

Annual Review 2013

Estonia, Latvia, Lithuania - Labour Relations and Social Dialogue

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Executive Summary

Baltic States entered the EU in 2004. Estonia also joined the euro zone in 2011; Latvia will join on 1st January 2014, while in Lithuania will join a year later, on 1st January 2015 (EC EFA).

At the macro level, all three Baltic States continued to demonstrate recovery from economic and financial crisis in 2013. Emigration is still among the most pressing issues in Latvia and Lithuania, in Estonia, though, to lesser extent. Although there have been improvements, shadow economy was still staying relatively high in the Baltic States: In Estonia 19.2% and Lithuania 18.2%, whereas in Latvia it was 21.1% of GDP in 2012. Non-taxed wages, usually paid in cash, constitute with 40% the largest proportion of all shadow economy.

In 2013 all three states had GDP growth and employment rate increase among the highest in the EU. According to the UNDP Human development reports in 2012 Estonia was placed among a *Very High Human Development countries*' group giving a 33th place (up from 34th in 2010) among 42 most developed World economies in 2011-2012. Lithuania remained in a *High Human Development* group, occupying 41th (but up from 44th in 2010), while Latvia was at 44th place in the same groups with Lithuania.

Trade unions (TU's) remain rather weak in the Baltic States despite being involved in social dialogue and international cooperation, including access to competitive funding for various projects. TU's are still in particularly difficult situation in Estonia. The main obstacle are lack of funding, however, there are slow improvements thanks to resources available from EU funds and other sources apart from membership fees.

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1. Report

1.1 Executive Summary

All three Baltic countries have liberal market economies. Baltic States entered the EU in 2004. Estonia also joined the euro zone in 2011; Latvia joins on 1st January 2014, and Lithuania on 1st January 2015.

In 2013 all three states exhibit recovery trends with GDP growth and employment rate increase among the highest in the EU.

According to the UNDP Human development reports in 2013 Estonia giving a 33th place, Lithuania remained in a *High Human Development* group, occupying 44th place.

Shadow economy in Estonia and Lithuania was 19.2% and 18.2%, respectively, whereas in Latvia it was 21.1% of GDP, decreasing from previous years. Underreported (envelope) wages still account for a large part of shadow economy in all three countries: their share is 42.9% in Latvia,

52.3% in Estonia and 39.3% in Lithuania. Underreported business income is the second largest component (Sauka and Putniņš 2013).

Trade unions (TU) in the Baltic States are generally weak. TU's are in particularly difficult situation in Estonia. In Estonia, Harri Taliga, a head of trade union resigned in 2013 and called upon the public how difficult situation for trade unions is in the country both structurally as a partner in negotiations with employers and the government and in relation to general passive attitude in society to understand the crucial role of trade unions in improvement of work conditions.

1.2 Socio-economic developments

After the deep crisis, the GDP growth in Baltic countries is among highest in the EU in past and current years: In 2013 (forecast) Estonian yearly growth of GDP was 1.3%, Latvia 4.0 % and Lithuania 3.4% (Eurostat).

Real GDP growth, Eurostat

Country; year, quarter	2008	2009	2010	2011	2012	2013 f*	2013 1q**	2013 2q**
EE	-4.2	-14.1	3.3	8.3	3.9	1.3	1.3	1.4
LV	-3.3	-17.7	-0.9	5.5	5.0	4.0	5.6	4.3
LT	2.9	-14.8	1.5	5.9	3.7	3.4	4.2	4.2

*f – annual forecast

** Percentage compared with the same quarter of the previous year

GDP Volume indices per capita in PPS, 2008 – 2011, Eurostat

Country	GDP					Price level indices for actual individual consumption			
	2008	2009	2010	2011	2012	2009	2010	2011	2012
EE	69	63	63	67	69	70	69	71	73
LV	59	54	54	51	63	68	66	67	68
LT	65	58	51	66	70	67	66	67	66

According to Bank of Latvia, in 2011 FDI inflows amounted to 9.37 billion Euros in 2011. Biggest country of origin at the end of 2011 was Sweden (23%), Netherlands 8%, Estonia and Cyprus (each 6%), Germany and Norway (each 5%). In Lithuania FDI inflow as of March 31 2013 reached 11.93 billion euros. Sweden is the largest source of foreign investment, accounting for 23.6% of

total FDI, followed by Polish (12.9%), German (10.4%) and Norwegian (6%) investors. According to Bank Estonia, in 2011 FDI inflows were 244.9 million EUR and 1,180.5 million EUR in 2012. Also in Estonia Sweden is the biggest source of foreign investment (27.6), followed by Finland (23.3), Netherlands (10.4) and Norway (4.7) in 2012.

Foreign direct investment, net inflows (% of GDP)

Year/country	2009	2010	2011	2012
EE	9.8	10.9	2.0	7.4
LV	-0.2	1.8	5.3	3.2
LT	0.1	2.4	3.4	1.6

Source: World Bank, 2013.

Current account of balance (EUR 1 000 mln) Eurostat

Country	2008	2009	2010	2011	2012 p
EE	-1.6	0.5	0.5	0.5	-1.2
LV	-3.0	1.6	0.5	-0.2	-0.7
LT	-4.2	1.2	0.4	-0.5	-1.5

Trade balance (2010-2011) EUR 1000 millions),

Country	Export			Import			Balance	
	2010	2011	2010-2011 growth %	2010	2011	2010-2011 growth %	2010	2011
EE	8.7	12.2	37.5	9.3	12.6	36.5	-0.5	-0.6
LV	7.2	9.4	31.2	8.8	11.7	32.4	-1.6	-2.2
LT	5.7	20.2	28.9	17.7	22.6	28.2	-2.0	-2.5

Public balance and general governmental debt % of GDP, Eurostat

Country	Public balance					General governmental debt				
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012
EE	-2.9	-2.0	0.2	1.1	-0.2	4.5	7.2	6.7	6.1	9.8
LV	-4.2	-9.8	-8.1	-3.4	-1.3	19.8	36.7	44.5	42.2	40.6
LT	-3.3	-9.4	-7.2	-5.5	-3.2	15.5	29.3	37.9	38.5	40.5

Privatization has been almost completed in all three states. According to the strategy of Privatization agency in Latvia, it will phase out in 2016. The biggest entities with state capital are: telecommunications SIA *Lattelecom*, (51% state capital share), SIA *Latvijas Mobilais Telefons* – directly 5%, indirectly state capital share 35%); Latvia's government also invested into a nationalised bank entities during the financial crisis AS *Citadele banka* (75%) and AS *Reverta* (84,15 %). Privatization of state owned companies is practically completed in Estonia by 2012, only the port

and power plant is owned by the government. Also in Lithuania privatization of large scale state owned utilities is nearly completed by 2012. However, in 2013 the Ministry of Environment of Lithuania prepared the amendments to laws related to the waste management, which could allow privatizing partly waste management industry.

Inflation rates in the Baltic States were between 4.2% in Estonia, 2.3% in Latvia and 3.2% in Lithuania in 2012.

Annual average inflation rates (%), Eurostat

Country; year	2008	2009	2010	2011	2012	Oct 2013
EE	10.6	0.2	2.7	5.1	4.2	2.19
LV	15.3	3.3	-1.2	4.2	2.3	0.0
LT	11.1	4.2	1.2	4.1	3.2	0.4

Sources: Eurostat, Statistics Estonia, Latvia, Lithuania

Gross monthly minimum wage in Purchasing Parity Power in July 2013, according to Eurostat was as following: 400 EUR in Estonia, 383 in Latvia and 440 in Lithuania.

According to national statistical offices the average monthly wage in Estonia was 930 EUR in 3rd q 2013, Latvia 715 EUR (2nd q 2013) and Lithuania 699 EUR (3rd q 2013). The average monthly wage grew in Latvia by 4.4% in 2011 and continued growing in 2012, reaching 684 EUR in 2q of 2012.

Unemployment rapidly increased during the crisis: in 2010 official unemployment levels in Latvia and Lithuania were 17-19% but has dropped to 9.3% in 3q of 2013 in Latvia and 12,3 % in Lithuania. Unemployment in Estonia stood at 8% in 3q 2013. All three countries have implemented unemployment insurance that is earnings related, but has minimum and maximum ceilings. To qualify for unemployment benefits in Lithuania a person should be at least 18 months in paid employment, while in Latvia it is at least 9 months, in Estonia – at least for 6 months (Aidukaite Genelyte 2012).

Gini-coefficient (Eurostat) suggests that Latvia is the most unequal society among the three Baltic States: in 2012 Gini-coefficient for Latvia was 35.9%, Lithuania 32.0% and Estonia 32.5%.

As of January 1, 2013 actual population size in Latvia was 2,023,825, in Lithuania population size was 2,971,905 while in Estonia it was 1,324,814. Latvian population census in 2011 shows from 2001 to 2011 a decline of population by 400 thousand people. Emigration from Latvia, the same as in Lithuania, increased directly after the beginning of the crisis in 2008. Most of emigrants are young and working age; in case of Latvia about 70% of recent emigrants are at the age group 18-34 (OECD 2013). However, there are also new trends, still small in numbers and not studied in detail: Also people approaching pensionable age seek for employment in other EU countries in order to gain additional source for their old age pension. 75% of current Latvian pensioners live below the poverty threshold, according to data of Latvian Pensioners' Federation. Pensions are transferable in most of EU countries therefore temporary outflow of pre-pension age workforce is based on a strong rationale.

Estonia's retirement age is 63 years for men and 60 years and six months for women. By 2016, the

retirement age for women will be gradually increased to 63 years but Estonian Employers' Confederation proposes that retirement age should be gradually increased to 67 years of age. Retirement age in Latvia and Lithuania is 62 years but will be also gradually increased up to 65.

Population is aging in all three Baltic States with similar trends:

Age structure was as following, according to Census 2011 (thousands):

Country; by age group	0-14	15-64	65+
EE	15.1	67.2	17.7
LV	13.7	68.9	17.4
LT	13.8	69.7	16.5

Source: National statistics in EE, LV and LT

The life expectancy is slowly growing year by year in the Baltic countries. It is the highest in Estonia (76,5 years, 2011), in Latvia it is 73,8 years, and in Lithuania 73,8 years of average life expectancy (Eurostat, 2013).

North-eastern region in Estonia, close to Russian border, eastern region Latgale, also closer to Russian and Belorussian borders in Latvia remain as those lagging behind economically for past two decades.

Metal factory „Liepajas metalurģs“ has halted production in 2013 in Latvian regional town of Liepaja causing employment problems there. In July 2013, the State Treasury repaid from the state budget the principal amount of the loan owed to the Italian bank UniCredit by Liepajas metalurģs 67,5 million Euros. By the end of November 2013 there were 1500 workers dismissed, which is a very serious problem in this port town with no similar industry situated in the region. The trade union of „Liepajas metalurģs“ has protested against the dismissions, however, their option has not been taken into account (Neatkariga, 30/10/13).

The boom regions in all three Baltic States are in capital cities Tallinn, Riga and Vilnius.

There are considerable share of shadow economy in all three states. In Latvia it is the most typical in small enterprises and related to dissatisfaction with tax system in Latvia. In Estonia the construction sector is the most typical where unreported

wages are paid, which is also the case in Lithuania (Sauka and Putnins 2013).

Shadow economy index in Baltic States % of GDP

Country	2009	2010	2011	2012
EE	20.2	19.4	18.9	19.2
LV	36.6	38.1	30.2	21.1
LT	17.7	18.8	17.1	18.2

Source: Sauka, A. and T. Putniņš (2013) *Shadow economy index in the Baltic states 2009-2012*, Stockholm School of Economics, Riga

1.3 State policies

Estonia has joined the European monetary union and Latvia will join on 1st January 2014. Also Lithuanian monetary system is bound to Eurozone through the national currency, Litas, pegged in euro-area.

Value added tax (VAT) in Latvia and Lithuania is 21% and in Estonia 20% in 2013.

Before 2012 Estonian laws did not regulate the termination of collective contracts. There were no possibilities to terminate a collective agreement so that, when an agreement was signed and no new agreement was reached, the old one lasted indefinitely.

1.4 Industrial Relations

Sectorial level dialogue is rather weak in all Baltic countries. Traditionally education and health sectors are more active in negotiating wages.

Health care and transport sectors have sectoral level collective agreements in Estonia. However, as no agreements were signed for these industries in 2010, there was no possibility of their terms being extended. There are several contracts which cover a whole sector, but only concluded with one public sector employer such as a ministry (e.g. rescue workers, primary and secondary school teachers). There was one new sectoral level contract with journalists concluded in 2009 in Lithuania. (Kallaste Woolfson 2013).

All together the tripartite social dialogue during past few years of crisis and post crisis is charac-

terised by less substantial consultative mechanisms and rather a dictate from national governments regarding the austerity measures.

1.5 Youth unemployment ratio

Country/year	2010	2011	2012
EE	12.6	9.1	8.7
LV	13.9	11.6	11.4
LT	10.4	9.0	7.7

Source: Eurostat

1.6 Forecasts

According to the *Eurostat* forecasts, Baltic economies will continue growing by a real GDP growth in 2012 of 2.5% in Estonia, 4.3 % in Latvia and 2.9% in Lithuania. Eurostat forecasts for 2014 are as follows: 4.0% EE, 3.9% LV and 3.6% LT. IMF projects that the economy is expected to grow at an average rate of 3.2% in forthcoming years in Latvia. It will take another two years (2015) before the Latvian economy reaches the 2006-2007 pre-crisis real GDP level.

Emigration and possibility of emigration increases bargaining power of employees and competition for labour force. The ability of unions to stand on previous status quo agreements has now been abolished in Estonia. There is now also the possibility also to end collective contracts with prior notice by employer. These developments suggest that the future for union revitalisation in the post-crisis Baltic context will be even more uncertain than before economic crisis in late 2008 (Kallaste & Woolfson 2013). All three countries envisage lack of workforce in near future due to high levels of out-migration during the past decade.

2. Annex of data

Acronym	Full Name
CDEFOP	European Centre for the Development of Vocational Training
EIRO	European Industrial Relations Observatory
ETUI	European Trade Union Institute
ES	Eurostat
IOM	International Organization for Migration
ML	Ministry of Labour
ND	National Data
OECD	Organisation for Economic Co-operation and Development (OECD)
UN	United Nations
U	Universities
WB	World Bank

2.1 Structure of the economy (0,5-1 page) (ES)

Enterprise size and class analysis of non-financial business economy by country (2009)*

Country	Total number of enterprises	Micro %	Small %	Medium-sized %	Large %
EE	50.600	86.8	10.7	2.1	0.3
LV	78.280	88.3	9.6	1.8	0.2
LT	113.059	88.0	9.9	1.9	0.2

Source: Latest available comparative data on the Baltic states by Eurostat

Enterprise size and class analysis of non-financial business economy by country 2008

Country	Total number of enterprises (thousands)	Micro %	Small %	Medium-sized %	Large %
EE	46	83.8	13.0	2.7	0.4
LV	70	84.4	12.9	2.4	0.3
LT	139	88.7	9.2	1.9	0.3

*Latest available comparative data on the Baltic states by Eurostat

2.2 Collective Bargaining System

Both union density and bargaining coverage are lower in the Baltic States than in the other EU countries. In all Baltic countries single employer bargaining at the level of the company is predominant.

Estonia: The 2009 survey of Statistics Estonia showed that 32.7% of employees in organisations employing five or more are covered by collective agreements. In beginning of 2011 there were 195 agreements on the database of the Estonian Social ministry, which were stated to be current, and 29 agreements had been signed in 2010. The number of industry level agreements and their coverage has fallen in recent years, and at the

start of 2011 there were none in force in Estonia. (Fulton 2011; ETUI)

Latvia: The most important level is the company-level bargaining. Sector-level bargaining occurs in some sectors (railways and metalworking). Regional agreements are concluded with local governments and other regional organisations in other sectors, for example, in education a trade union has concluded 380 general agreements. At the start of 2008 there were 1,921 company and organisation level agreements, compared with only 23 industry level agreements, according to the Latvia's Trade Union confederation. Collective bargaining is more important in the public sector and large state-owned companies, than in the

private sector. Medium-sized and small companies in the private sector typically do not have trade unions. A survey of wages and salaries undertaken by the Latvian central statistical office in 2006 indicates that the coverage of collective bargaining is higher than union density. In that year 34.2% of all employees were covered by collective agreements. Sectoral differences are remarkable: 69.4% of those engaged in health and social work and 68.6% of those in education were covered by collective agreements, in banks and finance the figure was only 16.9%, in retail and wholesale 13.9% and in hotels and catering 11.2% (Fulton 2011; ETUI).

Lithuania: In 2009 expert estimates show that perhaps 15% of all employees were covered by collective agreements in Lithuania, according to Eurofond EIRO research. However, in reality in might be much less as figures from inspections by the state labour inspectorate in 2010 show. Here, only 248 companies and organisations had signed a collective agreement out of 12,411 inspected – which is only 2.0%. Figures for 2009 were similar, with 15,935 inspections and 290 collective agreements which are 1.8%. (Fulton 2011; ETUI).

2.3 System of tripartite social dialogue

According to the research carried out by Kallaste and Woolfson (2013), in **Estonia** in March 2009 there was a tripartite agreement on training and retraining for employed and unemployed. The trade union confederation (EAKL) argued, like their counterparts elsewhere in Europe that government should concentrate on increasing state revenues and enhancing the purchasing power of population as a way out of the crisis. Their key demand was that all future changes concerning social protection should be made through tripartite dialogue.

In **Latvia** in June 2009 there was agreement on how to cut the budget deficit by 500 million LVL (771.4 million EUR) (The Cabinet of Ministers of the Republic of Latvia 2009);

In **Lithuania** in October 2009 there was a social partners' agreement on planned austerity measures for coming year.

2.4 Social security systems

Old age pensions, Baltic States, year 2009, %

Country	Wage and salaried employment as a share of total employment	Working age population contributing to old age pension scheme
EE	92.3	68.3
LV	89.9	66.5
LT	88.5	56.0

Source: World Social security report 2010/2011

Average monthly old-age pension in Baltic States

Country; year	2008	2009	2010	2011	2012	2013 2q
EE	...	301.3	304.5	305.1	312.9	331.3
LV	200	230	250	254	258	260
LT	...	233	217	217	236	...

Source: Statistical offices of Estonia, Latvia and Lithuania

2.5 Education and vocational training

Participation in general and vocational education (Students in upper secondary general and vocational education as % of all upper secondary students) 2011

Country; year	Students at ISCED level 3 general orientation as of % all students at ISCED level 3	Students at ISCED level 3 Vocational orientation as of % all students at ISCED level 3	Students at ISCED level 4 Vocational orientation as of % all students at ISCED level 4
EE	65.6	34.4	100
LV	62.2	37.8	100
LT	71.6	28.4	100

Source: CDEFOP, based on Eurostat, EU Labour force survey

Tertiary level attainment % of population 30-34, who have completed tertiary level education

Country; year	2008	2009	2010	2011	2012	Target 2020
EE	34.1	35.9	40.0	40.3	39.1	40
LV	27	30.1	32.3	35.7	37.2	34
LT	39.9	40.6	43.8	45.4	48.6	40

Source: CDEFOP, based on Eurostat, EU Labour force survey

Adult participation in Lifelong Learning (persons aged 25 to 64 who stated that they received education or training in the four weeks preceding the survey) %

Country; year	2008	2009	2010	2011
EE	9.8	10.5	10.9	12
LV	6.8	5.3	5	5
LT	4.9	4.5	4	5.9

Source: CDEFOP, Eurostat, EU Labour force survey

In Latvia LBAs chairs the expert advisory board of 12 sectors in vocational education and also life-long learning needs; however, life-long learning as vocational training for adults is a rather neglected area in Latvia.

Most difficulties in vocational training and life-long learning improvement are associated with the lack of financial means.

2.6 Employment rate (1/2 page) (ES)

Employment rates by age and gender, 2012, Eurostat (in thousands and %)

Country	Total employment, resident population numbers, thousands	Employment, numbers, thousands			Rate %		
		Age 15 -64			15-64		
		Total	Men	Women	Total	Men	Women
EE	624.4	601.7	267.0	284.8	67.1	69.7	64.7
LV	875.6	851.8	445.4	473.5	63.0	64.4	61.7
LT	1,275.7	1,244.2	578.6	645.6	62.0	62.2	61.8

Source: Eurostat, EU Labour force survey

2.7 Unemployment rate

Unemployment rate in the Baltic states, Eurostat*

Country	2008	2009	2010	2011	2012	2013 3q**
EE	5.5	13.8	16.9	12.5	10.2	8.0
LV	8.0	18.2	19.8	16.2	14.9	9.3
LT	5.3	13.6	18.0	15.3	13.3	12.3

*Eurostat chosen for comparative reasons in three states; ** Statistics Estonia, Latvia, Lithuania

2.8 Net average annual salaries

Country	2008	2009	2010	2011	2012
EE	6,694.69	6,353.39	6,438.00	6,663.55	7,358.40
LV	5,030.92	5,137.18	5,095.70	5,315.83	5,624.47
LT	4,852.93	4,522.84	4,439.13	4,555.16	4,764.75

*net salary after taxes and with social allowances calculated as for a single parent without children allowances 50% of AW.

2.9 Gender pay gap

In 2011 the highest gender pay gap in EU occurred in Estonia with 27.3% whereas in Latvia 13.6% and Lithuania GPG stood at 11.9%. In

Estonia the highest GPG was found in industry, energy and construction.

Gender pay gap in unadjusted form in %, Eurostat

Country	2008	2009	2010	2011
EE	27.6	26.6	27.7	27.3
LV	11.8	13.1	15.5	13.6
LT	21.6	15.3	14.6	11.9

2.10 Net monthly minimum wage (1/4 page) (ND)

Gross minimum wages EUR/month

Country	2008	2009	2010	2011	2012	2013
EE	278	278	278	278	290	320
LV	230	255	254	282	286	285
LT	232	232	232	232	232	290

Monthly minimum wages as a proportion of the mean value of average monthly earnings %

Country	2008	2009	2010	2011	2012
EE	34.9	36.2	35.6	33.8	33.5
LV	36.2	40.9	42.2	45.1	43.8
LT	39.6	40.5	42.0	44.1	40.8

Source: Eurostat

2.11 Actual weekly working hours

Actual working hours in Estonia range between 37.8 hours per week to 39.5 hours per week,

while in Latvia it is 38.1 to 39.1 hours per week. In Lithuania actual weekly hours range from 38.0 to 39.0, according to *Eurostat* data.

2.12 Normal work / atypical work

There are no national definitions on precarious work; limited duration contracts and part-time is

considered as atypical work. Key typical work employment Statistics in the Baltic States:

Employees with contract of limited duration, (% of dependent employment) *Eurostat*

Country	2008	2009	2010	2011	2012
EE	2.4	2.5	3.7	4.5	3.7
LV	3.3	4.3	6.8	6.5	4.7
LT	2.4	2.2	2.4	2.8	2.6

Part-time employment (% of total employment by gender), 2012 *Eurostat*

Country	total	men	women
EE	9.2	5.1	13.2
LV	8.9	6.7	11.0
LT	8.9	6.9	10.7

2.13 Population size and Out-migration in Baltic States

Country	Current population size, Jan 2013, millions	Development since 2000 in %
<i>Estonia</i>	1.26	-5.5%
<i>Latvia</i>	2.02	-13%
<i>Lithuania</i>	3.04	-11%

Sources: *Latvia Population census, Lithuania population census, Statistics Lithuani, Statistics Estonia*

Population decreases mainly due to negative net migration and low birth rates; however, registered and unregistered return migration from the EU countries also takes place, therefore population is

fluctuating. Latest population censuses in 2011 are the most reliable sources to estimate out-migration that is vast in all three countries, but especially in Lithuania and Latvia

2.14 Human Development Index (HDI)*

Country	2008	2009	2010	2011	2012
EE	0.860	0.835	0.837	0.838	0.846
LV	0.855	0.798	0.802	0.805	0.818
LT	0.862	0.802	0.805	0.810	0.814

*Index is measured from 0 to 1, where 0 means underdevelopment and 1 is the highest development achieved.

2.15 Gini-coefficient on Income and on Assets (if any) (1/8 page) (ES)

Gini-coefficient on Income (Eurostat)

Country	2008	2009	2010	2011	2012
EE	30.9	31.4	31.3	31.9	32.5
LV	37.7	37.4	36.1	35.2	35.9
LT	34.0	35.5	36.9	32.9	32.0

2.16 Collective agreement coverage

Employees covered by wage bargaining agreements

(proportion of all wage and salary earners in employment with the right to bargaining), in %

Country	2008	2009	2010	2011
EE	...	25	22	20
LV	25	...	...	...
LT	15	...	13	12

Source: Visser 2013 data basis, Union coverage (AdjCov) .

2.17 Ongoing important collective bargaining agreements

In 2012 has the biggest number of warning strikes in **Lithuania**: 187 warning strikes were held in February and May, the highest number of strikes in the past 12 years, according to Lithuania's Statistical bureau. The total idle time caused by these warning strikes was over 1,800 office days. However, courts increasingly ruled such industrial actions as unlawful. According to EIRO information on labour disputes and ITUC Survey on violation of trade union rights, on 16 January 2013, trade unions picketed near court buildings to raise government and public awareness that current legislation in Lithuania removes workers' rights to strike. Lithuanian trade unions are also seeking for international support to change the legislation and strengthen rights for the industrial action. The protests were organised by representatives of the Lithuanian Trade Union 'Solidarumas' and the Lithuanian Trade Union of Food Producers. Representatives of the Lithuanian Labour Federation and the Lithuanian Trade Union Confederation also demonstrated in front of the headquarters of the Supreme Court of Lithuania. Demonstrations spread also in regional towns Kaunas, Klaipėda, Šiauliai and Utena.

For example, on 13 November 2012, the First District Court of Vilnius declared unlawful the re-

sults of a secret ballot on token and indefinite strikes held by employees of „Vilnius public transport“ on 23–25 October 2012. According to trade union lawyers the ban meant that Lithuanian workers had been deprived of any opportunity to call for a lawful strike. Unions first tried to solve this problem on the restriction of the right to strike in Lithuania through the Tripartite Council of Lithuania. They were also seeking for help from international trade union organisations for help in analysing and amending the legal regulation in Lithuania (EIRO, Blaziene, 2013 Labour disputes 2013; ITUC Survey on violation of trade union rights, 2012).

In **Latvia** the situation is similar, according to ITUC Survey on violation of trade union rights, 2012. Port managers in Liepāja dismissed 10 members of the Liepāja Port Staff Professional Organisation accusing them of theft after failed attempts to breach the union's collective agreement by trying to force them to accept different wage levels in 2012. However, under Latvian labour law, a trade union member cannot be dismissed without prior approval from the union. By September 2012, the court had rejected seven

applications from the employer to dismiss the workers and deemed one suspension illegal. Intimidation of trade union members by the employer were registered in case of aero navigational service provider SJSC "Latvian Air Traffic." Employers invited air traffic controllers in small groups to the management office and asked each of them about his or her membership in the trade union, and whether he or she agrees with the complaint previously addressed and sent to the Minister for Transport signed by the trade union chairperson Mrs. Ausra Straume. In March 2012, she was suspended from her air traffic controller duties and was prohibited from entering and residing at the premises of SJSC "Latvian Air Traffic". Disciplinary investigations against her did not reveal any infringements of labour discipline. On 13 March 2012 the employer issued an order banning A. Straume from entering the company premises without special permission from the employer.

In April 2012, the Latvian Post and Telecommunications Workers' Trade Union elected a representative to the board of the private pension fund as agreed in paragraph 109 of the collective agreement between LSAB and Lattelcom. However, during the meeting of JSC "First Closed Pension Fund" stakeholders on 24 May 2012, Lattelecom nominated two employer representatives. The LSAB representative was thus excluded from further board participation. (ITUC Survey on violation of trade union rights, 2013 Latvia, pp 64.)

"Maxima" supermarket tragedy from unions' viewpoint in Latvia

In May 2013 Latvian television reported that employers did not allow representatives of a trade union of the retail chain "Maxima" to distribute leaflets of workers' rights. On 21 November 2013 a shopping mall of "Maxima" collapsed in a densely populated Riga suburb Zolitude, killing 54 people, including rescue workers and shop assistants. This tragedy revealed very alarming systemic violation of workers' rights in Latvia and far reaching consequences. After the tragedy "Maxima" shop assistants told to the press about very poor working conditions, however, they

wanted to remain anonymous in fear of their employers. Trade union of rescue workers collected donations and raised the issue that rescue workers receive salaries of just 2,13 € per hour. There was ad hoc support in society and call for more active engagement of TU's observable in social media immediately after the tragedy. Workers' representation would have avoided such to some extent typical situation when workers are afraid to execute their rights to demand that safety of work environment is ensured by the employer. However, in 2012 the industrial action of 41 worker of the "Nordic Metalplast" , situated in a regional town of Jelgava in Latvia, proved itself as the most effective mechanism to regain unpaid salaries. Latvian leaders of trade union have called this strike as a success model to encourage other workers to call on strike more actively.

Strikes are not common in **Estonia**. Just before the general strike, many companies abruptly changed work schedules so that trade union members would not be on duty on the day of the strike. Some employers also threatened workers with dismissal. *Tallinna Autobussikoondis* (a public transport company) intimidated trade union members, prevented union leaders from contacting workers and removed strike leaflets. (ITUC Survey on violation of trade union rights, 2012 Estonia). In 2013 Estonian pilots' union were calling for several strikes but they were postponed. In 2013 Harri Taliga, the head of the Estonian Trade Union Confederation resigned stating that situation with support to trade unions in Estonia is very critical and the country has a long way to reach a similar level of support as it is in neighbouring Scandinavian countries. Taliga emphasised especially that "societal awareness should be increased to understand that trade unions play a critical role to protect workers' rights and improve situation for all employees" (Baltic business 2013). "Estonia won't reach Finnish levels, as the unemployment office is independent here, not under union control, but I believe that a 25 percent membership level could be attained," said Peep Peterson, the current head of the Confederation (Baltic business 2013).

2.18 Trade union density

Numbers of employees who are members of trade unions are declining in the Baltic States. See below tables of earners in employment in comparison with members of trade unions and union density:

Wage and salary earners in employment in thousand

Country; year	2008	2009	2010
EE	584,5	628,8	520,7
LV	965,2	840,7	...
LT	1318,7	1219,8	...

Source: Visser data basis 2013, WSEE

Total and net numbers of employees who are members of a trade-union, in thousand

Country	Total			Net		
	2008	2009	2010	2008	2009	2010
EE	52,8	51,5	51,0	42,5	42,0	42,0
LV	152,0	...	...	142,9*	...	...
LT	120,2	...	...	111,7	115,4	...

Source: Visser data basis 2013 *8000 were retired members at LBAS.

Union density (UD). Net union membership as a proportion wage and salary earners in employment

Country	2008	2009	2010
EE	7.1	7.7	8.1
LV	14.8	...	...
LT	8.9	9.5	10

Source: Visser data basis 2013

2.19 Employer's organizations density

Biggest trade associations of **Estonia** are represented in the Estonian Employers' Confederation. Unions in energy, education, medicine and maritime sectors are generally more active than others. According to Euro Barometer, only 3 percent of Estonian workforce is unionized. All together the Confederation represents over 1,500 Estonian enterprises, which in total employ around 145,000 workers. According to Estonian Employers' Confederation, it covers approximately 10% of Estonia's workforce. Also Estonian Chamber of Commerce and Industry (Koda) is active in representing employers' interests.

In **Latvia** Employers' Confederation of Latvia (LDDK) is the biggest organization representing the interests of employers. LDDK involves 42 branch and regional associations and federations, as well as enterprises that employ over 50 people. The members of LDDK employ at large 35% of

employees in Latvia. Also Latvia's Chamber of Commerce and Industry (LTRK) is a vocal player in support of employers' interests.

Lithuanian Confederation of Industrialists (LPK) - is a major business organization in Lithuania. The Confederation unites 37 branch and 9 regional business and industry associations which consist of over 2700 medium and large sized enterprises from various sectors. LPK unite over 35% of the Lithuanian work force.

Lithuanian Business Employers' Confederation (Lietuvos verslo darbdavių konfederacija, LVDK) is an independent non-profit organization that operates in whole Lithuania, uniting small and medium business subjects - individual businessmen as well as regional and sectorial associations of SME's, more than 1800 enterprises and about 60 associated structures. The majority of the members (about 90 percent) of LVDK are repre-

sentatives of small and medium business (the

number of their employees does not reach 250).

2.20 Workplace representation

Estonia: The law provides for a dual-channel system of employee representation in companies; trade union representatives and employee trustees may be present in a single company at the same time. A trade union representative is elected among the trade union members working in the respective establishment, an employee trustee is elected by the employees' general meeting to represent all employees working in the company. According to the Estonian Employees Representative Act, collective bargaining and collective dispute resolution are the privilege of the trade unions. If no trade union representative is present in the company, the employee trustee is entitled to conclude collective agreements or represent employees in collective dispute resolution (EIRO).

Latvia: Employee representation at the workplace is regulated by Section 10 of the Latvia's Labour Law on the Representation of Employees. It is regulated through the mediation of employee representatives. (1) In an enterprise where are at least five employees can elect a representative of a trade union who represents other workers in negotiations with an employer. (2) If there are several trade unions, they shall authorise their representatives to participate in joint negotiations

with an employer in proportion to the number of members of each trade union. If representatives of one employee trade union or representatives of several such trade unions and authorised employee representatives have been appointed for negotiations with an employer, they shall express a united view.

Lithuania: According to the Lithuania's Labour Code, in labour relations the rights and interests of employees may be represented and protected by the trade unions. Where a company, agency or organisation has no functioning trade union and the staff meeting has not transferred the function of employee representation and protection of employees to the trade union of the appropriate sector of economic activity, the workers shall be represented by the works council elected by secret ballot at a general staff meeting. The activities of works councils are regulated by the law on works councils. A works council shall be established for a term of three years, which shall begin when a works council starts its operations. The works council has the same rights and obligations in the company as the trade union, including the right to call a strike. (EIRO)

2.21 Trade union mapping - Latvia

2.20	in National Language	in English	
Name of TU Federation/ Confederation/Trade Union	Latvijas Brīvo arodbiedrību savienība (LBAS)	Free Trade Union Confederation of Latvia	
Founding Year	1990		
Sector/Branch	20 branches		
Cycle of Congresses/ Last Congress	Five years cycle; last 7th Congress was held on 2 December, 2011		
Important Functionaries (Chairman, President, International Secretary, Youth Leader, etc.)	Name	Function	Homepage
	Pēteris Krīgers	Head of LBAS	www.lbas.lv
	Līvija Marcinkēviča	Deputy head of LBAS	
	Egils Baldzens	Deputy head of LBAS	
	Ieva Freiborne Ruta Porniece	Coordinator, cooperation between TUs Youth council	ieva.freiborne@lbas.lv ruta.porniece@lbas.lv
Number of Members (please comment on the official number applying a sensitive approach)	165,000 members (Source Trade Unions) According to Visser data basis, 80 000 of members of these are retired. However, many pension-age trade unionists still continue working. All together with the retired members, trade unions covers about 10% of employees. According to Euro Barometer TUs cover about 9% of employees in Latvia.		
Finance (major sources of finance, please comment on the official figures applying a sensitive approach)	Membership fees, usually 1% of monthly wage; European Social Fund		
Cooperation in national committees	<ul style="list-style-type: none"> • Government; • Ministries; • Latvian Employers Confederation; • Union of Local Governments of Latvia; • Latvian Students' Association; • National Youth Council of Latvia; • Latvian Gender Equality Association; • State Labour Inspection; • State Employment service; • European Movement in Latvia; • Latvian Pensioners' Federation; • Political parties; • State Social Insurance agency; • Health Compulsory Insurance State Agency. 		
Memberships	Regional Umbrella Associations	Global Umbrella Associations	
	ETUC	ITUC	
	Baltic Sea Labour Network; BUSINESSEUROPE; UEAPME; CEEP;		

Most important trade unions in Latvia:

Nursing and Health Care Personnel Trade Union

President Daina Brūvele
Email: birojs@laada.apollo.lv

Education and Science Workers Trade Union

President Ingrīda Mikiško
Email: lizda@lizda.lv

Trade Union "Energija"

President Jevgenija Stalidzane.
Email: stalidzane@energija.lv

Health and Social Care Workers Trade Union

President Valdis Keris
Email: ivsada@ivsada.lv

Trade union Mapping – Estonia

2.20	in National Language	in English
Name of TU Federation/ Confederation/Trade Union	Eesti Ametiühingute Keskliitu	The Estonian Trade Union Confederation (EAKL)
Founding Year	1990 (on the basis of Confederation of Estonian Trade Unions founded in 1927)	
Sector/Branch	The Estonian Trade Union Confederation comprises 20 branch unions.	
Cycle of Congresses/ Last Congress	Once every four years; last congress on 25 November 2011	
Important Functionaries (Chairman, President, International Secretary, Youth Leader, etc.)	Name	Function
	Peep Peterson	Chairman
	Andrei Vössoven	Chairman Youth Committee
	Homepage www.eakl.ee	
Number of Members (please comment on the official number applying a sensitive approach)	47,500 according to Trade unions; covers about 7.5%, according to the Estonian Trade Union Confederation; according to Euro Barometer, covers only 3% of workforce but trade unions disagree with this survey (Postimees 22.03.2013)	
Finance (major sources of finance, please comment on the official figures applying a sensitive approach)	Membership fees; no other data available	
Cooperation in national committees	N/A	
Memberships	Regional Umbrella Associations	Global Umbrella Associations
	ETUC	ITUC

Most important trade unions in Estonia:

Education Workers' Trade Union

President Kalle Kalda
Email: kallekas@hot.ee

Railway Employees' Trade Union

President Oleg Tšubarov
Email: evray@evray.ee
www.evray.ee

Federation of Estonian Healthcare Professionals' Unions

President Piret Kruuser
Email: ettal@online.ee
www.hot.ee/ettal

Estonian Union of Healthcare Professionals

President Iivi Luik
Email: kutsel@hot.ee
www.kutseliit.ee

Estonian Transport Workers' Union

Vice-President Jaan-Hendrik Toomel
Email: etta@etta.ee
www.etta.ee

Estonian Nurses' Union

President Ester Pruuden
Email: ena@ena.ee

Trade Union Mapping - Lithuania

2.20	in National Language	in English	
Name of TU Federation/ Confederation/Trade Union	Lietuvos profesinių sąjungų konfederacija (LPSK)	Lithuanian Trade Union Confederation	
Founding Year	2002		
Sector/Branch	26 branches		
Cycle of Congresses/ Last Congress	N/A		
Important Functionaries (Chairman, President, International Secretary, Youth Leader, etc.)	Name	Function	Homepage
	Artūras Černiauskas	President	http://www.lpsk.lt/en/ ; arturas.cerniauskas@lpsk.lt
	Algirdas Kvedaravičius	Vice-President	http://www.lpsk.lt/en/
	Janina Matuizienė	Secretary General	janina.matuiziene@lpsk.lt
	Goda Neverauskaitė	International Secretary and President of Youth centre	lpsk@lpsk.lt
Number of Members (please comment on the official number applying a sensitive approach)	124,000, TUs cover about 15% of employees; according to Euro Barometer 2013 it is 9%.		
Cooperation in national committees	Tripartite Council of the Republic of Lithuania		
Memberships	Regional Umbrella Associations	Global Umbrella Associations	
	ETUC	ITUC Cooperates with ILO	

Most important trade unions in Lithuania:

Lithuanian Federation of Railway Workers Trade Unions

President Vilius Ligeika
E-mail: lgpf@litrail.lt , v.ligeika@litrail.lt;
home page: www.lgpf.lt

Lithuanian Federation of Roads and Transport Workers Trade Unions

President Bronius Bučelis
E-mail: bbucelis@takas.lt

Lithuanian Trade Union of Commercial and Cooperative Employees

President Regina Vaičiulionytė
E-mail: reginav@post.5ci.lt,
algirdasz@post.5ci.lt;
home page: www.profsajunga.lt

Lithuanian Teachers' Union

President Jūratė Voloskevičienė
E-mail: lmpps@takas.lt; home page: www.lmpps.lt

Lithuanian Nurses' Organization

President Danutė Mergelienė
E-mail: Issobiuras@gmail.com ; home page: www.lssso.lt

Lithuanian Building Workers Trade Union

President Vytautas Talmantas
E-mail: lspsaj@takas.lt

Lithuanian Trade Union of Health Care Employees

President Aldona Baublytė
E-mail: lsadps@vdnet.lt; home page: www.lsadps.lt

Federation of Lithuanian Education and Science Trade Unions

President Ričardas Bartkevičius
E-mail: info@svietimoprofsajunga.lt;
homepage: www.svietimoprofsajunga.lt

Lithuanian Federation of Agricultural Workers Trade Unions

President Regina Dapšytė
E-mail: lzudps@gmail.lt; home page: www.lzud.lt

2.22 Employers' Association Mapping - Latvia:

2.22	in National Language	in English	
Name of the association	Latvijas Darba devēju konfederācija (LDDK)	Employers' Confederation of Latvia	
Founding Year	1993		
Sector/Branch	68 branches/ more than 5000 employing more than 50 employees		
Cycle of Congresses/ Last Congress	N/A		
Important Functionaries (Chairman, President, Director, etc.)	Name	Function	Homepage
	Līga Menģelsone	Director general	www.lddk.lv ; liga@lddk.lv
	Vitālijs Gavrilovs	president	www.lddk.lv
	Mārtiņš Bičevskis	Vice president, head of Association of Commercial banks	www.bankasoc.lv
Number of Members	Covers 37% of employees		
Cooperation in national committees	National Tripartite Council		
Memberships	Regional Umbrella Associations		Global Umbrella Associations
	BUSSINESSEUROPE		The Business and Industry Advisory Committee
			<i>International Organisation of Employers</i> ; Global Compact, UN

Employers' Association Mapping - Estonia

2.22	in National Language	in English	
Name of the association	Eesti Töandjate Keskliit	Estonian Employers' Confederation	
Founding Year	1997 (on historical basis of industrialist association funded in 1917)		
Sector/Branch	28 branches, which in total employ around 145,000 workers		
Cycle of Congresses/ Last Congress			
Important Functionaries (Chairman, President, Director, etc.)	Name	Function	Homepage
	Tarmo Kriis	Chairman	http://www.tooandjad.ee tarmo@employers.ee
	Eve Päärendson	Director of International Relations	eve@employers.ee
	Imbi Ernits-Kaljuste	Director of Communications	imbi@employers.ee
	Anton Kuznetski	Advisor to chairman	anton@employers.ee
Number of Members	1500 enterprises		
Cooperation in national committees	National Tripartite council		
Memberships	Regional Umbrella Associations		Global Umbrella Associations
	BUSINESSEUROPE		

Employers' Association Mapping – Lithuania

2.22	in National Language	in English	
Name of the association	Lietuvos pramonininkų konfederacija (LPK)	Lithuanian Confederation of Industrialists: http://www.lpk.lt/?q=en	
	Lietuvos Verslo Darbdaviu (LVD)	Lithuanian Business Employers' Confederation http://www.lvdk.eu	
	Lietuvos Respublikos žemės ūkio rūmai (ZUR)	Chamber of agriculture in Lithuania http://www.zur.lt	
Founding Year	?		
Sector/Branch	LPK, which is the most vocal confederation, comprises 35 unions and 9 regional branches. LVD comprises 24 small and medium sized enterprises. ZUR is an umbrella organisation of individual, small and medium agriculture entrepreneurs and enterprises.		
Cycle of Congresses/ Last Congress	LPK 5 years congress cycle; last congress was on 21 June 2012.		
Important Functionaries (Chairman, President, Director, etc.)	Name	Function	Homepage
	Robertas Dargis	President of LPK	http://www.lpk.lt
	Gediminas Rainys	Vicepresident	http://www.lpk.lt
	Dovilė Baškytė	Director Department of Business & Social Policy & Law	Dovile.Baskyte@lpk.lt
Gintaras Morkis	Deputy Director General	Gintaras.Morkis@lpk.lt	
Number of Members	2700 enterprises		
Cooperation in national committees	National Tripartite council		
Memberships	Regional Umbrella Associations	Global Umbrella Associations	
	Bussinesseurope	ICIE (International Congress of Industrialists and Entrepreneurs) IOE (International organization of Employers)	

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