Co-Determination in Slovenia: An Analysis of Economic, Social and Legal Challenges

Co-determination in Slovenia has been built on the German system with a strong influence of socialist values, but with hardly any effect of the European legislation. On the other hand, the economy experienced turbulent times, resulting in several changes in society and the labour market. From the *economic* aspect, the companies are far more export oriented and lots of companies were either bought or privatized by foreigners. Indirectly this has affected co-determination: in some companies the role of the employee voice has been reduced to minimum, in others it was subordinated to the system of multinational companies. New forms of work have emerged on the labour market having a negative effect on co-determination. The first reason for this is that the basis of co-determination is the employment relationship (not civil), and secondly, it is the younger generation that mainly works in these new forms of work. The *social* perspective can thus be observed in the non-familiarity of younger generations with employee representatives, including trade unions. The problem is further exacerbated by weak trade unions' activities in promoting co-determination. On the other hand, in many companies, trade union representatives are also work councillors and board level employee representatives, which can be reflected in the »unionisation« of the works councils. Last but not least, there are *legal* challenges. The co-determination act dates to 1993, with two non-comprehensive amendments in 2001 and 2007. The law is outdated and does not reflect the current needs of the economy. Thus, employers often tend to circumvent co-determination. Further, the legislator already excluded board level employee representatives from banks and the same tendency is now reflected in insurance business. The contribution will analyse the above-mentioned challenges and their interconnection with regards to co-determination together with possible development proposals.