitly referred to in the law. Examples include the issues related to the amount and coefficients for determining the basic wage; allowances/wage supplements and other aspects of work payment; the duration and the criteria for determining the duration of the annual leave; cases of exercising the right to paid leave of absence due to personal and family circumstances and unpaid leave from work and so forth. Collective agreements regulate other labour relations issues that are not regulated by law at all, which therefore have the character of primary normative provisions, for example, issues related to certain benefits that are not provided by law (annual leave allowance) and others.

[100] For example, the GCA for the private sector provides for the possibility of temporary reduction of the minimum basic wage of workers of up to a maximum of 20 per cent and for no longer than 6 months, whereby the employer is required to pay the reduced amount within 6 months after overcoming the difficulties in operation (article 18), without having an appropriate legal basis. Another example are the provisions of the Collective Agreements for the leather and footwear industry (article 71, paragraph 1) and the textile industry (article 71, paragraph 1), which prescribe that the duration of the temporary forced leave/furlough that the employee may be referred to is maximum 6 months, despite of the fact that for the same grounds, the Labour Relations Law provides for termination of the work process for a maximum of 3 months (article 112, paragraph 7 of the Labour Law).

As for non-standard (atypical) employment contracts, the legal regime of their regulation primarily belongs to the domain of the Labour Relations Law and other special laws. We believe that collective agreements cannot derogate the conditions that are used to regulate non-standard employment contracts provided by law, including those that would provide for "more favourable" rights for workers (for example, a shorter maximum period of fixed-term employment or introducing new conditions for protection of workers from unlimited extension of fixed-term employment contracts). Additionally, we believe that new types of non-standard (atypical) employment contracts that are not recognized by labour legislation could not be introduced with collective agreements.

Duration of collective agreements

The legal rules that govern the duration of collective agreements are vague and give rise to different interpretations. The LLR provides that a collective agreement can be concluded for a fixed period of time of two years, with the possibility for its extension, with written consent of the parties to the agreement.[101] From the content of such a provision, it is unclear whether there is a minimum or maximum duration of collective agreements, and what is their duration.[102] Hence, in practice, collective agreements are initially concluded for a period of two years,[103] greater than two years[104] or indefinitely.[105] However, despite the clauses that exist within the collective agreements and regulate their duration (when concluded for a certain period), the actual duration of the concluded collective agreements is usually governed by the rules for extension of their validity.

[101] LRL, article 226.

[102] This legal dilemma was also subject of the decision of the Constitutional Court in the country. The Constitutional Court (Decision No. 73/2014 on 2 July 2015) stated that "the law does not prescribe the duration of collective agreements by imperative norms, i.e. it does not stipulate an obligation for the contracting parties to conclude the collective agreement for an exact duration of time, but it leaves this to the disposition of the subjects of collective bargaining".

[103] See: GCA for the private sector, GCA for the public sector, CA for tobacco industry, CA for agriculture and food industry, CA for protection companies, CA for textile industry, CA for footwear industry, CA for higher education, CA for public administration, CA for culture, CA for social protection, CA for institutions for children.

[104] See: CA for energy (3 years), CA for chemical industry (3 years), CA for catering (5 years), CA for communal activities (5 years).

[105] See: CA for financial activities; CA for primary education; CA for secondary education; CA for the health activity.

Extension of the validity of collective agreements

The validity of fixed-term collective agreements is usually extended in two ways as prescribed in the Labour Relations Law: by mutual consent and automatically.[106] In the first case, the extension is done through a mutual agreement between the parties to the contract that shall be entered into no later than 30 days before the contract expiry. In the second case, the collective agreement is automatically extended and its provisions are applied until a new collective agreement has been concluded. The validity of the collective agreement is automatically extended if the parties do not extend the agreement by mutual consent before its expiry or if it is not stipulated otherwise.[107] The manner in which the "extension of the validity of collective agreements" is regulated as a principle, including the automatic renewal, poses difficulties in its interpretation in practice. We believe that the rules for extension of the validity of collective agreements should be interpreted as follows:

1. Extension of the validity of collective agreements by mutual consent

The parties to the collective agreement may extend the validity of the collective agreement by mutual consent, no later than 30 days before the expiry of the agreement, at the same time specifying the duration of the extension of the validity of the expired collective agreement. The duration for which the parties, by mutual consent, can extend the expired collective agreement, can be limited (extension by mutual consent for a definite period of time) or until the conclusion of a new collective agreement (extension by mutual consent for an indefinite period of time).

2. Automatic extension of the validity of collective agreements

Automatic extension of the validity of a collective agreement occurs in cases when the parties have not extended or failed to renew a collective agreement by mutual consent, and the collective agreement does not provide otherwise (for example, it excludes the possibility of automatic extension of the collective agreement). The automatic extension of an expired collective agreement that was not extended by mutual consent lasts until a new collective agreement has been concluded by the parties (automatic extension for an indefinite period of time),[108] unless the parties have provided a different, limited duration of the automatically extended collective agreement (automatic extension for a definite period of time).[109]

[106] See: LRL, article 228, paragraph 1.

[107] See: LRL, article 228, paragraph 2.

[108] This way of extending the validity of the collective agreement was found in the following collective agreements: GCA for the public sector; CA for energy; CA for protection companies; CA for the chemical industry; CA for catering; CA for higher education; CA for the state administration; CA for communal activities; CA for culture; CA for social protection; CA for institutions for children.

[109] For example, several CAs (CA for agriculture and food industry, tobacco industry, textile industry, tanning and footwear industry) provide for an automatic extension of the expiration date of the expired collective agreements for a limited period of two years.

The analysis did not find any special systematic pattern in the ways their validity was extended (through mutual consent or automatically) depending on the level at which they are concluded. In the public sector, there is a tendency towards greater stability in the duration of collective agreements, because collective agreements are either concluded for an indefinite period of time, or those that are concluded for a definite period of time, after their expiry, automatically continue to be valid until a new collective agreement has been concluded. In the private sector, the trend is slightly different. The general collective agreement for the private sector (the highest collective agreement in the private sector in terms of hierarchy) does not contain explicit legal rules for extension of its validity by mutual consent, nor does it provide for the possibility of automatic extension. The dispositive provisions of the GCA for the private sector are reflected in lower level collective agreements, and while some of the specific collective agreements provide for the possibility of automatic extension until the conclusion of a new collective agreement, others provide for such a possibility for only a limited duration.

Levels of collective bargaining

Collective bargaining in North Macedonia takes place on three levels: republic (i.e. national); branch or department according to the National Classification of Activities (NCA); or employer.

A functional approach to determining the levels of collective bargaining is predominant in North Macedonia. With the exception of collective bargaining at the level of the republic (which explicitly unites the "territorial" and "functional" principle to cover the entire "private" or "public" sector), North Macedonia's labour legislation does not recognize collective bargaining for a territory (municipality, region and so on) at the lower levels of collective bargaining, i.e. the level of the branch, department or employer.

Collective bargaining at the national level

Collective bargaining at the level of the republic (i.e. national level) is conducted for the conclusion of a **General Collective Agreement**. According to the Labour Relations Law, the parties to the GCA for the private sector are the representative as sociation of employers and the representative trade union for the private sector in the field of commerce, while the parties to the GCA for the public sector are the representative trade union in the public sector and the minister with competencies in the field of labour, with prior authorization by the government of North Macedonia.[110] The existing GCA for the private sector was concluded between the Federation of Trade Unions of Macedonia (SSM) as a representative trade union for the private sector and the Organization of Employers of Macedonia (ORM) as a representative association of employers, while the GCA for the public sector was concluded between the Confederation of Free Trade Unions of Macedonia (KSS) and the government of North Macedonia, represented by the minister in charge of labour affairs.

The Labour Relations Law explicitly defines only the functional area of collective bargaining in the public sector. In this regard, the public sector GCA covers state government bodies and other state bodies, bodies of local self-government units, institutions, public enterprises, institutes, agencies, funds and other legal entities that perform activities in the public interest.[111] The functional area of the GCA for the private sector is determined in a "residual" manner. Thus, the private sector GCA covers those activities and applies to those employers and employees who are not covered by the public sector GCA. In practice, this causes some issues regarding the scope of their application. This may include how to place legal entities operating in the public interest in the context of the functional area of collective bargaining in the public sector. Thus, in practice, questions arise: should the public sector GCA be applied to private institutions that provide public services (in education, science, culture, health, social protection or child protection, or should the functional

[110] See: LLR, article 216.

[111] See: LLR, article 204, paragraph 2.

area of application extend to independent performers of activities of public interest (enforcement agents, notaries and so forth"?

Additionally, some companies that perform activities in the public interest are members of associations of employers. This gives rise to the question of whether public enterprises and companies (electricity, rail, water and so on) should belong to GCAs for the public or private sector? The representatives of workers and employers recognize the need to regulate the legal gaps in the existing labour legislation, and have different criteria to distinguish the functional area of collective bargaining in the public and private sector. For example, whether an enterprise is in majority state or private ownership or whether an enterprise is financed from state budget funds or self-financed.

When determining the functional area of application of the General Collective Agreements for the private and public sector, the classification of activities determined in the National Classification of Activities (NCA) should also be considered. Having in mind the NCA, it becomes evident that the term "sector" in the NCA and the term "sector" in the Labour Relations Law are completely different terms.[112] The General Collective Agreement for the private "sector" or the General Collective Agreement for the public "sector", according to the Labour Relations Law, primarily means collective bargaining which, by its function (type of work, i.e. activities), covers all sectors, departments, groups and classes of the NCA, differentiated on the basis of their affiliation to the "private" or "public" sector. Hence, collective bargaining at the national level can also be defined as collective bargaining at the "inter-sectoral" or "multi-sectoral" level within the private and public sector.[113]

Collective bargaining at the level of branch or department

Collective bargaining at branch or department level in accordance with the National Classification of Activities is used for concluding a Specific Collective Agreement. At this level, the "functional" approach again comes to the fore, as the Law prescribes that specific collective agreements are concluded through collective bargaining for a specific "branch" or "department" as per the NCA. As with the GCA, the SCA also shows discrepancies between the terms "branch" and "department" prescribed in the Labour Relations Law and their counterparts in the NCA. The NCA does not envisage the term "branch" at all, so in practice the term "branch" used in the Labour Relations Law corresponds to the term "department" of the NCA (as the second field, by scope, in the NCA).

[112] The NCA groups activities into 4 fields (starting from the most general, to the most special activities). The most general field of activities according to NCA are "sectors", followed by "divisions", then "groups" and finally "classes" (e.g. Sector C/B – Manufacturing; Division 13 – Manufacture of textiles; Group 13.9 – Manufacture of other textiles and Class 13.93 – Manufacture of carpets and rugs).

[113] For example, according to the NCA, in the functional area of application of the GCA for the private sector the following sectors could be listed (A / A – Agriculture, forestry and fisheries, B / Б – Mining and quarrying, C / B – Manufacturing, D / Г – Electricity, gas, steam and air conditioning supply, F / Ѓ – Construction, G / E – Trade and so on). Although the activities covered in the aforementioned sectors belong predominantly to the private sector, this does not preclude the fact that the activities listed in some divisions, groups or classes may also fall within the functional scope of the GCA for the Public Sector (for example: Sector A / A, Section 02 – Forestry and Forest Utilization; Sector D / Г, Section 35.1 – generation, transmission and distribution of electricity, etc.). On the other hand, in the functional area of application of the GCA for the public sector, the following sectors could be listed (O / Љ - Public Administration and Defense; Compulsory Social Insurance; R / M – Education; Q / H – Health and Social Protection Activities, etc.). However, similar to the situation with the functional area of application of collective bargaining in the private sector, the activities listed in some divisions, groups or classes could be listed under the functional area of application of the GCA for the private sector (e.g., private preschool institutions and kindergartens that could be placed under Sector R / M – Group 85.1 – preschool education, or the private healthcare institutions could be listed under Sector Q / H – Group 86.2 – activities of medical and dental practice, and so on).

In North Macedonia, there are currently 19 Specific collective Agreements which are considered valid. Based on their functional area of application, 10 are in the public sector[113] and 9 in the private sector.[115]

Specific collective Agreements for Public Enterprises and/or Public Institutions are derived from the provision of the Labour Relations Law which specifies the parties to the specific collective agreements in the public sector. Although most of the SCAs in the public sector were concluded for public institutions,[116] and one SCA was concluded for public enterprises,[117] there are also specific collective agreements that are neither for public institutions nor for public enterprises.[118] Hence, we are of the opinion that referring to specific collective agreements for the public sector as SCA for Public Enterprises and/or Public Institutions is inadequate.

Although the legal framework limits branch collective bargaining to the level of "section"[119] (as the second field, by scope, in the NCA), in practice, specific collective agreements are concluded at the level of multiple departments within the same sector according to the NCA,[120] at the level of multiple departments within different sectors according to the NCA,[121] at group level within the same department according to the NCA,[122] at the level of multiple groups within different departments in the sector according to the NCA,[123] and even at sectoral level, as the highest field, by scope, in the NCA.[124] Finally, as part of the collective bargaining at the level of branch, i.e. department, there are specific collective agreements which, based on the functional scope, are associated with professions (occupation) with a horizontal scope of application,[125] more than sector, department or group according to the NCA, with a vertical range of application.

Parties to the specific collective agreements, which according to the functional area of application belong to the private sector, are the representative trade union and the representative employers' association at the branch level, i.e. department.[126] Parties to specific collective agreements for public enterprises and public institutions are the founder or the body authorized by the founder and the representative trade union.[127] The manner in which the Law determines the party to the public sector SCA that concludes the collective agreement in the name and on behalf of the employer is in certain cases questionable and unsuitable for application. Such is the case of the SCA for independent regulatory bodies (which are usually

[114] See: Annex – Collective Agreements: Basic Data.

[115] See: Annex – Collective Agreements: Basic Data.

[116] For example: SCA for higher education, SCA for secondary education, SCA for primary education, SCA for public institutions for children, SCA for social protection, SCA for healthcare and SCA for culture.

[117] SCA for communal services.

[118] For example, SCA for independent regulatory bodies and SCA for state administration bodies, professional services of the Government of the Republic of North Macedonia, courts, public prosecutor's offices, penitentiary and correctional institutions, state ombudsman, municipalities, the city of Skopje and the municipalities of the city of Skopje, agencies, funds and other bodies established by the Assembly of the Republic of North Macedonia).

[119] Special collective agreements, concluded at the level of one "department" according to the NCA, are: CA for the leather and footwear industry, CA for the tobacco industry, CA for the healthcare, CA for social protection.

[120] For example: CA for textile industry, CA for catering, CA for chemical industry, CA for culture and so on.

[121] For example: CA for agriculture and food industry.

[122] For example: CA for higher education, CA for secondary education, CA for primary education.

[123] For example: CA of companies from other monetary intermediation and the activity of intermediation in operations with securities and commodity contracts.

[124] For example: CA for energy, CA for communal services.

[125] For example: CA for independent regulatory bodies and CA for protection companies.

[126] See: LRL, article 217

[127] See: LRL, article 218, paragraph 1.

accountable for their work to the Assembly of Macedonia as their founder). Another confusing fact is that the signatories to this SCA on the part of the employer are the representative Employers' Association in the sphere of the financial activity and insurance activities, and the Organization of Employers of Macedonia.

Collective bargaining at the employer level

Collective bargaining at an employer level is applied when concluding a so-called **Individual Collective Agreement**. The individual collective agreement is concluded at the level of an entire company/employer (regardless of whether the company has one or more branches/ subsidiaries located in different municipalities across the country). Hence, collective bargaining at an employer level can also be defined as collective bargaining at the "company" level. The parties to the individual collective agreement which by the functional area of application belong to the private sector are the representative trade union with an employer, and an authorized person of the employer.[128] Members of the management bodies or persons authorized by them usually appear as signatories of these ICAs on behalf of an employer. The parties to the individual collective agreement which by the functional area of application belongs to the public sector (the so-called individual collective agreement for public enterprises and institutions), are the founder or the body authorized by the founder, and the representative trade union with the employer.[129]

The same problem that with SCAs in the public sector may appear in these collective agreements, too, if the Assembly of North Macedonia appears as a founder. Dilemmas related to the correct determination of the parties of the ICAs also exist in relation to the union party. Keeping in mind the legal framework that regulates the issue of granting legal capacity to trade unions, whereby the status of legal entities can only be granted to higher-level trade unions (for example, at the level of branch – federation, or at national level – confederation, union), the dilemma arises "whether a trade union organization at the employer level can appear as a party to an individual collective agreement, and in what capacity"? In practice, the situation is different. In certain ICAs, trade unions that represent workers with an employer appear as parties,[130] while in other ICAs, the higher-level unions and their subsidiaries (trade unions) with a specific employer appear together as parties.[131]

[128] See: LRL, article 219, paragraph 1.

[129] See: LRL, article 220

[130] See: Collective Agreement of "undisclosed" financial institution and telecommunication company, etc.

[131] See: Collective Agreements of "undisclosed" manufacturing companies and others.

Representativeness of trade unions and employers' associations for the purposes of collective bargaining at the level of a branch, i.e. department

The Macedonian legal framework for regulating the representativeness of trade unions and employers' associations for the purposes of collective bargaining provides for three levels of representativeness: at the national level (i.e. at the level of private and public sector), at the branch (i.e. department) level and at the employer level.

The levels, in principle, correspond to (or are symmetrical with) the levels for which collective agreements are concluded. However, there are cases when a union has acquired representativeness at the branch level, i.e. department, according to the NCA, but the collective agreement is *de facto* concluded at group level (as a lower field, by scope, of economic activity in the NCA).[132] There are similar cases when a trade union has *de facto* gained representativeness at the sectoral level according to the NCA, and collective agreements have been concluded at the department level.[133] While the practice implicitly recognizes the importance of specific collective agreements concluded at different (higher or lower) levels than a branch, i.e. department according to the NCA, trade unions and employers' associations cannot gain representativeness at a level lower than "department". In practice, there are unions that *de facto* meet the conditions for gaining representativeness at the level of "group" according to the NCA, but due to restrictive interpretations of the legal framework they cannot get a certificate of representativeness.

Determining the representativeness of **unions** for the first two levels of collective bargaining (public and private sector level, and branch level) depends on the fulfilment of two cumulative conditions: the union needs to be added to the register kept by

[132] For example, this is the case with collective bargaining in higher, secondary and primary education, where the trade union – signatory to the three special collective agreements is representative at the level of the education department (no. 85 according to the NCA) despite of the fact that special collective agreements are de facto concluded at the level of the groups of higher (no. 85.4), secondary (no. 85.2) and primary education (no. 85.2) in accordance with the NCA.

[133] For example, this is the case with the collective bargaining in the health and social protection activity, where the trade union – signatory to the two special collective agreements has representativeness at the level of the sector- health and social protection activities (Q/H according to NCA), and the special Collective agreements are de facto concluded at the level of health care departments (no. 86 according to NCA) and social protection activities with accommodation (no. 87 according to NCA)

the Ministry of Labour, and it should include at least 20 per cent of the total number of employees in the public/ private sector who pay membership fees (for gaining representativeness at the level of public/private sector), i.e. of the total number of employees in the branch, i.e. the department, who pay the membership fees (for gaining representativeness at the level of branch, i.e. department). Considering that the Law does not provide for the obligation for direct and immediate registration of trade unions at the level of employer in the register of the Ministry of Labour, the only condition for gaining representativeness at the level of employer is that at least 20 per cent of the workers working for the employer must be members of the union and pay the membership fee.[134]

As with the unions, determining the representativeness of **employers' associations** for collective bargaining for the private sector at the branch/department level depends on the fulfilment of two cumulative conditions. The first condition is that the association be present in the register kept by the Ministry of Labour. The second condition consists of two alternatives. The first alternative envisages that the association be joined by at least 10 per cent of the total number of employers in the private sector (to gain representativeness at the level of the private sector), i.e. of the total number of employers in the branch, i.e. department (for gaining representativeness at the level of the branch, i.e. department). The second alternative envisages that employers who are members of the association employ at least 10 per cent of the total number of employees in the private sector, i.e. at least 10 per cent of the total number of employees in the branch/department (for gaining representativeness at the level of branch/ department).[135]

Besides the "regular" way of gaining representativeness for participation in collective bargaining, the legal framework provides for two other alternative ways of gaining representativeness that are applied in special circumstances. Such are the circumstances when *neither a single union nor a single employers' association* (based on the level of collective bargaining) *meets the legally prescribed conditions for gaining representativeness* in a standard way.

The **first alternative** assumes the possibility of recognizing the status of representativeness of a so-called "majority" union, i.e. "majority" association of employers, in cases when the union or association has submitted a request for representativeness but does not meet the requirements regarding the threshold (percentage) for representativeness. In such a case, the Law allows the trade union or employers' association that has the largest number of members to participate in collective bargaining until the threshold of representativeness is met.[136] In practice, there are several collective agreements concluded at the level of branch/department, whose participants (trade unions and employers' associations) have acquired the status of representativeness based on this alternative possibility.[137]

[134] The conditions for gaining representativeness of the trade unions at the level of public sector, i.e. private sector, branch, i.e. department and employer, are regulated by article 212, paragraphs 2–5 of the Labour Law.

[135] The conditions for gaining representativeness of the employers' associations at the level of private sector and branch, i.e. department, are regulated by article 213, paragraphs 2–3 of the Labour Law.

[136] See: LRL, article 210, paragraph 2.

[137] Such are, for example, CAs in which one or both parties have gained representativeness according to the rules of "majority" organization: GCA for the private sector concluded between SSM (with a representativeness rate for the private sector of 6 per cent) and ORM; CA for the textile industry concluded between STCC (with a representativeness rate of 6.94 per cent) and the Textile Industry Association (with a representativeness rate in Section 13. Textile production (19.92 per cent) and Department 14. Manufacture of clothing (5.87 per cent) in accordance with NCA; CA for agriculture and food industry concluded between the AGRO Trade Union (with a representativeness rate of 11.69 per cent for Section 10. Food Production and Section 11. Beverage production) and the Association for Agriculture and Food Industry (with a representativeness rate of 5.76 per cent in Section 10 and of 31.91 per cent in Section 11); CA for the state administration bodies concluded between UPOZ (with a representativeness rate of 9.20 per cent) and the Ministry of Administration and Information Society and so on.

The **second alternative** for participation in collective bargaining includes "association agreement" of two or more non-representative trade unions, i.e. employers' associations. Although the Law does not explicitly qualify this way of gaining eligibility to participate in collective bargaining as a way of gaining representativeness, we consider that it is a special way of achieving "collective" representativeness, only if none of the unions or employers' associations meet the requirements for representativeness.[138] In practice, we have not found a collective agreement whose parties are two or more unions or employers' associations that have entered into "association agreement". Having in mind the two alternative ways of gaining representativeness, i.e. eligibility for participation in collective bargaining, the following dilemma appears as a theoretical possibility: which of these ways will have an advantage in terms of their application if at the appropriate collective bargaining level there are several unrepresentative trade unions or employers' associations? And was the legislator's first option the "majority" union or association of employers, or was it the "association agreement" for the purposes of collective bargaining? It seems that the "association agreement" will be applied for gaining eligibility for participation in collective bargaining if the sum of the individual percentages (thresholds) of the joined unions, i.e. employers' associations, is at least 20 per cent, which is the minimum threshold for recognizing the representativeness in the regular way. If this is not the case, or if at the collective bargaining level only one trade union or employers' association is established, then, priority will be given to the most numerous, i.e. the majority trade union or employers' association.[139]

If more representative trade unions or more representative employers' associations participate in the conclusion of a General or a Specific collective Agreement, a Negotiation Board is established, the composition of which is determined by the representative trade unions or the representative associations of employers.[140] Neither the Law nor the collective agreements regulate the composition of the Negotiation Board. In practice, we found a collective agreement where two representative unions are the party to the collective agreement.[141]

The Labour Relations Law also regulates **the procedure for gaining representativeness status**. The procedure for gaining representativeness *in a standard way* consists of the following successive actions: (1) the trade union or the employers' association at a higher level, files a request for representativeness, together with the necessary evidence for meeting representativeness requirements; (2) the Representativeness Commission acts upon the request for representativeness and submits a proposal to the Ministry of Labour and Social Policy; (3) the Ministry of Labour and Social Policy passes a decision within 15 days from the submission of the request made by the Representativeness Commission; (4) in cases when the representativeness is challenged, action is taken in an administrative procedure and an employment procedure in the second instance, and in an administrative dispute before a competent court; (5) the decision for representativeness is published in the *Official Gazette*.[142]

[138] See: LRL, article 214.

[139] It is debatable whether labour law should recognize the representative status of an organization (which, in truth, is individually more numerous than other organizations at the same level), when there are other "minority" organizations, too. The fact that even when united, the organizations still do not reach the threshold of representativeness, leads to the conclusion that none of them, individually, has demonstrated a larger number of members (i.e. density) compared to the others. We believe that it would be fairer if the legislator provided cumulative representativeness, through which the eligibility for participation in collective bargaining would be established and which would apply to all existing organizations, and as a consequence, all organizations would have the opportunity to participate in collective bargaining through the establishment of a negotiations' committee.

[140] See: LRL, article 221.

[141] For example, the CA for culture, whose signatories are the Trade Union of Culture of the Republic of Macedonia and SONK.

[142] See: LRL, article 213-c, 213-d and 213-f.

The procedure for gaining representativeness in an alternative way which assumes recognition of the representative status of the so-called "majority" union or "majority" association of employers, consists of: (1) the trade union, i.e. the employers' association at a higher level, files a request for representativeness, together with the necessary evidence for meeting the representativeness requirements, as in the procedure for gaining representativeness in a standard way; (2) the Ministry of Labour and Social Policy sends a notification to the trade union or the association of employers, that representativeness of the trade union, i.e. the association that has the largest number of members, has been established.[143]

Representativeness is determined for a period of three years from the day when the decision is passed.[144] A review of data on the representativeness of trade unions and employers' associations that appear as parties to collective agreements in North Macedonia reveals that the representativeness of some agreements is still valid at the moment, for others it is in the process of renewal, and there is a third group whose representativeness has expired and has not been restored.[145]

[143] See: LRL, article 210, paragraphs 2 and 3.

[144] LRL, article 213-d.

[145] See: Annex with Collective Agreements Tables.

Implementation of collective agreements

The most important principle for the implementation of collective agreements is that the parties to the collective agreements and the persons to whom they apply are obliged to implement their provisions.[146] However, during collective bargaining and in the implementation (application and interpretation) of collective agreements, a dispute may arise between the contracting parties. Collective labour disputes are defined in the Law on Peaceful Settlement of Labour Disputes, and they refer to disputes over the concluding, amendment, supplementation or application of a collective agreement, exercising the rights to union organization and strike.[147] The analysis of the existing definition leads to the conclusion that the Law implicitly distinguishes between **collective "interest-related" labour disputes** (on the occasion of concluding, amending or supplementing the collective agreement) and **collective "legal" disputes** (on the occasion of the application of the collective agreement) (ILO 2015), and in addition, it also provides for selective labour disputes related to the **exercising of the rights to union organization** (for instance, freedom of association, including prohibition of unlawful interference or surveillance)[148] and **to strike** (as a collective labour dispute that can be initiated both for reasons that are "interest-related" and for "legal" reasons).

An important issue for initiating a collective labour dispute regarding the duration of the validity of the collective agreement is the issue of admissibility of **industrial (social) peace clauses**. Neither North Macedonia's labour legislation nor its current collective bargaining practices recognize industrial (social) peace clauses, i.e. the possibility to restrict or prohibit industrial action (primarily strike) by mutual agreement and for the duration of the concluded collective agreement. This situation does not necessarily mean that the parties to the collective bargaining have an *en bloc* ban on negotiating industrial peace clauses, but still, considering the constitutional guarantee of the right to strike,[149] we believe that the odds for such clauses to be declared invalid are high.

The "out-of-court" settlement of collective labour disputes (conciliation/mediation, alignment and arbitration) was discussed an earlier section on regulating the relations between employers or their organizations and trade unions. Here, we primarily address the resolution of collective labour disputes arising from the (non) implementation of collective agreements in a **judicial procedure**. The Labour Relations Law provides for the possibility of obtaining judicial *protection of the rights arising from collective agreement,* where one of the parties to the collective agreement may file a lawsuit before the competent court to request protection of their rights.[150]

[146] See: LRL, article 223.

[147] See: ZMRRS, article 2, paragraph (1).

[148] See: LRL, article 197 (judicial protection of the right to association) and article 195 (action of the trade union, i.e. the association of employers, and prohibition of supervision over the other party).

[149] See: Constitution of the Republic of North Macedonia, article 37.

[150] See: LRL, article 234.

It seems that the intention of the legislator was to make it possible for a collective labour dispute to be initiated before a competent court to protect the rights arising from a collective agreement (collective "legal" dispute), while any dispute related to the procedure for entering into and amending the collective agreement (a collective "interest-related" dispute) should be resolved "out of court". There is a requirement for initiating a collective dispute to seek judicial protection of the rights arising from the collective agreement – the party that initiates the dispute must be able to appear as a party in the procedure (litigation capacity) in accordance with the regulations of the procedural law.[151] Considering the rules on the legal capacity of trade unions (i.e. the acquisition of the status of a legal entity) regulated in the existing labour legislation, only a union at a higher level shall have the right to be a party to a collective dispute for seeking protection of rights arising from a collective agreement.[152] A party to a collective agreement (for example, a trade union at a higher level) may primarily seek judicial protection of the rights arising from the *"obligatory part"* of the content of the collective agreement (working conditions for the trade union, working conditions and special protection of the trade union representative, informing and consulting workers through their representative and so on). We also find that a is no legal impediment to seek judicial protection of the rights arising from the "normative part" of the content of a collective agreement (working conditions and employment) if the other party to a collective agreement or the person to whom a collective agreement applies (for example, a certain employer) fails to fulfil the rights of all or even a larger group of workers established by the collective agreement. However, a common practice for protection of the individual rights of workers arising from an employment relationship, including the "normative provisions" of a collective agreement, is protection by initiating an individual labour dispute.

The **interpretation** of the provisions of a collective agreement is important for their implementation. The interpretation of certain disputed provisions of a collective agreement is primarily left to the very parties to the collective agreement, in a manner and in a procedure provided for in the collective agreement. Thus, the two general collective agreements provide for the establishment of a commission for monitoring the application and interpretation of the provisions of the collective agreement.[153]

The application and implementation of the collective agreements also falls within the competencies of the competent state labour inspector. According to the Labour Relations Law, the state labour inspectorate supervises the application of the regulations in the field of labour, including collective agreements.[154]

[151] See: Law on Civil Procedure, article 70.

[152] See: LRL, article 189.

[153] See: GCA for the private sector, article 67 and GCA for the public sector, article 46.

[154] See: LRL, article 256.

Dynamics of collective bargaining

The preparations and the process of collective bargaining in North Macedonia are conducted in an informal way. Their practical implementation depends primarily on the will of the contracting parties. The Labour Relations Law is limited to certain minimum requirements (formal preconditions) such as the obligation for the persons representing the parties in collective bargaining to have an authorization and to hold a power of attorney, and the obligation to bargain collectively in good faith.[155] In practice, we did not find a single formal document (protocol) adopted by social partners (i.e. contracting parties in collective bargaining) which sequences the stages and processes in collective bargaining (from start to signature) or which resolve other issues in the interest of the collective bargaining process (operationalization of the legal principle of collective bargaining in good faith).

Collective bargaining typically **starts with an initiative** by one of the contracting parties (trade union or employers' association). The initiative for negotiations may be accompanied by a list of proposals subject to negotiation, or by a draft text of a collective agreement or amendments to an existing collective agreement. Proposals submitted by either of the contracting parties are usually considered at the highest level by the opposing party (for example, the management board of the ORM, the associations within the ORM, the presidency of the SSM or the trade unions affiliated with the SSM). Proposals are considered with due diligence, and the negotiating strategy applied by the contracting parties usually consists of setting an "upper and lower" limit on allowable deviations in their own negotiating positions. The number of representatives participating in the collective bargaining is determined by the contracting parties and varies from case to case. The union usually insists on involving a larger number of participants from each side in the negotiations. It is common practice for the contracting parties to check the authorization of the representatives/participants from the opposite party before the negotiations start, to ensure the legitimacy of the collective bargaining and the results achieved in that process. The issues up for negotiation are considered in plenary (by all participants in the negotiations), but if it comes to more complex issues, they can also be considered in separate working groups.

The most important issue in collective bargaining is **wages**. Before a national minimum wage was introduced by the 2012 Law,[156] negotiations for the lowest basic wage at the branch or department level were usually unsuccessful. Namely, the difference between what unions demanded and what employers offered was could not be overcome. Hence, the introduction of a national minimum wage in 2012 brought the parties back to the negotiating table and paved the way for a compromise (see Petreski and Ristovski 2021). Since then, the parties to collective bargaining (and above all, at the branch or departmental level) must consider the national minimum wage as the lowest monthly amount of the basic wage and as a "starting point" for negotiation.

[155] See: LRL, article 207.

[156] Minimum Wage Law (Official Gazette, No. 11, 2012).

According to employers, a continuous increase of the national minimum basic wage by almost 100 per cent (from MKD 8,050 net in 2012 for all activities except for textiles, clothing and leather products, to MKD 15,194 net for all activities, as of April 2021), sometimes has the opposite effect on the contractual determination of the lowest basic wages. The lowest basic wage in the existing specific collective agreements is either set at the level of the national minimum wage, or in those cases where before the increase of the national minimum wage the prescribed wage was higher than the national minimum wage, in the next "round" of collective bargaining it was made equal to the national minimum wage. In other words, the amount of the lowest basic wage at the level of a branch, i.e. department, neither follows the increase in the national minimum wage nor causes a "spill-over effect", even in those branches/departments, where for a certain period of time the lowest basic salary was higher than the legally prescribed minimum. The unions, in any case, demand that both the national minimum wage and the lowest basic wage subject to collective bargaining continue to rise. When addressing requests in the collective bargaining process, the unions typically research dynamics in the movement of the minimum national wage; average wages of workers in the specific branch/department; financial statements and final accounts, as well as the business activity of the individual companies in the branch that are party to the collective bargaining (for example, workload, new employees and so on.); the cost of living and so on.

The **periodicity** of collective bargaining depends on the level at which collective bargaining takes place and depends on the specific case. In general, collective bargaining atthe **national level** is more dynamic in the private sector than in the public sector. Since the conclusion of the private sector GCA in 2009, the parties have concluded several *agreements* (to align with the Labour Relations Law in 2010 and 2012, and for extending the validity of the CA in 2012) and *amendments* (introduction of annual leave allowance in 2015 and extension of the paid leave of absence due to natural disasters in 2016). However, from 2016 until the time of writing, collective bargaining in the private sector has neither resulted in the extension of the validity of an existing CA, nor in the conclusion of amendments; moreover, no new CAs have been signed. During the Covid-19 pandemic, the parties entered into collective bargaining and attempted to amend the GCA for the private sector in order to introduce provisions for remote work, but because of conflicting views (e.g., work time of remote workers, responsibility for the implementation of occupational safety and health and so on), they failed to find common ground. Compared to collective bargaining in the private sector, collective bargaining in the public sector is stagnant, with occasional announcements that the dynamic of the collective bargaining process will improve. The GCA for the public sector was concluded in 2008 and has only been amended once in 2009. In 2012, a draft version was prepared for a new public sector GCA, but it has yet to be concluded.

The situation with collective bargaining dynamics is also different at the **branch/department** level. The passivity of many parties is in principle a result of the indefinite duration of the concluded collective agreements (for example, financial activity, primary and secondary education and so on), or on automatic extension for an indefinite period of time of the expired collective agreements concluded for a certain period of time (for example, in hospitality, chemical industry, energy and so on). The only exception in this sense is healthcare, where the greatest number of agreements for amendments and supplementations of the CA have been concluded (19 in total by the end of 2020). In those spheres where fixed-term collective agreements were concluded with a possibility of automatic renewal of the expired collective agreement for a fixed term (for example, textiles, leather and footwear, agriculture and food processing and tobacco), some movement is observed, but again it is limited until 2016.

The dynamics of collective bargaining at the level of a branch, i.e. department, also differs from the aspect of the functional area (private/public sector) where collective bargaining takes place. Thus, since 2016, collective bargaining in the private sector at the branch level has been characterized by pronounced inactivity among the contracting parties, and as a result no agreements have been concluded for either extension, amendment, or supplementation. One of the reasons for such passivity is the "wait" for a new Labour Relations Law to be adopted after more than five years in drafting. However, this cannot be considered as the sole reason for the inactivity of the parties to collective bargaining in the private sector. The dynamic has shifted such that in certain branches, i.e. departments, of the public sector, five new CAs have been concluded: higher education (May 2021), state administration bodies (February 2020), culture (January 2020), social protection (December 2019), and public institutions for care and education of children and institutions for recreation of children (June 2019). As of 2016 until today, nine amendments to the CA for healthcare have been concluded.

During the Covid-19 pandemic, collective bargaining was reduced to minimum both in the functional area of the private sector and in the public sector. With the exception of the CA for higher education, which was concluded in May 2021, since the declaration of the pandemic at the beginning of March 2020 until the time of writing, not a single new collective agreement has been concluded, nor have any changes been made to existing agreements. Both trade unions and the employer associations' activities during the health and economic crisis were primarily directed at tripartite social dialogue within the Economic and Social Council.

There was no collective bargaining in other crisis-affected sectors such as hospitality, trade, and transport. Trade and transport remain as sectors in which the organization of workers and employers is weak and where no specific collective agreements have yet been concluded.

Conclusions

Material scope of a collective agreement

Although the legal framework provides a lot of freedom and a wide material scope of issues that may be the subject of collective bargaining, the parties to collective bargaining do not sufficiently use the opportunity for thorough and substantive collective bargaining. The normative part (i.e. working and employment conditions) of the content of the collective agreements is usually reduced to issues that are regulated by the Labour Relations Law either in the form of minimum standards or by explicitly referring to the collective agreement for their further regulation. In rare cases, collective agreements regulate other labour relations issues, or other issues related to labour relations that are not regulated by law, and therefore they have the character of primary normative provisions. The situation is similar when it comes to the collective agreement hierarchy – the lower-ranking vis-à-vis the higher-ranking collective agreements. Typically, lower-ranking collective agreements take over the provisions from higher-ranking ones, without significantly adapting the working and employment conditions to the specific circumstances that characterize the particular level at which the collective bargaining takes place (for example, the branch or department).

In practice, the most important issues for collective bargaining are related to the wages, certain aspects of the working hours, leave and absences, as well as issues related to the cancellation of employment contracts. In this regard, the provisions contained in the collective agreements are more specific than the provisions provided in the Law.

In the domain of wages, collective agreements regulate the following issues: wage payment system and methodology; the amount of the lowest wage and the job groups based on their degree of complexity, which are used to determine the lowest basic wage for a specific job; criteria and measures for determining work performance; the amount of allowances/wage supplements for special working conditions at the workplace or from the schedule; the amount of allowances for work-related costs; the amount of other allowances and awards; the amount of allowances for leave of absence from work and so on.

Despite the explicit possibility to reduce the duration of the legally prescribed full-time working hours with a collective agreement, none of the analysed collective agreements contained a provision that introduces a "collective reduction" of working hours and shorter working hours than the standard 40 hours per week. However, they usually regulate the manner of introducing overtime work. In relation to annual leave, collective agreements provide specific provisions regarding the *criteria* for determining the days for annual leave. In relation to a leave of absence, the specific character of the collective agreements, when compared to the Labour Relations Law, is reflected, above all, in the regulation of the grounds (cases) for exercising the right to paid leave of absence due to personal and family circumstances and the right to unpaid leave of absence.

Collective agreements (specific collective agreements, in particular) also regulate the termination of an employment relationship and contract. In this regard, collective agreements contain important provisions for further regulation of the established reasons (cases) and the procedure for cancellation of employment contracts at the initiative of the employer.

Application of a collective agreement

The manner of regulation and practical application of collective agreements is one of the most complex and at the same time the most problematic issues in the collective bargaining system in North Macedonia. While the application of general and individual collective agreements is indisputable, as they are attributed an *erga omnes* effect in the Labour Relations Law, dilemmas exist regarding the personal scope of application of specific collective agreements. Specific collective agreements, *ipso jure*, have a "limited" personal scope of application. The law limits the application of the SCA (primarily in relation to the "obligatory part" of the agreement) to the parties that signed it (trade unions and employers' associations) and the parties that additionally acceded to the signed CA (trade unions and employers' associations), and the application of the SCA (primarily in relation to the "normative part" of their content) to the persons (workers and employers) who are members of those parties. However, in practice there is no adequate solution to the following dilemmas:

What are the manner of and the conditions for acceding to the concluded collective agreement?

Will the specific collective agreement that binds a certain employer also apply to the non-unionized workers (non-members) employed by that employer?"

Exceptions to collective bargaining

The current legal framework governing collective bargaining in North Macedonia does not provide for exceptions to collective bargaining either on the part of employers (regardless of their size) or on the part of workers (regardless of being employed in the private or the public sector).

Possibility of derogation by collective bargaining

North Macedonia's collective bargaining system recognizes the principle of "favourability" (*in favorem laboratoris*) in labour relations, which assumes that in the "hierarchical scale" of labour law sources, lower-ranking sources of law must not be in conflict with the higher-ranking ones, and that they may contain only greater rights and more favourable working conditions.

When determining certain rights, the Labour Relations Law unnecessarily and unjustifiably sets upper limits which, starting from the rule of inderogability of relatively imperative provisions, would be considered as rights that cannot be regulated otherwise by a collective agreement, even when more favourable for workers. Such are, for example, the upper limits that the Law sets in relation to the duration of the annual leave, or in relation to the duration of the days of paid leave due to personal and family circumstances.

Duration of collective agreements

The legal framework for determining the duration of collective agreements is unclear and does not lead to a clear conclusion whether there is a minimum or maximum duration of collective agreements and what is their duration. While unions are demanding greater permanence of collective agreements for greater stability in the regulation of labour relations, employers are advocating for a limited duration, which would lead to greater dynamics in collective bargaining. In practice, collective agreements are concluded with different durations: for two years, for more than two years and indefinitely.

Extension of the validity of collective agreements

In North Macedonia's collective bargaining system, the issue of extending the validity of collective agreements is extremely important, because in circumstances of relatively weak collective bargaining dynamics, it is related to the actual duration of expired collective agreements. In practice, collective agreements are usually extended automatically, until a new collective agreement is concluded between the parties (automatic extension for an indefinite period). The fact that the importance and the application of most collective agreements are based on their automatic extension for an indefinite period of time emphasizes the need to ensure the stability of collective agreements, but it speaks of the inactivity and lack of initiative by the parties to collective bargaining, who also have the possibility to extend the validity of the collective agreements by mutual consent, or to enter collective bargaining to conclude a new collective agreement.

Levels of collective bargaining

Collective bargaining in North Macedonia takes place at three levels: at the *level of the Republic* (i.e. national level); at the *branch or department* level according to the National Classification of Activities (NCA), and at the *level of employer*. The collective bargaining system is based on a sectoral, i.e. industrial-based, vertical approach. However, in practice, collective agreements can be found which, according to the functional scope, are associated with the level of profession (occupation) with a horizontal scope of application. The Macedonian labour legislation does not recognize collective bargaining for a certain area, i.e. territory (municipality, region and so forth).

The basic functional principle used to disaggregate the levels of collective bargaining is the principle of *"public versus private sector"*. However, the legal framework that establishes this principle does not specify the criteria for distinguishing the functional area of collective bargaining in the public versus the private sector, and thus it is uncertain which of the two general collective agreements will apply to legal entities performing activities of public interest.

In the field of collective bargaining at the level of branch/department, the existing legal framework, which is limited to the level of "department" according to the NCA, does not reflect the collective bargaining practice, which recognizes collective bargaining that takes place at the level of several departments within the same sector, at the level of multiple departments within different sectors, at the group level within the same department, at the level of multiple groups within different departments in the sector and even at the sectoral level, as the highest field by scope according to the NCA.

Representativeness of trade unions and employers' associations for the purposes of collective bargaining at the level of branch, i.e. department

The Labour Relations Law regulates the manner, conditions, procedure and levels for gaining representativeness of trade unions and employers' associations for the purpose of collective bargaining. The legal framework provides for three levels of representativeness for participation in collective bargaining: at the national level (i.e. at the level of the private and the public sector), at the level of branch/ department and at the level of the employer. As a rule, the level for which the trade union and/or the employers' association have become representative should correspond to the level for which the collective agreement was concluded. However, within the collective bargaining at the level of branch/department, we found cases in which a union is representative for a higher field of activity from the NCA compared to the field for which the collective agreement was concluded.

In some cases, the representativeness threshold proves to be too high to meet, both for unions and employers' associations. In order to stimulate collective bargaining, when no parties meet the legally prescribed requirements for representativeness, the Law also provides alternative ways of gaining representativeness (through the rule of "majority" trade union or employers' association, or through the rule of "association agreement" for several non-representative parties). In some cases, the rules that the alternative ways of gaining representativeness are based on are in conflict. Hence, the new Labour Relations Law is expected to resolve such conflicts, too, among other things.

Implementation of collective agreements

The analysis of the state of play in collective bargaining in North Macedonia leads to the conclusion that the initiative and maintenance of the dynamics of collective bargaining where collective agreements are concluded is a significantly greater challenge for social partners than the implementation and enforcement of their provisions. Despite of a parallel existence of multiple "channels" for amicable settlement of collective labour disputes, the parties rarely entrust "external" facilitators (conciliators or arbitrators) with the resolution of such disputes.

In line with the existing legal framework, the resolution of collective labour disputes in court proceedings is possible only for the protection of rights provided for in concluded collective agreement (collective "legal" dispute). However, in the absence of case law, it remains unclear what the issues and the conditions are for one of the parties to the collective agreement to initiate a lawsuit to seek protection of the rights under the collective agreement.

Dynamics of collective bargaining

Collective bargaining is present in North Macedonia both at the national level and at the level of branch/department, but it is characterized by relatively weak dynamics.

Considering the agreements for extensions, amendments and supplementations of the GCA for the private sector compared to those of the GCA for the public sector, it can generally be concluded that **collective bargaining in the private sector** is more dynamic compared to **collective bargaining in the public sector**. However, the fact that the parties to collective bargaining in the private sector have not entered into a single agreement in the past five years, including the period since the onset of the Covid-19 pandemic, speaks about passivity, and diminished dialogue and capacity to reach a negotiated compromise.

The dynamics of **collective bargaining at the level of branch,/department** differs depending on the functional area (private or public sector) of collective bargaining. While collective bargaining at the level of branch/ department in the private sector is stagnating, collective bargaining in the public sector is on the rise and has resulted in the conclusion of five new Specific collective Agreements in the last five years. We believe that such a trend is due to several factors such as the organization and capacity of trade unions in the public sector, their initiative, as well as the initiative of the constituents who represent them, increased social "pressure" to improve working conditions in certain activities in the public sector (primarily healthcare and higher education) and so forth.

Recommendations

Based on the conclusions, the following guidelines and recommendations are provided:

- Collective bargaining in North Macedonia should more adequately reflect the specifics, interests and needs of workers and employers in certain branches, i.e. sections, and its material scope should encompass a more substantial regulation of certain working conditions and terms of employment. Potential issues regarding working conditions and terms of employment that can be regulated in a more substantial way through collective bargaining at a branch, that is section level, are the following: in the domain of working time (collective reduction of full-time hours), in the domain of wages (higher lowest basic net salary than the minimum wage determined by law) and so on.

- To exploit the potential of collective agreements as a normative tool, to introduce new and innovative contents in employment relationships. Such contents, for example, could be: regulation of certain aspects of telework, the introduction of certain measures for a better work-life balance, including flexible forms of organization of working hours and so on.

- Dilemmas related to the applicability of specific collective agreements could be resolved in one of the following ways:

1. Amendments to the Law on Labour Relations which would introduce a rule on the basis of which a specific collective agreement will be applied to all workers employed by a certain employer (whether or not they are members of a trade union that is a party or additionally accessed to the concluded collective agreement), if the collective agreement is binding, i.e. applied, to an employer;

2. Amendments to the Law on Labour Relations, which would specify the entities that can access a specific collective agreement (with an indication that such can be all trade unions and employers' associations organized at the appropriate level for which the collective agreement is concluded, and which are not parties to, i.e. did not participate in, the conclusion of a collective agreement) and determine the procedures and conditions for accession to a concluded specific collective agreement.

- When drafting and adopting the new Law on Labour Relations, provisions that unnecessarily and unjustifiably set upper limits in determining certain rights that could limit their "more favourable" regulation by collective agreements should be taken into account.

- It is necessary to establish clear, unambiguous and balanced provisions regarding the duration and possibility of conventional and/or automatic continuation of expired collective agreements, which on the one hand will take into account the need for stability and relative durability of collective agreements, but on the other hand will not have a discouraging effect on the dynamics of collective bargaining and will not cause significant constraints on changing labour market circumstances.

- Abolishing the exclusive applicability of the General Collective Agreement for the Public Sector to all legal entities performing activities of public interest and establishing criteria for more appropriate distinction of the functional realm of collective bargaining at a branch/department level, in terms of whether such realm belongs to the public or the private sector (e.g. such criteria may be the type of dominant ownership or the way it is financed).

- Revision of the legal framework that regulates collective bargaining at branch/department in order to better harmonize it with the catalogue of activities provided in the National Classification of Activities (NCA) but also with existing national practices (for example, by establishing the possibility for collective bargaining at a sectoral level, at the level of one or more departments within the same sector and at the level of one or more groups within the same or different departments within the sector).

- Resolving the dilemmas arising from the alternative ways of obtaining representativeness for participation in collective bargaining (without fulfilling the legally prescribed threshold) and determining which of the two ways will precede if, at the appropriate level of collective bargaining, there are more than one non-representative unions or associations of employers (whether the first way, which gives eligibility to participate in collective bargaining of one, "most numerous" union or association of employers, or the second way, which refers to "consensual association" of the organizations for participation in collective bargaining).

- Increased education of and information for workers' and employers' organizations about the benefits of amicable resolution of collective labour disputes through conciliation and/or arbitration and encouraging them to entrust the resolution of collective labour disputes to "external" facilitators (conciliators or arbitrators).

- Continuous enhancement of the capacities of workers' and employers' organizations for expansion of their membership and networks (primarily in sectors and branches/departments, which are not covered by collective agreements), as well as for increasing the dynamics of collective bargaining primarily in the sectors and branches in the private sector where there is already a practice of collective bargaining.

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Annex 1. Statistics

Trade union density	Data
National level	Trade union density at a national level is estimated at **17.29 per cent for 2020.**

Collective bargaining coverage	Data
GCA for the private sector	**100 per cent** of employees in the **private sector** According to the data of the State Statistical Office for the first quarter of 2021, the total number of employees in the private sector to which the GCA applies is 449,822 employees, i.e. **68.7 per cent** of the total number of persons with the status of "employees" (654,662) in the country.
GCA for the public sector	100 per cent of employees in the public sector According to the data of the State Statistical Office for the first quarter of 2021, the total number of employees in the public sector to which the GCA applies is 204,840 employees, i.e. 31.3 per cent of the total number of persons with the status of "employees" (654,662) in the country.
Specific collective Agreements concluded in the private sector	Calculation method Total number of employees employed by employers who are members of the employers' association that signed or additionally accessed to the concluded collective agreement as a percentage (%) of the total number of persons with the status of "employees" in the section for which a CA is concluded in accordance with the NCA.
Specific collective Agreements concluded in the public sector	Calculation method Total number of members of the trade union that signed or additionally accessed to the concluded CA, employed in the particular branch, that is section according to the NCA for which the CA is concluded as a percentage (%) of the total number of persons with the status of "employees" in the branch, that is section for which the CA is concluded.
Annual number of workdays lost through industrial action by sector	No data available.
Number of workers involved in industrial action by sector	No data available.

Annex 2. Collective agreements: basic information

A. General Collective Agreement for the Private Sector

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The Collective Agreement for the Private Sector (Official Gazette, No. 88, 2009) encompasses all employers and employees in the Private Sector.
Date and status (in force/expired)	The GCA for the Private Sector was concluded on 10 July 2009. The CA is in force.
Parties involved	The CA is concluded between the Federation of Trade Unions of Macedonia – SSM and Organization of Employers of Macedonia – ORM.
Representativeness of the parties to the CA	The Representativeness of SSM at the level of the private sector is **6 per cent** Official Gazette, No. 18/19 (currently active representativeness status). The representativeness of SSM for the private sector is obtained on the basis of article 210 of the LLR, as a most numerous trade union. The Representativeness of ORM at the level of the private sector is **11.15 per cent**, *Official Gazette*, No. 264/20 (currently active representativeness status).
Duration	Initially concluded for a period of duration of 2 years, but the validity of this Collective Agreement shall be extended if the parties conclude an Agreement no later than 30 days before the expiration date of the Collective Agreement.
Amendments and modifications/extension	The basic text of the CA was concluded on 10 July 2009 (*Official Gazette*, No. 88, 2009) and was followed by a harmonization concluded on 28 April 2010 (*Official Gazette*, No. 60, 2010) and on 26 June 2012 (*Official Gazette*, No. 81, 2012), extension of the CBA concluded on 26 June 2012 (*Official Gazette*, No. 81, 2012) and amendments and modifications of the CBA concluded on 24 December 2013 (*Official Gazette*, No. 189, 2013), 13 July 2015 (*Official Gazette*, No. 119, 2015) and 9 August 2016 (*Official Gazette*, No. 150, 2016).

A.1 Specific collective Agreements

A.1.1 CA for Leather and Footwear Industry of the Republic of Macedonia

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The CA for Leather and Footwear Industry of the Republic of Macedonia (*Official Gazette*, No. 220, 2015) is concluded at the level of a Section in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA for the Leather and Footwear Industry was concluded on 3 December 2015 in Skopje. Based on the provisions for duration and extension of the collective agreements by the LLR and the CA itself, the CA expired in 2019. However, in practice, the CA is considered valid.
Parties involved	The CBA is concluded between the Trade Union of Workers in Textile, Leather and Footwear Industry of Republic of Macedonia – STKC (affiliated with SSM) and the Association for Leather and Footwear Industry of the Organization of Employers of Macedonia (affiliated with ORM).
Representativeness of the parties to the CA	The representativeness of STKC at a Branch, that is Section level, for Section 15. *Manufacture of leather and similar leather products according to NCA* is **22.80 per cent**, *Official Gazette*, No.15, 2018 (currently expired representativeness status). The representativeness of the Association for Leather and Footwear Industry for *Section 15. Manufacture of leather and similar leather products according to NCA* is **24.14 per cent**, Official Gazette, No. 264, 2020 (currently active representativeness status).
Collective bargaining coverage	Rate of coverage of the CA is **24.14 per cent**.
Duration	Initially concluded for a period of duration of two years, which can be extended by an Agreement of the parties concluded no later than 30 days before the expiration of the validity of the initial Collective Agreement. If the parties do not conclude an Agreement for extension within the given period, the Collective Agreement is automatically extended for another two years.
Amendments and modifications/extension	The CA has been automatically extended for another 2 years, until 2019.

A.1.2 CA for the Textile Industry of the Republic of Macedonia

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The CA for the Textile Industry of the Republic of Macedonia (*Official Gazette*, No. 220, 2015) is concluded at the level of several Sections within the same Sector in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA for the Textile Industry was concluded on 3 December 2015 in Skopje. Based on the provisions for duration and extension of the collective agreements by the LLR and the CA itself, the CA expired in 2019. However, in practice, the CA is considered valid.
Parties involved	The CA is concluded between the Trade Union of Workers in Textile, Leather and Footwear Industry of Republic of Macedonia – STKC (affiliated with SSM) and the Association for Textile Industry of the Organization of Employers of Macedonia (affiliated with ORM).
Representativeness of the parties to the CA	The representativeness of STKC at a Branch, that is Section level, for *Sections 13. Manufacture of textile and 14. Manufacture of clothing* according to NCA is **6.94 per cent**, *Official Gazette*, No. 15/18 (currently expired representativeness status). The representativeness of STKC for Sections 13 and 14 is obtained on the basis of article 210 of LRL, as a most numerous trade union. The representativeness of the Association for Textile Industry of the Organization of Employers of Macedonia at a Branch, i.e. Section level, for Sections 13. *Manufacture of textile and 14. Manufacture of clothing* according to NCA is **19.92 per cent** and **5.87 per cent** respectively, *Official Gazette*, No. 264/20 (currently active representativeness status). The representativeness of the Association for Textile Industry for Section 14 is obtained on the basis of article 210 of LRL, as a most numerous employers' association.
Collective bargaining coverage	Rate of coverage of the CA is **19.92 per cent** for Section 13 and **5.87 per cent** for Section 14 of the NCA.
Duration	Initially concluded for a period of duration of 2 years, which can be extended by an Agreement of the parties concluded no later than 30 days before the expiration of the validity of the initial Collective Agreement. If the parties do not conclude an Agreement for extension within the given period, the Collective Agreement is automatically extended for another two years.
Amendments and modifications/extension	The CA has been automatically extended for another two years, until 2019.

A.1.3 CA for the Employees of the Agriculture and Food Processing

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The CA for the Employees of the Agriculture and Food Industry (Official Gazette, No. 175/15) is concluded at the level of several sections within different sectors in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA for the Employees of the Agriculture and Food Industry was concluded on 23 September 2015 in Skopje. Based on the provisions for duration and extension of the collective agreements by the LLR and the CA itself, the CA expired in 2019. However, in practice, the CA is considered valid.
Parties involved	The CA is concluded between the Trade Union of workers in agro-industrial complex of Macedonia – AGRO Trade Union (affiliated with SSM) and the Association of Agriculture and Food Industry (affiliated with ORM).
Representativeness of the parties to the CA	The representativeness of AGRO Trade Union at a Branch, that is Section level, for Section *1. Crop and animal production, hunting and related service activities according to NCA is* ***22.37 per cent*** *and for Sections 10. Manufacture of food products and 11. Manufacture of Beverages according to NCA is* **11.69 per cen***t, Official Gazette*, No. 15, 2018 (currently expired representativeness status). The representativeness of AGRO Trade Union for Sections 10 and 11 is obtained on the basis of article 210 of LRL, as a most numerous trade union. The representativeness of the Association of Agriculture and Food Industry for Section 1. Crop and animal production, hunting and related service activities according to NCA is 13.26 per cent (currently expired) and Sections 10. Manufacture of food products and 11. Manufacture of Beverages according to NCA is 5.76 per cent and 31.91 per cent respectively, Official Gazette, No. 264/20 (currently active representativeness status). The representativeness of the Association of Agriculture and Food Industry for Section 10 is obtained on the basis of article 210 of LRL, as a most numerous employers' association.
Collective bargaining coverage	Rate of coverage of the CA is **13.26 per cent** for Section 1, **5.76 per cent** for Section 10 **and 31.91 per cent** for Section 11 of the NCA.
Duration	Initially concluded for a period of duration of 2 years, which can be extended by an Agreement of the parties concluded no later than 30 days before the expiration of the validity of the initial Collective Agreement. If the parties do not conclude an Agreement for extension within the given period, the Collective Agreement is automatically extended for another two years.
Amendments and modifications/extension	The basic text of the CBA was concluded on 23 September 2015 and was followed by an amendment concluded on 24 December 2015. The CA has been automatically extended for another two years, until 2019.

A.1.4 CA for the Employees in the Tobacco Industry

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The CA for the Employees in the Tobacco Industry (Official Gazette, No. 135, 2009) is concluded at the level of Section in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA for the Employees in the Tobacco Industry was concluded on 9 October 2009 in Skopje. Based on the provisions for duration and extension of the collective agreements by the LLR and the CA itself, the CA expired in 2019. However, in practice, the CA is considered valid.
Parties involved	The CA is concluded between the Trade Union of workers in agro-industrial complex of Macedonia – AGRO Trade Union (affiliated with SSM) and the Association for tobacco industry of the Organisation of Employers of Macedonia (affiliated with ORM)
Representativeness of the parties to the CA	The representativeness of AGRO Trade Union at a Branch, that is Section level, for *Section 12. Manufacture of tobacco products according to NCA is* **(80.54 per cent),** *Official Gazette*, No. 15, 2018 (currently expired representativeness status). The representativeness of the Association of Agriculture and Food Industry for *Section 12. Manufacture of tobacco products according to NCA is* **59.67 per cent**, *Official Gazette*, No. 264, 2020 (currently active representativeness status).
Collective bargaining coverage	Rate of coverage by the CA is **59.67 per cent** for Section 12 of the NCA.
Duration	Initially concluded for a period of duration of two years, which can be extended by an Agreement of the parties concluded no later than 30 days before the expiration of the validity of the initial Collective Agreement. If the parties do not conclude an Agreement for extension within the given period, the Collective Agreement is automatically extended for another two years.
Amendments and modifications/extension	The basic text of the CBA was concluded on 9 October 2009 (*Official Gazette*, No. 135, 2009) and was followed by amendments concluded on 23 May 2012 (*Official Gazette*, No. 14, 2012), 23 June 2014 (*Official Gazette*, No. 115, 2014) and 23 June 2016 (*Official Gazette*, No. 137, 2016).

A.1.5 CA for the Protective Associations of Macedonia

Aspects of CBA	Response Options
Parties involved	The CA is concluded between the Trade Union of Workers in Hospitality, Tourism, Communal and Housing Economy, Handicraft and Protecting Associations of Macedonia – SUTKOZ (affiliated with SSM) and the Association of Protective Associations of Macedonia – ZAPOVIM (affiliated with ORM).
Functional scope (sector, branch/section, group, class) Date and status (in force/expired)	The functional scope of the CA for the Protective Associations of Macedonia (*Official Gazette*, No. 151, 2014) is unclear. Protective Associations are companies that meet the requirements in accordance with the Law on Employment of Disabled Persons (*Official Gazette*, No. 44, 2000) and employ employees on the basis of an employment contract, or other employers that employ persons with disabilities. **Note:** The National Classification of Activities (NCA) does not recognize such a Section, Group or Class as "Protecting Associations". The CA for the Protecting Associations of Macedonia is authentic CA compared to the remaining CA's, in the sense that its functional scope is based on a particular status dedicated to the Protecting Associations that derive from the Law on Employment of Disabled Persons, and not from any Section, Group or Class within the NCA. Principally, this collective agreement covers Sections from several different Sectors (predominantly from the Manufacturing Sector), however, it is considered to be concluded for the Section 94. *Activities of membership based organizations according to NCA*. Although Macedonian industrial relations legislation does not provide for the possibility to conclude CAs at an Occupational Level (so-called occupation-based, or horizontal CA), given its characteristics, this CA bears a resemblance to such an Agreement. The CA for the Protective Associations of Macedonia was concluded on 25 September 2014 in Skopje. The CA is in force.
Representativeness of the parties to the CA	The representativeness of SUTKOZ for concluding this Specific collective Agreement was 7.7 per cent in 2014 when the CA was concluded (currently, the representativeness status has expired). The representativeness of ZAPOVIM at a Branch, that is Section level according to NCA is **50.31 per cent**, *Official Gazette*, No. 87/2017 (currently the representativeness status has expired).
Collective bargaining coverage	Rate of coverage by the CA is **50.31 per cent** for employees employed in the Protecting Associations.
Duration	Initially concluded for a period of duration of two years, which can be extended by an Agreement of the parties concluded no later than 30 days before the expiration of the validity of the initial Collective Agreement. If the parties do not conclude an Agreement for extension within the given period, the Collective Agreement is automatically extended until the conclusion of a new Collective Agreement.
Amendments and modifications/extension	The basic text of the CA was concluded on 25 September 2014 and after its expiration has been automatically extended until the conclusion of a new CA.

A.1.6 CA for the Hospitality Sector of Macedonia

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The CA for the Hospitality Sector of Macedonia (Official Gazette, No. 2. 2008) is concluded at the level of several sections within the same sector in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA for the Hospitality of Macedonia was concluded on 27 December 2007 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Trade Union of Workers in Hospitality, Tourism, Communal and Housing Economy, Handicraft and Protecting Associations of Macedonia – SUTKOZ (affiliated with SSM) and the Association of Hotels, Restaurants and Cafeterias of Macedonia – HOTAM (affiliated with ORM).
Representativeness of the parties to the CA	SUTKOZ met the requirements for representativeness according to the provisions that were in force before the amendments to the LLR from 2009. Currently, SUTKOZ does not have a representativeness at a Branch, that is Section level, for *Sections No. 55 Accommodation Facilities and No. 56 Activities for the preparation of meals and preparing food according to NCA.* The representativeness of HOTAM at a branch, that is section level, for Section *No. 55 Accommodation Facilities according to NCA is* **26.86 per cent***, Official Gazette*, No. 264, 2020 (currently, active representativeness status).
Collective bargaining coverage	Rate of coverage by the CA is **26.86 per cent** for Section 55 of the NCA.
Duration	Initially concluded for a period of duration of 5 years, which can be extended by an Agreement of the parties concluded no later than 30 days before the expiration of the validity of the initial Collective Agreement. If the parties do not conclude an Agreement for extension within the given period, the Collective Agreement is automatically extended until the conclusion of a new Collective Agreement.
Amendments and modifications/extension	The basic text of the CA was concluded on 27 December 2007 and after its expiration has been automatically extended until the conclusion of a new CA.

A.1.7 CA for the Chemical Industry

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The CA for the Chemical Industry (*Official Gazette*, No. 10, 2013) is concluded at the level of several sections within the same sector in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA for the Chemical Industry was concluded on 10 December 2013 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Trade Union of Chemistry and Non-metals and Metals of Macedonia – SHNM (affiliated with SSM) and the Association of Employers of the Chemical Industry of Macedonia (affiliated with ORM).
Representativeness of the parties to the CA	The representativeness of SHNM was 46.90 per cent for *Sections No. 20 Manufacture of chemicals and No. 23 Manufacture of chemical products and other non-metallic mineral products according* to NCA in 2014 (since 2017, the representativeness status has expired). The representativeness of the Association of Employers of the Chemical Industry of Macedonia for *Sections No. 20 Manufacture of chemicals and No. 23 Manufacture of chemical products and other non-metallic mineral products* according to NCA was 32.49 per cent, *Official Gazette*, No. 87, 2017. In 2020, The Association of Employers of the Chemical Industry has obtained representativeness for *Section 21 Production of basic pharmaceutical products and pharmaceutical preparations* according to NCA, with a **56.13 per cent** threshold (currently active representativeness status, but for other Section compared to the previous)
Collective bargaining coverage	Rate of coverage of the CA is **32.49 per cent**, for Section 20 and Section 23 of the NCA.
Duration	Initially concluded for a period of duration of three years, which can be extended by an Agreement of the parties concluded no later than 30 days before the expiration of the validity of the initial Collective Agreement. After the expiration of the term for which this collective agreement has been concluded, its provisions shall continue to apply until the conclusion of a new Collective Agreement.
Amendments and modifications/extension	The basic text of the CA was concluded on 10 December 2013 and after its expiration has been automatically extended until the conclusion of a new CA.

A.1.8 CA for the Energy Sector

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class) Date and status (in force/expired)	The CA for the Energy Sector (*Official Gazette*, No. 47, 2016) is concluded at the level of Sector in accordance with the National Classification of Activities of the Republic of North Macedonia. The CA for the Energy Sector was concluded on 2 March 2016 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Autonomous Trade Union of Workers in Energy and Economy of Macedonia (affiliated with SSM) and Association of Energy of the Private Sector (affiliated with ORM)
Representativeness of the parties to the CA	The representativeness of the Autonomous Trade Union of Workers in Energy and Economy of Macedonia was **20.02** *per cent for Sector D/Г Electricity, gas, steam and air conditioning supply according to NCA* in 2013. Currently, the representativeness of the Autonomous Trade Union of Workers in Energy and Economy of Macedonia at a branch, that is section level, has expired and has not been renewed. The representativeness of the Association of Energy of the Private Sector for *Sector D/Г No. 35 Electricity, gas, steam and air conditioning supply according to NCA* was **88 per cent**, *Official Gazette*, No. 87, 2017. Currently, the representativeness has expired and has not been renewed.
Collective bargaining coverage	Rate of coverage of the CA is 88 per cent for Sector D/Г of the NCA.
Duration	Initially concluded for a period of duration of 3 years, which can be extended by an Agreement of the parties concluded no later than 30 days before the expiration of the validity of the initial Collective Agreement. After the expiration of the term for which this collective agreement has been concluded, its provisions shall continue to apply until the conclusion of a new Collective Agreement.
Amendments and modifications/extension	The basic text of the CA was concluded on 2 March 2016 and was followed by an amendment concluded on 10 March 2016.

A.1.9 CA of Companies of Other Monetary Intermediation and the Activity of I ntermediation in Operations with Securities and Commodity Contracts (i.e. Financial Activities)

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The CA of Companies of Other Monetary Intermediation and the Activity of Intermediation in Operations with Securities and Commodity Contracts (*Official Gazette*, No. 97, 2011) is concluded at the level of several groups within different sections in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA was concluded in 2011 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Trade union of workers from the financial organizations of Macedonia – SFOM and the Association of Employers of the Financial and Insurance Activities (affiliated with the Organization of Employers of Macedonia)
Representativeness of the parties to the CA	The representativeness of SFOM was 51.08 per cent for "Financial Intermediation", according to data until 2014. Currently, a procedure is underway to determine the representativeness of SFOM in Section 64 "Financial Services expect insurance and pension funds" and Section 65 "Insurance, reinsurance and pension funds, except social security". The representativeness of the Association of Employers of the Financial and Insurance Activities at a branch that is section level, for *Section 64. Financial services, except insurance and pension services and Section 65. Insurance, reinsurance and pension funds, except compulsory social insurance according to NCA* is 35 per cent and 15.84 per cent respectively, *Official Gazette*, No. 264, 2020 (currently active representativeness status).
Collective bargaining coverage	Rate of coverage of the CA is **35 per cent** for Section 64 and **15.84 per cent** for Section 65 of the NCA.
Duration	Concluded for an indefinite period
Amendments and modifications/extension	The basic text of the CA was concluded on 2011 and was followed by amendment concluded on 18 December 2013.

B. General collective agreement for the public sector

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The Collective Agreement for the Public Sector (Official Gazette, No. 10, 2008).
Date and status (in force/expired)	The GCA for the Public Sector was concluded on 21 January 2008. The CA is in force.
Parties involved	The CA is concluded between the Confederation of Free Trade Unions of Macedonia (KSS) and the Government of the Republic of Macedonia represented by the Minister of labour and social policy of Macedonia.
Representativeness of the trade union – party to the CA	The Representativeness of KSS at the level of the public sector has expired. Currently, a representative TU Confederation at the level of the public sector is SSM, with a representativeness threshold of 21.84 per cent (Official Gazette, No. 18, 2019).
Duration	Initially concluded for a period of duration of wot years, but the validity of this Collective Agreement shall be automatically extended after the expiration of the CA until the conclusion of a new CA.
Amendments and modifications/extension	The basic text of the CA was concluded on 21 January 2008 and was followed by amendments and modifications of the CA concluded on 9 July 2009

B.1 Specific collective Agreements

B.1.1 CA for Higher Education and Science

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The Collective Agreement for the Higher Education and Science (*Official Gazette*, No. 102, 2021) is concluded at the level of a group within the same section in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and Status (in force/expired)	The CA for the Higher Education and Science was concluded on 7 May 2021 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Autonomous Trade Union of Education, Science and Culture (SONK) and the Ministry of Education and Science of Macedonia.
Representativeness of the Trade Union – Party to the CA	The representativeness of SONK at a branch, that is section level, for *Section No. 85 Education* is **57.75 per cent** as of 2019 (currently active representativeness status).
Collective Bargaining Coverage	Rate of coverage of the CAs concluded in *Section No. 85. Education* according to the NCA (CA for the Higher Education and Science, CA for the Secondary Education and CA for the Primary Education) is **46.6 per cent**. **Note:** Although the CAs are concluded at the level of a Group according to the NCA (Group 85.4 – Higher Education, Group 85.3 – Secondary Education and Group 85.2 – Elementary Education), the representativeness of SONK is obtained at the level of a Section. Data regarding the total number of members of SONK in Higher, Secondary and Primary Education, separately, as well as the total number of employees in the said groups, were currently not available. The total number of members of SONK in the Section of Education is 22,694, while the current number of employees in the Section of Education (including private institutions) is 48,640.
Duration	Initially concluded for a period of duration of two years, but the validity of this Collective Agreement shall be automatically extended after the expiration of the CA until the conclusion of a new CA.
Amendments and modifications/Extension	None

B.1.2 CA for Secondary Education in the Republic of North Macedonia

Aspects of CBA	Response Options
Functional scope (sector, branch, section)	The Collective Agreement for the Secondary Education in the Republic of Macedonia (Official Gazette, No. 24, 2009) is concluded at the level of group within the same section in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA for the Secondary Education was concluded on 2 December 2008 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Autonomous Trade Union of Education, Science and Culture (SONK) and the Ministry of Education and Science of Macedonia.
Representativeness of the trade union – party to the CA	The representativeness of SONK at a Branch, that is Section level, for *Section No. 85 Education* is **57.75 per cent** as of 2019 (currently active representativeness status).
Collective bargaining coverage	Rate of coverage of the CAs concluded in Section No. 85 Education according to the NCA (CA for the Higher Education and Science, CA for the Secondary Education and CA for the Primary Education) is **46.6 per cent**. **Note:** Although the CAs are concluded at the level of a Group according to the NCA (Group 85.4 – Higher Education, Group 85.3 – Secondary Education and Group 85.2 – Elementary Education), the representativeness of SONK is obtained at the level of a Section. Data regarding the total number of members of SONK in Higher, Secondary and Primary Education, separately, as well as the total number of employees in the said groups, were currently not available. The total number of members of SONK in the Section of Education is 22,694, while the current number of employees in the Section of Education (including private institutions) is 48,640.
Duration	Concluded for an Indefinite Period
Amendments and modifications/extension	The basic text of the CA was concluded on 2 December 2008 and was followed by amendments and modifications concluded on 28 November 2009 and 19 March 2010.

B.1.3 CA for Primary Education in the Republic of Macedonia

Aspects of CBA	Response Options
Functional scope (sector, branch, section)	The Collective Agreement for the Primary Education in the Republic of Macedonia (*Official Gazette*, No. 24, 2009) is concluded at the level of group within the same section in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA for the Primary Education was concluded on 2 December 2008 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Autonomous Trade Union of Education, Science and Culture (SONK) and the Ministry of Education and Science of Macedonia.
Representativeness of the trade union – party to the CA	The representativeness of SONK at a Branch, that is Section level, for *Section No. 85 Education* is **57.75 per cent** as of 2019 (currently active representativeness status).
Collective bargaining coverage	Rate of coverage of the CAs concluded in *Section No.85. Education* according to the NCA (CA for the Higher Education and Science, CA for the Secondary Education and CA for the Primary Education) is **46.6 per cent**. **Note:** Although the CAs are concluded at the level of a *Group* according to the NCA (Group 85.4 – Higher Education, Group 85.3 – Secondary Education and Group 85.2 – Elementary Education), the representativeness of SONK is obtained at the level of a Section. Data regarding the total number of members of SONK in Higher, Secondary and Primary Education, separately, as well as the total number of employees in the said groups, were currently not available. The total number of members of SONK in the Section of Education is 22.694, while the current number of employees in the Section of Education (including private institutions) is 48.640.
Duration	Concluded for an Indefinite Period
Amendments and modifications/extension	The basic text of the CA was concluded on 2 December 2008 and was followed by amendments and modifications concluded on 28 November 2009 and 19 March 2010.

B.1.4 CA for Public Institutions for Children in the Activity for Care and Education of Children from Preschool Age and the Activity for Holiday and Recreation of Children

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The Collective Agreement for the Public Institutions for Children in the Activity for Care and Education of Children from Preschool Age and the Activity for Holiday and Recreation of Children (*Official Gazette*, No. 133, 2019) is concluded at the level of several sections within different sectors in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA was concluded on 28 June 2019 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Autonomous Trade Union of Education, Science and Culture (SONK) and the Ministry of Labour and Social Policy.
Representativeness of the trade union – party to the CA	The representativeness of SONK at a Branch that is Section level, for *Section No 88. Activities of social protection without accommodation according to NCA* is 51.25 per cent, as of 2019 (currently active representativeness status).
Collective bargaining coverage	Rate of coverage of the CA is **30,60 per cent**. **Note:** The number of members of SONK in Section No. 88 is 2851 and the total number of employees in Section No. 88 according to the NCA is 9316.
Duration	Initially concluded for a period of duration of two years, but the validity of this Collective Agreement shall be automatically extended after the expiration of the CA until the conclusion of a new CA.
Amendments and modifications/extension	None

B.1.5 CA for Culture

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The Collective Agreement for the Culture (*Official Gazette*, No. 10, 2020) is concluded at the level of several sections within the same sector in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA was concluded on 16 January 2020 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Trade Union for Culture of Republic of Macedonia (SKRM), the Autonomous Trade Union of Education, Science and Culture (SONK) and the Ministry of Culture.
Representativeness of the trade union – party to the CA	The representativeness of SKRM at a Branch, that is Section level, for Section *No. 90 Creative, artistic and entertainment activities* is 20,88 per cent and for *Section No. 91 Libraries, archives, museums and other cultural activities to NCA is 23.37 per cent as of 2019, Official Gazette of the Republic of North Macedonia*, No. 18, 2019 (currently active representativeness status). The representativeness of SONK at a Branch, that is Section level for *Section No. 90 Creative, artistic and entertainment activities is 35.35 per cent and for Section No. 91 Libraries, archives, museums and other cultural activities is 59.32 per cent, as of 2019* (currently active representativeness status).
Collective bargaining coverage	Rate of coverage of the CA is **33.39 per cent**. **Note:** The number of members of SKRM is 825, the number of members of SONK is 878 and the total number of employees in Sections 90 and 91 is 5,099.
Duration	Initially concluded for a period of duration of two years, but the validity of this Collective Agreement shall be automatically extended after the expiration of the CA until the conclusion of a new CA.
Amendments and modifications/extension	None

B.1.6 CA for the Healthcare Sector

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The Collective Agreement for the Health Sector (Official Gazette, No. 60, 2006) is concluded at the level of Section in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA was concluded on 3 May 2006 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Autonomous Trade Union of Health, Pharmacy and Social Protection and the Ministry of Health.
Representativeness of the trade union – party to the CA	The representativeness of the Autonomous Trade Union of Health, Pharmacy and Social Protection at a Branch that is Section level for *Sections No. 86. Health Care Activities, No. 87. Social Protection Activities with Accommodation and No. 88. Social Protection Activities without Accommodation according to NCA* as of 2017, *Official Gazette*, No. 87, 2017 is **26.95 per cent** (currently, the representativeness status is expired and a procedure for renewal of the representativeness for individual Sections is underway).
Collective bargaining coverage	Rate of coverage of the CA is **100 per cent**, excluding the employees employed in private institutions in the Section. **Note:** Although the CA is concluded at the level of a Section according to the NCA (Section No. 86. Health Care Activities), the representativeness of the Autonomous Trade Union of Health, Pharmacy and Social Protection is issued at the level of a Sector (H-Activities of Health and Social Protection), i.e. several Sections (Section 86, Section 87 and Section 88) according to the NCA. The total number of members of the Autonomous Trade Union in the Section of Health Care Activities is 8,523, while the current number of employees in the Section of Health Care Activities (including private institutions) is 37,502. This means that *stricto sensu*, the rate of coverage is 22.72 per cent. However, the CA stipulates that it shall apply to all the employees in the Section.
Duration	Concluded for an Indefinite Period
Amendments and modifications/extension	The basic text of the CA was concluded on 03.05.2006 and was followed by 19 amendments and modifications concluded on 7 December 2007 (*Official Gazette*, No. 156, 2007), 4 February 2009 (*Official Gazette*, No. 17, 2009), 13 July 2009 (*Official Gazette*, No. 88, 2009), 28 April 2010 (*Official Gazette*, No. 60, 2010), 16 March 2011 (*Official Gazette*, No. 33, 2011), 10 January 2013 (*Official Gazette*, No. 5, 2013), 03 October 2014 (*Official Gazette*, No. 172, 2014), 26 June 2015 (*Official Gazette*, No. 118, 2015), 24 December 2015 (*Official Gazette*, No. 3, 2016), 31 March 2016 (*Official Gazette*, No. 75, 2016), 22 July 2016 (*Official Gazette*, No. 137, 2016), 17 April 2018 (*Official Gazette*, No. 80, 2018), 7 February 2019 (*Official Gazette*, No. 31, 2019 and No. 32, 2019), 20 September 2019 (*Official Gazette*, No. 196, 2019), 17 October 2019 (*Official Gazette*, No. 219, 2019), 2 January 2020 (*Official Gazette*, No. 1, 2020), 28 January 2020 (*Official Gazette*, No. 22, 2020) and 10 February 2020 (*Official Gazette*, No. 32, 2020).

B.1.7 CA for Social Protection

Aspects of CBA	Response Options
Functional scope (sector, branch, section)	The Collective Agreement for the Social Protection (Official Gazette, No. 249, 2019) is concluded at the level of Section in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA was concluded on 2 December 2019 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Autonomous Trade Union of Health, Pharmacy and Social Protection and the Ministry of Labour and Social Policy.
Representativeness of the trade union – party to the CA	The representativeness of the Autonomous Trade Union of Health, Pharmacy and Social Protection at a Branch, that is Section level for *Sections No. 86. Health Care Activities, No .87. Social Protection Activities with Accommodation and No. 88. Social Protection Activities without Accommodation according to NCA* as of 2017, *Official Gazette*, No. 87, 2017 is **26.95 per cent** (currently, the representativeness status is expired and a procedure for renewal of the representativeness for individual Sections is underway).
Collective bargaining coverage	Rate of coverage of the CA is **100 per cent** excluding the employees employed in private institutions in the Section. **Note:** Although the CA is concluded at the level of a Section according to the NCA (Section No. 87. *Social Protection Activities with Accommodation*), the representativeness of the Autonomous Trade Union of Health, Pharmacy and Social Protection is obtained at the level of a Sector (H-Activities of Health and Social Protection), i.e. several Sections (Section 86, Section 87 and Section 88) according to the NCA. The total number of members of the Autonomous Trade Union in the Section of *Social Protection Activities with Accommodation* is 317, while the current number of employees in the Section of Social *Protection Activities with Accommodation* (including private institutions) is 3,775. This means that *stricto sensu*, the rate of coverage is 8,39 per cent. However, the CA stipulates that it shall apply to all the employees in the Section.
Duration	Initially concluded for a period of duration of two years, but the validity of this Collective Agreement shall be automatically extended after the expiration of the CA until the conclusion of a new CA.
Amendments and modifications/extension	None

B.1.8 CA for Public Utilities

Aspects of CBA	Response Options
	The CA for the Public Utilities of Macedonia (*Official Gazette*, No. 107, 2006) is concluded at the level of Sector in accordance with the National Classification of Activities of the Republic of North Macedonia.
Functional scope (sector, branch/section, group, class)	The CA for the Public Utilities was concluded in 2006 in Skopje.
Date and status (in force/expired)	Currently it is not clear which of the two GCAs for the public or private sector will be applicable to the persons (employees and employers) to whom the CA for Public Utilities applies. The public enterprises that were members of the Association of Employers in the Public Utilities (affiliated with ORM) disassembled from ORM. However, in practice, the CA is considered valid.
Parties involved	The CA is concluded between the Trade Union of Workers in Hospitality, Tourism, Communal and Housing Economy, Handicraft and Protecting Associations of Macedonia – SUTKOZ (affiliated with SSM) and the Association of Employers in the Public Utilities (affiliated with ORM).
Representativeness of the trade union – party to the CA	The representativeness of SUTKOZ at a Branch, that is section level, for the Sections within Sector Е/Д *Water supply, wastewater disposal, waste management and environmental remediation* according to NCA is **54.09 per cent**, *Official Gazette*, No. 18, 2019 (currently active representativeness status). Rate of coverage of the CA is **100 per cent** excluding the employees employed in private institutions in the Sector.
Collective bargaining coverage	**Note:** The number of members of SUTKOZ in Sector Е/Д according to NCA is 5,379 and the total number of employees in Sector Е/Д is 16,692. This means that "stricto sensu", the rate of coverage is 32.22 per cent. However, the CA stipulates that it shall apply to all the employees in the Sector.
Duration	Initially concluded for a period of duration of 5 years, which can be extended by an Agreement of the parties concluded no later than 30 days before the expiration of the validity of the initial Collective Agreement. If the parties do not conclude an Agreement for extension within the given period, the Collective Agreement is automatically extended until the conclusion of a new Collective Agreement.
Amendments and modifications/extension	The basic text of the CA was concluded in 2006 and after its expiration has been automatically extended until the conclusion of a new CA.

B.1.9 CA for State Administration Bodies, Professional Services of the Government of the Republic of Northern Macedonia, Courts, Public Prosecutors, Penitentiary and Correctional institutions, State Attorney, Municipalities, City of Skopje and the Municipalities of the City of Skopje, Agencies, Funds and Other Bodies Established by the Assembly of the Republic of North Macedonia

Aspects of CBA	Response Options
Functional scope (sector, branch/section, group, class)	The Collective Agreement for the State Administration Bodies (Official Gazette, No. 51, 2021) is concluded at the level of Section in accordance with the National Classification of Activities of the Republic of North Macedonia.
Date and status (in force/expired)	The CA was concluded on 14 February 2020 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Trade Union of Employees in the Administration, Judiciary, Non-Governmental Organizations of Macedonia (UPOZ) and the Ministry of information society and administration.
Representativeness of the trade union – party to the CA	The representativeness of UPOZ at a branch that is section level, for *state administration bodies, courts, public prosecutor's offices, penitentiary and correctional institutions, state attorney's office, municipalities, the City of Skopje and the municipalities of the City of Skopje, agencies, funds and other bodies established by the Assembly of the Republic of North Macedonia, is 9.20 per cent, Official Gazette*, No. 130, 2018 (currently active representativeness status).
Collective bargaining coverage	Rate of coverage of the CA is **48.28 per cent**.
Duration	Initially concluded for a period of duration of 2 years, which can be extended by an Agreement of the parties concluded no later than 30 days before the expiration of the validity of the initial Collective Agreement. After the expiration of the term for which this collective agreement has been concluded, its provisions shall continue to apply until the conclusion of a new Collective Agreement.
Amendments and modifications/extension	None

B.1.10 CA of the Independent Regulatory Bodies

Aspects of CBA	Response Options
Functional scope (sector, branch, section) Date and status (in force/expired)	The functional scope of the CA of the Independent Regulatory Bodies (*Official Gazette*, No. 74, 2015) is unclear. **Note:** The National Classification of Activities (NCA) does not recognize such a Sector, Section, Group or Class as „Independent Regulatory Bodies". The CA for the Independent Regulatory Bodies is authentic CA compared to the remaining CA's, in the sense that its functional scope is dispersed among different sectors, such as *Sector K/I Financial Activities and Activities of Insurance, Sector O/Љ Public administration and defence; compulsory social insurance*, etc. Similar to the CA for the Protecting Associations of Macedonia and given its characteristics, this CA bears a resemblances to a CA concluded at an Occupational Level (so-called occupation-based, or horizontal CA). The CA was concluded on 11 February 2015 in Skopje. The CA is in force.
Parties involved	The CA is concluded between the Trade union of workers from the financial organizations of Macedonia – SFOM and the Association of Employers of the Financial and Insurance Activities (affiliated with the Organization of Employers of Macedonia)
Representativeness of the trade union – party to the CA	The representativeness of SFOM was 51.08 per cent for "Financial Intermediation", according to data until 2014. Currently, a procedure is underway to determine the representativeness of SFOM in Section 64 "Financial Services expect insurance and pension funds" and Section 65 "Insurance, reinsurance and pension funds, except social security". The representativeness of the Association of Employers of the Financial and Insurance Activities at a branch that is section level, for *Section 64. Financial services, except insurance and pension services and Section 65. Insurance, reinsurance and pension funds, except compulsory social insurance according to NCA is 35 per cent and 15.84 per cent respectively, Official Gazette*, No. 264, 2020 (currently active representativeness status).
Collective bargaining coverage	No data available
Duration	Concluded on an Indefinite Period
Amendments and modifications/extension	None

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