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## Collective bargaining in Europe's commerce sector:

## Mutual learning event

May 22, 2025



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## Romanian, Czech/Slovak, Turkish and Croatian

Click on the “Globe” icon at the bottom of your screen and choose your language.



Please use a headset with a built-in microphone or an external microphone when you're speaking and speak slow!



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# Agenda

1

**Comparative findings  
across 9 countries**  
Marta Kahancová

2

## Insight into country experiences

- Croatia – Hrvoje Butković, IRMO
- North Macedonia – Jana Krstevska, MK2025
- Slovakia – Marta Kahancová, CELSI

3

## Discussion

- Florentin Iancu, UNI-SEEEOC – Romania
- Bojana Percan, Commercial Trade Union (STH), Croatia
- Tomas Prouza, SOCR CR, Czechia
- Žana Plazibat, Croatian Employers Association, Croatia
- Annika Flaten, UNI Europa



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## Towards smart bargaining in Europe's commerce sector – a comparative study

May 22 2025

Marta Kahancová

CELSI







## Outline

- **Definition of smart bargaining**
- **Structural features and challenges of the commerce sector**
- **Current landscape of collective bargaining in commerce**
- **Potential for, and practices of, smart bargaining**





# How to understand smart bargaining?

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- Bargaining practices at the most feasible level leading to collective agreements **beyond** wages
- Provisions for:
  - Career progression
  - Skills and training
  - Health and safety
  - Work-life balance
  - Decent pay and working time regulation
  - Digitalisation and innovation



The **concept of smart bargaining** varies significantly across countries, reflecting their distinct institutional structures, bargaining traditions, and sectoral challenges



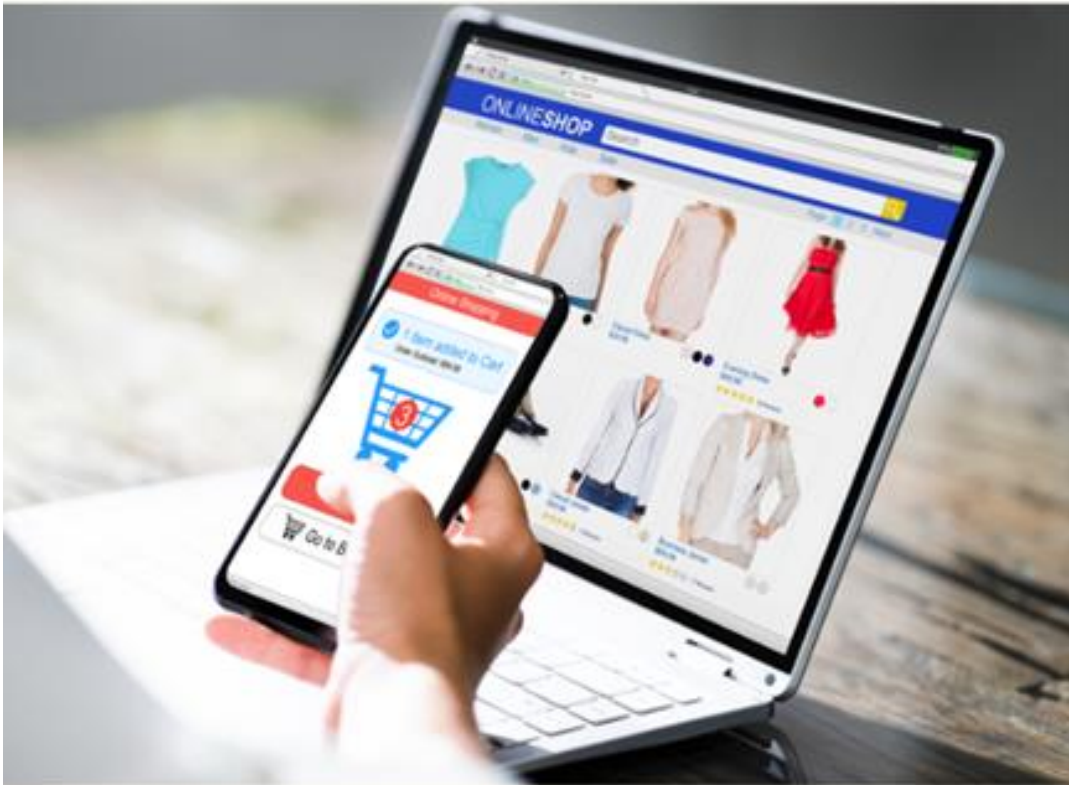
**Understanding bargaining in commerce**



# Bargaining landscape in commerce



**Main difference: co-existence, or a lack of, company-level bargaining with multi-employer bargaining**



**Countries with decentralized bargaining include Czechia, North Macedonia, Romania, Serbia and Turkiye.**



**In Croatia, France, Italy and Slovakia company-level bargaining co-exists with coordinated bargaining at the multi-employer or the sectoral level.**



# Challenges in the commerce sector

**Digitalisation**

**Growth of  
e-commerce**

**Structure of firms –  
international vs.  
domestic**

**Labour shortages**

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# Challenges in the spotlight

Employers actively avoid or undermine collective bargaining



Vulnerable workers excluded from bargaining coverage: digital workers, part-time, and temporary employees often fall outside bargaining frameworks



Low union density



Gender inequality: gender segregation in the workforce as a challenge to inclusive bargaining.



Fragmented bargaining systems leading to unequal bargaining practices or complications in sectoral affiliation of social partners and bargaining coverage.



Legal and institutional barriers, weak enforcement and deregulation in bargaining



# Towards smart bargaining

**1. Trust between unions and employers**

**2. Digital tools for reaching fragmented workforce**

**3. Flexibility and adaptability**

**4. Balancing sectoral and company bargaining**



# Towards smart bargaining

**5. Adapting  
regulatory  
frameworks and  
mandates**

**6. Inclusivity  
and coverage**

**7. Innovative  
bargaining  
topics**

**8. Cross-national  
cooperation  
especially in  
multinational  
chains**



# Thank you for your attention!

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BARSERVICE Mutual Learning Events

# UNDERSTAND COLLECTIVE BARGAINING IN EUROPE'S **COMMERCE SECTOR**



**22TH** MAY  
2025  
**THURSDAY**  
10:00 AM - 11:30 AM CET

[REGISTER NOW](#)

The speakers and a detailed agenda for each session  
will be available soon.

Online via zoom



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Towards Smart Bargaining in the Commerce Sector in Croatia

22. 05. 2025.

Hrvoje Butković, PhD

Institute for Development and International Relations (IRMO) Zagreb



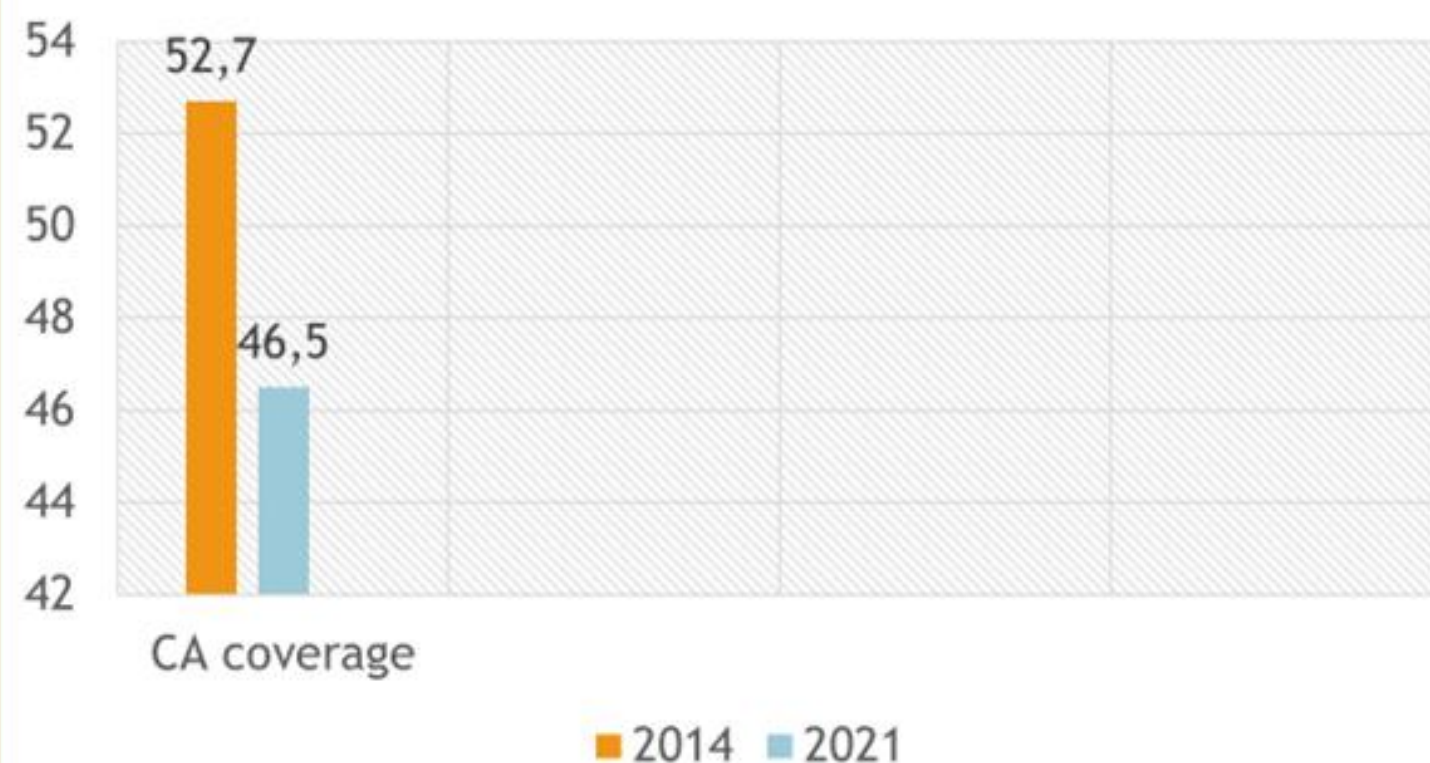
# Sector identification and trends

- 207,803 overall number of employees – NACE 45, 46, 47 - (2024)
- Trade union estimates that the sector lacks some 20% of workers
- 87% of workers work on open ended contracts
- Collective Agreement for the Commerce Sector (2024)
- Company level collective agreements cover 10% of employees
- Share of services gross value added in the total gross value added 72% (2024)
- Share of gross value added of commerce within services 17.4% (2024)
- Trend of low wages and their slow growth

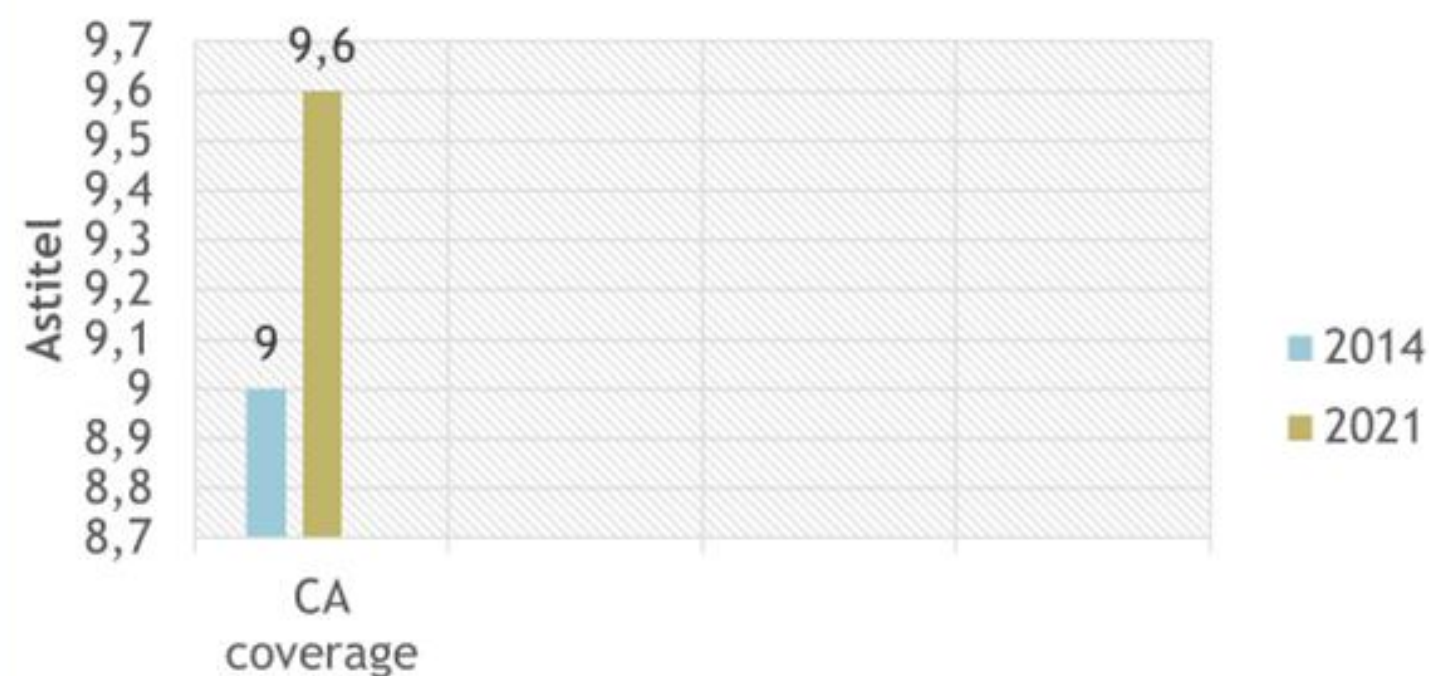


# Coverage with collective agreements Croatia

General CA coverage  
(Bagić, 2022).



CA coverage in commerce  
(Bagić, 2022).





# Current state of collective bargaining

- Commercial Trade Union of Croatia (STH)
- Croatian Employers' Association (HUP) Commerce Association
- Sector union has around 10.000 members 50% covered by the hours CA
- Bargaining in the commerce sector is centralized and decentralized
- Sectoral CA deals with the range of important issues
  - wage section underdeveloped
- Sectoral CA lacks the table or working positions with job complexity coefficients
- Employers decide in which category of job complexity to classify job positions
- Employer resistance, especially among large foreign-owned retailers



# Challenges to collective bargaining

- Lack of organization of private employers and their lack of interest in collective bargaining represents the greatest challenge
- How to incentivize employers to engage in the house level collective bargaining
- The non-union members enjoy all rights without baring any costs
- The application of CA needs better monitoring
- Support innovative bargaining agendas, that address challenges like digital transformation, workforce upskilling and migrant work



# Towards smart bargaining

- Both social partners agree that the sector needs:
  - strengthened trust between social partners, greater frequency of negotiations, better content of CA
- Both social partners agree that the approach to smart bargaining cannot be based on the "one size fits all" principle
- Both social partners agree that the bargaining should be recognized as the best way to regulate working conditions
- Employers' association rejects the idea of legally binding employers to bargain
- Employers claim that legislation is too detailed - little room for bargaining
- Law on Commerce – Sunday work in the store is paid 50% more etc.



# European perspectives

- Directive (EU) 2022/2041 on adequate minimum wages in the EU has counterproductive effects because it demotivates employers to bargain
- Sector union at the European level is member of UNI Commerce, UNI Global Union and the European Trade Union Confederation (ETUC)
- Sector employers' association is member of Business Europe
- Sectoral union believes the EU-level social partners can develop communication and information strategies vis-à-vis multinational corporations
- Sector employers' association believes that EU-level social partners could do more in terms of education and training activities



# Conclusions

- Disorganization of employers and their lack of interest in collective bargaining
- Strengthening the organization of employers into higher-level associations
- Awareness rising on the benefits of collective bargaining, through targeted campaigns, education and training activities
- Strengthening sectoral bargaining structures
- Promoting better content of collective agreements – more wage bargaining
- Supporting innovative bargaining agendas, that address challenges like digital transformation and workforce upskilling





# Thank you!

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## TOWARDS SMART BARGAINING IN THE COMMERCE SECTOR IN NORTH MACEDONIA





# PURPOSE OF THE REPORT

**OVERVIEW OF COLLECTIVE BARGAINING  
PRACTICES**

**TECHNOLOGICAL, LABOR, AND LEGAL TREND  
ANALYSIS**

**STEPS TOWARD SMART BARGAINING**



# COMMERCE SECTOR OVERVIEW

**FRAGMENTED: TRADITIONAL RETAIL +  
GROWING E-COMMERCE**

**WORKFORCE: YOUNGER, MORE DIVERSE**

**COMMERCE SECTOR UNION  
EXCLUDES INFORMAL WORKERS**

**WAGE GAPS & DIGITAL DIVIDE  
PERSIST**



# CURRENT BARGAINING LANDSCAPE

**FIRM-LEVEL BARGAINING DOMINATES**

**SECTORAL BARGAINING IS WEAK**

**NATIONAL AGREEMENTS LACK SECTOR  
RELEVANCE**

**LOW UNION PRESENCE, EMPLOYER  
DOMINANCE**



# MAIN CHALLENGES



- 1 **LOW UNIONIZATION IN SMES**
- 2 **FREELANCE WORKERS EXCLUDED**
- 3 **EMPLOYER RESISTANCE**
- 4 **LEGAL GAPS, WEAK ENFORCEMENT**
- 5 **GENDER SEGREGATION & YOUTH EXCLUSION**



# WHAT IS SMART BARGAINING?

## **ALIGNS WITH TECH & MARKET REALITIES**

Smart bargaining modernizes traditional frameworks to respond to digital transformation and globalization in commerce.

## **INCLUDES WAGE + NON-WAGE BENEFITS**

It balances fair wages with provisions for work-life balance, flexible work arrangements, and skills development.

## **COVERS VULNERABLE/DIGITAL WORKERS**

Expands protections to freelance workers, part-time staff, and those in informal employment often excluded from standard agreements.

## **COLLABORATION AMONG ALL ACTORS**

Requires coordinated action by unions, employers, government, and intermediaries like business associations to ensure fair, sustainable agreements.



# HOW TO MAKE IT WORK?

Smart bargaining cannot be achieved by one actor alone. It requires a coordinated and sustained effort from all key stakeholders in the labor ecosystem. The following actions outline the roles that unions, employers, government institutions, and intermediaries must play to ensure successful implementation of inclusive, flexible, and future-proof collective agreements.



**UNIONS: CAPACITY, DIGITAL TOOLS, OUTREACH**



**EMPLOYERS: LONG-TERM BENEFITS, SUSTAINABILITY CLAUSES**



**GOVERNMENT: LEGAL REFORMS**



**INTERMEDIARIES: BRIDGE-BUILDING (E.G., E-COMMERCE ASSOCIATION)**







# INFLUENCE & BEST PRACTICES

## **EU MINIMUM WAGE DIRECTIVE: EQUITY & COVERAGE**

Encourages broader bargaining coverage, particularly in low-wage sectors. Promotes fair pay, transparency, and improved labor standards.

## **GERMAN & DUTCH MODELS: DIGITAL TOOLS, BROAD AGREEMENTS**

These countries integrate digital platforms into bargaining processes and use sectoral agreements to ensure consistency and wide coverage.

## **CROSS-BORDER LEARNING AND FUNDING SUPPORT**

European social partners—such as ETUC and BusinessEurope—offer capacity-building programs, workshops, and collaborative initiatives to support national-level actors.

## **OPPORTUNITIES FOR MACEDONIA**

By aligning national legislation with EU practices, Macedonia can increase bargaining inclusivity, strengthen labor protections, and modernize sectoral policies.



# CONCLUSIONS

## SMART BARGAINING = INCLUSIVE GROWTH & ADAPTABILITY

- Promotes equitable outcomes across diverse worker groups, including part-time and gig workers.
- Ensures flexibility to adapt to rapid market and technological shifts.
- Encourages collaboration between unions, employers, and policymakers.
- Supports the shift from fragmented, firm-level agreements to sector-wide coordination.

## TOOLS EXIST: LEGAL, DIGITAL, ORGANIZATIONAL

- EU Minimum Wage Directive sets a clear legal framework to expand collective bargaining.
- Employer associations and social partners can act as coordination hubs.
- Employer associations and social partners can act as coordination hubs.
- Existing general collective agreements can be adapted for commerce-sector realities.



# CONCLUSIONS (CONT'D)

## SMART BARGAINING = INCLUSIVE GROWTH & ADAPTABILITY

- Builds trust in labor relations by ensuring transparent, modern agreements.
- Encourages skill development, work-life balance, and non-wage benefits in CBAs.
- Reduces inequality by ensuring bargaining coverage beyond large employers.
- Aligns labor relations with North Macedonia's economic modernization agenda.

## TOOLS EXIST: LEGAL, DIGITAL, ORGANIZATIONAL

- ILO guidance and EU best practices provide implementation roadmaps.
- Macedonian e-commerce associations already piloting collaborative tools.
- Public-private partnerships can support rollout and capacity building.
- Funding mechanisms and EU programs can assist institutional upgrades.





# FINAL NOTE

Time to move from fragmented models to inclusive, flexible bargaining structures.



**FAIRER WORK**

**COMPETITIVE COMMERCE SECTOR**

**SHARED PROSPERITY**





# THANK YOU



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# *Towards smart bargaining in commerce: Slovakia*

**Mutual learning event, Commerce Sector, 22 May 2025**

Presented by  
**Marta Kahancová**



## *Key figures*



### 11.2%

Retail revenues increased by 11.2% to €7.7 billion (in 2022 compared to 2021)

### 13,300

239 stores (164 Lidl and 75 Kaufland) at the end of February 2023.  
13,300 persons employed

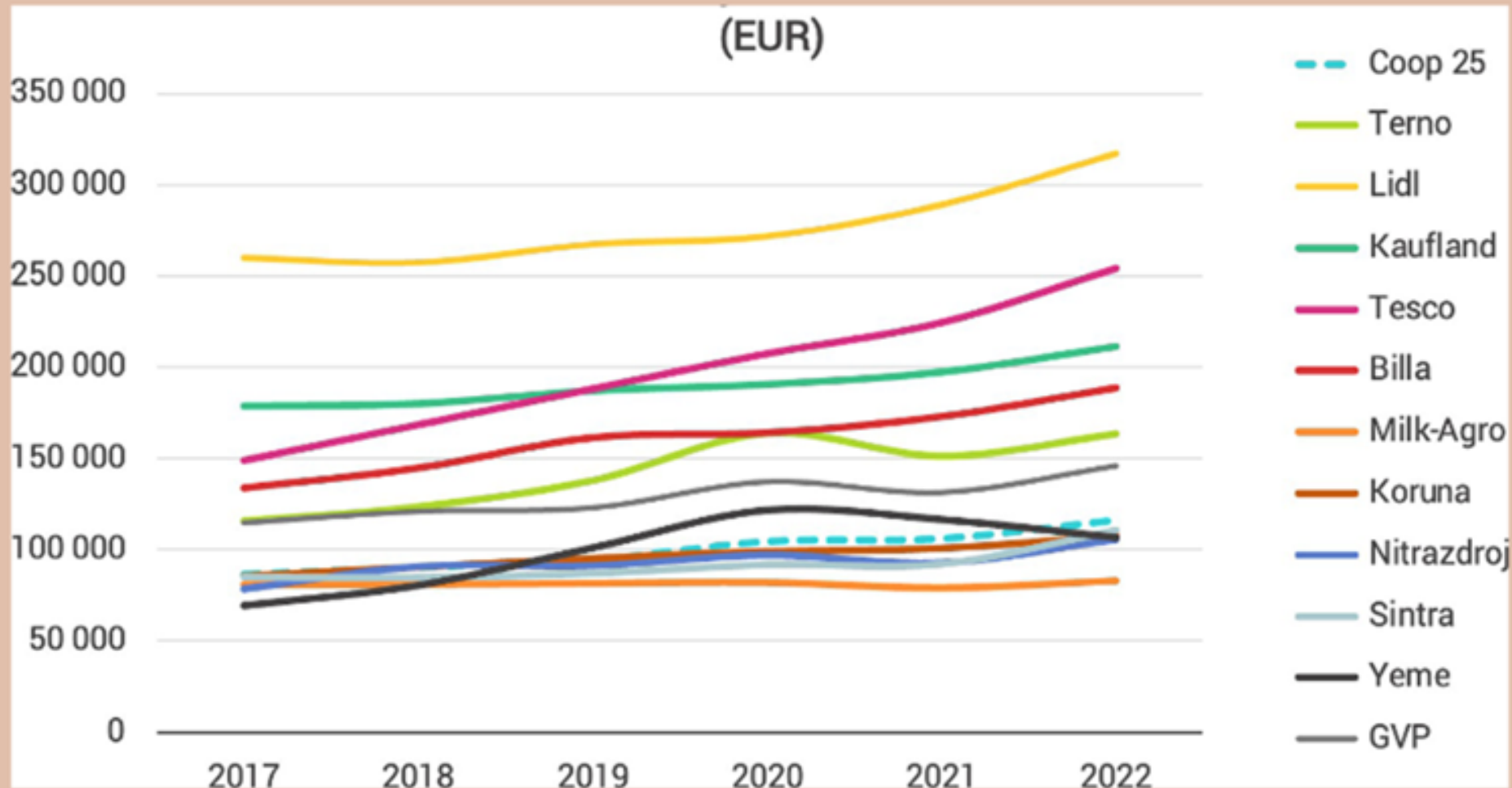
### 25,000 €

Costs per employee - highest in TESCO, while Lidl at 19,000 €





# Revenues per employee



## Growth in revenues

## Foreign companies dominate

## Kaufland and Lidl

Largest year-on-year growth of employees

Source: Finstat (2023)



## *Challenges to bargaining*



**Domestic vs.  
foreign**



**Sector vs.  
company**



**Union  
fragmentatio**



**Content of  
agreements**





## *Key challenges in the spotlight*

1

### **Trade union fragmentation**

Three sectoral federation now cover commerce/retail trade unions (Commerce, Metal, Chemical-Technological Federation)

3

### **Employer fragmentation**

New association of modern trade - not an employers' organisation, no coordinated bargaining

2

### **Bargaining in multinationals vs. domestic chains**

Well established, but decentralisation at MNCs vs. coordinated at domestic chains

T

### **Themes of bargaining**

Working time - dispute  
Wages - only at the company level



## *Towards smart bargaining*



**Stronger union  
presence at the  
workplace**



**Coordination  
across unions to  
overcome  
fragmentation**



**Trust in single-  
employer  
bargaining  
(newly emerged  
unions)**



**Expanding  
single-employer  
bargaining to  
sectoral  
bargaining**

**EC Directive -  
changing status  
of employers'  
associations?**



# *Thank you*

**For your attention**

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# Discussion

1. Experience in **bargaining at large retail chains**? Are there observations between foreign and domestic commerce companies?
2. Experience and interest in **multi-employer or sector-level bargaining**?
3. Is **collective bargaining relevant** for employers in commerce?
4. Challenges in the commerce sector related to **gender-related inequalities**, can collective bargaining address this?
5. Can we share **recommendations for raising bargaining coverage** in the commerce sector across European countries?
6. At which levels is **bargaining the smartest/most effective** in your sector?
7. Which **themes would employers** like to tackle via collective bargaining?
8. How are European federations like UNI Europa supporting their members to **increase bargaining coverage**?



# Thank you for your attention!

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36 country reports (4 sectors, 9 countries)

4 sectoral comparative reports

9 country policy briefs

9 country videos

Report on collective agreements

Report on undeclared work

