

# From politics to schools: innovative union practices in Latvia

Linda Romele<sup>1</sup>

## Introduction

Latvia is often portrayed as a country that successfully steered through the economic crisis of the late 2000s and managed to restore macroeconomic stability (see, for example, Åslund and Dombrovskis 2011). The social price of this achievement was very high, however. In 2010, the unemployment rate reached 14.5 per cent; and workers in the public administration, defence and compulsory social security sectors saw their wages decrease by 25.1 per cent in 2010 in comparison to 2008, while those in state institutions experienced a 25.75 per cent salary reduction. Unpaid leave, reduced redundancy payments and cuts in social benefits, imposed rather than agreed upon with trade unions, were also widespread in the public sector (LRD 2010). The result was that many people decided to look for job opportunities abroad. Between 2009 and 2010, around eight per cent of the workforce left the country in search of higher pay and better working conditions (author's estimates based on Krasnopjorovs 2011 and CSB 2016a).

In the late 2000s, not only the economy but also the industrial relations system faced a deep crisis. Gonsler (2011: 409) argues that the downturn brought 'a dramatic change in the balance of bargaining power in favour of employers [and a] further weakening of trade unions due to losses in membership, in turn leading to decreased representativeness, a lack of success in the public protests and a deinstitutionalization of the collective bargaining system'. Even so, unions did not remain passive in view of their decreasing institutional power and the government's cost-cutting offensive. They launched large-scale protests, even though they did not manage to reverse the government's austerity course. They also tried to change the institutional set-up to promote collective bargaining and improve the image of labour organisations within Latvian society.

This chapter examines the innovative practices implemented by Latvian trade unions during and after the recent downturn. It focuses on legislative initiatives regarding tax exemptions for the social benefits specified in company-level collective agreements, as well as on unions' efforts to disseminate benchmarks on employee standards through the creation of the Index of Sustainability and the organisation of knowledge contests for school pupils. The selected activities represent 'new ideas that work' (Mulgan *et al.* 2007: 7; see also Introduction to this volume) and depart from traditional forms of

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1. The views expressed in this chapter are those of the author and do not represent the official opinion of the Latvian State Labour Inspectorate.

union action in Latvia. Some of them may still be at an early stage of implementation, but they have the potential for boosting collective bargaining coverage and granting labour organisations higher levels of public recognition. On the other hand, it seems that the new initiatives might not by themselves be sufficient to reverse the process of union decline, and thus should go hand-in-hand with more vigorous organising efforts.

The chapter is structured as follows. Section one presents selected features of Latvia's industrial relations. Section two focuses on the socioeconomic impact of the recent crisis. Section three outlines the innovative practices pursued by Latvian trade unions during the downturn and in its aftermath. Brief conclusions follow.

## 1. Industrial relations in Latvia

In Latvia, collective bargaining generally takes place at company level, between trade unions and enterprise management, rather than between union federations and employer associations. This is mainly due to low union membership, given that the bargaining power of labour organisations tends to be related to their density rates (Lewis *et al.* 2003). Trade unions are set up at the level of enterprises or public institutions. A new trade union outside an enterprise can be registered if it has at least 50 founding members, whereas to establish an enterprise trade union there should be at least 15 members or 25 per cent of the total amount of employees (minimum five employees). Enterprise-level union organisations can be simultaneously affiliated to several different sectoral trade unions.<sup>2</sup>

The absence of multi-employer collective agreements covering all employees in a given sector does not allow unions to negotiate better employment conditions for particular industry sectors. According to the Labour Law '[i]f members of an organisation of employers or an association of organisations of employers employ more than 50 per cent of the employees in a sector, or the turnover of their goods or the amount of services is more than 60 per cent of the turnover of goods or amount of services in a sector, a general agreement between the organisation of employers or association of organisations of employers and an employee trade union or an association of employee trade unions shall be binding for all employers of the relevant sector and shall apply to all employees employed by such employers'. However, agreements of this kind are extremely rare in the Latvian context and single-employer bargaining is dominant (Fric 2016).

There is only one representative trade union confederation in Latvia – the Free Trade Union Confederation of Latvia (LBAS). This can be viewed as an advantage as the employee voice in the social dialogue process is not fragmented. Over the last years, merger processes have taken place during which smaller trade unions have joined larger ones, thus consolidating their resources and power. In late 2007, LBAS had 23 member organisations whereas in 2016 it had only 20 members. The confederation

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2. For example, transport companies are represented in the Trade Union of Public Service Employees (LAKRS) and the Railway Workers Trade Union.

is a member of the National Tripartite Cooperation Council (NTSP), a national-level social dialogue institution, as well as of its nine sub-councils. It is also involved in public relations activities: it takes stances in public debates on behalf of all trade union organisations, stages protests and organises campaigns, training events and cultural and social undertakings.

In view of the weakness of collective bargaining structures and low bargaining coverage, trade unions in Latvia focus primarily on influencing the country's legislative process. Latvia's Labour Law provides relatively high guarantees for employees but there are serious problems with the enforcement of the existing rules (Vizule 2016). In this respect, LBAS focuses on monitoring the application of the legislation and putting forward proposals for the improvement of national-level regulation. Within companies, an analogous role is played by enterprise-level union organisations that monitor the implementation of company statutes and collective agreements. According to LBAS's EU Policy Expert Natālija Mickēviča, then, '[...] in some way a trade union could be compared with an insurance policy [...] because one knows that if something happens one will be assisted by [them, acting as] an insurance agency' (Vizule 2016).

Despite their role as social legislation watchdogs, labour organisations are among the least trusted institutions in Latvia. According to the latest public opinion survey (Lasmanis 2016), in which the negative evaluations of a given institution were subtracted from the positive ones, unions scored minus 1 point, suggesting that negative attitudes towards them prevailed among the Latvian population. Commenting on the poll, LBAS president Egīls Baldzēns linked the negative result to the general crisis of trust within Latvian society, arguing that '[p]eople are convinced neither by the ruling power nor the opposition – everywhere only self-interest is seen' (Viksne 2016). Another public opinion survey from 2011 showed that 52 per cent of respondents belonging to the 15–74 age group believed that trade unions were 'almost untrustworthy' or 'rather untrustworthy'; only 33 per cent said trade unions were 'fully trustworthy' or 'rather trustworthy' while 16 per cent had no opinion on the issue. Unions' trust ratings improved somewhat in 2012, when 41 per cent of respondents said they trusted unions, but the figure was still very low (TNS Latvia 2013). Organisations explained the low level of trade union popularity with reference to low union membership numbers (Delfi 2012) and the high share of the shadow economy that remained beyond unions' sphere of influence.

Over the past two decades, the union density rate in Latvia has been steadily falling and the current crisis has only expedited this process. According to estimates provided to the author by LBAS (2016), in 2014 around 11 per cent of Latvia's working population belonged to labour organisations, compared to almost 20 per cent in 2003. The decrease in the number of union members is mainly due to three factors. First, it stems from most employment creation taking place in less organised or virtually union-free industries, whereas employment in traditional union strongholds such as the public sector and manufacturing has been declining since the late 2000s. Second, it seems that collective interests and identities no longer appeal to more educated and higher-skilled workers; Pedersini (2010) argues that it is more and more difficult for trade unions to reach and organise them. Finally, similar to labour organisations in other countries, Latvian unions have been confronted with a free-rider problem. Even though the improvements

in working conditions are negotiated by labour organisations, according to the Labour Law collective agreement provisions ‘shall apply to all workers who are employed by the relevant employer or in a relevant undertaking of the employer, unless provided for otherwise in the collective agreement’. The unions were pondering an idea of limiting the circle of collective agreements’ beneficiaries to union members and introducing special paid schemes for non-members who wish to be granted the benefits stemming from collective agreements, but abandoned the plan.

Despite their thinning ranks, unions’ financial resources have remained at a level sufficient to support their day-to-day activities thanks to the external assistance provided to them by EU Structural Funds and the Norway Grants. Two large European Social Fund projects, one running from 2008–13 and the other from 2009–15, were of particular importance as, in addition to the direct financial advantages, they enabled unions to attract highly-qualified professionals such as labour rights and occupational health and safety specialists, as well as experts on EU issues and public relations. The unions have also benefited from their long-standing cooperation with the Friedrich Ebert Foundation.

## **2. Trade unions during and after the crisis**

According to Latvian trade unions, the most adverse social effect of the recent crisis was the salary cuts (interview Baldzēns 2016). Wages in the private sector fell by 2.41 per cent in 2010 in comparison to 2008, while those in the public sector fell by 17 per cent (CSB 2016b). In 2014, average remuneration in the private sector exceeded that in 2008 by 19 per cent but, in the public sector, wages had merely managed to return to their 2008 levels. The second most serious consequence of the crisis, according to the trade unions, was a significant increase in unemployment and subsequent emigration to other European countries.<sup>3</sup> It should be stressed that emigration occurred also before the crisis, particularly after Latvia’s accession to the EU in 2004. During the two-year crisis period (2009–10), however, emigration rates were 2.5 times higher than before the crisis and four times higher than in 2000–2003 (Hazans 2011).

By 2015, employment had increased in several sectors compared to the pre-crisis period. For instance, the number of workers in financial, insurance, scientific and administrative activities and real estate activities was 23.43 per cent higher than in 2008; a positive trend could also be observed in accommodation and food service activities (6.29 per cent), information and communications (7 per cent) and human health and social work activities (15.77 per cent). By contrast, employment in construction went down by a staggering 42.06 per cent (CSB 2016c).

Both during the crisis and in its aftermath, trade unions rarely had recourse to extreme measures such as strikes to object to the austerity measures and/or influence management decisions. A notable exception to this trend was the protest staged by

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3. According to Hazans (2011), between 2009 and 2010 69 per cent of Latvian emigrants went to the UK, 4 per cent to Ireland and 19 per cent to other EEA countries.

the Trade Union of Education and Science Employees (LIZDA) in April 2009, which attracted over 10 000 teachers and scientists. The main goal of the protest, which was supported by representatives of international trade unions and attended by the European Trade Union Committee for Education (ETUCE) General Secretary, Martin Rømer, was to prevent cuts to the education and science budget. On the evening of the day of the protest, however, LIZDA declared to the media that the results of the union mobilisation were unsatisfactory as no concrete promises had been made on the side of the government (Delfi 2009). In late 2009, LIZDA intended to call another strike but, instead, a Conciliation Committee was set up consisting of the representatives of the union and the Ministry of Education and Science that was to decide jointly on future policies and possible austerity measures in the education sector. The Committee agreed that, as of 1 September 2009, teachers' salaries would be reduced by 20 per cent. However, the result of subsequent amendments to the 2009 budget was that wages were slashed even further and, in the end, the decrease reached 40 per cent (LIZDA 2009).

In the following years, several pickets against tight budgets and growing social inequality took place outside the Cabinet of Ministers or Parliament buildings, but they were similarly ignored by the government. The protests were organised either by LBAS or by the sectoral trade unions, in particular LIZDA or the Latvian Trade Union of Health and Social Care Employees (LVSADA). In July 2009, the Trade Union of Employees of State Institutions, Self-Governments and the Finance Sector (LVPUFSA) staged a rally outside the office of the Cabinet of Ministers against salary cuts for the lowest-paid employees of the State Social Insurance Agency, the State Employment Agency and the State Revenue Service. In addition, protest letter campaigns were organised, such as that by LIZDA in February 2011, during which the latter encouraged Latvian education institutions to send e-mails to all parliamentary factions urging them not to support the Ministry of Finance plan to cut the teachers wage bill still further. Thanks to the LIZDA-led mobilisation, the targeted state subsidies for teachers' salaries remained unchanged (LIZDA 2011).

The only warning strike organised by LIZDA after the crisis took place in November 2015 and gathered over 24 000 education and science employees. All in all, the union leadership considered strikes as an extreme measure and sought to get involved in social dialogue instead (interview Baldzēns 2016). By the same token, LVSADA abstained from protests and used other instruments to try and improve the conditions of health and social care and prevent the reduction of financial inflows to the sector. During the 2010 European Day of Action the union, together with two non-governmental organisations, lodged a complaint with the European Ombudsman 'On European Commission's (EC) actions that breach the law' ('Par Eiropas Komisijas (EK) rīcības neatbilstību tiesību aktiem') signed by 54 000 Latvian citizens. In the complaint, the union argued that, during the crisis, the Commission had 'not paid the least attention to the fact that the decrease of financing and structural reforms had negatively influenced the quality and accessibility of health care in Latvia' (Iesniegums Eiropas Ombudam 2010). The union referred to Article 35 of the Charter of Fundamental Rights of the European Union, which stipulated that EU policies and activities should ensure a high level of human health protection. To some extent, the complaint was an attempt to force the Latvian

government to improve the conditions of the healthcare system in Latvia that had suffered as a result of insufficient financing. However, Latvian political experts pointed out that the European Ombudsman was not in a position to intervene in matters subject to national legislation; by the same token, the Commission could not interfere in national-level policies (Diena 2010).

LBAS and the sectoral trade unions have also taken part in protest actions initiated by the European Trade Union Confederation (ETUC). In September 2010, LBAS and the sectoral unions organised support activities in Riga, Liepāja, Valmiera, Daugavpils and Jelgava for the EU-wide initiative ‘No to austerity measures, priority for jobs and growth’. However, the union rallies attracted a relatively small number of participants which shows that Latvians generally remained reluctant to join industrial action and collective protests. Neither has their attitude changed after the crisis: in a 2016 opinion poll, 57 per cent of respondents agreed with the statement that strikes did not help trade unions to achieve their expected results; 36 per cent held the opposite view while seven per cent had no opinion on this issue (LNT 2016).

Against the background evidence presented in this section, it could be argued that unions’ decision to revisit their strategies and launch innovative practices was driven by two factors. The first was the necessity to reverse, or at least slow, the fall in union density and the collective bargaining rate that had accelerated during the crisis. The second was unions’ desire to change the negative societal perceptions of trade unions prevailing within the Latvian population. In the next section, union innovative actions are examined in more detail.

### **3. Innovative union practices in Latvia**

This chapter follows the conceptualisation of innovative union initiatives provided by Bernaciak and Kahancová in the Introduction to this volume. All the examined initiatives can be viewed as instances of strategic innovation; they also reach beyond traditional union audiences targeting employers, young people and the wider public.

#### **3.1 Legislative changes and the promotion of collective bargaining**

The period during and after the crisis coincided with the introduction of amendments to the Labour Law that granted social partners the right to submit legislative proposals to relevant public institutions. Trade unions accordingly focused on protecting the existing regulations on overtime payments.

According to Latvia’s Labour Law, in the case of overtime work an employee ‘shall receive a supplement of not less than 100 per cent of the hourly or daily wage rate specified for him or her but, if piecework pay has been agreed upon, a supplement of not less than 100 per cent of the piecework rate for the amount of work done.’ During the crisis, this rule was heavily criticised by employers, who argued that the payments should be

reduced. Justifying their stance, the Employers' Confederation of Latvia (LDDK) and the Latvian Chamber of Commerce and Industry (LTRK) referred to a study carried out by the Foreign Investors' Council in Latvia (FICIL), which targeted a 50 per cent reduction in overtime payments to boost Latvia's competitiveness. According to FICIL (2015: 9), the change would make the regulations analogous to those in Estonia 'which have proven to be an economically substantiated and efficient instrument balancing the interests of the employer and employee'. Trade unions, by contrast, argued that Latvian overtime payment rates could not be automatically compared with overtime payment rates in Estonia, and that the remuneration system should be constructed in a way that takes into account the interests of both parties, not just the employers. To counterbalance FICIL's results, LBAS presented a calculation of the prospective losses of income in terms of social contributions that would result from the decrease in overtime payments. Within the framework of a campaign 'Hands off the Labour Law', an innovative application of information and communications technologies (ICTs) enabled the union to gather approximately 20 000 signatures to a petition to rebut the employers' proposal. This was subsequently sent to the Speaker of the Parliament and the cabinet. The changes were ultimately not implemented, but it is likely that discussions will resume the next time the Labour Law is amended, given that employers are firm about the need to decrease the payments. It therefore cannot be excluded that, despite the initial success of the unions' campaign, the change might nevertheless take place (cf. Butković, this volume, for a similar case in the Croatian context).

A more positive example of social dialogue in Latvia is provided by recent amendments to the country's legislation on labour taxes and social benefits. The initial union proposal called for the introduction of tax exemptions on benefits laid out in collective agreements. Justifying the plan, unions argued that employers who complied with the rules enshrined in the Labour Law, dutifully paying their taxes and offering their workers additional benefits specified in company-level collective agreements, found it difficult to compete with firms operating in the shadow economy.<sup>4</sup> The exemption was expected to eliminate this competitive disadvantage and reduce social inequality. It was also considered a promising tool to tackle the phenomenon of 'envelope' wages, the second most widespread illegal business practice in Latvia after the under-reporting of enterprise income.<sup>5</sup> Last but not least, trade unions hoped that it would indirectly encourage company-level negotiations: the exemption was to be applied solely to benefits stipulated in collective agreements, so it would give 'a green light to collective bargaining agreements' (Baldzēns 2015).

The proposal targeted three types of benefits constituting company expenses: for catering, education and transport. The main prerequisites for the exemption would be that: (1) the benefits in question were laid out in an enterprise-level collective agreement; (2) the company did not rely on illegal employment and did not pay 'envelope' wages; and (3) no serious violations of employment and/or occupational health and safety

4. In line with the 2016 tax regulations, if employer-covered expenses related to employee training were placed in the same bill as salary, a tax of EUR 79.34 would be levied on top of every EUR 100 spent.

5. 'Envelope' wages are still estimated to account for a 17.9 per cent share of all salaries paid in Latvia, even though their incidence has been decreasing since 2010 (Sauka and Putniņš 2016).

regulations were detected. The unions also suggested that the social benefits in question should constitute 10 per cent of the total enterprise salary fund.

In the first place, LBAS representatives discussed the idea with the Communication Workers Trade Union (LSAB), as the latter was active in enterprises that could potentially be interested in the new provision, and approved the scheme at its 2011 Congress (LBAS 2011). LBAS representatives subsequently met with employer organisations LDDK and LTRK, which unanimously supported the initiative, and started drawing up the exemption proposal. The project also received the support of the Latvian Association of Local and Regional Governments (LPS).

The Minister for Economy at that time included the initiative among new policy proposals presented by the Ministry of Economy to the Cabinet of Ministers. However, the project lost its priority following the outbreak of war in Ukraine, the imposition of sanctions against Russia and the subsequent Russian embargo on agricultural products, raw materials and most food products, which led the Ministry of Economy to focus on supporting enterprises that had lost export markets as a result of these events. Nevertheless, trade unions continued to press the government and, in February 2015, the tax exemption scheme gained ministerial approval. In November 2015, the country's tripartite council NTSP set up a new Sub-Council on Budget and Taxes, which also debated the initiative. The State Revenue Service, for its part, confirmed its support for the scheme by including it in the State Plan for the Reduction of the Shadow Economy, which can be viewed as an instance of successful cooperation between public authorities and social partners (interview Baldzēns 2016).

Both the State Revenue Service and trade unions were convinced that working conditions and the general level of compliance with employment regulations were significantly higher in unionised enterprises than in those which have no trade unions. This conclusion was reached by several studies conducted by trade unions and by other institutions. According to a survey carried out by the Marketing and Public Opinion Research Centre SKDS (SKDS 2013a), for example, only five per cent of respondents received 'envelope' wages in enterprises with a trade union while at enterprises without trade union representation the proportion was 19 per cent.

In spring 2016, different variants of the amendments were put under consideration. It was proposed *inter alia* that, in the case of small companies with six to 20 employees, an enterprise collective agreement should be in force for at least one year for the company to be eligible for exemptions. Trade unions used additional arguments in support of their initial cause, pointing out that the reimbursement of transport expenses by the employer may increase people's willingness to take up employment in regions where people have to commute long distances to get from home to work.

The amendments entered into force on 1 January 2017. Following the intervention of the Ministry of Finance, however, they are more limited than the original proposal insofar as they stipulate that only catering expenses, agreed in the collective agreement and not exceeding EUR 480 per year spent on an individual worker, are exempted from labour taxation. Moreover, the exempted social benefits should constitute just five per

cent of the total enterprise salary fund instead of the 10 per cent discussed in earlier stages when the original proposal was opened for negotiations. Finally, state and local government capital companies are excluded from the scheme, which considerably reduces the impact of the bill.

According to LBAS, the process leading to the implementation of the tax exemption has been protracted due to the complexity of the issue and the necessity to coordinate the work of numerous state institutions, on top of the difficult situation triggered by the Ukraine war and the related sanctions. Despite the limitations applied to the final version of the act, the union hopes that the regulatory change will encourage enterprises to conclude collective agreements, boost unions' role in improving employment conditions and open up new possibilities for cooperation between company-level unions and management. The confederation also plans to continue negotiations with the government and search for possibilities to extend the circle of beneficiaries eligible for this scheme within the framework of the 2018 state budget.

### 3.2 The promotion of employee and trade union rights

#### **Index of Sustainability**

In 2010, LBAS launched the so-called Index of Sustainability,<sup>6</sup> an initiative designed to evaluate the progress of social dialogue and the quality of working conditions in individual enterprises. The Index allows companies to self-assess their performance in five areas: (1) business strategy; (2) labour relations; (3) working environment; (4) environmental impact; and (5) societal impact. It is measured every year and thus enables enterprises to monitor their progress over time.

Between 2010 and 2013, the Index was run by LBAS in cooperation with LDDK within the framework of a European Union-funded project on employment relations and occupational safety and health (OSH). The additional financial resources provided by the project enabled the union to hire highly-skilled personnel with an innovative approach to their work. In 2010, LBAS launched an internet site<sup>7</sup> by means of which Latvian enterprises could express their willingness to take part in the initiative and request a self-evaluation questionnaire. The latter was elaborated by a Council consisting of experts from LBAS, LDDK, a World Wide Fund for Nature associate in Latvia, SKDS, the Latvian Association for Quality and a Latvian information technology company, Lursoft, that maintains databases of enterprises registered in Latvia.<sup>8</sup> The questionnaires were subsequently evaluated by experts of the organisations represented in the Index Council. In addition, LBAS provided free consultations for companies that had expressed their willingness to participate in the initiative, advising them on how to

6. The Index's methodology is based on the theory of corporate social responsibility; it resembles other internationally applied indices such as the Dow Jones Sustainability Index or Business in the Community's Corporate Responsibility Index.

7. [www.ilgtstpejasindekss.lv](http://www.ilgtstpejasindekss.lv).

8. Each year, a different company is represented in the Index Council.

meet the Index criteria. In the first half of 2010, its training events attracted 100 out of 138 participating enterprises.

The Index does not rank enterprises but classifies them and ultimately assigns them to one of the evaluation levels – platinum, gold, silver and bronze. Enterprises that comply with over 90 per cent of the Index indicators are at the platinum level; from 80 to 89.9 per cent – golden; 60 to 79.9 per cent – silver; and 40 to 59.9 per cent – bronze. Within the Index, the working environment indicator, based on enterprise scores on OSH, legal employment relationships and the quality of the company-level social dialogue, was assigned the highest weighting, taking a 25 per cent share of the Index (Ilgtspējas indekss 2010). Particular emphasis was also put on training and employee motivation schemes. Finally, the absence of workplace accidents being reported to the State Labour Inspection in the year preceding the evaluation was an important asset.

During the first edition of the Index in 2010, 70 enterprises – mainly large, well-known companies – took part in the evaluation. Foreign company subsidiaries located in Latvia obtained the highest scores in terms of working environment. Overall, none of the participating companies reached platinum or gold level; 20 enterprises were awarded silver, with 25 taking bronze and the remaining 25 receiving recognition diplomas marking their participation. However, in the following year three enterprises, all companies that reached silver level in the previous edition, qualified for a gold award. This suggests that the questionnaire served as an educational tool that helped enterprises identify the fields in which they needed to improve. It is also noteworthy that all 20 enterprises with the best scores regarding the working environment had trade unions or another form of employee representation and that in 15 of them collective agreements were in force (Ilgtspējas indekss 2011).

Company evaluation went hand-in-hand with the use of media-oriented instruments. In 2010, the results of the Index were published in a special edition of the Latvian newspapers *Diena* and *Dienas Bizness*, and an official awards ceremony was organised. According to the trade unions, the Index could be considered as a public relations tool because it gave additional publicity to enterprises; at the same time creating incentives to introduce improvements to the working environment. In the history of the Index there have indeed been cases when, in order to improve the level of assessment, companies signed collective agreements although there are no precise data on this issue. All in all, even though the working environment variable was just one of the indicators in the Index, the initiative has contributed to building and disseminating benchmarks on employment standards among participating enterprises and within Latvian society, given that the examples of best practice were made known to the wider public. In 2014, the Institute of Corporate Sustainability and Responsibility took over the organisation of the Index, but LBAS remained one of its core partners.

### **Campaigns and contests for school pupils**

Information on labour rights and OSH is largely absent from the curricula of Latvian schools. In consequence, young people aged 15 to 24 years are poorly informed about

the legal aspects of employment relationships; they also know little about union activities at company and national level (SKDS 2013a). In order to raise young people's awareness of employment regulations and to promote union activity, LBAS launched a contest among vocational school pupils dedicated to labour rights and OSH issues. The initiative departed from traditional union approaches because it did not target the union's existing members. At the same time, it also used an innovative method – a competition scheme – to reach the selected audience.

The first contest for vocational schools, 'A Pro' ('Profs'), was organised in 2007, but the scheme was extended in 2009 thanks to additional financial resources provided by an EU-funded employment relations and OSH project. In 2011, it was also introduced to secondary school pupils and named 'Smart. Game for those who learn' ('Smārts. Spēle tiem, kuri mācas'). The Ministry of Education and Science, the Ministry of Welfare and the State Labour Inspectorate also supported the contest by providing human resources and ideas, and by distributing information among schools.

The initiative 'Smart. Game for those who learn' started with an invitation letter and an application form distributed to all secondary schools in Latvia. The subsequent competition was organised in two stages. In the first stage, a teacher responsible for the registered class received an e-mail with a link under which pupils could fill in a questionnaire consisting of 45 questions divided into three categories according to their level of complexity. In each category, there were six questions about legal aspects of the employment relationship, six about OSH and three devoted to social dialogue and trade union activities. During the second round, five semi-final competitions were organised in the capital city of Riga and four other regions of the country. The winners of each of these took part in a final contest that was divided into three parts: homework; a quiz; and practical tasks to be resolved by each team. Both the regional semi-finals and the national final were filmed and transmitted on Latvian television. Parallel to the contest, LBAS organised training sessions on labour rights and OSH at all schools whose teams qualified for the semi-finals. In addition, the union issued a manual 'Becoming an Employee' that acquainted pupils with the most important employment regulations, included tips for the preparation of CVs and covering letters and provided information concerning job search tools and resources.

The contest was a part of a project that ended in 2013, but trade unions made sure that it was continued. At present it still takes place in secondary schools of the Riga municipality with the active support of the Ministry of Education and Science and the municipal authorities. In October 2015, 35 per cent of all secondary schools in Riga took part in the contest, which points to the scheme's potentially extensive reach. In autumn 2017, the competition among vocational school pupils, 'A Pro', will be relaunched as part of a new EU-funded project implemented by the State Labour Inspectorate scheduled for 2016–22, and LBAS will act as one of its core partners.

From a trade union point of view, the competition was viewed as an investment in the future insofar as it created incentives for school pupils to obtain knowledge of labour rights and work safety and thus indirectly boosts their interest in trade union activity (Interview Rācenājs 2016). On the other hand, this means that the more tangible

results of the project – and a possible increase in the trade union membership rate among young workers – will be visible only in the long term. In the meantime, the proportion of people below 35 years of age within Latvian labour organisations is steadily decreasing: it was around 10 per cent in the early 2010s, while currently it stands at around 7 per cent. According to the LBAS Youth Council Coordinator (e-mail exchange with Ieva Freiborne 2016), the main reasons for low unionisation rates among young people are their emigration to other EU Member States, company restructuring (mergers or divisions of the existing entities) and limited knowledge concerning trade union activities within Latvian society.

## Conclusions

The economic crisis of the late 2000s changed little in terms of the conditions under which labour organisations operated in Latvia. In particular, unions' possibilities to co-shape working conditions through collective bargaining and/or to influence the policy-making process remained rather limited. For this reason, the innovative practices pursued by LBAS and its affiliates and presented in this chapter should not be regarded solely as a response to the crisis. Even though their launch coincided with the downturn, in the majority of cases the ideas behind the schemes had already been born before the downturn.

Latvians had become generally reluctant to participate in strikes and protests, so union activities focused on proposing legislative amendments and disseminating benchmarks on labour rights and OSH standards among their existing and potential members. Recent public opinion surveys attest to a positive reception of these efforts by Latvian society. According to a survey commissioned by LBAS and conducted by the Marketing and Public Opinion Research Centre SKDS in October 2013, awareness of labour rights among Latvian employees had increased in comparison to 2008 (SKDS 2013b). Another survey conducted in February 2013 revealed that, in comparison to 2009, when only 12 per cent of respondents were ready to ask a trade union for assistance where their labour rights had been violated, this option would now be taken up by 21 per cent of respondents. Even so, it seems that, in order to bring about tangible change and turn the trend of union decline, initiatives in the sphere of ideas should be combined with more vigorous organising efforts. So far, however, membership recruitment drives have rarely been organised in the context of the Latvian labour movement.

It should also be taken into consideration that the labour market itself is changing and that new forms of employment, characterised by lower levels of job security and work safety such as remote work, ICT-based mobile work or portfolio work are becoming increasingly popular. In the future, trade unions should intensify their efforts to attract new members among these new categories of employees, but it is unclear whether they will be able to win the resources that are necessary to put forward 'new ideas that work' and make efficient use of them in the changing socioeconomic context.

## Interviews

Interview with Egīls Baldzēns, President of LBAS since December 2016 (former Vice-President), Riga, 1 February 2016.

Interview with Kaspars Rācenājs, Lawyer of LBAS, Riga, 1 March 2016.

E-mail exchange with Ieva Freiborne, LBAS Youth Council Coordinator, March–April 2016.

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