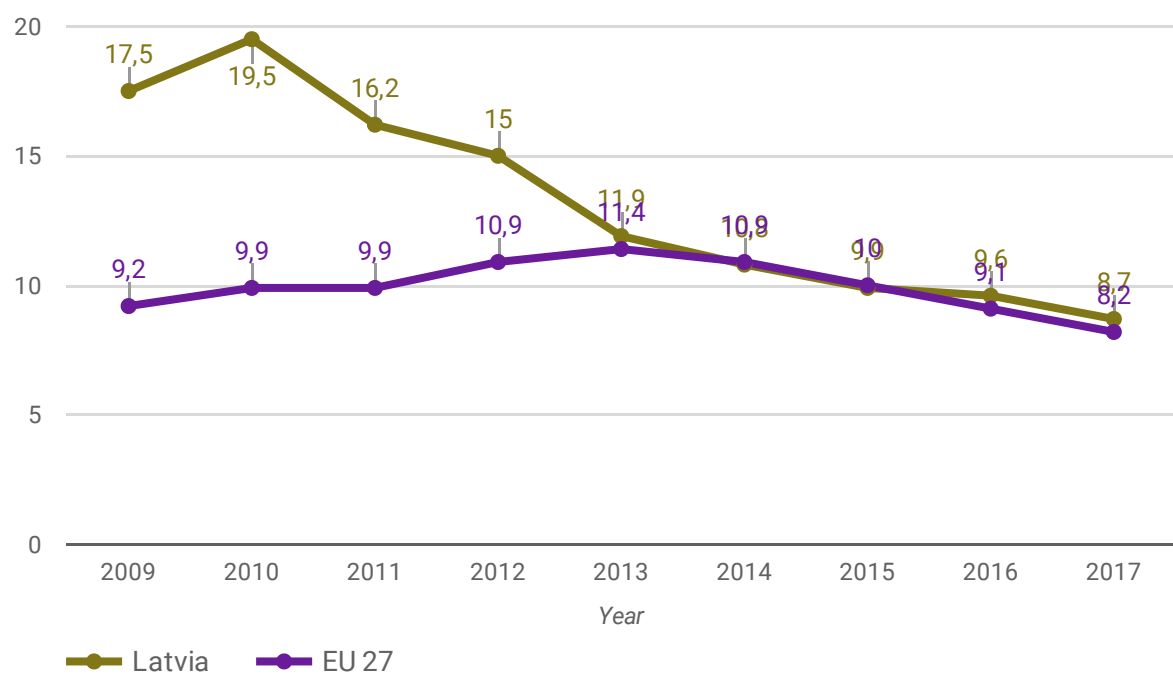


Labour Market Characteristics and Policies

EMPLOYMENT

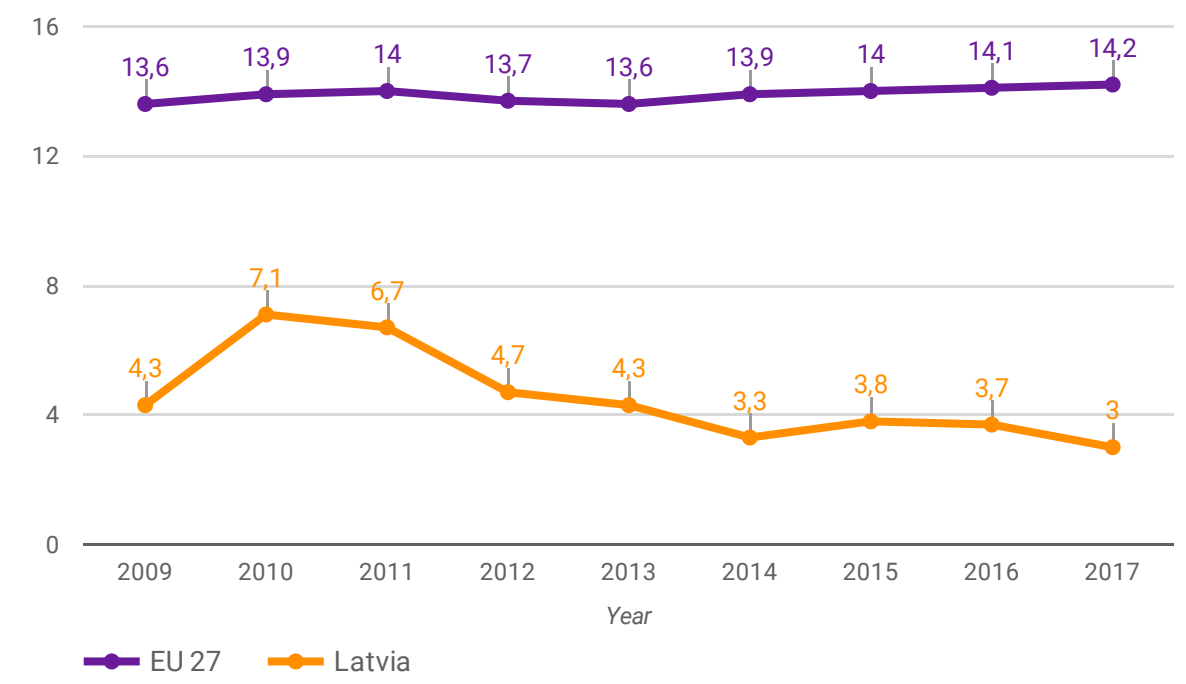


Unemployment rate

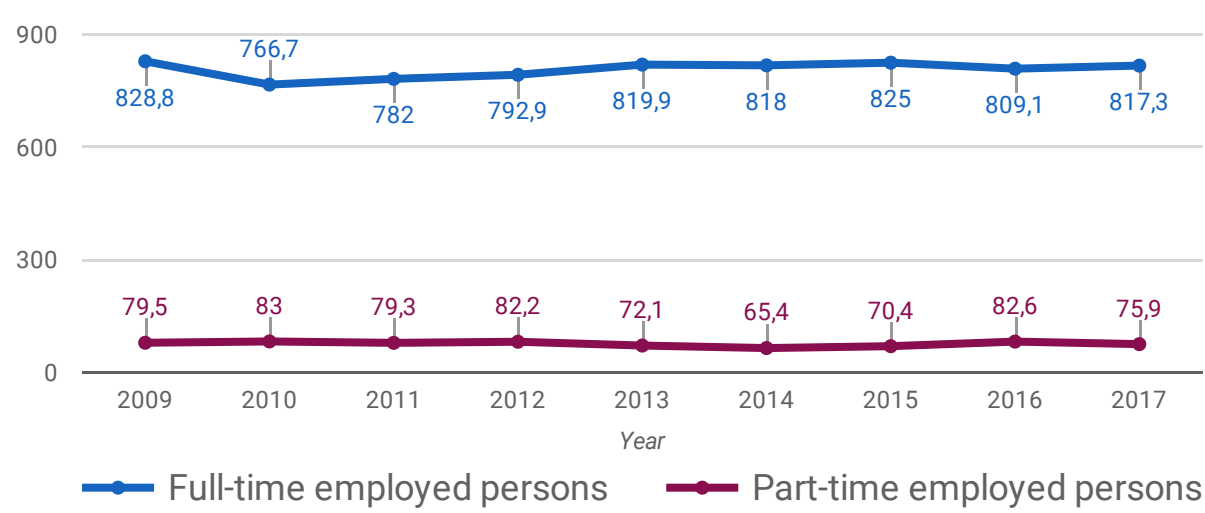


Employees with involuntary temporary contracts (% of temporary contracts): **53,5**

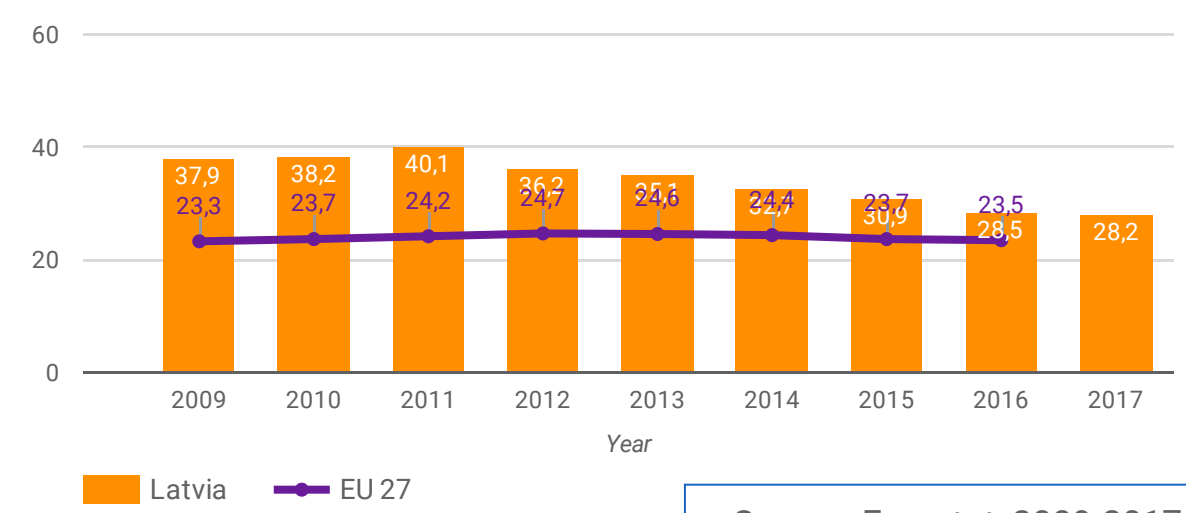
Temporary employees (% of total)



Employed persons (in thousands)

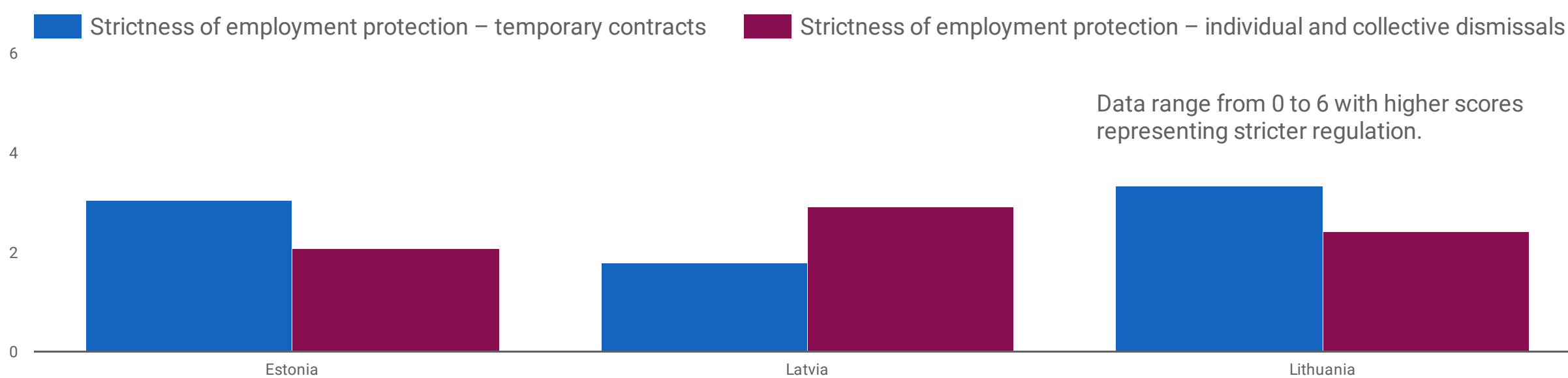


People at risk of poverty or social exclusion, %



Source: Eurostat, 2009-2017

OECD indicators of employment protection in the Baltics



Data range from 0 to 6 with higher scores representing stricter regulation.

Source: OECD, 2013-2015

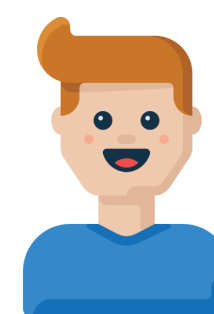
WAGES



Year	Minimum wages (EUR/month)	Gross average wages (EUR/month)
2009	254,13 €	778,39 €
2010	253,77 €	715 €
2011	281,93 €	782,74 €
2012	285,92 €	749,85 €
2013	286,66 €	810,17 €
2014	320 €	865,89 €
2015	360 €	773,28 €
2016	370 €	810,09 €
2017	380 €	null
2018	430 €	null

Lowest and highest paying industries:

Accommodation and food service activities: € 609 / month
Financial and insurance activities: € 2066,5 / month



Minimum wage (Eurostat): monthly national minimum wages
Gross average wages are provided by the **UNECE Statistical Database**, compiled from national and international (OECD, EUROSTAT, CIS) official sources.

Collectively agreed wages

Even though no direct pay increases were agreed, the outcome of social dialogue is the reform of tax system. The tax rate is differentiated from 20% to 31.4% depending on the annual income, instead of a flat tax rate. The non-taxable income was increased.

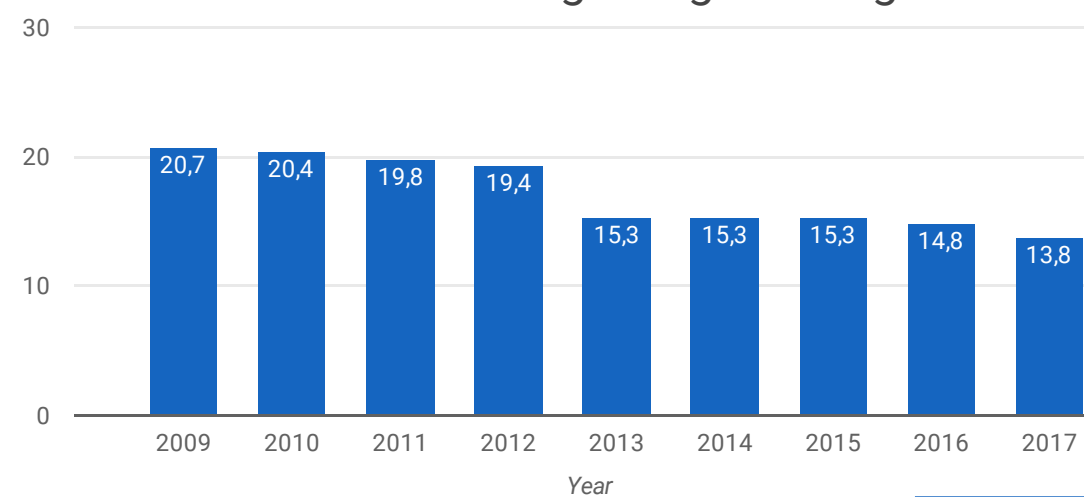
Source: Eurofound, 2017



Bargaining coordination (Eurofound, 2017) - Single employer bargaining at the company level is predominant. Bargaining is much more prominent in the public sector, including state-owned companies. 1152 company level agreements and 8 branch level agreements in 2016. In 2018 two general industrial agreements were valid: in the railway and health industries

Source: Lulle and Ungure, 2019, ETUI book Collective Bargaining in Europe

Collective bargaining coverage

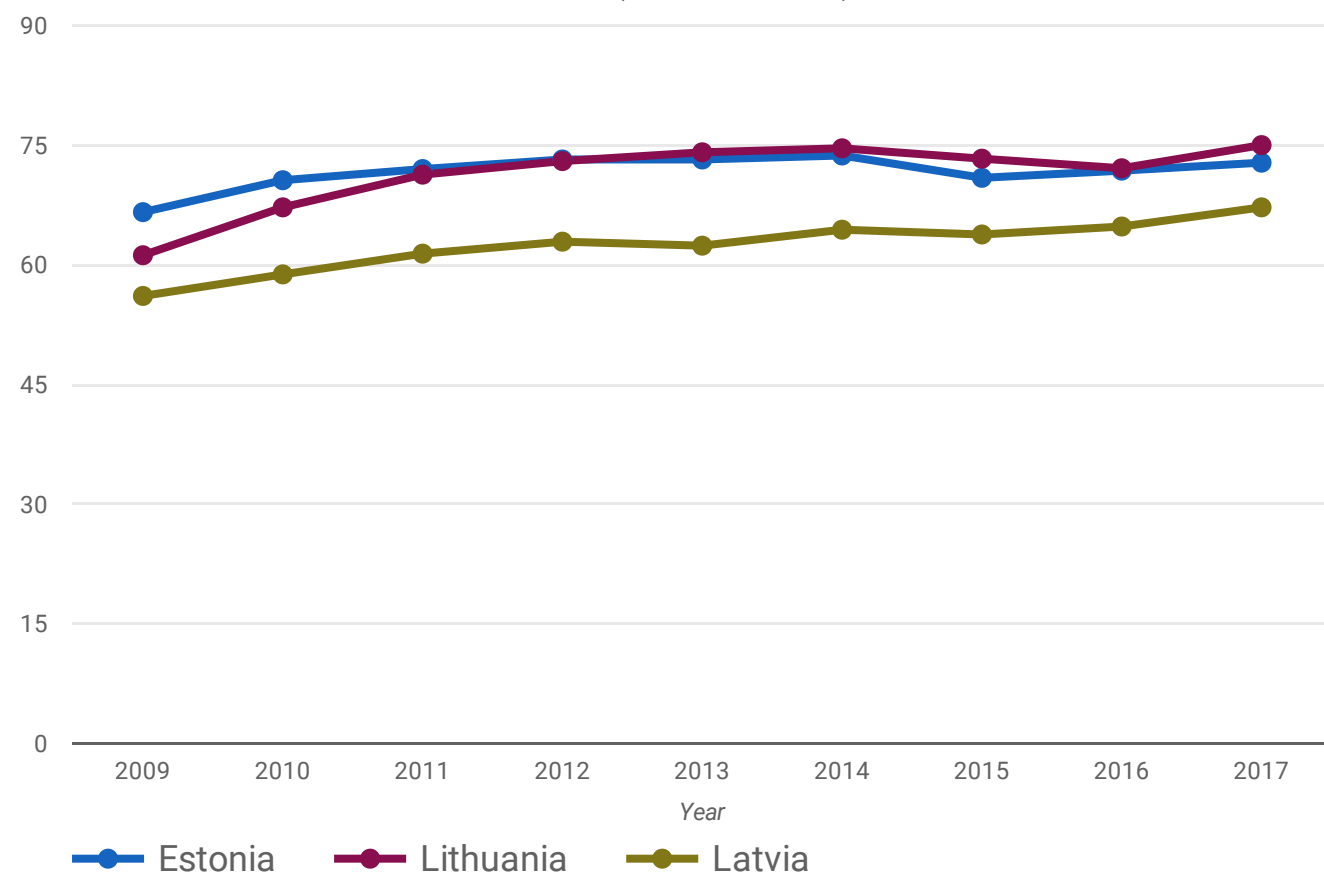


Source: ILO, 2009-2017

ECONOMY



Labour productivity per person employed and hour worked (EU28=100) %



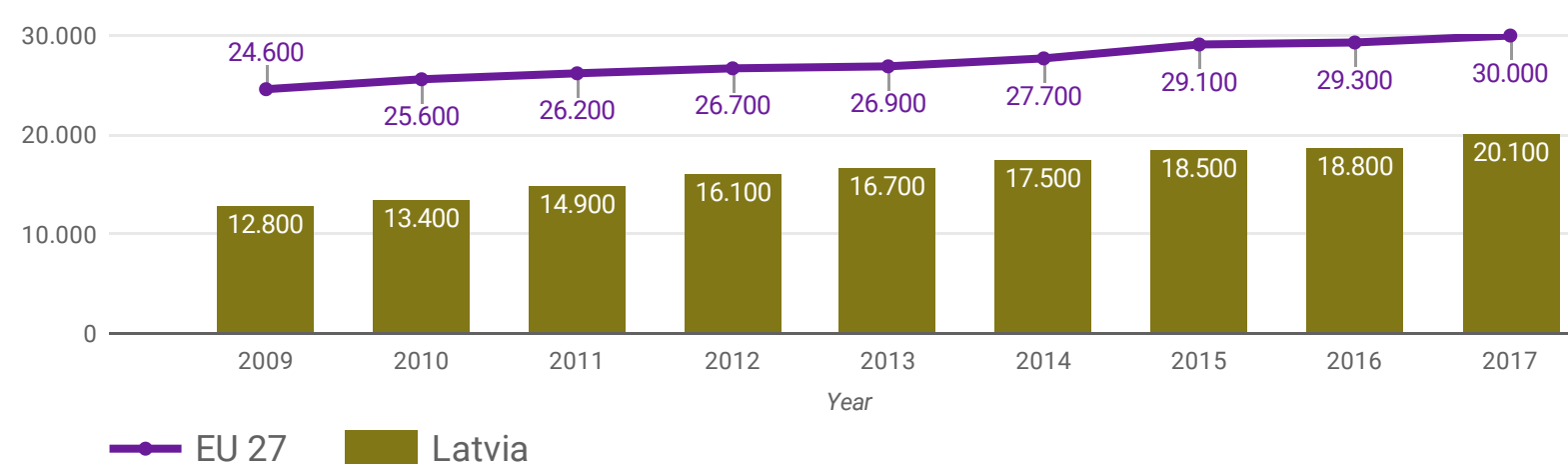
Employment in Foreign Controlled Enterprises (% total persons employed, 2015)

19,96

Value Added in Foreign Controlled Enterprises (% total value added, 2015)

33,51

Purchasing power adjusted GDP per capita (in PPS_EU28)



Source: Eurostat, 2009-2017

EMPLOYMENT PROTECTION POLICY



- Length of notice period at different tenure durations
- Severance pay at different tenure durations

- Definition of unfair dismissal

- Length of trial period
- Compensation following unfair dismissal

- Maximum number of successive standard Fixed Term - Contracts (initial contract plus renewals and/or prolongations)
- Maximum cumulated duration of successive standard Fixed Term Contracts
- Types of work for which temporary work agency (TWA) employment is legal
- Are there restrictions on the number of renewals and/or prolongations of TWA assignments?
- Maximum cumulated duration of TWA assignments

- Do regulations ensure equal treatment of regular workers and agency workers at the user firm?
- Definition of collective dismissal

- Additional notification requirements in cases of collective dismissal
- Additional delays involved in cases of collective dismissal
- Other special costs to employers in case of collective dismissals

- 1 month except in cases of employee's misconduct.
- If a collective agreement or the employment contract does not specify a larger severance pay, and except in cases of misconduct, an employer has a duty to pay a severance pay to an employee in the following amounts: 1) one month average earnings if the employee has been employed by the relevant employer for less than five years; 2) two months average earnings if the employee has been employed by the relevant employer for five to 10 years; 3) three months average earnings if the employee has been employed by the relevant employer for 10 to 20 years; and 4) four months average earnings if the employee has been employed by the relevant employer for more than 20 years.
- There is no legal definition of "unfair dismissal" in the Labour Law. Yet, it could be derived from the text that unfair dismissal is the dismissal which has been performed ignoring the rules for dismissal set out in the Labour Law.
- Three months.
- (1) An employee who has been dismissed illegally and reinstated in his or her previous work shall in accordance with a court judgment be paid average earnings for the whole period of forced absence from work. Compensation for the whole period of forced absence from work shall also be paid in cases where a court, although there is a basis for the reinstatement of an employee in his or her previous work, at the request of the employee terminates the employment legal relationships by a court judgment. (2) An employee who has been transferred illegally to other lower paid work and afterwards reinstated in his or her previous work shall in accordance with a court judgment be paid the difference in average earnings for the period when he or she performed work at lower pay.

- No limit in legislation.
- Three years (including extensions of the term) if another term has not been specified in another law.
- Generally there are no restrictions.
- There are no restrictions in general. If a fixed term contract is concluded - rules of fixed term contracts are applicable.
- No restrictions concerning assignments. If a fixed term contract is concluded - rules of fixed term contracts are applicable.

- Ensures the equal treatment of regular workers and agency workers.

- "Collective redundancy is a reduction in the number of employees where the number of employees to be made redundant within a 30-day period is: 1) at least five employees if the employer normally employs more than 20 but less than 50 employees in the undertaking; 2) at least 10 employees if the employer normally employs more than 50 but less than 100 employees in the undertaking; 3) at least 10 per cent of the number of employees if the employer normally employs at least 100 but less than 300 employees in the undertaking; or 4) at least 30 employees if the employer normally employs 300 and more employees in the undertaking. These provisions of this Law regarding collective redundancy shall not apply to: 1) crews of sea-going ships; and 2) employees employed in State administrative institutions."
- Notifications and consultations.
- At least five days for consultations plus $(45+60)/2$ days waiting period minus 12 days for notification letter.
- Consultation on principles of staff reduction, and ways to mitigate its effects. Negotiation with workers' representatives.

Source: Employment protection legislation OECD database - Regulations in force on 1st January 2013