

# collective bargaining

Issue 7-8/2016 July-August

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.



AMSTERDAM INSTITUTE FOR ADVANCED LABOUR STUDIES  
UNIVERSITEIT VAN AMSTERDAM



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Trade union publishes income distribution report

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Nestle workers reach agreement

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### United Kingdom

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Uber faces legal action  
Workers experienced sharpest wage fall of any leading economy  
Tata talks with ThyssenKrupp – pension restructuring pending

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## European sources

### **Precarious employment in Europe**

August 23, 2016

The study *Precarious Employment in Europe: Patterns, trends and policy strategies*, commissioned by the European Parliament, aims at providing a systematic overview of recent trends in different types of employment relationships and the related risk of precariousness. The study uses a set of indicators with a conceptual link to quality of work. The most relevant indicator for individual risk of precariousness is in-work poverty and low pay. Other indicators include social security, labour rights, stress and health, career development and training, and low levels of collective rights. A separate publication is dedicated to *Precarious Employment in Europe: Country cases*.

English: [http://www.europarl.europa.eu/RegData/etudes/BRIE/2016/587303 ...](http://www.europarl.europa.eu/RegData/etudes/BRIE/2016/587303...)

Report (in English): [http://www.europarl.europa.eu/RegData/etudes/STUD/2016/587285 ...](http://www.europarl.europa.eu/RegData/etudes/STUD/2016/587285...)

Cases: [http://www.europarl.europa.eu/RegData/etudes/STUD/2016/587285 ...](http://www.europarl.europa.eu/RegData/etudes/STUD/2016/587285...)

### **The impact of migration on wages in the CEE economies**

July 27, 2016

Migration from CEE countries has been unusually large, persistent and dominated by educated and young people. An IMF-staff discussion note analyses the impact on the economy of the sending countries. The significant outflow of skilled labour has reduced the size of the labour force and productivity, adversely affecting growth in sending countries and slowing per capita income convergence. Countries that have experienced significant outflows of skilled workers (the Baltics and the South Eastern countries) have seen greater upward pressures on domestic wages.

English: <http://www.imf.org/external/pubs/ft/sdn/2016/sdn1607.pdf>

### **Tax burden on wages compared**

July 26, 2016

A study of the Molinari Institute compares the tax and social security burdens of individual employees earning typical salaries in each of the 28 EU member states and, in doing so, to determine a 'tax liberation day' – measuring how much of each year's work is devoted to paying taxes – for workers in each country. In addition, the study tracks year-to-year trends in both the taxation on, and cost of salaried labour in the EU.

English: <http://www.institutmolinari.org/IMG/pdf/tax-burden-eu-2016.pdf>

French: <http://www.institutmolinari.org/IMG/pdf/fardeau-fiscal-eu-2016.pdf>

## **Labour provisions and trade**

July 18, 2016

An ILO-study, based on empirical analysis, concludes that there is no evidence at the cross-country macro-level to support the claim that implementation of labour provisions leads to a reduction or diversion of trade flows. Results show that, on average, trade agreements that contain labour provisions impact positively on labour force participation rates, bringing larger proportions of male and female working-age populations into the labour force and, particularly, increasing the female labour force. Besides and importantly, the study suggests that, for labour provisions to be effective they need to involve stakeholders, notably social partners.

English: [http://www.ilo.org/global/about-the-ilo/newsroom/news ...](http://www.ilo.org/global/about-the-ilo/newsroom/news...)

The report (also available in Spanish and French): [http://www.ilo.org/wcmsp5/groups/public ...](http://www.ilo.org/wcmsp5/groups/public...)

## **OECD Employment Outlook 2016**

July 7, 2016

The OECD Employment Outlook 2016 (a range of country findings appended) shows that labour markets are recovering from the crisis and employment is set to return to pre-crisis level in 2017. However, wage growth remains weak and the global economy is stuck in a low-growth trap. Productivity growth has stagnated over the past years and many workers who lost their jobs in manufacturing and construction during the crisis have regained employment in the services sector in jobs that often do not match their skills and are low-paid.

English: [http://www.oecd.org/newsroom/job-market-recovering-but-wage-growth ...](http://www.oecd.org/newsroom/job-market-recovering-but-wage-growth...)

Report and country findings: [http://www.oecd.org/employment/oecd-employment-outlook ...](http://www.oecd.org/employment/oecd-employment-outlook...)

## **Letterbox companies and workers' rights**

July 4, 2016

Research institute SOMO was commissioned by the European Trade Union Confederation to produce a report on letterbox practices and cross-border recruitment. *The impact of letterbox-type practices on labour rights and public revenue* features case studies from Germany, the Netherlands, Italy and Sweden, covering the meat sector, road transport, car manufacturing and construction. It shows how tax avoidance often combines with exploiting workers. Existing economic freedoms, notably the right to establish corporations in any EU jurisdictions with little substance requirements and the principle of freedom to provide services, give employers ample opportunities to avoid social security, tax and employment laws in countries of operation. Working conditions and wages come thus under strong pressure.

English: [https://www.etuc.org/press/letterbox-type-practices-avoiding-taxes-and-exploiting ...](https://www.etuc.org/press/letterbox-type-practices-avoiding-taxes-and-exploiting...)

The report: [https://www.etuc.org/sites/www.etuc.org/files/press-release ...](https://www.etuc.org/sites/www.etuc.org/files/press-release...)

## **Recent trends in collective bargaining in Europe**

July 1, 2016

The E-Journal ADAPT published an article on recent trends in collective bargaining in Europe (originally included in Volume 5 of the Journal Series). Although several countries had already introduced labour reforms in the past years, the crisis was undoubtedly an accelerating force that initiated more and deeper changes. In fact, legislators not only changed the rules regarding the substance of wages, working hours, dismissal, pensions, and unemployment benefits, but also the way working conditions/labour standards are set. The author considers such changes and how in a number of cases (e.g. Portugal and Greece), the reforms were demanded by external entities as a condition for financial assistance. All the analysed changes initiated a radical alteration of the structures and principles that are the essence of the collective bargaining system.

English: [http://www.adapt.it/EJCLS/index ...](http://www.adapt.it/EJCLS/index...)

## **ILO report on social convergence**

July 1, 2016

The ILO produced a report on the EU in the series *Studies on growth with equity*. The crisis has raised the degree of socio-economic heterogeneity among Member States aggravated by imbalances in structural factors that could intensify in the future. The establishment of a European Pillar of Social Rights could foster upward convergence of socioeconomic outcomes by strengthening existing rights and improving social standards in the EU. Section C proposes policy avenues to encourage upward social convergence at the EU

level, focusing particularly on (i) minimum wages and collective bargaining; (ii) minimum income guarantees; (iii) reconciliation of work and family life; (iv) employment promotion and unemployment protection; and (v) human capital and skills development.

English: [http://www.ilo.org/wcmstp5/groups/public ...](http://www.ilo.org/wcmstp5/groups/public...)

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## Austria

### **Yearbook on migration and integration**

*August 16, 2016*

The 2016 Yearbook Migration & Integration offers an insight in the living and working conditions of people with migration background. The booklet (in German) presents various data sources across all statistical fields and significant information containing texts, tables and charts. It informs about migration, language and education, employment and the labour market, social welfare and health status. The labour market section provides details on the relevant sectors and occupations as well as on the labour market position.

English (download is in German): [http://www.statistik.at/web\\_en/publications\\_services ...](http://www.statistik.at/web_en/publications_services...)

### **The welfare state in the 21<sup>st</sup> century**

*August 12, 2016*

The Chamber of Labour published a brochure about the threats and challenges of today's welfare state. In different sections, a broad range of social provisions that guarantee a decent (working) life is sketched out. Included are data on income inequality, education and training, health care and living and working conditions. At the end, an overview is given of the strength and weaknesses of the actual welfare state.

The brochure (in German): [https://media.arbeiterkammer.at/wien/PDF/Broschueren/Sozialstaat ...](https://media.arbeiterkammer.at/wien/PDF/Broschueren/Sozialstaat...)

### **Wage developments in 2014**

*July 28, 2016*

Statistics Austria updated the data on the wage development in 2014. A final table reveals that median gross hourly earnings (excluding overtime) in the private sector amounted to €13.87. Compared to 2010, gross hourly wages rose nominally by 8.5% or 2.1 percent per year. Adjusted for inflation, median gross hourly earnings decreased slightly since 2010 (2010-2014: -1.1%, -0.3% per year). The distribution of earnings by economic activities also shows that gross hourly earnings differ considerably among sectors. The highest earnings were found in electricity (€22.60), financial and insurance activities (€20.40) as well as in information and communication (€19.37). With €15.19 per hour, earnings were traditionally higher in industry and construction than in services with €13.12. The lowest earnings were observed in accommodation and food service (€8.67). In all economic sectors examined, (median) gross hourly earnings of women were lower than those of men. Overall, women earned €12.23 and men €15.09 per hour, which means that women earned 19.0% less than men (2010: 21.1%) did.

English: [http://www.statistik.at/web\\_en/statistics/PeopleSociety ...](http://www.statistik.at/web_en/statistics/PeopleSociety...)  
[http://www.statistik.at/web\\_en/statistics/PeopleSociety/social\\_statistics ...](http://www.statistik.at/web_en/statistics/PeopleSociety/social_statistics...)

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## Belgium

### **Poverty risk surveyed**

*August 29, 2016*

The risk of income poverty remained stable in 2015 at around 15%. This is reported by the FPS Economy based on a survey on incomes and living standards (by EU-SILC that provides related statistics). The survey was conducted amongst 6,000 households. More than one in five Belgians is at risk of poverty or social exclusion. This includes those living alone with a monthly disposable income of less than 1,083 euros. It also covers households comprising two adults and two children, whose income does not exceed 2,274 euros. The categories most vulnerable to the risk of poverty are members of single parent families and the unemployed. Moreover, 6% of the population were enduring serious material deprivation and 15% of individuals under 60 were living in a household with low work volumes of work. The annual Brussels Welfare barometer 2015

reveals large regional differences. Almost one third of the Brussels population (31%) has to make ends meet below the poverty threshold, whilst the percentage in Wallonia comes at 18 % and in Flanders at 11%.

English: [http://www.brusselstimes.com/belgium/employment ...](http://www.brusselstimes.com/belgium/employment...)

The FPS report (Dutch): [http://economie.fgov.be/nl/binaries/analyse ...](http://economie.fgov.be/nl/binaries/analyse...)

Welfare barometer 2015 (French): [http://www.observatbru.be/documents/graphics ...](http://www.observatbru.be/documents/graphics...)

Welfare barometer 2015 (Dutch): [http://www.observatbru.be/documents/graphics ...](http://www.observatbru.be/documents/graphics...)

### **Statistics on earnings**

*July 28, 2016*

The statistical office has published detailed data and graphs (in French and Dutch) on the earnings in 2014. In 2014, full-time workers earned on average 3,414 euro gross per month. This is a relative average, since two-thirds of salaried employees earned less. In fact, half of employees earned less than 2,976 euro per month in 2014. Furthermore, 10% of workers earned less than 2,220 euro gross per month, and at the other extreme of the scale, 10% of salaried employees earned over 5,178 euro. The disparity in salaries between men and women continues to be a reality. Full-time women workers earned 6% less than men did. Moreover, when considering part-time work, which is mainly done by women, the gap reached 20%.

English: [http://www.brusselstimes.com/belgium/employment/6094/full-time-workers ...](http://www.brusselstimes.com/belgium/employment/6094/full-time-workers...)

French: [http://economie.fgov.be/fr/binaries ...](http://economie.fgov.be/fr/binaries...)

Dutch: [http://economie.fgov.be/nl/binaries ...](http://economie.fgov.be/nl/binaries...)

### **Police officers should earn more**

*July 27, 2016*

Police unions have calculated that tens of thousands of police officers should actually earn more money, if their wages are compared to other civil servants in the same wage category. The unions calculated that police officers are entitled to 2,030 euros more each year. A representative of the police union explained that, when the police reform was carried out, the promise was made that wages would follow general salary scales for civil servants. However, this was not the case in 2014. Salary standards for public servants have gone beyond those for the police. The minister announced that negotiations with the police would certainly follow.

English: <http://deredactie.be/cm/vrtnieuws.english/News/1.2723325>

### **Wage increase 1.2% in 2016**

*July 13, 2016*

A consultancy firm has quizzed 713 businesses employing over 160,000 people to gain insight into the wage picture. So far, wages increased 1.2% on average in 2016. The rise occurred in spite of the government's decision to put the index out of action. Only 11% of businesses said that they had not awarded any pay increase whatsoever. In the same period, bonuses even rose 1.6%. The figures are striking given the index freeze and the 0.8% wage restraint norm in 2016. However, the 1.2% wage increase remains the lowest since 2009. Many companies are sidestepping wage restraint by offering bonuses instead. Today one in two employees is on variable remuneration. Six out of ten employees qualify for a bonus.

English: <http://deredactie.be/cm/vrtnieuws.english/News/1.2712421>

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## **Bulgaria**

### **Quarterly bulletin on wages and income**

*August 15, 2016*

The total income average per household member has increased in the second quarter of 2016 by 3% year-on-year, while expenditure has fallen by 1.5%. Household income average per capita was BGN 1,239 (633 euro). Average expenditure per household member was BGN 1,076. Wages and salaries had a share of 54.8% within the total income, followed by pensions (29.3%), self-employment (6%) and social benefits (3.7%).

English: [http://www.nsi.bg/sites/default/files/files/pressreleases ...](http://www.nsi.bg/sites/default/files/files/pressreleases...)

### **Tourism sector looks for cheap labour from abroad**

*July 10, 2016*

A newly established tourism council has proposed to start hiring seasonal workers from abroad in order to improve the quality of service offered in the country's summer and winter resorts. The council identified the lack of well-trained staff as the most considerable problem of the sector. According to the tourism minister and council experts, the period of traineeships offered in the tourism sector should be extended from 3 to 6 months. The minister said that Bulgarians prefer to work abroad due to the better conditions and remuneration. In the Black Sea resorts, a typical low-qualified worker on eight-hour working day earns a minimum monthly salary of BGN 500.

English: [http://www.novinite.com/articles/175389/Bulgarian+Resorts+to+Start+Hiring ...](http://www.novinite.com/articles/175389/Bulgarian+Resorts+to+Start+Hiring...)

### **Pension pay increases with 2.6%**

*July 1, 2016*

The supervisory board of the National Social Security Institute (NOI) has decided to increase pensions by 2.6%. The minimum monthly pension becomes BGN 161.38, while the maximum retains its level of BGN 910. The increase of pensions is calculated as the sum of 50% of the growth of inflation and 50% of the average insurable income for the past calendar.

English: [http://www.novinite.com/articles/175258/Pensions+in+Bulgaria+Increase ...](http://www.novinite.com/articles/175258/Pensions+in+Bulgaria+Increase...)

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## Croatia

### **Unemployment rate drops**

*August 24, 2016*

The registered unemployment rate stood at 13.3% in July 2016, which was 0.3 percentage points less than in June and 2 percentage points less than in July 2015, according to data announced by the Central Bureau of Statistics. Analysts point out that the lower unemployment rate in July is a result of usual seasonal trends in which summer months result in improvements in indicators from the labour market, combined with an ongoing migration. With the end of the tourist season approaching, some workers who are seasonally employed in the tourism sector and supporting activities will return to the ranks of the unemployed.

English: [https://www.total-croatia-news.com/item/13754-registered-unemployment-rate ...](https://www.total-croatia-news.com/item/13754-registered-unemployment-rate...)

### **Demining workers protest after bargaining fails**

*July 8, 2016*

Around thirty employees of the Mungos demining company hold daily protests in front of the Parliament after strikers did not secure a meeting with the Interior Minister. The strike of the Mungos workers began after the process of collective bargaining stopped and after union demands for higher wages were rejected. The strikers point out that there is enough money since the demining process is financed from both the state budget and EU funds, and about 500 million kuna have been appropriated in 2016 for the demining efforts.

English: [https://www.total-croatia-news.com/item/12936-demining-technicians-to-protest ...](https://www.total-croatia-news.com/item/12936-demining-technicians-to-protest...)

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## Cyprus

### **Teachers consider strike**

*August 19, 2016*

Teachers in secondary education will go on strike if the education minister does not back down from his anticipated proposal to create a handful of permanent teaching jobs while cutting around 90 contract teaching jobs, secondary public-school teachers' association OELMEK announced. In a statement after an extraordinary board meeting, the trade union placed the blame for the upcoming turmoil squarely on the education minister, who has decided to give secondary education only 11.5% of new jobs.

English: [http://cyprus-mail.com/2016/08/19/teacher-union-warns-turmoil-ahead ...](http://cyprus-mail.com/2016/08/19/teacher-union-warns-turmoil-ahead...)

### **Gender pay gap documented**

*July 15, 2016*

According to the Structure of Earnings Survey (SES), published every four years, men receive on average a substantial higher wage than female employees do. The purpose of the SES is to provide detailed and comparable information on the level of remuneration, individual characteristics of employees (sex, age, occupation, length of service, highest educational level attained, etc.) and their employer (economic activity, size, etc.). The survey shows that the mean hourly earnings of employees in 2014 were €10.46 for full-time and €7.06 for part-time workers. Full-time male employees received on average €11.06 while female employees received €9.78. The corresponding figures for part-time employees were €7.28 for males and €6.94 for females. Based on the hourly earnings of all employees, for the total of the economic activities and occupations covered by the survey, the gender pay gap as a percentage of the earnings of males was 12.7%.

English: [http://www.pio.gov.cy/moi/pio ...](http://www.pio.gov.cy/moi/pio...)

### **Paphos airport ground workers on strike**

*July 6, 2016*

Ground services staff at Paphos airport stopped work after negotiations on collective agreements collapsed. All ground services were affected including passenger service crews, luggage handlers, drivers and despatchers. The work stoppage, coordinated by the SEK, PEO, and DEOK unions, at Larnaca airport on 4 July lasted 90 minutes. At issue in the dispute are allegations by Swissport and LGS workers that collective agreements are not being observed. SEK union's representatives told that they were forced to take action following a 14-month period of negotiations with the two companies that got nowhere. Employers were demanding that workers be paid normal rate when working on holidays, and unilaterally withheld pay increments. According to the unions, the two companies are demanding reductions in salaries and in provident fund contributions. The unions do not rule out escalating measures, though workers are willing to enter a dialogue as long as employers withdraw their demands.

English: <http://cyprus-mail.com/2016/07/06/two-strikes-paphos-airport/>

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## **Czechia**

### **Pay rise for civil servants in the autumn**

*August 11, 2016*

The government announced an increase of the salaries of the civil servants as from November already, two months earlier than planned. The volume of money for civil servants' salaries will be raised by 5 percent, while the base pay will increase by 4 percent. The government also agreed with raising salaries in education as from September. The salaries of teachers will increase by 6 percent and of other school employees by 4 percent. The total volume of finances for their remuneration (including bonuses) will increase by 8 and 5 percent, respectively. The earlier increase of salaries of civil servants - planned originally as from January 1, 2017 - has been demanded by the trade unions, which also pushed for an earlier increasing of the salaries in education. The unions said the economy is doing well and that is why the pay increases are possible.

English: <http://praguemonitor.com/2016/08/11/wages-22000-czech-soldiers-rise-november>  
<http://praguemonitor.com/2016/07/28/civil-servants-pay-rise-november>

### **Pay increases in healthcare promised for three successive years**

*July 28, 2016*

The government is planning to raise doctors and nurses' salaries by 10% for three successive years in order to stabilise the sector and put an end to the ongoing brain drain. The head of government said the pay hike for next year had already been settled and the government would seek to secure in money in 2018 and 2019 as well, if it won another term in office. The healthcare system is plagued by an increasing age of doctors and the departure of fresh graduates of medical schools abroad.

English: [http://radio.cz/en/section/news/pm-says-doctors-and-nurses-should-see ...](http://radio.cz/en/section/news/pm-says-doctors-and-nurses-should-see...)  
[http://www.praguemonitor.com/2016/07/07/ageing-doctors-brain-drain-plaguing ...](http://www.praguemonitor.com/2016/07/07/ageing-doctors-brain-drain-plaguing...)

### **Tripartite talks on increase of minimum wage fail**

*July 27, 2016*

A tripartite meeting – government, union and employers' representatives – did not reach a consensus on a raising of the minimum monthly wage. The Finance Minister backed an increase of no more than 700 crowns per month for a total of 10,600 crowns, which is also seen as suitable by employers. The Ministry of

Labour and Social Affairs wants the total to be 11,000 and unions 500 crowns more. Prime Minister Sobotka has backed an increase to at least 11,000. The trade unions demand 11,500 crowns. The monthly minimum wage was last raised at the beginning of 2016 – from the previous 9,200 crowns to the current 9,900.

English: [http://praguemonitor.com/2016/07/27/three-percent-employees-were-paid ...](http://praguemonitor.com/2016/07/27/three-percent-employees-were-paid...)

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## Denmark

### **Positive labour market record for foreigners**

*August 9, 2016*

In an analysis from Jobindsats.dk, it was found that foreigners accounted for 25,872 of the 41,381 new jobs created between 2013 and 2015. Danes filled 15,509 of the new positions. The Economic Council of the Labour Movement (Arbejderbevægelsens Erhvervsråd) considered the foreigners' inroads into the labour market a good thing and called it a success in that it is a sign of better integration of immigrants and their descendants. On the other hand, observers see the risk of growing social dumping.

English: [http://www.thelocal.dk/jobs/article/foreigners-fill-more-than-half ...](http://www.thelocal.dk/jobs/article/foreigners-fill-more-than-half...)

The analysis (in Danish): [http://www.ugebreveta4.dk/udlaendinge-faar-hvert-andet-nye-job ...](http://www.ugebreveta4.dk/udlaendinge-faar-hvert-andet-nye-job...)

### **Work pressure, wages and well-being**

*July 22, 2016*

A Danish-American study followed workers for 12 years and found that the well-being of employees, particularly women, suffers as a company's orders go up. When production companies enjoy an uptick in business, the employees pay for it with their well-being. When a production company increases its exports by ten percent and employees are made to work extra hours to carry the load, the workers suffer more illness and injuries. As exports rise exogenously, both men and women get higher wages. However, despite higher wages, women develop higher rates of severe depression. Women are 17.4% more likely to have a heart attack when their companies' orders increase, 6.4% more likely to suffer a workplace injury and are 2.5% more likely to suffer severe depression. The extra hours led to a 5% increase in work injuries for men but appeared to have no effect on their likelihood of having a heart attack. Male workers actually became 2% less likely to suffer depression when their companies were busier than normal.

English: [https://www.washingtonpost.com/news/wonk/wp/2016/07/19 ...](https://www.washingtonpost.com/news/wonk/wp/2016/07/19...)

The report: <http://www.econ.ku.dk/jrm/PDFfiles/w22365.pdf>

### **Court ruling on Uber: illegal taxi service**

*July 8, 2016*

Six Uber drivers were successfully prosecuted and fined in Copenhagen in a long-awaited ruling on 8 July for illegally offering a taxi service without a licence. They had claimed they were car-pooling. The drivers are expected to appeal with Uber's backing. Trade union 3F stated that in Danish law the Uber business-model is illegal. The union expects the police to stop and investigate more Uber drivers in the coming months. Trade union confederation LO said that it is necessary to stop the illegal and unfair competition created by Uber.

English: [http://www.itfglobal.org/en/news-events/news/2016/july/itf-union-welcomes ...](http://www.itfglobal.org/en/news-events/news/2016/july/itf-union-welcomes...)

<http://www.thelocal.dk/20160708/court-ruling-could-mean-the-end-for-uber-in-denmark>

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## Estonia

### **Labour market analysis shows mixed results**

*August 19, 2016*

An economist blog analyses how the labour market has improved despite the fact that unemployment has increased. Figures from Statistics Estonia show unemployment was 6.5% in the second quarter of 2016 and employment was 2.6% higher than a year earlier. Not all data sources indicate an increase in employment. Compared to the figures from the labour force survey, data from the Tax and Customs Board on the number of people receiving wages were slightly more pessimistic, as this number fell by 0.4% in the second quarter of 2016 compared to the same time a year ago.

English: [http://www.baltic-course.com/eng/direct\\_speech ...](http://www.baltic-course.com/eng/direct_speech ...)

## **Dockers – support trade union dismissal battle**

*July 7, 2016*

The ITF is asking all its dockers' unions to send a letter to the managing director of stevedoring services company Transiidikeskuse AS. It is a response to a request from the Estonian Seamen's Independent Union (EMSA) that wants to be recognised and to enter into collective bargaining negotiations. Other demands are the return of a dismissed union rep back to work and his recognition as the properly elected shop steward.

English: <http://www.itfglobal.org/en/news-events/news/2016/july/dockers-support ...>

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## **Finland**

### **Basic income pilot scheme starts**

*August 30, 2016*

The Ministry of Social Affairs and Health has published a draft bill in relation to the basic income pilot project. A pilot scheme is selecting 2,000 unemployed to receive a basic income of 560 euro a month. The pilot is due to get off the ground in January 2017. The monthly 560 euros is tax-free and paid by the Social Insurance Institution. Participation in the pilot is obligatory in order not to distort the results. The goal of the pilot is to encourage unemployed people to take a job. For this reason, the pilot works with a control group from unemployed people without a basic income.

English: <http://heikkijokinen.info/en/trade-union-news-from-finland/1083-basic-income ...>

### **Wage data for 2<sup>nd</sup> quarter**

*August 25, 2016*

According to preliminary data of Statistics Finland, the nominal earnings of wage and salary earners rose in the private sector by 1.3%, in the central government sector by 2.0% and in the local government sector by 1.2% in the 2<sup>nd</sup> quarter of 2016 compared to the respective period in 2015. Real earnings increased by 0.9% compared to the 2<sup>nd</sup> quarter of 2015. Wage and salary earners' regular earnings refer to earnings for regular working hours exclusive of performance-based bonuses and other irregularly paid one-off items. Accompanying tables provide data on earnings by sector and industries, occupations and gender.

English: <http://www.stat.fi/til ...>

### **Foreign experts underpaid by Nokia**

*July 25, 2016*

During inspection checks, the State Administrative Agency noticed that within three Nokia subsidiaries, foreign employees were paid much less than Finnish employees. The notification from the Agency to Nokia concerned 95 employees from India, China and Poland who worked for Nokia subsidiaries between 2014-2015. From the documents, it appears that foreign employees with the lowest salaries who worked in product development design earned 50-75 percent less than their Finnish counterparts. This means that Indian, Chinese and Polish employees at the lowest end of the pay scale earned about 750 euro a month.

English: [http://yle.fi/uutiset/nokia\\_caught\\_out\\_on\\_wage\\_discrimination ...](http://yle.fi/uutiset/nokia_caught_out_on_wage_discrimination ...)

### **Employers campaign against extension of agreements**

*July 14, 2016*

Some business and industry organisations began a campaign against the binding extension of collective agreements. Generally binding collective agreements form an important part of the labour market model; even employers who are not members of an employers' association must comply with a nationwide collective agreement that is considered representative of the field in which the company operates. The arrangement is based on the Employment Contracts Act with a specific confirmation board to determine the generally binding nature. The extension safeguards the minimum working conditions of employees, prevents unfair competition between companies and guarantees equal pay. Thanks to the system, the coverage of collective agreements in the public sector accounts for 100% of employees, and in the private sector for 75.5%.

English: [http://heikkijokinen.info/en/trade-union-news-from-finland/1060-will-the-future ...](http://heikkijokinen.info/en/trade-union-news-from-finland/1060-will-the-future...)

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## France

### **Redundancy plan SFR received with mixed feelings**

*August 16, 2016*

In a joint statement, the CGT and CFE-CGC trade unions accused the second biggest telecoms company SFR of placing financial interests ahead of workers' rights. They refused to sign up to the redundancy plan. CFDT and UNSA, representing a majority of the company's workers, already agreed to the job losses that might result in savings of 400 million euros (£342.02 million) annually. SFR had proposed a redundancy package averaging 2.5 months of salary per year of service. The redundancy plan will cost around 800 million euros.

English: [http://uk.reuters.com/article/uk-sfr-group-unions ...](http://uk.reuters.com/article/uk-sfr-group-unions...)  
<http://www.mobileworldlive.com/featured-content/home-banner/unions-accept-sfr-cuts/>

### **Week-long strike of Air France stewards**

*August 3, 2016*

The SNPNC and the Unsa-PNC unions organised a strike of Air France stewards from July 27 to August 2. The two unions, which represent around 45 percent of the company's stewards and airhostesses, called for the strike after failed negotiations with the new CEO of Air France–KLM. The third largest union, Unac with 22 percent of workers, also had representatives at the meeting but decided to postpone their call to action until October. The flight attendants and flight assistants went on strike, which forced Air France to suspend around 1,000 flights, to demand a larger period for the expiry of their working contracts.

English: [http://www.plenglish.com/index.php ...](http://www.plenglish.com/index.php...)  
<http://www.thelocal.fr/20160707/air-france-stewards-call-for-week-long-summer-strike>

### **Seasonal workers – perspectives and policy**

*July 22, 2016*

The observatory Réseau Emplois Compétences published a report on the position of seasonal workers. With short-term temporary contracts, seasonal workers are faced with even more difficulties than other workers, especially in terms of job security. In some sectors, provisions to improve the situation of seasonal workers do exist, notably to improve their working conditions and living conditions (including access to housing), ensure access to training, etc. Certain forms of seasonal work are limited or regulated by collective agreements (Table 1, page 12). The development of such provisions requires in-depth knowledge of seasonal workers and the companies and branches that employ them. Currently, no study, no administrative or statistical device is available with exact figures on how many people are involved in seasonal work.

French (with a link to graphs): [http://www.strategie.gouv.fr/publications/lemploi-saisonnier ...](http://www.strategie.gouv.fr/publications/lemploi-saisonnier...)  
The report (in French): [http://www.strategie.gouv.fr/sites/strategie.gouv.fr/files/atoms ...](http://www.strategie.gouv.fr/sites/strategie.gouv.fr/files/atoms...)

### **Women and part-time work**

*July 9, 2016*

A DARES report reveals that more than 80% of part-time French workers are women. The statistical service of the Labour Ministry found that nearly a third of women employees work part-time, compared to just 7.0% of men, and the proportion is even higher among women with partners. There has been a great increase in part-time working in recent years. Only 8% of the workforce was part-time in 1975, by the middle of the 1980s it had risen to 10% and in 2013, it was 19%. The study found that 31% of women work part-time, slightly lower than the European average of 32.2%, with a high degree of involuntary part-time work. Since, nearly a third of part-time workers would rather be working full-time; this is especially the case among young or less qualified people or those approaching retirement age. The proportion of women among the 68% who have chosen part-time employment, as well as the fact that 45% of women workers with three or more children are part-timers, shows that the burden of childcare and housework still falls on women.

English: [http://en.rfi.fr/economy/20160709-80-percent-frances-part-time-workers-are ...](http://en.rfi.fr/economy/20160709-80-percent-frances-part-time-workers-are...)  
The report (in French): [http://travail-emploi.gouv.fr/IMG ...](http://travail-emploi.gouv.fr/IMG...)

### **Agreement concluded at PSA**

July 8, 2016

The PSA Group signed a New Momentum for Growth agreement with five of the Group's six trade unions: CFE/CGC, CFTC, CFDT, FO and GSEA. According to PSA, improved dialogue and relationships with the unions built on trust will give the Group a competitive edge. The goal is 'to transition from a collective bargaining culture to one that involves collectively building the Group's future by sharing and discussing strategy ahead of the curve to support the transformation process'. PSA is stepping up its efforts to retrain 1,000 workers for internal positions per year. A proactive youth employment scheme has been introduced with the goal of employing 2,000 young people a year under the new intergenerational contract to invest in staff for the future. PSA also plans to recruit 1,000 new members of staff on permanent contracts over the course of the agreement, 50% of whom will be hired as juniors as part of the youth employment initiative.

English: [http://www.businesswire.com/news/home ...](http://www.businesswire.com/news/home)

French: [http://www.ladepeche.fr/article/2016/07/08 ...](http://www.ladepeche.fr/article/2016/07/08)

### **Controversial labour bill passes**

July 7, 2016

As protesters marched through Paris, the lower house of Parliament passed without a vote a controversial labour proposal, which would give companies more power to dismiss workers and extend working hours. Now, the bill goes to the Senate and then returns to the lower house for a final decision later this summer. The trade unions organised an 11-hour march against the proposal. The adoption of the watered-down legislation comes after months of protests. Prime Minister Manuel Valls used a constitutional manoeuvre known as the '49-3 decree' that forced the bill through Parliament without debate, telling Socialist members of Parliament that doing so was necessary because left-wing members had threatened to vote it down.

English: [http://www.reuters.com/article/us-france-politics-protests ...](http://www.reuters.com/article/us-france-politics-protests)

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## Germany

### **Pay deal at RWE**

August 19, 2016

Trade unions IG BCE (chemical/miners) and ver.di (services) reached an agreement with RWE, the country's second biggest utility, to increase workers' pay. RWE's wage contract proposal includes a 1 percent rise in annual pay on 1 January 2017 and again on 1 January 2018 and covers 24 months. Workers at company divisions not offering early retirement will receive a one-off payment of 1,000 euro in 2017 as part of the deal that excludes staff at subsidiaries RWE Generation SE and RWE Power AG. Shortly before the IG BCE deal, the services trade union ver.di had agreed a similar deal for the (sustainable) electricity sector.

English: [http://www.powerengineeringint.com/articles/2016/08/rwe-power-unit-workers ...](http://www.powerengineeringint.com/articles/2016/08/rwe-power-unit-workers)

German: [http://www.spiegel.de/wirtschaft/unternehmen/rwe-und-ver-di-einigen-sich ...](http://www.spiegel.de/wirtschaft/unternehmen/rwe-und-ver-di-einigen-sich)

[http://www.handelsblatt.com/unternehmen/industrie/tarifabschluss-rwe-und-ig-bce ...](http://www.handelsblatt.com/unternehmen/industrie/tarifabschluss-rwe-und-ig-bce)

### **Collective agreement for Red Cross**

July 27, 2016

Trade union ver.di reached an agreement with the central management of the Red Cross over pay and working conditions. Wages will increase from 1 August 2016 with 2.4% and with 2.35% on 1 March 2017. The agreement expires on 31 March 2018. For workers in the rescue service departments working time will be reduced in the years to come (step-by-step from 48 hours in 2016 to 45 hours in 2019). In total, the Red Cross has a workforce of 150,000 workers; the agreement applies to 50,000 workers.

German: [http://www.verdi.de/presse/pressemitteilungen ...](http://www.verdi.de/presse/pressemitteilungen)

### **Restructuring leads to closures of Deutsche Bank branches**

July 18, 2016

Deutsche Bank is set to shut over a quarter of its branches across the country as the company goes through a major restructuring process. The closures are set to take place over the next few months with 188 of the bank's 723 branches nationwide due to close their doors. The future of the involved workers is unclear.

English: <http://www.thelocal.de/20160718/deutsche-bank-to-close-almost-200-branches>

German: [http://www.welt.de/wirtschaft/article157119880/Diese-188-Filialen-schliesst ...](http://www.welt.de/wirtschaft/article157119880/Diese-188-Filialen-schliesst...)

### **Collective agreement in banking sector**

*July 12, 2016*

The fourth round in collective bargaining for the banking sector led to an agreement. Trade union ver.di and the employers in private (AGV Banken) and public banking (VÖB) reached an agreement for the 205,000 workers in the sector. The agreement runs for 33 months. It includes three pay increases: 1.5% on 1 October 2016, 1.1% on 1 January 2017 and 1.1% on 1 November 2017. Apprentices will receive an extra 50 euro in October 2016. The bargaining partners also agreed to work on a new wages system, to initiate talks on the improvement of the vocational training for the sector and on the impact of digitalisation.

English: <http://archyworldys.com/collective-agreement-bank-employees-earn-more-from-october/>

German: [http://www.handelsblatt.com/politik/deutschland/tarifeinigung-mehr-gehalt ...](http://www.handelsblatt.com/politik/deutschland/tarifeinigung-mehr-gehalt...)

### **The difficult departure from coal**

*July 8, 2016*

The government decided to close the old lignite-fuelled power stations in the Lusatia mining region. Berlin has committed to reducing CO2 emissions 40% by 2020, compared with 1990 levels. Yet the country still relies on highly polluting coal combustion for over 40% of its electricity. The government's decision is a worry for Vattenfall, the owner of Lusatia's mines and power plants. The Swedish company directly employs 8,000 people in the region. Its subcontractors employ another 9,000. To compensate for the closure of the power stations, the state plans to pay out a total of €1.6 billion to the companies concerned. The European Commission approved this measure. Thanks to the aid, Vattenfall plans no redundancies at Lusatia. No aid will go to the subcontractors and the authorities in the region estimate that a thousand jobs will be lost.

English: [http://www.equaltimes.org/germany-s-difficult-departure-from ...](http://www.equaltimes.org/germany-s-difficult-departure-from...)

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## **Greece**

### **Urban transport strike called off**

*August 23, 2016*

A planned strike by the transport union at OASTH, the Thessaloniki Urban Transport Organisation was suspended after the union could arrange a meeting with the management. The OASTH employees had threatened to begin strike actions, as the company's 2,300 employees are owed about 6.3 million euro in wages. The trade union is prepared to pick up the strike actions and will carry on legal courts actions.

English: [http://www.tovima.gr/en/article ...](http://www.tovima.gr/en/article...)

### **Common denominator on labour law reform**

*July 20, 2016*

Employer associations and trade unions reached a minimum level of agreement on the upcoming changes in labour laws. In the presence of the labour minister, they chose to put disagreements and objections aside so that the government has a negotiating tool at hand at the time of negotiations with creditors. Despite the overall agreement, issues such as mass layoffs, extension of collective agreements and the priority of sector agreements over company level bargaining, were not discussed in detail. The joint declaration of associations and unions was limited to the ratification of meetings held under the auspices of the International Labour Organization (ILO); a verbal agreement that minimum wage will not be reduced; and the Christmas, Easter and summer holiday bonuses will remain intact. It is also stressed that the social partners (employers and employees) should agree the minimum wage in the context of the National General Collective Agreement and that union legislation needs to be modernised, though without challenging the workers' right to strike.

English: [http://greece.greekreporter.com/2016/07/20/employers-and-employee-unions-agree ...](http://greece.greekreporter.com/2016/07/20/employers-and-employee-unions-agree...)

### **Internal Evaluation Office assesses IMF-policy**

*July 8, 2016*

The IMF's handling of the euro area crisis has been controversial, notably the way the fund handled the crisis in Greece. In a very critical report of the Independent Evaluation Office the criticism is summarised in three broad strands: first, the programs 'only served to raise debt and demanded excessive fiscal adjustment', second, the financing was 'used to repay foreign banks' and third, 'growth-killing structural reforms, together with fiscal austerity, have led to an economic depression.' The criticisms specifically

targeted the handling of Greece because that country experienced a much deeper contraction of output than did any other euro area country.

English: [http://www.imo-imf.org/imo/files/completedevaluations ...](http://www.imo-imf.org/imo/files/completedevaluations...)

The full report: [http://www.imo-imf.org/imo/files/completedevaluations/EAC ...](http://www.imo-imf.org/imo/files/completedevaluations/EAC...)

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## Hungary

### **Non-EU workers and students to offset a growing labour shortage**

*August 4, 2016*

After building a more than 100-mile-long barrier to keep migrants out, Hungary is considering a plan to invite thousands of 'guest workers.' The economy minister backs up a proposal from the Confederation of Employers and Industrialists to recruit hundreds of thousands of migrants from outside the EU to offset a growing shortage of skilled labour. The government has warned for a wage explosion. The country lost 0.25% of its population in 2015, a decline largely driven by a falling birth rate. Tens of thousands of migrants are needed to make up for the labour shortage after years of low birth rate and emigration. In the meantime, students are frequently being sought for positions previously filled by full-time employees. Due to the high demand for student workers, their wages have risen 15-20% higher than the minimum wage level. The ratio of students on the labour market is believed to have increased recently by approximately 20-30%.

English: <http://www.tol.org/client/article/26103-hungary-labor-migrants-guest-workers.html>

[http://www.bloomberg.com/news/articles/2016-08-04/hungary-s-labor-woes-may-trigger ...](http://www.bloomberg.com/news/articles/2016-08-04/hungary-s-labor-woes-may-trigger...)

[http://bbj.hu/economy/labor-shortage-triggers-better-pay-for-student-workers ...](http://bbj.hu/economy/labor-shortage-triggers-better-pay-for-student-workers...)

### **Municipal workers strike for better pay**

*July 28, 2016*

Municipal civil servants are planning a one-day strike in September to demand higher pay. The newspaper initiative was announced after it became clear that the responsible minister is no longer meeting with the trade unions. Among the concerns raised by the unions are issues arising from discrepancies between the duties of local and national civil servants. In June 2016, municipal employees held a two-hour strike to seek salary increases of 30 percent on average. The failure of this action has now prompted the full-day strike.

English: [http://budapestbeacon.com/news-in-brief/municipal-civil-servants-strike ...](http://budapestbeacon.com/news-in-brief/municipal-civil-servants-strike...)

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## Iceland

### **Subcontractors violating workers' rights**

*July 19, 2016*

Subcontractors, at Bakki, near Húsavík Northeast Iceland, where a silicon factory is being constructed, have violated Icelandic law and salary contracts, according to the representatives of the union Framsýn. Some workers have received only ISK 150,000 (1,100 euro) a month for 120-130 percent work. According to the union's calculations, the men should have earned ISK 400,000 (2,960 euro). The trade union met with the police to discuss this and other matters regarding alleged infringements of the labour law and the collective wage agreements. According to union, the majority of cases involve foreign workers.

English: [http://icelandmonitor.mbl.is/news/politics\\_and\\_society ...](http://icelandmonitor.mbl.is/news/politics_and_society...)

### **High pay increases for senior civil servants disputed**

*July 14, 2016*

Union leaders are outraged at plans to give senior civil servants significant pay rises – in some cases as high as 48%. The National Remuneration Board has agreed to double-figure percentage pay rises for heads of government agencies and committee chairpersons – on top of the 7.15% rise they already receive as of 1 June. Most of the pay rises in question will also be backdated to 1 December 2014. The Federation of State and Municipal Employees (BSRB) said the decision is out of step with the rises given to others on the labour market; the argument that increased work pressure justifies such big increases applies to all workers, not just senior officials. BSRB stated that the pay rise for already well-paid people increases inequality in society.

English: [http://icelandmonitor.mbl.is/news/politics\\_and\\_society ...](http://icelandmonitor.mbl.is/news/politics_and_society...)

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## Ireland

### **Dublin bus drivers seek pay increase**

*August 31, 2016*

The Labour Court organised hearing claims by staff at Dublin Bus for pay increases of up to 31%. The hearing followed on from the recent award of 18% over four years to Luas drivers (see Background). The National Bus and Rail Union (NBRU) signalled that there is a significant gap between the pay of drivers at the State-owned Dublin Bus and tram drivers working for Luas operator Transdev. The NBRU wants the court to close that gap. The court has heard claims from the trade unions TSSA, NBRU and Siptu for all 3,300 staff at Dublin Bus, not just drivers. The highest claim of 31% has been made in relation to drivers by the NBRU in a bid to achieve pay parity with Luas drivers. An 8.25% pay rise recommendation was later on rejected and all three unions will ballot on industrial action.

English: [http://www.herald.ie/news/more-travel-chaos-as-dublin-bus-workers-plan ...](http://www.herald.ie/news/more-travel-chaos-as-dublin-bus-workers-plan...)

[http://www.irishtimes.com/news/ireland/irish-news/dublin-bus-faces-disruption ...](http://www.irishtimes.com/news/ireland/irish-news/dublin-bus-faces-disruption...)

Background on the Luas dispute: [http://www.irishtimes.com/news/environment/luas-strike ...](http://www.irishtimes.com/news/environment/luas-strike...)

### **Psychiatric nurses will receive additional pay**

*August 17, 2016*

Trade union SIPTU welcomed the approval by the Department of Public Expenditure and Reform of a payment recognising the vital role of community mental health nurses. Psychiatric nurses working in communities will receive additional payments of about €5,000. Union representatives had been engaging with the HSE management, under the auspices of the Workplace Relation Commission (WRC), in an attempt to resolve a number of issues having a negative impact on the recruitment and retention of nurses. An agreement was reached on a package of 12 proposals at WRC, including an additional 60 psychiatric nurse training places to be provided in 2016 and 70 more in 2017. 40 postgrad places will be offered to nurses from other disciplines to train as psychiatric nurses from January 2017. All temporary nurses and 2016 graduates will be offered permanent posts.

English: [http://www.irishtimes.com/ireland/psych-nurses-agree-deal ...](http://www.irishtimes.com/ireland/psych-nurses-agree-deal...)

[http://www.siptu.ie/media/pressreleases2016/fullstory ...](http://www.siptu.ie/media/pressreleases2016/fullstory...)

### **Collective bargaining for free lancers**

*July 6, 2016*

NUJ and other trade unions have welcomed the progress of the Competition (Amendment) Bill 2016, which seeks to return collective bargaining rights to freelance workers. With the all-party acceptance at committee stage, the Bill returns to the Seanad after the summer recess and would have to be approved by Dáil Éireann. The Bill aims at exempting some freelance or so called atypical workers from competition law.

English: <https://www.nuj.org.uk/news/nuj-welcomes-seanad-move-on-freelance-rights/>

The draft Bill: [https://www.oireachtas.ie/documents/bills ...](https://www.oireachtas.ie/documents/bills...)

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## Italy

### **Decrease of self-employment, wages increase slightly**

*August 30, 2016*

The latest employment numbers show a drop in the self-employed while payroll workers remained stable. The labour minister said that the outlook remains positive in both the medium and the long term, with 157,000 new jobs in May-July, and 266,000 new jobs created on a yearly basis. Of these, 244,000 were stable jobs with permanent contracts. During the period January-July 2016 the hourly wage index increased by 0.6% and the per employee index rose by 0.7% compared to the same period in 2015.

English: [http://www.ansa.it/english/news/politics/2016/08/31 ...](http://www.ansa.it/english/news/politics/2016/08/31...)

[http://www.istat.it/en/archive ...](http://www.istat.it/en/archive...)

## **Senate approves anti-gang-master bill**

*August 1, 2016*

The trade unions have welcomed the approval of a government bill that is meant to fight gang-masters and the exploitation of migrant day labourers, notably in reaction to near-slavery conditions in farms and vineyards. The unions are confronted with men and women that are submitted to exploitation, blackmail, wages of three euro an hour, working up to 13 hours a day, precarious lodging and no services. A decisive round in the Lower House is still ahead. The bill goes back to a protocol that was signed and backed up by the trade unions CGIL, CISL, UIL and several grassroots organisations. The protocol speaks about coordination between local police, labour inspection and other officials to root out and punish exploiters.

English: [http://www.gazzettadelsud.it/news/english/207025/senate-oks-anti-gangmasters-bill ...](http://www.gazzettadelsud.it/news/english/207025/senate-oks-anti-gangmasters-bill...)

## **National deal road workers**

*July 29, 2016*

The trade unions representing highway workers have called of a strike after a provisional deal on a national agreement could be reached. After 36 hours of negotiations, the renewal of the agreement was within sight. The deal will result in a three-year national contract for approximately 15,000 workers, expiring on 31 December 2018. It includes wage increases and higher benefits for workers.

English: [http://www.gazzettadelsud.it/news/english/206745/highway-workers ...](http://www.gazzettadelsud.it/news/english/206745/highway-workers...)

## **Ideas on bargaining**

*July 6, 2016*

The author of a Bruegel Policy Contribution (Issue 2016/11) comes to the conclusion that a reform of collective wage bargaining, which ultimately involves an agreement between social partners, can only be effective if widely discussed with representatives of trade unions and industry associations ex ante. When in the past governments tried to implement such reforms by decree (e.g. in 2011, at the peak of the sovereign debt crisis), there was industrial conflict and a suboptimal take-up of the reform's innovations. In this context, the government's willingness to discuss the introduction of a statutory minimum wage and to complement wages implicitly set by industry-wide contracts could surely improve the political feasibility and palatability of a decentralisation of wage bargaining. In a SIM Europe Policy Brief, published by the Bertelsmann Foundation, a set of policy measures is recommended, which should include a new wage bargaining system aimed at fostering productivity growth.

English: [http://bruegel.org/wp-content ...](http://bruegel.org/wp-content...)

The Policy Brief: [http://www.bertelsmann-stiftung.de/fileadmin ...](http://www.bertelsmann-stiftung.de/fileadmin...)

## **Strike action of Alitalia staff**

*July 4, 2016*

Alitalia had to cancel 142 flights due to a strike by part of its staff protesting the ending of certain employee benefits. The Alitalia representative said the action was linked to the recent ending of a 'privilege for pilots and staff members', which allowed them to travel free from different parts of Italy to get to or from their bases in Rome or Milan. The decision to end that arrangement was taken to save money, and in line with other airlines in Europe and the rest of the world. The Fit-Cisl labour union condemned what it said was an 'attack on the rights of workers', stressing that Alitalia staff had 'always shown a great responsibility and professionalism', including in tough times.

English: [https://www.yahoo.com/news/alitalia-strike-action-cancels-142-flights ...](https://www.yahoo.com/news/alitalia-strike-action-cancels-142-flights...)

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## **Latvia**

### **Report on the macroeconomic situation**

*July 26, 2016*

Unemployment may drop to 9.4% this year, the Economics Ministry said during the presentation of its latest Macroeconomic Review. The labour market situation continued improving but at a more moderate rate reflecting influence of negative demographic trends. Employment will increase moderately in 2016, by 0.8% or 7,100 employed persons compared to 2015. The employment rate will be slightly above 62%. The steepest growth in the number of employees is expected in the sectors focused on domestic demand - commercial services and trade. As the demand for labour increases, average gross wages and salaries have also been rising gradually. They increased by 3.7% and 4.6% in 2012 and 2013, respectively, by 6.8% in 2014 and by

6.9% in 2015, reaching 818 euro. A rapid increase of wages and salaries was also observed during the 2016 Q1; average gross wages and salaries increased by 5.3%, as compared to the 2015 Q1.

English: [http://www.baltic-course.com/eng/analytics ...](http://www.baltic-course.com/eng/analytics...)

The report: [https://www.em.gov.lv/files/tautsaimniecibas\\_attistiba ...](https://www.em.gov.lv/files/tautsaimniecibas_attistiba...)

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## Liechtenstein

### **Easier migration discussed**

*July 28, 2016*

Representatives from sectors including construction, gastronomy and the hotel business have spoken out in favour of liberalising immigration. Their main hope is to make the country more attractive to skilled workers. The business representatives have spearheaded an article in a daily newspaper that speaks in favour of liberalising immigration. The president of the Builders' Association recently spoke out in support of opening the borders – a move that reflects the difficult economic situation currently facing builders. A board member of the Hotel and Gastronomy Association (LHGV) commented that immigration must become easier. He claimed that the country did not have access to the necessary skilled workers, adding that when recruiting, there was no secure settlement. The government has announced a study.

English: [http://www.liechtenstein-business.li/en/news-detail/article/wirtschaft-diskutiert ...](http://www.liechtenstein-business.li/en/news-detail/article/wirtschaft-diskutiert...)

German: [http://www.vaterland.li/liechtenstein/politik/Zuwanderung-Am-Markt ...](http://www.vaterland.li/liechtenstein/politik/Zuwanderung-Am-Markt...)

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## Lithuania

### **Comparison of average compensation for workers**

*July 1, 2016*

The central bank published an economic review with analyses of the development of the real economy, prices, public finance and credit, as well as the projected development of the domestic economy. Annex 2 presents a comparison between the ratio of Baltic countries' labour productivity to compensation of employees, measured in purchasing power parity (PPP) terms, and the same ratio in other EU countries. It shows that compensation of employees, as a share of total disposable income, is lower in Lithuania than in other Baltic countries.

English: [https://www.lb.lt/lithuanian\\_economic\\_review\\_june\\_2016](https://www.lb.lt/lithuanian_economic_review_june_2016)

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## Luxembourg

### **The situation of young people**

*August 11, 2016*

On 12 August, International Youth Day, the statistical office STATEC looked at the situation of young people (up to 24 years) and published some figures on their daily lives. On 1 January 2016, 163 454 residents were less than 25 years old; their part in the total population is continuously decreasing. The labour market participation of the young residents (16 to 24) in 2015 was 29%, slightly less than the European average (33%). The life satisfaction of youngsters is high.

French: [http://www.statistiques.public.lu/catalogue-publications/regards/2016 ...](http://www.statistiques.public.lu/catalogue-publications/regards/2016...)

### **Union worried about social aspects of Brexit**

*July 12, 2016*

The LCGB trade union underlined during a special press conference that the social aspect of Brexit is its main concern. The union stated that it is not acceptable that talks are only about financial aspects of Brexit for the 6,000 British residents in Luxembourg. What about working situations? What about housing? Health? Rights to pensions? With that in mind LCGB sent an open letter to the government stating that their stance is that everything should be done in their power to maintain the current status quo of the British residents in the country and indeed the 1,200 registered young Luxembourgish students in the UK.

English: [http://www.wort.lu/en/politics/lcgb-brexite-press-conference-luxembourg ...](http://www.wort.lu/en/politics/lcgb-brexite-press-conference-luxembourg...)

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## Malta

### **Job security agreements signed in privatised hospitals**

*August 22, 2016*

The Health Ministry signed an agreement with the General Workers' Union guaranteeing that their members will remain employed with the government despite the privatisation of the Gozo, St Luke's and Karin Grech Hospitals. The agreement with the union means that its members are guaranteed to be retained on the government payroll. A similar guarantee was signed with the nurses' union MUMN on 10 August.

English: [http://www.independent.com.mt/articles/2016-08-22/local-news/Agreement-signed ...](http://www.independent.com.mt/articles/2016-08-22/local-news/Agreement-signed...)  
[http://www.timesofmalta.com/articles/view/20160810/local/union-agreement-guarantees ...](http://www.timesofmalta.com/articles/view/20160810/local/union-agreement-guarantees...)

### **International pressure against exploitation of textile workers**

*July 29, 2016*

Malta has taken steps to deny visa extensions for North Korean workers, on the back of international reports that the foreign nationals were effectively handing over some two-thirds of their salary to the autocratic regime at home. The news was reported by various human rights organisations and NGO's. Malta and Poland are two EU countries on a list of countries that employ forced North Korean labour, and the authors said that neither country had responded to questions about their findings. The human rights group EAHRNK has urged both countries' governments to investigate the cases.

English: [http://www.maltatoday.com.mt/news/national/68046/under\\_international\\_pressure ...](http://www.maltatoday.com.mt/news/national/68046/under_international_pressure...)  
[http://www.universiteitleiden.nl/en/events/2016/07/conference-slaves-to-the-system ...](http://www.universiteitleiden.nl/en/events/2016/07/conference-slaves-to-the-system...)

The report: <https://www.eahrnk.org/articles/policy-and-research/the-will-of-the-state>

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## Netherlands

### **Train crew at Arriva strikes**

*August 30, 2016*

Members of a categorical union VVMC, representing workers at train transporters Arriva and Syntus, were striking for several hours in Groningen. About 30 trains were cancelled due to the strike. The train workers acted for a better collective bargaining agreement as the management in no way wanted to meet VVMC.

English: <http://www.nltimes.nl/2016/08/30/30-trains-cancelled-arriva-groningen-strike/>

### **KLM ground crew strike banned**

*August 26, 2016*

KLM ground crew had planned strikes in a long-running dispute over pay and working conditions. The company has rejected a trade union ultimatum. The ground workers are campaigning for a 1% pay rise, more fixed contracts for temporary workers and no cutbacks to holidays and the number of so-called 'senior days' for people over 50. The dispute affects some 14,500 workers. However, in an appeal filed by union FNV, the Amsterdam court ruled that the ground crew is not allowed to strike at Schiphol airport until 5 September.

English: <http://www.nltimes.nl/2016/08/26/court-upholds-strike-ban-klm-ground-crew/>  
<http://www.dutchnews.nl/news/archives/2016/08/schiphol-may-face-strike-action-tonight/>  
<http://www.nltimes.nl/2016/08/03/klm-ground-crew-strike-wednesday-evening/>

### **Easyjet pilot strike continues**

*August 11, 2016*

EasyJet pilots stationed in Amsterdam will continue with a series of strikes, pilots union VNV announced. The pilots are striking for a better collective bargaining agreement. They want guaranteed sick leave pay, more time to rest between flights and a better pension regulation. The notification for the strike will be giving late in order to prevent EasyJet hiring temporary pilots to fly during the actions, as they did in a previous labour dispute. More actions will follow if the airline does not address the pilots' demands.

English: <http://www.nltimes.nl/2016/08/11/schiphol-based-easyjet-pilots-striking-thursday/>

## **Lowest wage increase in 20 years**

*July 25, 2016*

According to the national statistical office, the labour costs per hour in 2015 have increased at the lowest pace in 20 years. In some sectors labour costs even decreased. This is partly due to lower pension contributions by employers. The largest increase was in IT and communication (2.9%); in banking and financial services the costs decreased with 2.6% because of lower pension contributions. However, the banking and finance sector stayed on top of the ranking of hourly gross wages paid (55 euro); in the bottom of this ranking figures the hospitality sector (18 euro). The average hourly wage in 2015 was 33 euro.

Tables and information (Dutch): [https://www.cbs.nl/nl-nl/nieuws/2016/30 ...](https://www.cbs.nl/nl-nl/nieuws/2016/30...)

Tables (English): [http://statline.cbs.nl/StatWeb/publication ...](http://statline.cbs.nl/StatWeb/publication...)

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## **Norway**

### **Strike looms in alcohol supply**

*August 25, 2016*

Trade union Handel og Kontor is taking the national supply of alcohol hostage in ongoing negotiations concerning pension plans. Employees of the state-owned alcohol monopoly, Vinmonopolet, will go on strike unless the union's demands are met, effectively forcing the country into sobriety. The union is demanding an agreement that gives it influence over potential future reforms so that it can prevent worsening conditions.

English: [http://nordic.businessinsider.com/strike-threatens-to-block ...](http://nordic.businessinsider.com/strike-threatens-to-block...)

### **Consensus after mediation in offshore sector**

*July 6, 2016*

Trade union Industri Energi and the Norwegian Oil and Gas Association agreed on the offshore settlement. The agreement involves promotions and addition of about NOK 15 000 in total. The operator-, drilling- and catering agreements cover approximately 4000 offshore employees. The union had challenged an earlier mediation result (see our June Newsletter) because the mediator had put forward a proposed solution below the framework of the front trade's, a proposal which two other organisations, Leaders and Safe had accepted.

English: [https://www.industrienergi.no/nyheter/consensus-mediation-on-the-offshore ...](https://www.industrienergi.no/nyheter/consensus-mediation-on-the-offshore...)

### **Court decides on employer-employee relationship at Norwegian**

*July 1, 2016*

A District Court has given pilots and cabin crew a legal victory by upholding their claim that Norwegian Air Shuttle is their true employer. The pilots and cabin crew sued the airline because they believe that the parent company Norwegian Air Shuttle (NAS) - and not one of its subsidiaries - is their actual employer. The employees also contended that the company has entered illegal labour contracts. The court verdict sided with their claim and ruled that NAS is the employees' true employer and that Norwegian has engaged in illegal hiring practises. The Parat trade union said the decision is very important for the future organisation of the labour market as it puts an end to business models, which are solely intended to undermine workers' rights and preventing the Working Environment protection provisions.

English: <http://norwaytoday.info/finance/pilots-cabin-crew-won-norwegian/>

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## **Poland**

### **Tripartite talks on Brexit consequences**

*August 29, 2016*

The government met with unionists and employers' organisations for talks on the consequences of Brexit and on working out new relations between the EU and UK. The meeting fits in a series of consultations involving the government and social partners with the aim to put forward proposals in the negotiations that are the most beneficial and safeguard the interests of workers and citizens who live outside Poland.

English: [http://www.thenews.pl/1/10/Artykul/268583,PM-in-talks-with-unions-employers ...](http://www.thenews.pl/1/10/Artykul/268583,PM-in-talks-with-unions-employers...)

### **Wages and employment develop positive**

*July 25, 2016*

Average wages in the private sector increased by 5.3% year on year in June 2016, while employment increased by 3.1%. According to the Central Statistical Office, the average monthly gross salary in the private sector was PLN 4,252.19 (969.22 euro). In the 1st half of 2016, the average paid employment in the private sector rose by 2.9% in annual terms. Helped by ongoing deflation, real wages have enjoyed their fastest rise since March 2015. Wages in June 2016 were 2.1% higher than in May, while employment was up 0.3%.

English: <http://www.thenews.pl/1/12/Artykul/262464,Wages-employment-on-the-up-in-Poland>  
Report on 1<sup>st</sup> half of 2016: [http://stat.gov.pl/en/topics/other-studies/informations ...](http://stat.gov.pl/en/topics/other-studies/informations...)

### **National minimum wage goes up in 2017**

*July 7, 2016*

The Lower House of Parliament (Sejm) has voted through draft legislation raising the minimum wage for casual and self-employed workers to PLN 12 (2.73 euro) per hour as of 2017. The bill includes regulations that have to prevent the abuse of civil law contracts, while protecting employees at the lowest wage levels. Employers who are caught paying their workers less than the national minimum could face fines of between PLN 1,000 and PLN 30,000 (225 and 6,700 euro). The bill is now forwarded to the Senate.

English: [http://www.thenews.pl/1/12/Artykul/260624,Polish-parliament-votes ...](http://www.thenews.pl/1/12/Artykul/260624,Polish-parliament-votes...)

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## **Portugal**

### **Security workers refuse to work overtime**

*August 25, 2016*

A strike on overtime by disgruntled security workers employed by companies Prosegur and Securitas at the airports began and is expected to last until the end of the year. According to the head of the airport workers' trade union, Sitava, the overtime ban may have an impact on security as overtime work requirements are constant. According to Sitava, the workers will refuse to work overtime until 31 December 2016.

English: [http://theportugalnews.com/news/airport-workers-overtime-ban-may-affect ...](http://theportugalnews.com/news/airport-workers-overtime-ban-may-affect...)

### **Wages and labour costs – data and outlook**

*August 12, 2016*

The average net wage has increased by 4.55%, with the average employee earning 838 euro a month. This is compared to 802 euro workers received at the end of the first quarter in 2014 when the Troika abandoned Lisbon after a four-year stay. Two subsequent increases in the minimum wage, from 485 to 505 euro and then to 530 euro assisted in pushing up average earnings. The Labour Cost Index (working days adjusted) increased by 2.5% in the 2nd quarter of 2016, compared with the same period in 2015. In the previous quarter, a year-on-year increase of 0.7% was recorded. The OECD still stresses that structural reforms are needed to enhance growth and reduce labour market segmentation. It is admitted that these can be disruptive in the short run.

English: [http://www.theportugalnews.com/news/average-wage-up-since-troika-departure ...](http://www.theportugalnews.com/news/average-wage-up-since-troika-departure...)

[https://www.eurofound.europa.eu/observatories/eurwork/articles/working-conditions ...](https://www.eurofound.europa.eu/observatories/eurwork/articles/working-conditions...)

OECD Outlook: <https://www.oecd.org/portugal/Employment-Outlook-Portugal-EN.pdf>

Quarterly data: [https://www.ine.pt/xportal ...](https://www.ine.pt/xportal...)

### **Health workers launch strike action**

*July 28, 2016*

Health workers will be staging two days of protests from July 28, though doctors are not participating in this latest call for industrial action. Five districts, including the Algarve, will be affected by the strike action for a period of 48 hours, while the remaining districts will join in the action from July 29. The strike is being called by the trade unions to demand that all workers are given 35-hour working weeks, paid overtime and that additional human resources are hired to assist existing staff contingents at hospitals and health centres.

English: <http://www.theportugalnews.com/news/health-workers-launch-strike-action ...>

### **Airport handling dispute not solved**

*July 23, 2016*

A three-day-strike in the handling sector at the main airports from 1 July against the low salary model and precarious employment conditions was called off just before the start (see our June Newsletter). However, the dispute seems not to be settled as a new strike was organised on 31 July by the Union of Workers of the Aviation and Airports (SITAVA), challenging that baggage handlers at the Portela Airport have not had a pay raise since 2008 and protesting against the privatisation of the sector.

English: <http://portuguese-american-journal.com/travel-alert-portuguese-baggage-handlers ...>

### **Report assesses IMF-policy**

*July 8, 2016*

In a report of the Independent Evaluation Office the IMF's handling of the euro area crisis is assessed. In Annex 3 of the Portugal report all structural conditionality measures for the country are listed. The list once more makes clear that, although the main goals were debt restructuring and fiscal consolidation, several indirect or even unrelated measures (pension and labour market reform, abolishment of extension mechanism, reduction of severance pay) were dictated by the Troika.

English: <http://www.ieo-imf.org/ieo/files/completedevaluations ...>

The complete evaluation: <http://www.ieo-imf.org/ieo/pages/CompletedEvaluation ...>

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## Romania

### **Wage development documented**

*August 19, 2016*

The average net salary went up to RON 2,078 in June 2016 (460 euro), an increase of 0.7% compared to the previous month, according to data from the National Statistics Institute (INS). As compared to June 2015, the average net nominal earnings increased by 14.3%. The real earnings index, in relation with the same period of previous year was 115.1%. According to HR company Smartree, the wages of workers in the private sector went up by an average 10% in the first half of 2016, compared to the same period in 2015. The bonuses received by employees also went up by 16% year-on-year. Extra-salary benefits became more common among companies in the first six months of the year, both the monthly ones, such as food vouchers, medical or gym subscriptions, as well as occasional benefits, such as gift vouchers, premiums on various occasions. Meanwhile, the job vacancy rate decreased, according to the latest INS press release.

English: <http://www.romania-insider.com/average-net-salary-goes-slightly ...>

<http://www.romania-insider.com/wages-private-sector-increase-romania-2016/>

Press releases: <http://www.insse.ro/cms ...>

<http://www.insse.ro/cms/sites ...>

### **City hall employees start warning strike**

*July 12, 2016*

Members of the National Federation of Unions in Public Administration (FNSA) started a series of protests on 5 July. 30,000 city hall and county council employees stopped work for one hour. The one-hour strike was a protest against the unfair wage policies on remuneration and rights of local public administration employees compared to those working in the central government, an FNSA statement says. The central public administration employees have benefited from wage increases of up to 70%, meanwhile, most of the city hall and county council employees have gross wage earnings similar or close to the gross minimum wage. FNSA's claims include holiday vouchers for the employees and a 25% salary increase for civil servants and the contractual staff. In case the claims are not met, the union members will continue the protests.

English: <http://www.romania-insider.com/public-administration-romania-strike ...>

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## Serbia

## **Unions want higher minimum wage**

*August 19, 2016*

The government, employers and several unions are negotiating a new minimum wage level, but the proposed rise has already been described by one independent union as an 'insult'. The minimum monthly wage is currently set at 21,050 dinars (174 euro) – among the lowest in the Balkan region, and also in Europe. The employers' association stated that a realistic rise should be six RSD per hour (four euro cents).

English: [http://www.balkaninsight.com/en/article/minimal-rise-of-wages-for-workers ...](http://www.balkaninsight.com/en/article/minimal-rise-of-wages-for-workers...)

## **Impending job cuts at power utility EPS**

*July 1, 2016*

The government is under growing pressure to undertake job cuts of around 4500 people and pricing reforms in the country's Electric Power Industry, EPS. Both IMF and World Bank declared the EPS a problematic topic, warning that restructuring and financially stabilising the state power utility needs to be speeded up if the enterprise is to have a future. Data revealed by the Electro distribution show that EPS is the biggest employer in the country with more than 30.000 workers. The Fiscal Council estimated a layoff between 5000 and 10000 workers if restructuration should be done properly and a World Bank representative said that salaries in EPS need to be cut by 15 per cent over the next five years, which is around 4500 people.

English: [http://www.balkaninsight.com/en/article/serbian-energy-power-industry-sackings ...](http://www.balkaninsight.com/en/article/serbian-energy-power-industry-sackings...)

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## **Slovakia**

### **Start of school year could begin with strike**

*August 25, 2016*

Teachers' salaries will become a pressing issue again after the start of the new year. Even after the new government took over and presented a set of measures to improve the conditions for, teachers remain unsatisfied and are preparing yet more protest actions. They are unhappy with the funds allocated to the sector in the draft state budget for 2017. The unions' demands lie far beyond the offered improvements.

English: <http://spectator.sme.sk/c/20252991/new-school-year-new-strike.html>

### **Labour force reduction continues at U.S. Steel**

*July 14, 2016*

Trade unions oppose the strategy of steelmaker U.S. Steel Košice reducing on a monthly basis its labour force (see our June newsletter). Trade unionists disagree with the company's intention to cancel 28 to 29 jobs each month, finding it to be a circumvention of the Labour Code's provision on mass layoffs. The local labour office has to be notified of a mass layoff, which means 30 employees, and the 28 or 29 layoffs a month regime started in April. Meanwhile, the employer is avoiding a commitment agreed upon by the social partners (the so-called tripartite of labour, business and government) in the valid collective agreement, since it pledged itself not to apply the Labour Code's provision on the mass layoff during its validity.

English: [http://spectator.sme.sk/c/20215949/u-s-steel-trade-unions-disagree ...](http://spectator.sme.sk/c/20215949/u-s-steel-trade-unions-disagree...)

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## **Slovenia**

### **Efforts to resume social dialogue**

*July 27, 2016*

The Economic and Social Forum is meeting in a bid to resume social dialogue after employer associations have opted for a boycott over what they see as a faulty legislative process. Social dialogue will be the only item on the agenda. The meeting comes after the Employers' Association and the Chamber of Commerce announced in June they would not attend council sessions because social partners were excluded from the preparation of healthcare legislation. Trade unions are also unhappy with the state of social dialogue and have urged the government to demonstrate through action that social dialogue is one of its priorities.

English: <http://www.sloveniatimes.com/social-partners-seeking-to-resume-dialogue>

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## Spain

### **Long-term unemployed do not benefit from slight recovery**

*August 22, 2016*

The gradual reduction in the unemployment figures is not translating into any improvement for long-term unemployed: one in four jobless have been out of work for at least 4 years, says a report by the Fedea think tank based on official figures. One of the characteristics of the labour market is the large number of people with short-term contracts (25%): rotation mitigates to some extent the instability created by high levels of unemployment, but does not benefit the long-term jobless. Notwithstanding, high unemployment figures, employers say that it is hard to fill positions that require someone who is highly and recently qualified and holds a degree in finance-economics or engineering. Trade union UGT points out that recruiting experienced people cannot function due to the temporary nature of current contracts.

English: [http://elpais.com/elpais/2016/08/08/inenglish ...](http://elpais.com/elpais/2016/08/08/inenglish...)

[http://elpais.com/elpais/2016/08/22/inenglish ...](http://elpais.com/elpais/2016/08/22/inenglish...)

The Fedea report (in Spanish): [http://documentos.fedea.net/pubs ...](http://documentos.fedea.net/pubs...)

### **Four-day strike called off at Air Europa**

*July 27, 2016*

Pilots at the airline Air Europa had planned a four-day strike from July 30 to August 2. The pilots had grievances over the outsourcing of part of their fleet to another airline, Aernova. Air Europa pilots also protested the creation of the new low-cost Air Europa Express service. Eleven Air Europa planes will become part of the new fleet, while the budget carrier will also take on some of the established firm's passenger-carrying work. A last minute deal was struck and the trade union called off the strike.

English: <http://www.thelocal.es/20160727/air-europa-pilots-call-off-four-day-strike-spain>

### **Job cuts in banking continue**

*July 22, 2016*

Banco Bilbao Vizcaya Argentaria SA, the country's second-biggest bank, is weighing a fresh round of job cuts across the company to lower costs. The bank may eliminate 2,000 positions or more. The cuts would mostly affect branches and the lender's central services unit, as well as the investment banking business, though a final decision has not been made. So far no negotiations were concluded with the unions.

English: [http://www.bloomberg.com/news/articles/2016-07-22/bbva-said-to-weigh ...](http://www.bloomberg.com/news/articles/2016-07-22/bbva-said-to-weigh...)

### **Hard times for young workers**

*July 4, 2016*

According to a detailed observatory of the Council for Youth (CJE), the income situation of youngsters is very problematic. The CJE reveals that even when youngsters succeed in leaving the family home, the vast majority (84%) share a flat with two or more people. Women are more likely than men to leave their parents' home. The worsening situation is down to the fragile state of the labour market and tough housing market conditions. The youth unemployment rate has hovered at around 50% since the beginning of the economic crisis and currently stands at 46.2%. The majority of young people take jobs that the CJE classes as precarious, part-time and seasonal; with 92.9% of all contracts signed by under-29s being temporary, while only 7.1% of contracts are permanent. In 2014, 36.4% of young Spaniards were living in poverty.

English: [http://www.thelocal.es/20160704/80-percent-of-20-something-spaniards-still-live ...](http://www.thelocal.es/20160704/80-percent-of-20-something-spaniards-still-live...)

The report (in Spanish): [http://www.cje.org/es/publicaciones/novedades/observatorio ...](http://www.cje.org/es/publicaciones/novedades/observatorio...)

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## Sweden

### **Labour market model under pressure**

*August 23, 2016*

With a majority of IT companies not joining collective bargaining, the labour market model with collective bargaining agreements that have helped deliver moderate pay increases and high minimum wages comes under pressure. As many as two thirds of firms operating in the IT sector do not sign collective agreements

because they do not find them flexible or attractive enough. Tension is increasing in a labour market that has used industrial workers' salaries since the 1990s as a benchmark for wage increases across the board. Manufacturing jobs have been disappearing, falling by about 22% to below 600,000 since 1996.

English: [http://www.bloomberg.com/news/articles/2016-08-22/swedes-with-big-pay-dreams ...](http://www.bloomberg.com/news/articles/2016-08-22/swedes-with-big-pay-dreams...)

### **The development of wages and salaries**

*July 29, 2016*

Statistics Sweden published information about the wage level and salaries in the private sector, and changes over time, with detailed tables explained in English. Wages have been reported since the 1940s. Total average hourly wages for manual workers in May 2016 were SEK 163.00 excluding overtime pay and SEK 165.40 including overtime pay. This reflects an increase of 0.9 percent, in both cases, compared to May 2015. The average monthly salary for non-manual workers in May 2016 excluding variable supplements was SEK 37 530 while it was SEK 38 420 including variable supplements; an increase of 1.0% and 0.9%, compared to May 2015.

Swedish (with an English summary): [http://www.scb.se/Statistik/AM ...](http://www.scb.se/Statistik/AM...)

### **Layoffs feared at Ericsson**

*July 20, 2016*

Thousands of jobs could be lost after Ericsson announced plans for a major austerity package to combat weak sales. In the pursuit of increasing profitability Ericsson will double its efficiency measures. That will mean thousands more layoffs across the group. In the second quarter alone, 3800 positions have already been cut. Trade unions have predicted four digit reductions in personnel in Sweden alone. They criticise the way the management has responded to poor sales and argue that excessive short-term cost cutting will work against the development of the kind of products that the company could profit from in the future.

English: [http://www.thelocal.se/20160720/thousands-of-job-losses-feared ...](http://www.thelocal.se/20160720/thousands-of-job-losses-feared...)

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## Switzerland

### **Union manifestation for decent social security**

*August 22, 2016*

Trade union confederation SGB/USS calls for a mass demonstration and manifestation in September. The trade unions are fighting against a majority in the parliament that has planned to lower the second pillar pension and to increase the pension age. According to the union, the country is rich enough to finance the social security, but, therefore, the richer part of the population has to contribute more. Another demand is to stop social dumping. The manifestation is also meant to back up the AHVplus initiative (see next item).

French: [http://www.uss.ch/actuel/kampagnenseiten-ohne-navigation/manif-nationale ...](http://www.uss.ch/actuel/kampagnenseiten-ohne-navigation/manif-nationale...)

Italian: [http://www.uss.ch/fileadmin ...](http://www.uss.ch/fileadmin...)

German: [http://www.sgb.ch/aktuell/kampagnenseiten ...](http://www.sgb.ch/aktuell/kampagnenseiten...)

### **Teachers initiated referendum over decent pensions**

*July 29, 2016*

Teacher unionists have initiated a popular initiative known as AHVplus, which aims to offer increased pensions to educators. Citizens will have to go to the polls on 25 September. The initiative, involving relatively modest additional costs for employers and employees, would help to ensure a larger pension in the long term. The AHV is an insurance for old age or the bereaved, designed to support people when they can no longer work due to old age (pension) or when their provider dies. A 'Yes' to the AHVplus initiative corrects the trend whereby teachers and most employees pay more and more to pension funds but receive fewer retirement benefits for a longer period of time.

English: [https://www.ei-ie.org/en/news/news\\_details/4054](https://www.ei-ie.org/en/news/news_details/4054)

### **Trade union publishes income distribution report**

*July 13, 2016*

A study of the trade union confederation SGB/USS documents the income distribution. Some progress was made in the lowest pay echelons of the labour market, probably because of the minimum wage campaign and

thanks to an active trade union strategy. However, other developments are worrying. The wage gap between the lowest income and the high earners did not decrease. According to SGB/USS, this is the result of an unsocial tax and social security policy that works out in favour of the higher income earners (their income tax decreased between 2000 and 2014 from 37 to 32%).

German: [http://www.sgb.ch/themen/wirtschaft/verteilung ...](http://www.sgb.ch/themen/wirtschaft/verteilung...)

French: [http://www.uss.ch/themes/economie/repartition ...](http://www.uss.ch/themes/economie/repartition...)

The study (German with French synthesis): [http://www.sgb.ch/fileadmin ...](http://www.sgb.ch/fileadmin...)

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## Turkey

### **Strike at union busting firm**

*August 22, 2016*

Trade union DİSK/Tekstil takes action against Hyosung, a South Korean textile company. The company has defied the law to deny recognition to DİSK/Tekstil for five years. Now the union is taking strike action at the company's plant in Çerkezköy. Opened in 2008, the textile factory employs 339 workers. In 2011, the union won statutory recognition under Turkish labour law by recruiting a majority of workers, and the Ministry of Labour and Social Security confirmed that DİSK/Tekstil had achieved the required legal majority to be the legitimate social dialogue partner. Conditions at the factory are bad, and the union alleges that environmental and health and safety laws are violated.

English: [http://www.industrial-union.org/turkish-workers-strike ...](http://www.industrial-union.org/turkish-workers-strike...)

### **Successful negotiations at Coca-Cola**

*August 8, 2016*

Trade union Tekgıda-İs signed a collective bargaining agreement (CBA) with Coca-Cola İçecek, the bottler of Coca-Cola products, to apply at its 6 plants. The agreement that covers approximately 1300 workers includes a mechanism for 200 forklift drivers to be included. Prior to this agreement, forklift drivers were not members of the union and were not enjoying the rights and benefits of a CBA. The agreement provides for significantly improved wages and social benefits and most importantly provide collective bargaining protections and union representation for 1300 workers whom were without a union for the last 5 years.

English: [http://www.iuf.org/ccww ...](http://www.iuf.org/ccww...)

### **Trade union movement defends right to oppose**

*July 26, 2016*

The international and European trade union movement has strongly condemned the failed coup and offered our deepest condolences to the victims. Unconstitutional attempts – especially involving military force – to seize power and overthrow democracy are unacceptable. The ITUC and ETUC are also deeply concerned by the government's drastic purge launched in the immediate aftermath of the coup attempt. Many civilians are amongst the thousands of people arrested and detained. Tens of thousands of workers and citizens have now been dismissed or suspended from their jobs. Plans have been announced to replace 20,000 teachers, among them thousands of trade union members. The coup attempt cannot be used as an excuse to eradicate democratic opposition through a 'state of emergency'.

English: [https://www.etuc.org/documents/turkey-ituc-and-etuc-deeply-concerned ...](https://www.etuc.org/documents/turkey-ituc-and-etuc-deeply-concerned...)

### **ITF intervenes over union busting at transport company**

*July 25, 2016*

The All Transport Workers' Union of Turkey Tümtis reported union busting practices at the Gaziantep municipality's urban transport company, Gazi-Ulaş Transportation. Tümtis has been organising bus drivers at the company since 2002. A month ago, the company started to force Tümtis members to resign from the union and join another one – Oz Taşıma-İş. The company also transferred 160 workers from Gazi-Bel – the municipality's other company – to Gazi-Ulaş and forced them to become members of Oz Taşıma-İş, in an attempt to dissolve the Tümtis membership. Global union ITF reminded the mayor of Gaziantep in a letter that the right to organise workers free from interference is a fundamental ILO right, guaranteed in the constitutional law article 51. The practices are taking place despite a collective bargaining agreement with Tümtis, which specifies that the company cannot force workers to resign or join another union.

English: [http://www.itfglobal.org/en/news-events/news/2016/july/itf-intervenenes ...](http://www.itfglobal.org/en/news-events/news/2016/july/itf-intervenenes...)

### **Nestle workers reach agreement**

*July 22, 2016*

Workers that went on an 11-day strike at a Nestlé factory (see the June Newsletter) in the north western province of Bursa concluded a collective agreement. The agreement, which covers more than 900 workers, includes a mechanism for an extra 45 workers to be made permanent. Trade union Tekgida-Is also signed an agreement with Nestlé Waters in July which applies to more than 500 workers. Both agreements provide for significantly improved wages and social benefits and most importantly provide collective bargaining protections and union representation for more than 1400 workers in the food-processing sector.

English: [http://www.iuf.org/w ...](http://www.iuf.org/w...)

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## **United Kingdom**

### **Food delivery in pay dispute**

*August 25, 2016*

Drivers for Uber's food delivery service are planning a protest in the latest sign of discontent within the gig economy. UberEats riders will demonstrate outside the group's London headquarters after the company cut the amount it pays per delivery, which some drivers say leaves them at risk of earning less than the minimum wage. They are calling on the company to pay the independently backed London living wage of £9.40 an hour. The action comes after more than 100 moped riders and cyclists took to the streets to protest against pay changes at rival food courier service Deliveroo that was ordered to pay the minimum wage.

English: [https://www.theguardian.com/technology/2016/aug/25/ubereats-drivers ...](https://www.theguardian.com/technology/2016/aug/25/ubereats-drivers...)  
[http://www.standard.co.uk/news/london/deliveroo-ordered-to-pay-staff-the-minimum ...](http://www.standard.co.uk/news/london/deliveroo-ordered-to-pay-staff-the-minimum...)

### **Labour leader wants mandatory bargaining in large firms**

*August 22, 2016*

In the frame of the leadership contest, the acting Labour leader Jeremy Corbyn has formulated a series of ideas as part of wider reform that he promised would 'democratise' the country from the ground up. Some ideas deal with the labour market. He is, for instance, promising mandatory collective bargaining for companies with more than 250 workers, staff representation on executive remuneration committees, strengthening individual rights for workers and sectoral trade union bargaining rights.

English: [https://www.politicshome.com/news/uk/political-parties/labour-party/news ...](https://www.politicshome.com/news/uk/political-parties/labour-party/news...)  
<http://www.ier.org.uk/news/corbyn-backs-mandatory-collective-bargaining>

### **List of minimum wage offenders larger than ever**

*August 11, 2016*

After the publication of the list of shame, detailing almost 200 employers who have failed to pay the national minimum wage, trade union confederation TUC stated that employers who try to duck the minimum wage must have nowhere to hide. Trade union Unite warned that the list is just the tip of the iceberg. The 197 companies named owed £465,291 in arrears, across a range of employers including football clubs, hotels, care homes and hairdressers. Since the scheme was introduced in October 2013, 687 employers have been named and shamed, with total arrears of more than £3.5 million.

English: [https://www.gov.uk/government/news/largest-ever-list ...](https://www.gov.uk/government/news/largest-ever-list...)  
[https://www.tuc.org.uk/industrial-issues/there-must-be-no-place ...](https://www.tuc.org.uk/industrial-issues/there-must-be-no-place...)  
[http://www.unitetheunion.org/news/list-of-minimum-wage-shame-the-tip-of-the-iceberg ...](http://www.unitetheunion.org/news/list-of-minimum-wage-shame-the-tip-of-the-iceberg...)

### **Union action in oil and gas**

*August 2, 2016*

Wood Group workers on Shell's North Sea oil and gas platforms are challenging their employer in a dispute over 30% pay cuts. Trade unions RMT and Unite said that the strikers are determined to kick off the action in response to an attack on pay and working conditions. The strike follows a massive 99.1% vote in favour of strike action by Unite and 98.5% by RMT members. Recent changes have seen workers move from a two-week working cycle to a three-week working cycle, which means working extra weeks offshore for the same

salary. Wood Group employees used to enjoy the same conditions as Shell employees, but they have seen these undermined.

English: [http://www.bbc.com/news/uk-scotland-north-east-orkney-shetland ...](http://www.bbc.com/news/uk-scotland-north-east-orkney-shetland...)  
[http://www.itfglobal.org/en/news-events/news/2016/july/north-sea-oil-strikers ...](http://www.itfglobal.org/en/news-events/news/2016/july/north-sea-oil-strikers...)  
[http://www.industrialunion.org/uk-oil-and-gas-workers-to-embark ...](http://www.industrialunion.org/uk-oil-and-gas-workers-to-embark...)

### **Uber faces legal action**

*July 29, 2016*

Ride sharing enterprise, Uber, faces court action on behalf of drivers who claim they should receive basic worker's rights. The legal action is being brought on behalf of trade union GMB. GMB argues that Uber does not currently ensure that its drivers are paid minimum wage or that they receive paid holiday. Uber does not provide its drivers with the rights normally afforded to workers, claiming instead that they are 'partners'. Lawyers claim that there are breaches of employment law, but also serious health and safety issues as Uber does not ensure its drivers take rest breaks or work a maximum number of hours per week.

English: [https://www.leighday.co.uk/News/2015/July-2015/Uber-faces-UK-legal-action ...](https://www.leighday.co.uk/News/2015/July-2015/Uber-faces-UK-legal-action...)

### **Workers experienced sharpest wage fall of any leading economy**

*July 27, 2016*

UK workers suffered the biggest fall in real wages among leading OECD countries, according to a TUC analysis. Between 2007 and 2015, real wages fell by 10.4%; a drop equalled only by Greece. By contrast, over the same eight-year period, real wages grew in Poland by 23%, in Germany by 14%, and in France by 11%. Across the OECD, real wages increased by an average of 6.7%. The UK, Greece and Portugal were the only three OECD countries, which saw real wages fall. While the UK has increased employment rates since the economic crisis, countries such as Germany, Hungary and Poland have increased employment rates significantly more, while raising real wages at the same time.

English: [https://www.tuc.org.uk/economic-issues/labour-market/uk-workers-experienced ...](https://www.tuc.org.uk/economic-issues/labour-market/uk-workers-experienced...)

The report: [http://touchstoneblog.org.uk/2016/07/uk-real-wages-decline ...](http://touchstoneblog.org.uk/2016/07/uk-real-wages-decline...)

### **Tata talks with ThyssenKrupp – pension restructuring pending**

*July 8, 2016*

Tata Steel has halted plans to sell the Port Talbot steelworks and is working on keeping its UK business as part of a joint venture with the German conglomerate ThyssenKrupp. Tata Steel UK's 11,000 workers meet the announcement with mixed feelings. While the Port Talbot steelworks in south Wales is closer to its survival, Tata warned that the deal could still fall apart. One of the problems is the sustainability of its pension scheme. The scheme restructuring needs to be enshrined in law. The scheme has a deficit of £700m and liabilities of almost £15bn. The government has drawn up a plan with trustees and unions that would see the scheme spun off into a shell company and the inflation-linked annual increase benchmarked against the consumer price rather than the retail price index, potentially saving billions of pounds in future liabilities.

English: <https://www.theguardian.com/business/2016/jul/08/tata-stops-port-talbot-plant-sale>

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