

# CROATIAN PARLIAMENT

1875

Pursuant to the Article 89 of the Constitution of the Republic of Croatia, I hereby issue the

## DECISION

### PROMULGATING THE ACT ON REPRESENTATIVENESS OF EMPLOYER ORGANISATIONS AND TRADE UNION ORGANISATIONS

I hereby promulgate the Act on representativeness of employer organisations and trade union organisations, passed by the Croatian Parliament at its session on 15 July 2014.

Class: 011-01/14-01/112

Ref. No: 71-05-03/1-14-2

Zagreb, 18 July 2014

President of the Republic of Croatia

**Ivo Josipović, m.p.**

## ACT

### ON REPRESENTATIVENESS OF EMPLOYER ORGANISATIONS AND TRADE UNION ORGANISATIONS

#### I. GENERAL PROVISIONS

##### *Objective*

##### Article 1

(1) This Act stipulates the criteria and the procedure for recognition of representativeness of higher-level employer organisations and trade union

organisations participating in tripartite bodies at national level, as well as the criteria and procedure for recognition of representativeness of trade unions in collective bargaining, and the rights of representative organisations.

(2) Trade unions and their organisations of a higher level and employer organisations of a higher level, the representativeness of which is established under the provisions of this Act shall have specific rights and obligations laid down in this Act.

(3) Trade unions and employer organisations and their higher-level organisations, the representativeness of which has not been established under the provisions of this Act shall have the right to freedom of association, adoption of programs and complete autonomy in organisation of activities in accordance with the regulations, except for the rights laid down in this Act.

(4) Notwithstanding their grammatical gender, the terms used in this Act are gender-neutral and shall apply equally to male and female gender.

## II. CRITERIA FOR PARTICIPATION IN TRIPARTITE BODIES

*The criteria for representativeness of higher-level employer organisations participating in tripartite bodies at national level*

### Article 2

A higher-level representative employer organisation participating in tripartite bodies at national level, shall, within the meaning of this Act, mean an employer organisation of a higher level that cumulatively fulfills the following conditions:

1) it is entered in the register of employer organisations of a higher level at least 6 months prior to submitting an application for recognition of a representative status

2) at least 3 000 employers are its members or its member employers have at least 100 000 employees

3) at least five employer organisations are its members and are active in various areas of activities as set out in the National Classification of Activities

4) the higher-level employer organisation or its member organisations have regional offices in at least four counties

5) it has the premises and other material conditions necessary to carry out its activities and it employs at least five employees with a full-time employment contract, concluded for indefinite duration.

*Criteria for representativeness of higher-level trade union organisation participating in tripartite bodies at national level*

### Article 3

(1) A higher-level representative trade union organisation participating in tripartite bodies at national level, shall, within the meaning of this Act, mean a trade union organisation of a higher level that cumulatively fulfills the following conditions:

- 1) it is entered in the register of trade union organisation of a higher level at least six months prior to submitting an application for recognition of a representative status
- 2) its member trade unions represent at least 50 000 unionised employees
- 3) at least five trade unions are its members and are active in various areas of activities as set out in the National Classification of Activities
- 4) the higher-level representative trade union organisation or its member unions have regional offices in at least four counties
- 5) it has the premises and other material conditions necessary to carry out its activities and it employs at least five employees with a full-time employment contract, concluded for indefinite duration.

(2) The number of unionised employees referred to in paragraph 1 subparagraph 2 of this Act shall include unionised employees who:

- 1) have submitted to their employer a written consent for their union membership fee to be deducted from their salary
- 2) exercise their rights to maternity and parental benefits in accordance with special regulations
- 3) personally pay their union membership fee.

*The rights of higher-level representative organisations participating in tripartite bodies at national level*

## Article 4

Representative union organisations and employer organisations of a higher level participating in tripartite bodies at national level, shall have the right to:

- 1) propose to the Government of the Republic of Croatia their representatives for tripartite delegation of the Government of the Republic of Croatia at the International Labour Conference and appoint their representatives to other international and European bodies and organizations
- 2) appoint their representatives, in accordance with law and other special regulations, and otherwise participate in the work of the Economic and Social Council and other bodies through which tripartite social dialogue is promoted at national level
- 3) appoint their representatives to other bodies for which the participation of union and employer representatives at national level has been provided for in specific regulations or agreements
- 4) participate in collective bargaining over collective agreements covering employees who work for employers which are members of a higher-level employer organisation.

*Participation of organisations in tripartite bodies at the local and regional level*

## Article 5

(1) An economic and social council may be established, at the level of local and regional self-government units, with a view to identifying and carrying out coordinated activities, aimed at protecting and promoting economic and social rights, or the interests of employees and employers in local and regional self-government units, at pursuing coordinated economic, social and development policies and at encouraging collective agreements to be concluded and implemented.

(2) The manner of and procedure for establishment and composition of economic and social councils, at the level of local and regional self-government units, may be specified in the agreement establishing the Economic and Social Council, concluded between the Government of the Republic of Croatia and union and employer organizations of a higher level whose representativeness has been recognized at national level.

*The rights of representative organisations participating in tripartite bodies at the local and regional level*

Article 6

Trade union organisation and employer organisation of a higher level which participate, pursuant to the agreement referred to in Article 5(2) hereof, in tripartite bodies at the local and regional level shall have the right to:

- 1) appoint their representatives to economic and social councils of the local and regional self-government units and to other bodies through which tripartite social dialogue is promoted at these levels
- 2) appoint their representatives to other bodies for which the participation of representatives of higher-level union organisations and of higher-level employer organisation is provided for in special regulations or agreements.

III THE REPRESENTATIVENESS OF TRADE UNIONS FOR COLLECTIVE BARGAINING AND REPRESENTATION ON THE NEGOTIATING COMMITTEE

*Representativeness of trade unions for collective bargaining*

Article 7

(1) Where there is only one trade union at the level for which collective bargaining is being conducted, the trade union in question shall be deemed representative and its representative status need not be subject to the recognition procedure.

(2) Where there are several trade unions at the level for which collective bargaining is being conducted, all trade unions active at that level may recognize, by means of a written agreement, which trade unions shall be deemed representative and the representativeness of those unions need not be subject to recognition procedure.

(3) The written agreement referred to in paragraph 2 of this Article shall contain information about the number of employees who are members of the trade unions deemed representative in accordance with the agreement, and this number shall be expressed per every union.

(4) Where there are several trade unions at the level for which collective bargaining is being conducted, and the trade unions fail to conclude a written agreement referred to in paragraph 2 of this Article, every trade union may

initiate before the Commission (hereinafter referred to as: the Commission) a procedure for the recognition of a trade union's representative status pursuant to this Act.

*Criteria for representativeness of a trade union in collective bargaining*

Article 8

(1) In the procedure for recognition of representativeness of trade unions referred to in Article 7(4) hereof, a representative trade union shall be the trade union that, at the level for which representativeness is being recognized, has a minimum of 20% of members of the total number of unionised employees employed at the level for which representativeness is to be recognized.

(2) In order to determine the number of unionised employees referred to in paragraph 1 of this Article, the provision referred to in Article 3(2) hereof shall apply accordingly.

*The negotiating committee of trade unions in collective bargaining*

Article 9

(1) If the procedure referred to in Article 7(2) and (4) hereof recognizes a representative status for several trade unions active at the level for which collective bargaining is being conducted, the employer or employer organisation may negotiate only with the negotiating committee which consists of representatives of those trade unions.

(2) In the case referred to in paragraph 1 of this Article, representative trade unions shall, within 30 days of the date of signing the agreement referred to in Article 7(2), or of the enforceability of the decision referred to in Article 24(1) hereof, set up a trade unions' negotiating committee for collective bargaining.

(3) Where representative trade unions fail to set up a negotiating committee following the expiry of time limit referred to in paragraph 2 of this Article, one representative of every representative trade union shall have the right to participate in the work of the negotiating committee referred to in paragraph 2 of this Article.

(4) The union bargaining committee shall not have more than 11 members.

(5) The negotiating committee shall establish its work procedures and decision-making procedures.

(6) The union negotiating committee shall inform, in the course of collective bargaining, other unions which are not representative or represented on the negotiating committee, of the negotiation developments and allow them to voice their opinions and proposals which are of special interest for their members.

*Length of union representativeness for collective bargaining*

Article 10

(1) The representative status or representation on a negotiating committee shall equal the period of validity of collective agreement.

(2) Where negotiations on modifications, i.e., amendments to the collective agreement wish to be initiated while trade unions have a representative status or the right to representation on the negotiating committee referred to in paragraph 1 of this Article, the employer, employers or employer organisation shall be able to negotiate with the negotiating committee of trade unions whose representative status or representation on the negotiating committee have been recognized for the purpose of collective agreement for which modifications, i.e., amendments are to be negotiated and which are signatories to that collective agreement.

(3) Where negotiations about a new collective agreement wish to be initiated while trade unions already have a representative status or the right to representation on the negotiating committee referred to in paragraph 1 of this Article, the negotiations can be initiated once the trade unions' representative status or their right to representation on the negotiating committee have been recognized pursuant to this Act.

*Reapplying for recognition of trade union's representativeness in collective bargaining*

Article 11

(1) Once the previous procedure for recognition of union representativeness in collective bargaining or representation on the negotiating committee has been completed, a trade union which finds that it meets the representativeness criteria for collective bargaining or that it is entitled to representation on the negotiating committee, may initiate a procedure for recognition of union

representativeness in collective bargaining or its right to representation on the negotiating committee.

(2) Where a procedure referred to in paragraph 1 of this Article is carried out during the validity period of the collective agreement, the representative status of a trade union or representation on the negotiating committee, which has been recognized in the previous procedure, shall cease to be valid and new representative status or representation shall be determined in a manner set out in this Act.

(3) Where a procedure referred to in paragraph 1 of this Article fails to recognize representativeness of all trade unions which have previously been recognized as representative or have participated on the negotiating committee or where a representative status of one or several other trade unions has been recognized, collective bargaining may be undertaken only for a new collective agreement.

(4) In the case referred to in paragraph 3 of this Article, once a new collective agreement has been concluded, the previous collective agreement shall cease to be valid.

(5) Where a procedure referred to in paragraph 1 of this Article does not recognize a representative status of a trade union or the right to representation on the negotiating committee of the trade union which has initiated that procedure, the trade union in question shall not be able to initiate a new procedure for recognition of the union representativeness in collective bargaining for a period of one year following the date of the enforceability of the decision on reapplying for representativeness recognition.

*The area and level for which a representative status or representation on the negotiating committee are to be recognized*

## Article 12

(1) The representativeness of trade unions for collective bargaining shall be recognized at the level of the employer or employer organisation.

(2) By way of derogation from the paragraph 1 of this Article, for the purpose of collective bargaining on new collective agreements which are to cover servants and employees in civil and public services, the representativeness of a trade union in collective bargaining or union representation on the negotiating committee shall be recognized for a specific area, section, i.e. group in accordance with the National Classification of Activities.



(3) The trade union or trade unions referred to in Article 7(1) and (2) hereof shall specify, in the notice referred to in Article 27(2) hereof, the level at which it shall be registered as representative in the records of representative trade unions.

(4) The trade union initiating the procedure shall specify, in its application for recognition of representativeness, the level for which the trade union's representativeness is to be recognized in the case referred to in Article 7(4) of this Act.

*Employers' negotiating committees for collective bargaining in the civil and public service*

### Article 13

(1) When negotiating a collective agreement which specifies the rights of employees for whom remuneration funds and other employee benefits are allocated in the state budget, or in the treasury, in accordance with special regulations, trade unions or representative trade unions shall be able to negotiate about a new collective agreement only with the negotiating committee appointed or authorized by the Government of the Republic of Croatia to do so.

(2) When negotiating a collective agreement which specifies the rights of employees in public institutions established by the Republic of Croatia, representative trade unions shall be able to negotiate about a collective agreement only with the negotiating committee appointed or authorized by the head of a central state administrative body who is competent for administrative supervision over the work of the public institution in question.

(3) When negotiating a collective agreement which specifies the rights of employees for whom remuneration funds and other employee benefits are allocated in the budget of local and regional self-government units in accordance with special regulations, representative trade unions shall be able to negotiate about a collective agreement only with the negotiating committee appointed or authorized by a body which is authorized to do so in accordance with special regulations.

*Trade unions' negotiating committees in collective bargaining in civil and public services*

### Article 14

(1) Where a collective agreement referred to in Article 13(1) hereof is being negotiated and is to cover several areas of public services in accordance with the National Classification of Activities, the collective bargaining may take place only with the negotiating committee of the trade union whose composition has been determined by the Commission.

(2) The composition of the union negotiating committee for collective bargaining referred to in paragraph 1 of this Article shall be as follows: every area shall be represented by one member, acting as a representative of a trade union with the largest membership in that area, and the remaining seats on the negotiating committee shall be allocated, in proportion to the membership size, to other unions participating in the procedure for allocation of seats on the negotiating committee in relation to the total number of unionized employees in the area for which negotiations are being conducted.

(3) When negotiating a collective agreement which is to cover a particular area, section or group of public services in accordance with National Classification of Activities or a collective agreement which is to cover servants and employees in state administrative bodies, or government bodies, negotiations may be conducted only with the negotiating committee of trade unions which are representative in accordance with Articles 7 and 8 of this Act.

(4) The union bargaining committee shall not have more than 11 members.

(5) By way of derogation from paragraph 1 of this Article, when negotiating a collective agreement which is to cover employees in scientific institutions, or higher education institutions, the representative status of a trade union shall be determined, and not the composition of the negotiating committee.

#### IV. THE PROCEDURE FOR THE RECOGNITION OF REPRESENTATIVENESS

##### 1. The Commission

Scope of duties, appointment and work conditions of the Commission

##### Article 15

(1) The procedure for recognition of representativeness in accordance with the provisions of this Act shall be conducted by the Commission.

(2) The Commission shall consist of five members and five alternate members appointed for a period of five years by the minister competent for labour affairs (hereinafter referred to as: the Minister).

(3) The members and alternate members of the Commission shall be appointed from the ranks of independent eminent experts, of whom two members and two alternate members shall be appointed based on a written proposal by a trade union organization and employer organization of a higher level, the representativeness of which has been recognized at national level, within 30 days of the date of entry into force of this Act, or 30 days prior to expiry of the period referred to in paragraph 2 of this Article.

(4) When appointing members and conducting the procedure for recognition of representativeness, account shall be taken of principles of independence, impartiality and objectivity.

(5) The Commission may sue or be sued based on authorizations or obligations laid down in this Act.

(6) The ministry competent for labour affairs (hereinafter referred to as: the ministry) shall provide the conditions, administrative assistance and necessary means for the work of the Commission.

(7) The Minister shall by virtue of an ordinance stipulate the amount and manner of payment of remuneration for the work of the Commission.

#### *Work Procedures of the Commission*

#### Article 16

(1) The Commission shall, at its first session, elect a president and a vice president and adopt its rules of procedure and decision-making process.

(2) The Commission may determine the accuracy of the data submitted by examining the appropriate registers, records or official data, while complying with the regulations on personal data protection.

(3) Where the Commission in the course of performing its duties questions the accuracy of the submitted data or such doubts are raised by an organization the representativeness of which is being determined in that procedure, the Commission may check with the employer, or in any other appropriate manner, the accuracy of the submitted data, or it may request that the body competent for labour inspection do so.

(4) In the case referred to in paragraph 3 of this Article, the body competent for labor inspection shall, within fifteen days from the day of the request for inspection, confirm the accuracy of the data and inform the Commission thereof.

## **2 Recognition of organisation's representativeness in tripartite bodies at national level**

Initiation of procedure for the recognition of representativeness

### Article 17

(1) A higher-level employer or trade union organisation that wishes to qualify for representative status in tripartite bodies at national level must, at least six months before the expiry of the period referred to in Article 20(2) hereof, submit to the Commission a proposal for initiation of the procedure for the recognition of representativeness.

(2) Upon receipt of the proposal referred to in paragraph 1 of this Article, the Commission shall within 15 days, in the Official Gazette and on the website of the ministry, publish a public call to all the higher-level employer or trade union organisations to submit their applications for the recognition of representative status, and to do so within 60 days from the date of the call, and inform them they shall not be considered for the procedure of recognition of representativeness if they fail to apply.

*Applying for the recognition of representativeness*

### Article 18

(1) The application of a higher-level employer organisation must contain:

1) a list of members of the employer organisation, and the number of their respective employees referred to in Article 2(1)(2) hereof

2) a list of associated employer organisations, and areas in which they operate in accordance with the National Classification of Activities

3) a list of regional offices in counties

4) information on available space and other material conditions for work and on the number of employees in the higher-level employer organisation.

(2) The application of a higher-level union organisation must contain:

1) a list of member organisations and the number of unionised employees who have authorised their employer in writing to deduct their union membership fee from their pay and who exercise their rights to maternity and parental benefits in accordance with special regulations, signed and sealed by the employer, and a list of unionised employees who pay the membership fee on their own, signed and sealed by the union

2) a list of associated trade unions, and areas in which they operate in accordance with the National Classification of Activities

3) a list of regional offices in counties

4) information on available space and other material conditions for work and the number of employees in the higher-level union organisation.

(3) If the application referred to in paragraphs 1 and 2 of this Article is submitted by a higher-level organisation whose representative status in tripartite bodies at national level was recognised in the previous procedure, and which has since then been joined by new members, its application must be accompanied by decisions of bodies competent for issuing decisions on joining the high-level organizations.

(3) If the application referred to in paragraphs 1 and 2 of this Article is submitted by a higher-level organisation that did not previously participate in the procedure for the recognition of representativeness in tripartite bodies at nation level, such application must be accompanied by decisions of the bodies competent for issuing decisions on joining the high-level organizations.

(5) The information submitted in the application shall be dated the last day of the month preceding the month in which the call was published.

(6) At the request of a union commissioner or representative, the employer shall, within eight days from the request, deliver to the union the information on the unionised employees referred to in Article 3(2) hereof, with the exception of the unionised employees who pay the union membership fee on their own.

(7) The information referred to in paragraph 6 of this Article shall be countersigned by a person authorised by the employer, and a commissioner or representative of the union that is participating in the procedure for the recognition of representativeness, and whose members are employed by the aforementioned employer.

(8) If an employer fails to provide information or if it fails to do so within the period referred to in paragraph 6 of this Article, upon the written request of a union commissioner or representative a labor inspector shall conduct an inspection, and within three days of the request, issue a verbal recommendation instructing the employer to provide the said information in the following three days.

(9) Appeal against the recommendation referred to in paragraph 8 of this Article shall not postpone the enforcement thereof.

### *Operation of the Commission*

#### Article 19

(1) Upon receiving an application for recognition of representativeness referred to in Article 18(1) and (2) hereof, the Commission shall, within and not later than eight days, determine whether the application contains all prescribed information.

(2) If the application does not contain all prescribed information, the Commission shall instruct the applicant to complete it within 15 days, and inform the applicant that further non-compliance will remove the applicant from the procedure for the recognition of representativeness.

(3) If the applicant fails to complete the application within the period referred to in paragraph 2 of this Article, the Commission shall, within the following eight days, issue a decision dismissing the application as incomplete.

(4) If the Commission determines that the submitted or revised application does not meet the criteria set out in Articles 2 and 3 hereof, it shall, within 15 days of the decision, issue a decision dismissing the application for the recognition of representativeness.

(5) Appeal against the decision referred to in paragraph 4 of this Article shall not be permitted, but each organization that participated in the procedure for the recognition of representativeness may bring an action before the competent administrative court.

(6) In the case referred to in paragraph 5 of this Article, the competent administrative court shall issue a decision within 30 days from date the action was filed.

### *Decision on the Recognition of Representativeness*

## Article 20

- (1) Where the representativeness at national level has been recognised, the Commission shall, no later than 90 days from the public call, pursuant to established information, issue a decision listing the representative organisations in tripartite bodies at national level.
- (2) Representativeness established by the decision referred to in paragraph 1 of this Article shall be recognised for five years following the effective date of the decision.
- (3) The enforceable decision referred to in paragraph 1 of this Article shall be published in the Official Gazette.
- (4) Appeal against the decision referred to in paragraph 1 of this Article shall not be permitted, but each organization that participated in the procedure for recognition of representativeness may bring an action before the competent administrative court.
- (5) In the case referred to in paragraph 4 of this Article, the competent administrative court shall issue a decision within 30 days from the date the action was filed.

*Reapplying for recognition of representativeness, or applying for a review of representativeness*

## Article 21

- (1) Every higher-level employer or trade union organisation may, no sooner than six months before the expiry of the period referred to in Article 20(2) hereof, reapply for the recognition of organisation's representative status in tripartite bodies at national level.
- (2) The review of the previously recognised representativeness may be initiated even before the deadline referred to in paragraph 1 of this Article, by a higher-level employer or trade union organisation represented in the Economic and Social Council if it is deemed that an organisation represented in the Economic and Social Council does not meet certain conditions referred to in Articles 2 or 3 hereof.
- (3) The request for the review referred to in paragraph 2 of this Article must corroborate the claim that an organisation represented in tripartite bodies at

national level no longer meets the conditions referred to in Articles 2 and 3 hereof.

(4) The request referred to in paragraph 2 of this Article shall be submitted to the Commission which shall within 15 days notify thereof the higher-level organisation whose representativeness is being reviewed, request information on compliance with the condition in question, and set an appropriate deadline for the submission of such information.

(5) The procedure referred to in paragraph 2 of this Article shall review previously recognised representative status only for a higher-level organisation whose representative status is being reviewed pertaining to a particular condition.

(6) After the expiry of the period referred to in paragraph 4 of this Article, the Commission shall issue a decision within 15 days, and publish it in the Official Gazette once it becomes enforceable.

### **3 Recognition of trade union's representativeness for collective bargaining**

*Application for recognition of representativeness and composition of the trade union negotiating committee for collective bargaining*

#### Article 22

(1) The union shall initiate the procedure for recognition of representativeness referred to in Article 7(4) hereof by submitting an application with the Commission. The application shall specify the total number of the members of the applicant at the level considered in the procedure for recognition of representativeness.

(2) To initiate the procedure for determining the composition of the union negotiating committee referred to in Article 14(1) hereof, the union shall submit an application with the Commission, stating the total number of members of applicants.

(3) Article 3(2) and Article 18(5), (6), (7), (8), and (9) hereof shall apply to the information on the total number of union members referred to in paragraphs 1 and 2 of this Article.

*Operation of the Commission*

#### Article 23



(1) Upon receiving the application for recognition of representativeness and the composition of the negotiating committee referred to in Article 22 hereof, the Commission shall, within and not later than eight days, determine whether the application contains all prescribed information.

(2) If the application does not contain all prescribed information, the Commission will instruct the applicant to complete it within eight days, and inform the applicant that further non-compliance will result in dismissal of the application.

(3) If the applicant fails to complete the application within the period referred to in paragraph 2 of this Article, the Commission shall, within the following eight days, issue a decision dismissing the application as incomplete.

(4) If the Commission determines that the application is complete, within 15 days it shall publish a call on the website of the ministry, inviting the trade unions operating at the level or in the area for which the representativeness or the composition of the negotiating committee is being established, to deliver, within 30 days from the publication of the call, information referred to in Article 22 hereof, and it shall inform them that they shall not be considered for the procedure of recognition of representativeness if they fail to apply.

(5) The total number of unionized employees shall be the sum of all the unionised employees whose unions participate in the procedure for recognition of representativeness or composition of the negotiating committee.

*Decision on recognition of a trade union's representative status or its representation in the negotiating committee*

## Article 24

(1) Where an application is submitted for recognition of trade union's representative status for collective bargaining or for determining the composition of the negotiating committee, the Commission shall, within 15 days of the deadline for submission of information referred to in Article 23(4) hereof, pursuant to established information, issue a decision on the recognition of the trade union's representative status and the composition of the negotiating committee for collective bargaining, and deliver the decision to all trade unions that participated in the procedure for recognition of representative status.

(2) Appeal against the decision referred to in paragraph 1 of this Article shall not be permitted, but each organization that participated in the procedure for recognition of representativeness and the composition of the negotiating committee for collective bargaining may bring an action before a competent administrative court.

(3) In the case referred to in paragraph 2 of this Article, the competent administrative court shall issue a decision within 30 days from date the action was filed.

(4) If the decision of an administrative court annuls or amends the decision referred to in paragraph 1 of this Article, pursuant to which a collective bargaining agreement had already been concluded, such agreement shall expire on the day the court decision becomes final.

#### *Parties to collective agreement*

#### Article 25

(1) Parties to a collective agreement may be, on the employer side, one or more employers or their organizations and, on the trade union side, one or more trade unions which have the representative status in accordance with this Act.

(2) Parties to a collective agreement referred to in Article 14(1) hereof may be, on the employer side, the Croatian Government and, on the trade union side, the unions which are represented in the negotiating committee.

(2) The parties to a collective agreement referred to in Article 14(3) and (5) hereof may be, on the employer side, the Croatian Government and, on the trade union side, one or more unions which have the representative status in accordance with this Act.

(4) Parties to a collective agreement that applies to employees of the members of a higher-level employer organisation may be, on the employer side, higher-level employer organisation, and on the trade union side, one or more trade union organisations that have the representative status in tripartite bodies at national level.

#### *Validity of collective agreement*

#### Article 26

(1) A collective agreement concluded between the parties referred to in Article 25(1) and (3) hereof shall be deemed valid only if the representative union signatories represent more than 50 percent of the total number of unionised employees represented by the representative unions.

(2) A collective agreement concluded by the parties referred to in Article 25(2) hereof, which will apply to many areas of public services in accordance with the National Classification of Activities, shall be deemed valid if it is signed by at least one union from each of at least three different areas classified in the National Classification of Activities which were negotiated and whose membership accounts for more than 50 percent of the total number of unionised workers represented by the unions on the negotiating committee.

(3) The number of union members signatories shall be determined in accordance with the information reported in the agreement referred to in Article 7(3) hereof or in accordance with a decision of the Commission.

*Records on the representative trade unions*

Article 27

(1) The Ministry shall keep separate records on representative higher-level trade union and employer organisations in tripartite bodies at national level and on representative trade unions for collective bargaining.

(2) Representative trade unions shall notify the Ministry in writing of the facts referred to in Article 7(1) and (2) hereof to be registered in the records referred to in paragraph 1 of this Article.

(3) Pursuant to the written notice of the trade union referred to in paragraph 2 of this Article and enforceable decision of the Commission referred to in Article 20(1) and Article 24(1) hereof, the Ministry shall register a higher-level representative trade union or a higher-level organisation in the records referred to in paragraph 1 of this Article.

(4) Taxpayers, procedures, content and deadlines for submission of the notice referred to in paragraph 2 of this Article shall be laid down by an Ordinance adopted by the Minister.

V SUPERVISION

**1 Administrative supervision**

## Article 28

Administrative supervision of the implementation hereof shall be conducted by the central state office for labour.

### **2 Inspection**

## Article 29

Inspection pertaining to the implementation hereof shall be conducted by the central state office for labour inspection.

## VI PENAL PROVISIONS

### Article 30

(1) A fine amounting from HRK 20,000 to 50,000 shall be imposed on a legal person:

1) who fails to deliver, within the prescribed period, to a union commissioner or representative a list of unionised employees from whose pay the employer deducts their union membership fee (Article 18(6)).

2) who, upon the request of the Commission referred to in Article 21(4) hereof, fails to provide information on the fulfillment of the condition in question.

3) who fails to deliver a notice referred to in Article 27(2) hereof within the prescribed period, or if the content of the notice does not comply with the ordinance referred to in Article 27(4) hereof.

(2) Pursuant to paragraph 1 of this Article, a fine amounting from HRK 4,000 to 6,000 shall be imposed on the employer as a natural person and on the responsible person of the legal person.

## VII TRANSITIONAL AND FINAL PROVISIONS

### Article 31

(1) An effective collective agreement that was signed by the unions which have not been recognised as representative pursuant to the Act on the Criteria for Participation in Tripartite Bodies and Representativeness for Collective Bargaining (Official Gazette 82/12, 88/12) may be cancelled without following previously agreed cancellation procedure, if the unions fail to

initiate the procedure for the recognition of their representative status in accordance with this Act and within 15 days from the employer's call to start negotiating a new collective agreement.

(2) Higher-level employer and union organisations that were recognised as representative in tripartite bodies at national level, pursuant to the Act on the Criteria for Participation in Tripartite Bodies and Representativeness for Collective Bargaining (Official Gazette, Nos 82/12, 88/12) shall retain their representative status for the period prescribed by that Act.

(3) The trade unions that were, before the effective date hereof, recognised as representative for collective bargaining in the manner and in procedure laid down by the Act on the Criteria for Participation in Tripartite Bodies and Representativeness for Collective Bargaining (Official Gazette, Nos 82/12, 88/12) shall retain their representative status.

(4) The Commission that was appointed pursuant to the Act on the Criteria for Participation in Tripartite Bodies and Representativeness for Collective Bargaining (Official Gazette, Nos 82/12, 88/12) shall continue its operation until the new Commission is appointed.

(5) The procedures initiated before the effective date hereof shall be completed in accordance with the Act on the Criteria for Participation in Tripartite Bodies and Representativeness for Collective Bargaining (Official Gazette, Nos 82/12, 88/12).

(6) The Minister shall, within 30 days from the effective date hereof, issue an Ordinance referred to in Article 15(7) and Article 27(4) hereof.

(7) Until the ordinance referred to in paragraph 6 of this Article is adopted, the Ordinance on the Compensation for the Members of the Representativeness Committee (Official Gazette, No 92/12) and the Ordinance on Registering the Representative Trade Unions (Official Gazette, No 93/12) shall apply.

#### Article 32

The Act on the Criteria for Participation in Tripartite Bodies and Representativeness for Collective Bargaining (Official Gazette, Nos 82/12, 88/12) shall cease to be effective on the effective date of this Act.

#### Article 33

This Act shall enter into force on the eighth day following its publication in the Official Gazette.

Class: 022-03/14-01/08

Zagreb, 15 July 2014

THE CROATIAN PARLIAMENT

President of the Croatian Parliament

Josip Leko, m.p.