



Social dialogue in Latvia

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Free Trade Union Confederation of Latvia

Social dialogue in Latvia





Social partners

Free Trade Union Confederation of Latvia

- Established in 1990
- National level social partner
- Largest trade union organisation
- Represents 90.000 workers in Latvia
- Internationally recognised
- Unites 21 sectoral trade union organization



International affiliation and cooperation



European Trade Union Confederation (ETUC)



International Trade Union Confederation (ITUC)

Pan-European Regional Council (PERC)

Baltic Trade Union Council (BTUC)



Baltic Sea Trade Union Network (BASTUN)
(LBAS will be presiding in BASTUN in 2018)



International Labour Organization (ILO)



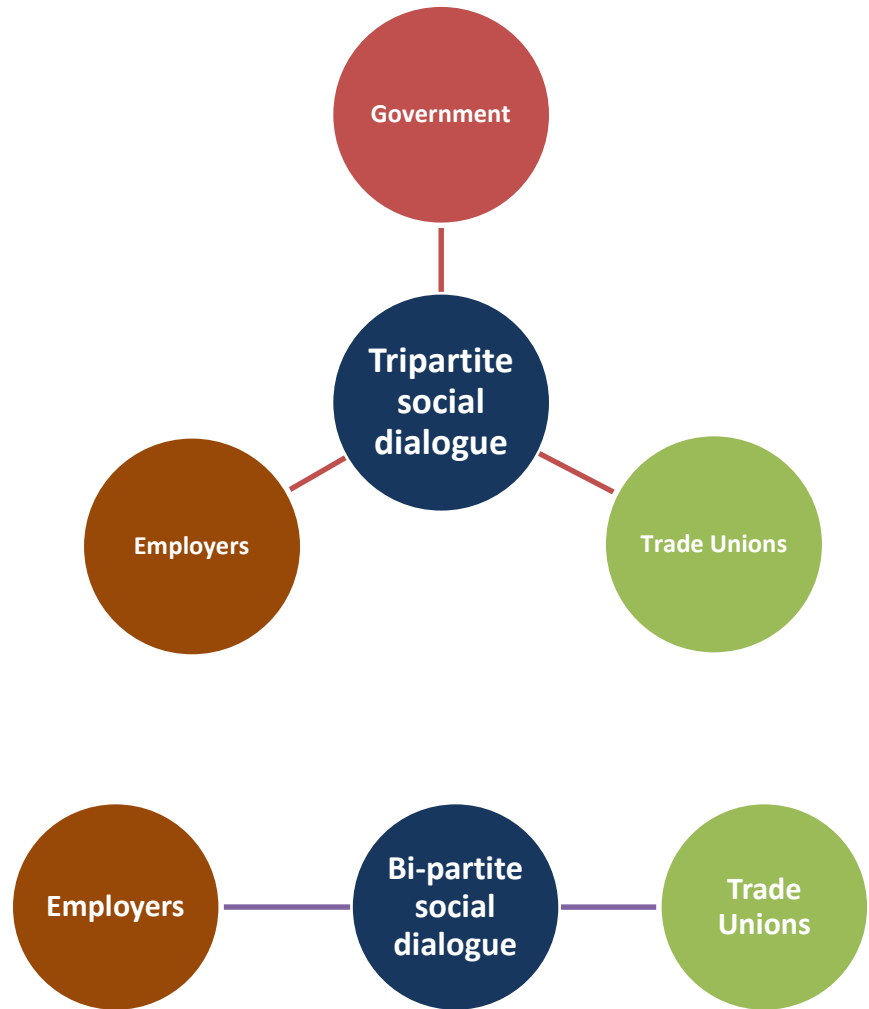
European Economic and Social Committee (EESC)

Employers Confederation in Latvia



Latvijas Darba devēju konfederācija

Social dialogue: tripartite and bi-partite



All types of negotiation, consultation or simply exchange of information, among or between the representatives of governments, employers and workers on issues of common interest relating to economic and social policy.

The consultations, negotiations or interactions in general can be formal or informal, institutionalized or not.

A close-up photograph of four hands, each wearing a dark business suit sleeve and a white shirt cuff, shaking hands in a circular arrangement. The hands are positioned in a circle, with each hand grasping the hand of an adjacent person. The background is a plain, light blue color. The text "Tripartite social dialogue" is overlaid in white on the lower-left portion of the image.

Tripartite social dialogue

Benefits of tripartite social dialogue

- Democratisation of policies
- Taking responsibility
- Legitimacy of government actions
- Preventing social conflicts
- Strengthening middle class
- Sustainability of reforms
- Bringing social dimension into economic decisions



Legal framework

Freedom of association

Constitutional protection of trade unions and core labour rights

- **Constitution (Satversme)**
- **Trade Union law (new since 2014)**
 - Establishment
 - Thresholds
 - Structure
 - Dismissal protection
 - Protection of representatives



Legal framework

Labour rights

- Law on Strikes
 - Solidarity and political strikes forbidden
 - No strike funds
 - Essential services
- Labour Dispute Law
- Labour Law
 - Regulates workers' representatives
 - Collective bargaining
- Labour Protection Law



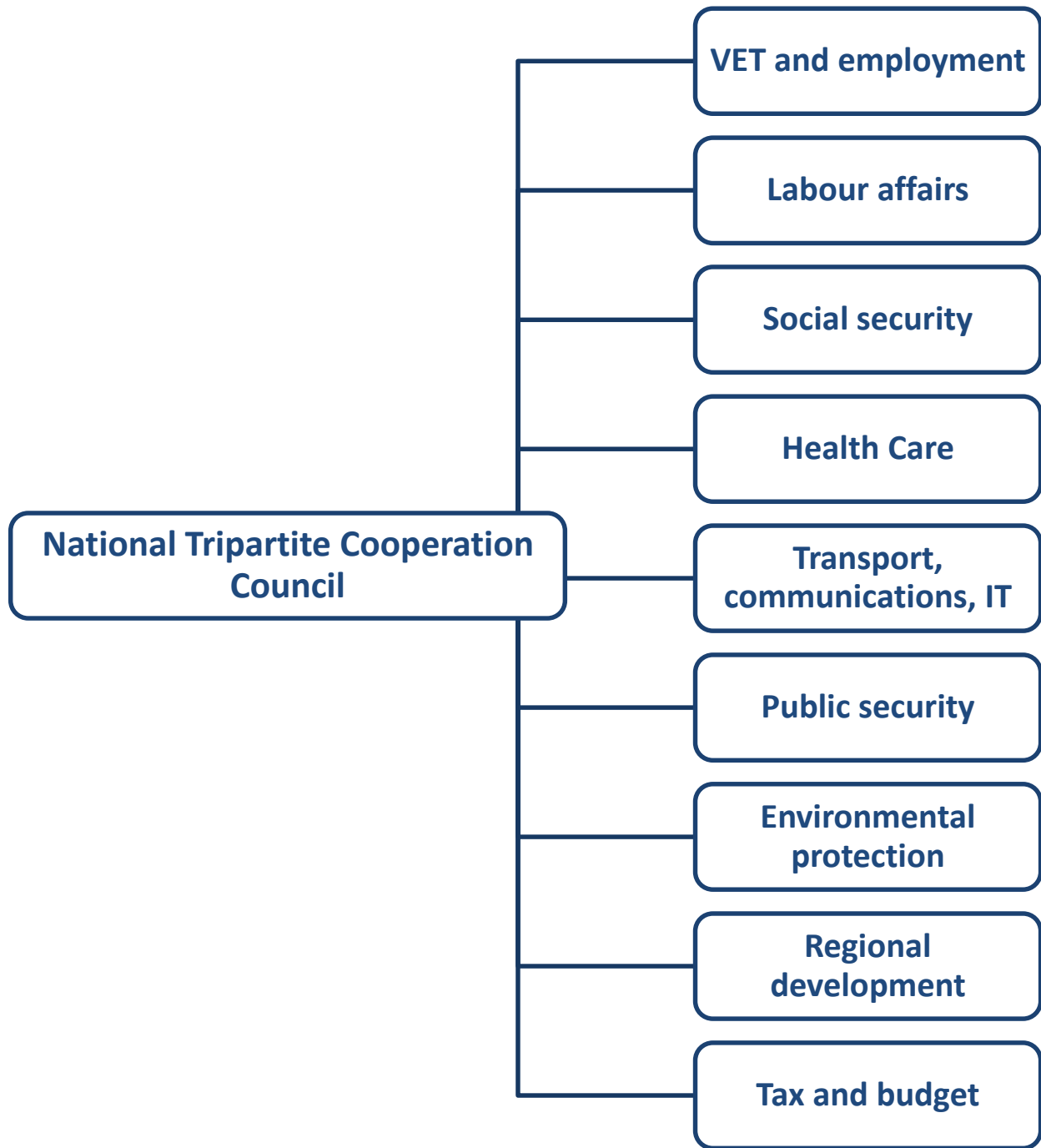
Tripartite social dialogue in Latvia

- National Tripartite Co-operation Council (NTCC) established in 1999
- Main instrument for social dialogue
- Agreement on the social economic partnership between Cabinet of Ministers, LDDK un LBAS signed in 2004
- Social partners: organisations uniting the highest number of members
- Good case practice on labour law related issues, economic issues and the EU agenda



National tripartite cooperation council: regulation

1. NTCC is composed by the government, LBAS and LDDK
2. NTCC objective:
 - to ensure joint and balanced solutions to social economic problems
 - develop and implement strategies and laws on social and economic issues that
 - Guarantee social piece, stability and improvement of welfare
 - Increase social co-responsibility for decisions taken



Tripartite Social Dialogue



Success factors



- Limited number of actors
- Well functioning and regulated structure
- Lobby for separate interests *versus* representing whole economy interests
- Capacity building, expertise and the ESF funding
- Personal contacts and initiative



Collective bargaining

Collective bargaining



- Coverage – 30%
- Main level – company
- Sectorial collective agreements – 3
- Wages set by the Cabinet of Ministers

Focus on sectorial collective agreements

- cover all workers and all forms of employment
- facilitate fair competition



Sectorial collective agreements in Latvia



Railway



Healthcare (wages)



Construction (wages, in force 03.11.2019)

Problems - Solutions

Unionisation of employers

Reaching
thresholds for
erga omnes
agreements –
60% of turnover
or 50% of workers

Lowering thresholds

- From 60 % of turnover to 50 %
- Allowing companies to join the agreement

Problems - Solutions

Detailed labour laws

- Not many issues left for collective bargaining
- Already decent standards

Controlled and safe derogations

- Only on limited issues
- First standard – payment for overtime

Derogations from laws by collective agreements

- Allowed and regulated by law
- Derogation has limited character (on limited standard)
- Has particular objective
- Criticised if allowed by collective agreements on company level



Derogation clause in Labour Law (2019)

Collective agreement
erga omnes

Sectoral minimum wage
1.5 more than national
minimum wage

Control clause



Supplement payment
for overtime can be
reduced from **100%** to
50 %

Problems - Solutions

**Supporting
employers
for setting
higher
standards**

**Tax
incentives**

- Expenses for meals - non taxable
- Transport and education expenses - in process

Collective agreement in construction sector (3.11.2019)

- Minimum wage 780 EUR (national min wage – 430 EUR)
- Bonus 5 % for qualification
- Reduced supplementary payment for overtime 50 %
- Reference period for working time accounting - 6 months
- Joint committee



Thank you!

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