# collective bargaining

# Issue 9/2019 September

This newsletter presents up-to-date information on collective bargaining developments across Europe since February 2008. It aims to facilitate information exchange between trade unions and to support the work of the ETUC's collective bargaining committee.



#### contents

#### **European sources**

'Together at Work' campaign for collective bargaining

Employment and social developments

Peer review on minimum wages

Subsidies in shipping industry

Macroeconomic projections for the euro area

#### Austria

Economists support demand for higher wages

First collective agreement for bicycle couriers

Liberal support for retirement at 67

#### Belgium

Guards on strike to demand more staff

Ratification of Convention to combat forced labour

Public transport company and labour union close to agreement

#### **Bulgaria**

Minimum wage for 2020

#### Croatia

Government backs down on retirement age increase

Teachers demand higher salaries

### Cyprus

Employment law update

### Czechia

Firms employ more prisoners

Teachers threaten to strike

Companies are struggling with labour shortage

#### **Denmark**

A squabble over union membership at Copenhagen Airport

Estonia Lifelong learning for energy workers
Finland Grants to set up training partnerships with trade unions Increase of labour participation
France Causes of the decrease in union membership Strike against pension reform New agreement on reinforcing gender equality at work
Germany Strike in public broadcasting Pilots reach first collective agreement Riva steel on strike for four months Labour costs up 3.2%
Greece Massive strike trade unions
Hungary Wage developments Public service workers union called on strike
Iceland New collective agreement Icelandic Pilots Association
Ireland Bastions of unionist employment threatened with closure New Sectoral Employment Order for the construction industry Working conditions pilots
Italy Joint declaration on diversity and inclusion Renewal energy and oil sector collective agreement
Latvia Second-pillar pension plans show positive yield
Liechtenstein Union fights low wages
Lithuania Wage developments
Luxembourg Trade unions demand meeting with government
Malta State schools recruit foreign teachers

Netherlands Trade union targets 5% wage increase Ground staff strike at Schiphol Airport Youth care workers fight staff shortages and waiting lists Norway Foodora riders on strike Slower wage growth Amendment on minimum wage growth Change of rules on issuing work certificates ..... Employment and unemployment developments Amendments to Labour Code Romania Net wages up 15% for fourth month in row Four weeks railway workers strike Serbia Minimum wage increase Unpaid overtime Slovakia Industry the engine driving the economy **Slovenia** Strikes by Adria pilots **Spain** Rent prices rise 30 times faster than wages Strikes in transport system Sweden Unions cagey about the climate strike Reform: tax cuts for high earners, pensioners and rural residents **Switzerland** Equal pay compliance required by July 2020 Union demands pay rise of 2% for 2020 Turkev H&M signs first collective bargaining agreement Right to collective bargaining **United Kingdom** Labour Party announcements on new collective workplace rights, if elected

British Airways pilots strike

# European sources

### 'Together at Work' campaign for collective bargaining

September 26, 2019

IndustriAll Europe launched a new campaign to demonstrate the positive impact of collective bargaining in delivering a better life for workers. The campaign runs under the slogan 'Together at Work'. It takes place from September 2019 to March 2020 and is aimed at all workers whilst taking a specific focus on women, young people and those in precarious jobs. It also seeks to influence employers and policymakers.

Read on: in English ...

#### **Employment and social developments**

September 20, 2019

The European Commission has published the 'Employment and Social Developments Quarterly Review'. According to this report there are now 241.4 million people in employment in the EU, of which 160 million in the euro area. Employment has been growing for twenty-five consecutive quarters in the EU, since the low recorded in the first quarter of 2013. During the period, more than 17 million people found a job, including 11 million in the euro area. Total hours worked are increasing more slowly but steadily since the first quarter of 2013 and have now slightly exceeded the peak of 2008.

Read on: in English ...

#### Peer review on minimum wages

September 19, 2019

According to the needs and choices of individual countries there are many different approaches to minimum wages in Europe. The Peer Review of the European Commission provides an opportunity for countries to exchange experiences and best practices. Topics to be discussed are, among others: the advantages and disadvantages of having a simple minimum wage system; the setting and adjusting the minimum wage level from a social and economic perspective; and the interaction between the minimum wage and the collective bargaining system, as well as the social protection benefit system.

Read on: in English ...

#### Subsidies in shipping industry

September 17, 2019

A recent study released by the OECD and the International Transport Forum (ITF) on the current effect of direct and indirect maritime subsidies on the European shipping industry has found that the current system is failing European taxpayers and workers. Trade unions welcomed the findings of the report which recommends redesigning subsidies schemes available to the European shipping industry to increase value for money and the efficiency of subsidies in protecting domestic jobs, decarbonising the industry, and reducing congestion and pollution.

Read on: in English ... Read the report: in English ...

#### Macroeconomic projections for the euro area

September 12, 2019

The ECB has published the 'Staff macroeconomic projections for the euro area'. According to this report the real disposable income is expected to gain momentum in 2019 before weakening in 2020 and 2021. Both weakening nominal income growth and gradually rising inflation are expected to dampen real income

growth in 2020 and 2021. The contribution of gross wages and salaries to nominal disposable income growth is projected to decline in 2020 and to remain broadly unchanged in 2021.

Read the report: in English ... in English (2) ...

# Austria

### **Economists support demand for higher wages**

September 24, 2019

It is time for higher wages according to economists, who contradict the vision of the chair of the metal employers who said 'the party is over'. The employers are swimming in their money while the economy needs more private consumption, hence higher wages. This position has recently been supported by several economists.

Read on: in German ...

### First collective agreement for bicycle couriers

September 19, 2019

Employers and employees have agreed on a collective agreement for 'Fahrradboten' (bicycle couriers) and food suppliers. As reported by the union Vida and the Austrian Federal Economic Chamber, suppliers are entitled to a base salary of €1,506 for a 40-hour work week from 1 January 2020. The usual 13th and 14th monthly salary in Austria is also due in the future. In addition, a compensation for the use of private bicycles and private mobile phones was agreed. According to the employer and employee representatives, this is the first collective agreement for bicycle couriers and food suppliers worldwide.

Read on: in English ...

#### Liberal support for retirement at 67

September 16, 2019

The Österreichischer Gewerkschaftsbund (Austrian Federation of Labour Unions) asked the political parties a simple question: 'Do you support a rise of pension age to 67?' Only one party turned out to be in favour of such a rise of the legal pension age. This liberal party (NEOS) was in favour of a rise that follows the development of life expectancy. The socialists and the greens want to improve working conditions in order that employees don't have to stop working at an earlier age.

Read on: in German ...

# Belgium

#### Guards on strike to demand more staff

September 27, 2019

Antwerp prison guards stopped work to express their dissatisfaction with the permanent lack of staff in the prison. A workers' meeting was held and it was decided to stop work.

Read on: in English ...

#### **Ratification of Convention to combat forced labour**

September 10, 2019

On 10 September 2019, Belgium deposited its instrument of ratification of the Protocol of 2014 to the Forced Labour Convention, 1930, thereby becoming the thirty-eighth country worldwide to ratify the Protocol. Through this ratification, Belgium is demonstrating its firm commitment to combating forced labour in all its forms.

Read on: in English ...

### Public transport company and labour union close to agreement

September 8, 2019

Unions and management of De Lijn have reached a declaration of intent on a new collective labour agreement for 2019-2020, the Flemish public transport company announced in a press release. The unions will now present the documents to their rank and file. The aim is to have the accord signed by October 2019. The declaration of intent provides for an increase in the workers' purchasing power from 1 September, along with 210-euro eco-cheques, which will enable De Lijn to attain the wage norm of 1.1% set by the interprofessional agreement.

Read on: in English ...

# Bulgaria

### Minimum wage for 2020

September 10, 2019

According to European comparisons, wages in Bulgaria are about a quarter of the average in Europe, and labour productivity in the country is about 50% of the European average. The Confederation of Labour Podkrepa will ask for a minimum wage increase to be set in the budget for 2020, since this minimum wage currently corresponds approximately to the labour productivity. This was stated by the economic advisor of the trade union who participates in a forum for the rights of posted workers, organized by the trade union.

Read on: in English ...

# Croatia

#### Government backs down on retirement age increase

September 20, 2019

The Croatian government has agreed to return the retirement age to 65, just months after raising it to 67, following a campaign supported by hundreds of thousands of citizens. The Prime Minister said that the government had listened to citizens and was revising the law accordingly, but further changes would make it possible for Croatians to continue working after the age of 65 should they choose to do so. The increase in the retirement age — which would have come into force from 2033 for both men and women — is part of the government's plans to reform the pension system in response to the country's ageing population.

Read on report: in English ...

#### Teachers demand higher salaries

September 5, 2019

Some 1,500 teachers from all across Croatia held a protest rally to demand higher wages in the education system. Organizers said they had strong support for their demands and that there were just 1,500 of them present because that is the number of persons who can gather in St Mark's Square, which is where the

Croatian government is located. After the speeches, the Prime Minister received the protest organizers to discuss their demands, which is for wages in education to rise by an index of 6.11 per cent.

Read on: in English ...

# Cyprus

#### **Employment law update**

September 2, 2019

The European Parliament and the Council adopted Directive 2019/1152/EU on transparent and predictable working conditions. Cyprus will implement the Directive by August 1, 2022, at which time it will replace the provisions of Directive 91/533/EEC on an employer's obligation to inform employees of the conditions applicable to their contract or employment relationship. The aim of the Directive is to extend to new forms of work, such as online platform workers or on-demand workers, the minimum requirements for working conditions and the obligation on employers to provide information to workers on the essential elements of the employment relationship.

Read on: in English ...

# Czechia

#### Firms employ more prisoners

September 30, 2019

Companies are increasingly interested in employing prisoners. According to data from the country's prisons authority, around 44% of the total prison population have jobs. In 2000 the percentage was around 33, hence a considerable growth occurred. The majority of prisoners work in manual jobs where they can pick up working habits. Employers are most interested in prisoners who are allowed to work outside their place of incarceration.

Read on: in English ...

#### Teachers threaten to strike

September 25, 2019

Teachers unions have declared a state of strike alert after a breakdown in salary talks with the minister of education. Both the unions and the minister agree that wages should rise, but they differ on the form. The unions want the increase in the basic pay alone, the minister advocates more bonuses.

Read on: in English ...

#### Companies are struggling with labour shortage

September 10, 2019

In August, labour offices posted more than 350,000 vacancies, the highest figure in the country's history, but according to the Chamber of Commerce the real figure is much higher, around half a million people. The biggest lack is of construction workers, warehousemen, and truck drivers at the level of basic education.

# Denmark

#### A squabble over union membership at Copenhagen Airport

September 12, 2019

Baggage handlers at Copenhagen refused to work on Wednesday, resulting in some passengers experiencing delays. The action was conducted by employees of the SAS Ground Handling (SGH) company, which serves airlines including SAS, Danish Air Transport, Eurowings, Icelandair, Qatar Airways and Thai Airways. The refusal to work has been deemed by the Danish industrial dispute court Arbejdsretten as being in breach of the collective bargaining agreement between 3F, the union representing the staff, and Copenhagen Airport.

Read on: in English ...

### Estonia

#### Lifelong learning for energy workers

September 19, 2019

Trade unions, employers and the government met to discuss a rescue plan for the Ida-Virumaa region in Estonia. With power plant capacity cut by half, 500 workers have already been made redundant and up to 1,500 jobs could be under threat. According to the President of the Estonian Trade Union Confederation (EAKL), without effective retraining programmes, workers will be the victims of climate policy, globalisation and technological development.

Read on: in English ...

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# **Finland**

### Grants to set up training partnerships with trade unions

September 20, 2019

Google and SAK – the largest labour confederation in Finland – published a joint study paper outlining proposals for action to build a society of continuous learning. With the support of Google.org, Nesta will roll out a programme called FutureFit together with SAK that empowers workers with new skills that support them to adapt to changes in their workplace. Työväen Sivistysliitto (Workers' Educational Association of Finland) will be responsible for the practical work of organizing the nation-wide training program for the workers. The training will be carried out in 30–35 workplaces all over Finland in companies in the industrial, logistics and service sectors. Each training period will take place during two to four working days. Using innovative methods such as nano learning, gamification, and machine learning tools, the programme will generate robust evidence about what affects learning behaviour and motivation.

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### Increase of labour participation

September 12, 2019

The government programme is called an 'Inclusive and competent Finland'. Minister of Employment says this summed up what work means to people and society. Finland aims for an employment rate of 75%. That might be challenging in a country where access to labour and businesses' recruitment challenges are growing issues. The current employment rate stands at 72.4%. The Minister underlined that the government programme aims to increase participation in the labour market for those who are partially capable of working, those who are difficult to employ, young people, older people and people with immigrant backgrounds.

Read on: in English ...

### France

#### Causes of the decrease in union membership

September 20, 2019

A survey published by France's human rights defender, an independent administrative authority, revealed that a "fear of reprisal" was cited as the most common reason for employees' low-engagement in trade unions. A large majority of those surveyed said their trade union activities had a negative impact for their professional growth and said they felt discriminated against by their employers. The survey highlighted the main causes for the decrease of trade union membership in France since the 1950s, which is now one of the lowest rates of unionised employees in the European Union. But for most of the 19th century, trade unions achieved some major accomplishments for workers' rights.

Read on: in English ...

#### Strike against pension reform

September 17, 2019

Employees at RATP, the company that runs the metro and bus lines as well as suburban RER trains, launched the biggest French strike for more than a decade: between 60 and 98 % of the workforce took action, according to trade unions. ATP workers were striking against the pensions system reform, which has proved as divisive as it is wide ranging. The measure, one of the French president's campaign pledges, will introduce a single "universal pension system" in place of the current 42 systems based on multiple professions. Workers' pensions will be calculated according to the number of "points" accumulated through their career, instead of the current system, which is based on worked trimesters.

Read on: in English ...

#### New agreement on reinforcing gender equality at work

September 16, 2019

An agreement which is valid throughout Europe was signed between the central management of Suez and two European Trade Union Federations at the headquarters of Suez in Paris. The French company has 89,000 employees worldwide in the field of water management and recycling of waste. In the future all job positions are to be accessible to both men and women, sexual harassment is to be combatted and with a view to reconciling family and working life, paternity leave, flexible working hours as well as working from home are to be promoted.

Read on: in English ...

# Germany

#### Strike in public broadcasting

September 18, 2019

Around 3,000 employees of the German public broadcasters strike nationwide. They follow a call from union ver.di representing workers in the services sector. The action is a response to the stalled collective bargaining in the national broadcasters. The union fears that the weakening of conditions will undermine the capacity of broadcasters to fulfil their public service mission.

Read on: in English ...

#### Pilots reach first collective agreement

September 12, 2019

Pilots have reached an agreement with Ryanair for the first time, a boost to the budget carrier which is facing industrial unrest elsewhere in Europe. Since 2017 the company has been facing strikes and labour unrest. Under the agreement, pilots will be paid more and will benefit from better protection in case of layoffs. The parties also agreed on future talks which would include the possible creation of a works council. But according to the union the Europe-wide slogan 'Ryanair must change!' remains alive.

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#### Riva steel on strike for four months

September 13, 2019

A strike at the Hennigsdorfer Elektrostahlwerke plants owned by Riva Steel in Trier and Horath began in June after the company unilaterally declared that collective bargaining negotiations had failed and stated that the company did not intend to conclude an agreement with IG Metall. The strike of 130 workers is one of the longest in the nation's history. It seems that the strike is not only about wages. There are concerns that the company is attempting to set a union busting precedent. The strikers have therefore received support from various sides.

Read on: in English ... Read on: in English (2) ...

#### Labour costs up 3.2%

September 6, 2019

The labour costs per hour worked rose a calendar adjusted 3.2% in the second quarter of 2019 compared with the same quarter a year earlier. The Federal Statistical Office (Destatis) also reports that labour costs were up 0.8% in seasonally and calendar adjusted terms on the previous quarter. Labour costs consist of gross earnings and non-wage costs. In calendar adjusted terms, the costs of gross earnings in the second quarter of 2019 rose by 3.2% year on year, while non-wage costs were up 3.3%.

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#### Greece

#### Massive strike trade unions

September 24, 2019

Greek workers and trade unions went on a massive strike, denouncing anti-worker programs and policies incorporated in a new development bill that has been proposed by the conservative New Democracy (ND) government. The call for the strike was given by the communist trade union, the All Workers Militant Front (PAME). Athens city buses and electric trolleys remained parked resulting in a gridlock on the roads. The light rail and passenger shipping also remained stationary. Government services were closed. Public schools were closed and hospitals operated on skeleton staff. Flights were grounded for three hours. Although the strike was primarily a public sector one, private-sector unions were also present. Banks remained closed and some retail, construction and telecommunications workers' unions joined protest marches to Parliament.

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# Hungary

#### Wage developments

September 30, 2019

The average gross wage for full-time workers rose by an annual 10.7% to € 1,079 in July, according to the Central Statistical Office (KSH). Net wages increased to € 718. Allowed by significant economic growth, tax cuts and wage hikes in the public and private sectors, net wages in Hungary increased by 86% since 2010. The government expects the positive trends to continue, with further wage growth and growing consumption.

Read on: in English ...

#### Public service workers union called on strike

September 20, 2019

The union of public service workers (MKKSZ) and the union of social sector workers (SZAD) have called a nationwide strike saying that the government had "failed to deliver on its promises and has deceived social sector workers". In a statement the unions noted that last March the government had vowed to devise a wage convergence plan and create the legal conditions for the implementation of a collective agreement for social sector workers. Government representatives present at the spring strike talks had pledged to deliver on their promises by April 30 and June 30, they added.

Read on: in English ...

# **Iceland**

### New collective agreement Icelandic Pilots Association

September 25, 2019

Icelandair Group hf., Icelandair ehf. and The Icelandic Airline Pilots Association (FIA) have renewed its current collective agreement until 30 September 2020. The collective agreement is identical to the current agreement between the parties except for that salary increases which were supposed to become effective on 1 October 2019. They will become effective on 1 April 2020. There will be no further salary increases during the term of the agreement. FIA will now present the collective agreement to its members who will vote on the agreement.

Read on: in English ...

# **Ireland**

#### Bastions of unionist employment threatened with closure

September 29, 2019

Two bastions of unionist employment in the North, Harland and Wolff and Wrightbus shipyards, are threatened with closure. The demise of the shipyards is a direct result of the geopolitical struggle to control the price of oil, in which the present owners, Dolphin Drilling, have been heavily exposed. Workers around Ireland have been crying out for the unions to get out of defensive mode and, instead of going cap in hand to employers for redundancy payments, to go on the offensive and fight to protect the workers and their jobs.

Read on: in English ...

New Sectoral Employment Order for the construction industry

September 30, 2019

SIPTU has called for the strict enforcement of the terms of a new Sectoral Employment Order (SEO) for the construction industry which comes into effect on 1 October. Workers in the construction industry will be receiving the first phase of the pay rises included in the SEO with a 2.7%. The second phase will come into effect on 1 October 2020 with another 2.7% rise. This amounts to a 5.4% pay increase over two years.

Read on: in English ...

#### **Working conditions pilots**

September 1, 2019

Ryanair secured a court injunction to prevent its pilots based in Ireland from striking, even after they had followed the normal industrial procedures. A two-day strike had the support of a majority of the pilots directly employed by the company who are members of their union. A large number of other pilots have insecure conditions resulting from a bogus self-employment relationship with the company. These workers have poorer wages and working conditions than those not on the individualised contracts.

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# Italy

#### Joint declaration on diversity and inclusion

September 5, 2019

At a meeting held at Generali the European works council and central management of the Italian insurance group signed a joint declaration to promote diversity and inclusion in all European subsidiaries. The goals also include a better balance between private and professional life (Work Life balance) and an inclusive environment with full support for the disabled.

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#### Renewal energy and oil sector collective agreement

September 20, 2019

Social partners from the energy and oil sector agreed on draft deal to renew their collective agreement, which expired at the end of 2018 and applies to 35,000 workers, including those employed by industry giants ENI, Snam and Esso. The new national collective agreement (CCN), which applies retroactively from 1 January 2019 until 31 December 2021, includes a € 120 pay rise over three years. According to Confindustria, the General Confederation of Italian Industry, the deal is almost a complete rewriting of the previous agreement, which completely overhauls the regulatory and pay framework of the sector.

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### Latvia

### Second-pillar pension plans show positive yield

September 30, 2019

The annual yield of the active pension plans ranged from 0.18% to 9.15%, the annual yield of four balanced pension plans was in the range from 2.08% to 6.46% and, the yield of conservative pension plans ranged from 2.98% to 6.87%.

# Liechtenstein

#### Union fights low wages

September 25, 2019

The Liechtensteinischer ArbeitnehmerInnenverband (LANV, Liechtenstein Employees' Association) demands a defined minimum monthly wage of 3,500 Franken (€ 3,185) for 2020. The country doesn't have a legal minimum wage and several branches have lower wages such as retail and cleaning.

Read on: in German ...

# Lithuania

### Wage developments

September 10, 2019

The Bank of Lithuania has issued an economic review based on statistical data analysis, modelling and expert assessment. This review highlights also important labour market and wage developments (chapter IV). According to this document the labour market has levelled off, wage growth was moderate but still remains quite strong. In the first half of 2019, it stood at 8.7%. Wage growth in the private sector moderated from 8.8% to 6.8% and this may be partly attributed to the fact that labour shortages are no longer increasing; however, this moderation was also underpinned by the fading effect of the floor for social insurance contributions introduced at the beginning of 2018. An opposite trend was observed in the public sector where wage growth significantly accelerated, currently being almost twice as fast as in the private sector.

Read on: in English ...

# Luxembourg

#### Trade unions demand meeting with government

September 26, 2019

Three of Luxembourg's biggest workers' unions have demanded a meeting with government over fears that company representatives are withdrawing from labour talks. The OGBL union said that the Luxembourg Employers' Association (UEL) wished to pull out of the permanent labour talks committee, created to encourage three-party dialogues between workers, employers and the government.

Read on: in German ... in French ...

### Malta

#### State schools recruit foreign teachers

September 10, 2019

State school teachers have been hit with the news that foreign supply teachers will be recruited for certain subjects to cater for a worrying teacher shortage. The Permanent Secretary at the Education Ministry admitted that the pool of qualified Maltese teachers for certain subjects like maths and IT isn't enough to cater for the shortage and that foreign supply teachers will have to be hired as a result. This announcement hasn't gone down well with Malta's teachers' unions.

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### **Netherlands**

#### Trade union targets 5% wage increase

September 17, 2019

The FNV (Dutch Federation of Trade Unions) has set its sights on a 5% pay rise in 2020, the same as its target for this year. The union also wants the minimum wage to be raised to €14 per hour for adults. The CNV (Christian Dutch Federation of Trade Unions) wants a minimum rate of €25 for freelance workers, not the 'starvation rate' of €16 envisaged by the government.

Read on: in English ...

#### **Ground staff strike at Schiphol Airport**

September 2, 2019

KLM has cancelled 11 flights after airport ground staff at Schiphol staged a two-hour strike in a dispute over pay. The FNV union called the strike after a deadline to reach a new pay agreement expired. The union's demands include an 8% pay rise spread over two years, more full-time contracts and a more regular shift rota.

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#### Youth care workers fight staff shortages and waiting lists

September 2, 2019

For the first time in history a large part of the 30,000 youth care workers were on strike. They want the government to solve problems caused by budget cuts and decentralization in the past years. Staff shortages lead to heavy workloads and waiting lists for children who need help.

Read on: in English ...

# Norway

#### Foodora riders on strike

September 19, 2019

The strike has been followed with great interest from abroad, because this is the first major strike among so-called platform workers. There has been contact between riders on a European level. The strike was a boost for trade unions, since it has proven that it is possible to organise even those who work in the new economy. The company started operating in Norway in 2015, making their riders employees from the very beginning – although most are on part-time contracts. The company now has 600 employees. Their average age is 25, and they work on average 16 hours a week. (See also the July/August issue of CBN)

Read on: in English ...

# **Poland**

Slower wage growth

September 18, 2019

Wages growth in the private sector slowed down in August from 7.4% to 6.8% year-on-year. Another significant impulse should come in January 2020 with a strong increase in the minimum wage (15.6% in 2020). It is expected to result in a 1.2 to 1.5 percentage point increase overall. Employment growth decelerated from 2.8% to 2.6% YoY, slightly below expectations (2.7%). Recent official GUS surveys highlight reduced demand for workers – the number of vacancies reported by firms in the second quarter was 7.8% lower compared to the previous year. This trend is likely to continue in the coming months.

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#### Amendment on minimum wage growth

September 11, 2019

The minimum wage is set to grow from €520 per month in 2019 to €930 in 2024. The first step has already been taken. The government has decided to amend its own decision on the 2020 minimum wage. This means that the minimum wage is set to grow by about 15% in 2020 and 2021 and by 10% for the following three years. This is the strongest growth of the minimum wage since 2008-09 when it grew by 20% and 13%, but from a much lower base (from 35% of average wages to 41%). With the pace of growth proposed now the minimum wage should likely rise from 46% of the average wage in 2018 to 57% in 2024, significantly more than in most OECD countries.

Read on: in English ... Read on: in English (2) ...

#### Change of rules on issuing work certificates

September 7, 2019

Significant changes to the rules on issuing employment certificates to employees in connection with the termination of cooperation with the employer will come into force. Under the new rules, employers will be required to issue employment certificates to employees on the date on which their employment ends. Employers that are not able to do this for objective reasons will be required to provide the employment certificate to the employee within the next seven days.

Read on: in English ...

# **Portugal**

#### **Employment and unemployment developments**

September 27, 2019

According to Statistics Portugal in July 2019 the unemployment rate was 6.4%, corresponding to a decrease of 0.1 percentage points (pp) from the previous month, 0.2 pp from three months before and 0.4 pp from the same month of 2018. In comparison to the previous month, the unemployed population has decreased by 5,000 people (1.5%) and the employed population has increased by 11,400 people (0.2%). The provisional unemployment rate estimate for August 2019 was 6.2% and decreased by 0.2 pp from the previous month.

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#### **Amendments to Labour Code**

September 16, 2019

On September 4, the Law No. 93/2019 was published, which brings significant changes to employment legislation, namely as regards the probationary employment period, fixed-term employment contracts, temporary employment contracts, the bank of hours scheme, among others. A brief summary of the main changes to the Labour Code: the fixed-term employment contract justified by a new activity of uncertain duration or the commencement of a company or establishment is now restricted to companies with less than 250 employees. The maximum duration of a fixed-term employment contract will be two years. Fixed-term

employment contracts may be renewed up to three times but the total duration of renewals may not exceed the initial period of the contract. The uncertain term employment contract may only have a maximum duration of four years

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# Romania

#### Net wages up 15% for fourth month in row

September 10, 2019

The average net wage rose by 15.2% in July compared to the same month last year, to € 660, according to data from the National Statistics Institute (INS). The net wage thus posted an annual growth rate close to 15% for the fourth month in a row. The wages in education and public administration increased by 18% and 15% respectively. In construction, they grew by 50% year-on-year thanks to fiscal allowances and the tight labour market. In other industries wages increased by rates of around 20% year-on-year.

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#### Four weeks railway workers strike

September 8, 2019

The Federation of Railway Carrier Unions of Romania has called for a strike of technical staff and four weeks of protests in Bucharest between September 16, and October 14, to bring attention to the lack of investments in the railway sector. (See also July/August issue of CBN)

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# Serbia

#### Minimum wage increase

September 12, 2019

The Serbian government unilaterally increased the minimum wage for the next year after social partners' failure to agree. According to a government representative this was the "biggest increase of minimum wage ever recorded in the history of Serbia". During negotiations the unions demanded a 20% increase while the employers were ready to agree only to 5 to 6%.

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#### **Unpaid** overtime

September 10, 2019

The rules governing overtime are very clear, but there is a wide gap between them and the everyday practice. All unions agree that employers (mostly in private companies) do not respect the law. This creates an additional problem to workers already exploited by low wages and non-payment of contributions. The situation in the public sector and state administration is not much better, as the overtime is also usually not paid but compensated by days off.

## Slovakia

#### Industry the engine driving the economy

September 26, 2019

Although most employees work in the service sector, industry is the engine driving the economy. Compared to the rest of the EU, Slovakia is one of "the most industrial" countries, an analysis by Poštová Banka showed. Only the Czech Republic has more employees in industry.

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# Slovenia

#### Strikes by Adria pilots

September 1, 2019

The union representing Adria Airways' pilots has announced a series of strikes after it failed to reach an agreement over their new collective agreement with the company's management. The existing collective agreement expired on 1 September. "As a union, given the current circumstances, we are left with no other option then to go on strike and make it clear to the management that we are no longer able to do our jobs under existing working conditions", the union noted.. Pilots claim that rights within their existing contracts are regularly breached. Crew duty times have been significantly extended, while there have also been complaints of more out-of-base operations.

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# Spain

#### Rent prices rise 30 times faster than wages

September 9, 2019

Salaries in Spain have only increased by 1.6% since 2013, whereas rent prices have shot up by 50%. Recent reports by the Bank of Spain and the country's National Statistics Agency (INE) have shed light on the increasing cost of living in the country, in particular Spain's wild rent hikes. Whereas Spaniards earn only 1.6% more in wages than they did five years ago (€23,646 a year on average in 2018) they're paying twice as much in rent than they did in 2013. The Bank of Spain has highlighted that it also tends to be families with fewer financial means who have to resort to renting in Spain. Unemployment and low wages are among the leading causes preventing them from being able to take out a mortgage when buying a property.

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#### Strikes in transport system

September 4, 2019

Workers from the state-owned Renfe corporation, which operates freight and passenger trains, along with pilots from Ryanair and ground staff of Iberia airlines paralyzed Spain's transport system. There is deep, growing anger among workers over the massive growth of social inequality and worsening working conditions. An estimated 40,000 travellers were affected by strikes in the railways and airlines. Under the control of the acting Socialist Party (PSOE) government, Spain's Public Works has imposed minimum services to break the strike. The government demanded that workers must guarantee minimum services of 75% of commuter trains running during rush hours and 50% at other times.

## Sweden

#### Unions cagey about the climate strike

September 27, 2019

Swedish trade unions have been cagey about instructing their members one way or the other, but the three main union confederations – Saco, TCO and LO – have said that although they support environmental issues, they do not believe that launching a formal strike is the right way to go about it. Strikes in Sweden are a relatively regulated affair. The country has a low number of annual strike days, with trade unions enjoying strong influence in negotiating labour conditions with employers – and unlike in many countries a strike is seen only as a last-resort weapon that should not be wielded for political gain.

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### Reform: tax cuts for high earners, pensioners and rural residents

September 18, 2019

The most significant reform is the much-debated decision to abolish Sweden's austerity tax which is paid by high earners to the central government. It is expected to cost the government around six billion kronor a year.

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### Switzerland

# Equal pay compliance required by July 2020

September 10, 2019

In August 2019, the Federal Council set 1 July 2020 as the effective date for the amendment of the Equality Act. As a result, business organizations with 100 or more employees need to complete their first equal pay analysis by 30 June 2021. Under the equal pay measures employers with 100 or more employees will have to conduct an internal equal pay analysis. This analysis must be verified by a deadline of 30 June 2022 (verification by an external and independent provider such as an auditing firm, or an employee representation).

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#### Union demands pay rise of 2% for 2020

September 6, 2019

Despite recent economic growth real wages have decreased in recent years, said the president of the Union Syndicale Suisse (Swiss Union Federation). Therefore the union will demand a pay increase of 2% in 2020. The union will look specifically at women's wages in the near future.

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# **Turkey**

#### H&M signs first collective bargaining agreement

September 24, 2019

The first collective agreement in the fast-fashion sector in Turkey was reached between H&M Turkey and Koop-Is Union, an affiliate of UNI Commerce. The collective agreement covers around 3,000 workers and provides them with regular pay rises, bonuses, social and financial benefits, better working conditions, more days off and stronger job protection.

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#### Right to collective bargaining

September 9, 2019

The Turkish Supreme Court has delivered a significant court victory to Turkish Wood and Paper Industry Workers Union AGAC-IS, affirming its right to bargain collectively with Kronospan Turkey which was previously known as SFC Integrated Wood Products.

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# **United Kingdom**

# Labour Party announcements on new collective workplace rights, if elected September 19, 2019

The Labour Party made a number of aspirational announcements on collective workplace rights if new elections would come before the year end. For example, Labour would look at reducing working hours if elected, following a report advocating a reduction in the public sector to a 35 hour-week over a decade. More detailed proposals include: introducing sectoral collective bargaining by establishing councils of worker and employer representatives and establishing a new Ministry of Employment Rights which would be responsible for the roll-out of the above collective bargaining across the economy, repealing the 2016 Trade Union Act.

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#### British Airways pilots strike

September 10, 2019

British Airways pilots were striking for 2 days in an ongoing dispute over pay and conditions. Tens of thousands of passengers have been told not to go to airports, with the airline cancelling some 1,700 flights due to the disruption. The pilots' union Balpa said BA management's cost-cuts and "dumbing down" of the brand had eroded confidence in the airline. (See also the July/August issue of CBN)

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