

Membership in Employers' Organisations	Slovenian Economic Mirror	IMAD
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There are two employers' organisations in **Slovenia** in which membership is voluntary: the **Slovenian Employers' Association (SEA)** and the **Slovenian Employers' Association of Crafts (SEAC)**, of which the former is much bigger than the latter. According to conventions and other documents of the International Labour Organisation (ILO) and the EU concerning the freedom of collective bargaining, employers' interests in collective bargaining (as well as generally within the framework of industrial relations) can only be represented by employers' organisations in which **membership is voluntary**. Slovenia will gradually institute this principle, primarily by passing a new Collective Agreements Act. Organisations that currently represent employers in collective bargaining are both the SEA and SEAC, as well as the Chamber of Commerce and Industry and the Chamber of Crafts. Unlike the Anglo-Saxon model, Slovenia's model requires mandatory membership in the Chambers (as is the case in most European countries). The Chambers should keep their usual function of encouraging economic development etc, while the function of representing employers, mainly in collective bargaining, should be gradually passed on to employers' associations with voluntary membership.

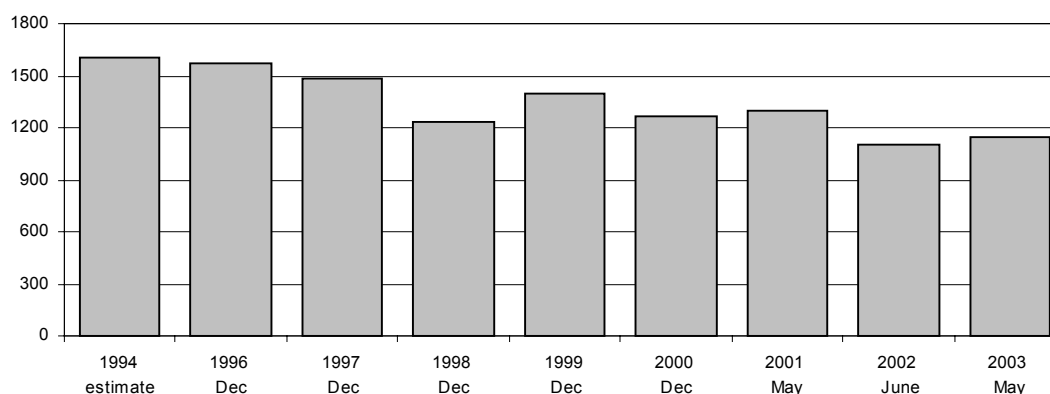
The **SEA** was founded on 22 February 1994 as an independent employers' organisation, following the recommendation of the ILO and International Organisation of Employers (IOE). The prevailing opinion was that this was the best solution for promoting voluntary membership in employers' organisations. Members of the SEA are enterprises, regardless of the type of ownership, while affiliation is voluntary. The SEA has two members in the Economic and Social Council of Slovenia (ESCS).

The **SEAC** was founded on 23 June 1994 (its initial name was the OGISTTA Employer's Association). Out of about 22,000 craftsmen in Slovenia, 4,186 have joined the SEAC voluntarily, that is about 20% of the total (as at 1 January 2003, according to data from the SEAC). Small employers make up 93.8% of members in the SEAC (as defined by the Labour Relations Act, according to which a small employer has 10 or less employees; however, this definition is only used in labour law). The SEAC has no representative in the ESCS, however, it is engaged in the work of the Council and a SEAC representative attends all its meetings as an observer. The SEAC is a signatory to all important documents such as social agreements, wages policy agreements, collective agreements etc.

The **number of members** (enterprises) in the **SEA** declined steadily up until 1999, when it bounced back, as shown by the graph. After 1999, membership shrank further, and the number of its members was 27% lower in 2003 compared to 1996 as a result of bankruptcies and defaults on paying membership fees. In 2001, most members were legal entities (1,276 or 97.9%), while others were natural persons – independent private entrepreneurs (27 or 2.1%).

The relatively low **level of affiliation of enterprises in the SEA** is the result of the low affiliation levels of **medium-sized enterprises** (whose average number of employees does not exceed 250, according to the Companies Act) and even lower affiliation levels of **small enterprises** (whose average number of employees does not exceed 50). The affiliation level of **large enterprises** is relatively good. In **2001**, 45.6% of all large enterprises were members in the SEA. The respective shares of medium-sized and small enterprises were 16.3% and 1.8%. As a result of high affiliation levels of large enterprises, members of the SEA employed 45.1% of all people employed in profit-making organisations. If independent private entrepreneurs are included, this share was 37.2%. In May 2001, out of 1,303 members of the SEA 446 were small enterprises (34.9%), 340 were medium-sized enterprises (26.6%), while 447 were large enterprises (35.0%). Large enterprises employed the majority of people who were employed by a SEA member (81.3%), while the shares of medium-sized and small enterprises were much smaller (9.6% and 2.8%). It was impossible to establish the size of 43 employers. They employed 6.3% of all people who were employed by a SEA member (according to data from the SEA).

Graph: **Number of members of the Slovenian Employers' Association (SEA)**



Source of data: SEA; mag. Slavi Pirš: "Interesno organiziranje delodajalcev v Sloveniji in v Evropi", Faculty for Social Sciences, Ljubljana 2002. Note: the number of invoices issued for paying membership fees was used to estimate the number of members in 1996-1999; the first data are available for 1996. A proper register of members has been kept since 1996; no data are available for 1995.