

Strengthening Involvement

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Case study

Cyprus Report

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Case 1: Privatization of the Garbage Collection Department, Strovolos Municipality

Strovolos Municipality is the second most populated Municipality of Cyprus with more than 70,000 inhabitants, covering an area of 25Km². It employs approximately 270 persons (clerical staff and workers) and its budget for the two year period 2017-19 is €17,000,000 (decreased by 30%). Despite the decrease of State aid, thanks to its large population and sizeable industrial zone, its big commercial developments (e.g. Mall) and big trading companies, the Municipality has satisfactory cash flows.

The Municipality is structured as follows:

- Municipal Council: Responsible for taking political decisions and policy making.
- Municipal Secretary with Heads of Departments: Responsible for implementing the political decisions, ensuring the day-to-day operation of the Municipality and serving its citizens. Departments:
 1. Administration and Personnel Department
 2. Finance Department
 3. Technical Department
 4. Public Health and Sanitation Department
 5. Environmental Development Department, etc.

Strovolos Municipality is party to the Sectoral Collective Agreement which covers all urban and regional Municipalities of the Nicosia District. Members include one representative from each Municipality (usually the Mayor or Municipal Secretary) and representatives of the employees, one from each association. There is also a Committee operating under the presidency of the President of the Union of Municipalities (national agency). This body examines broader policy issues, e.g. efforts to conclude a Pancyprian Collective Agreement.

The problem

The problem which has arisen relates to the privatization of the services in local self-government, resulting in the complete abolition of the overwhelming majority of jobs.

At a bilateral meeting between the Democratic Labour Federation of Cyprus (DEOK) and the Mayor of Strovolos we expressed our dissatisfaction for the fact that he did not invite the trade unions to a dialogue. Instead, the Municipal Council took a unilateral decision to proceed with the partial privatization of the garbage collection crews.

The Mayor informed us of the Municipal Council's decision and described his intentions for the partial privatization of the garbage collection crews as well as the privatization of crews in other areas of municipal services. He advanced the following reasons:

- High cost of municipal services compared to the purchase of services from private individuals.
- Municipal workers are not productive / efficient.
- The Municipality receives a large number of complaints from its citizens.

Had the Mayor avoided to meet and brief us, we would have contacted the other associations and jointly exercise systematic pressure in order to arrange a meeting with the Mayor. We would also seek to arrange a meeting to launch a dialogue by sending a letter and making announcements in the media. Had the Mayor's response remained negative, we would have taken measures together with the other employee associations, which we would possibly escalate based on the developments.

Thereafter, a joint meeting and consultation with the trade unions was held, in order to set common goals and pursuits. A meeting was arranged with the heads of the trade unions in the municipal workers sector and the Mayor. We presented to him our common positions. The objective of economies of scale in the sector could be achieved through the clustering of the municipal services.

We also proposed the setting up of a joint committee comprising representatives of the three associations and the Municipality, to examine the mode of operation of the garbage collection service and all relevant matters and suggest ways of improving the efficiency of the service. The joint committee held two meetings and took the following decisions:

- To abandon the practice of working based on the logic of “continuous, fast-paced, uninterrupted” work.
- To establish regular working hours with a six-hour night shift, as provided in the European and national legislation.
- To abolish the twelfth crew in charge of collecting weeds and prunings.
- To set up a joint committee to examine the problems of the service such as sick leave, working processes and methods, health and safety issues.
- Introduction of the new working hours during a one-month pilot period. This would be followed by a second meeting to assess the outcome, identify problems and seek solutions.
- At the next meeting discussions would begin on solving the other problems of the service in order to render it efficient.

Following this one-month period, the employer came up with various pretexts to avoid engaging in a dialogue. In the meantime, we had been informed both by clerical staff and workers in the garbage collection department that the Municipality was going ahead with the plan of privatizing the service. More specifically, it had prepared and drafted the tender, obtained the required approvals by the Ministries of Interior and Finance and was at the stage of making a public announcement for a call for tenders.

In parallel, a General Assembly of the employees was held for information and consultation purposes. They were briefed on the progress of the contacts and the objectives of the negotiation, the changes in the method of work and the working hours. They were also informed that within one month, a new meeting would be held with the employer to assess the new working hours and the new methods of work and take measures for further improvements.

After one month elapsed and given that the employer avoided a dialogue for assessing the changes which had been agreed, as stated above, the associations of the employees convened a new General Assembly and requested the approval of their proposal for measures including a 24-hour warning strike. They also requested the General Assembly to authorise the trade unions to decide on the timing of the strike. The General Assembly voted in favour of the joint proposals of the three associations, with 27 positive votes and 3 abstentions out of a total of 33 employees.

Approximately ten days after the General Assembly, the trade unionists decided to hold the strike in the early morning hours of Monday. To this end, they went to the garbage truck depot of Strovolos Municipality at 2.30 a.m. and requested the drivers of the crews to immobilize the trucks and join the workers outside the office of the head of the Department to announce the 24-hour warning strike (21 May 2018). During the strike, the General Assembly decided to invite the employer to a dialogue. In case of no response, the workers would proceed to announce more measures.

The Mayor made statements in the media and tried to convince the public of the Municipality's decision to announce the partial privatization of the services. The trade unionists intervened to defend the positions of the employees, namely that the services should remain within the broader public sector and the jobs should be maintained. The workers' associations issued a relevant press release which was distributed to both electronic and print media. In the end, it appeared that the employees had won the first battle.

A meeting was arranged between the representatives of the employees and the Mayor and the Municipal Secretary to continue the dialogue. The trade unionists requested the discussion of a document which they sent to the Municipality. During the meeting, the document was also formally submitted. The document was discussed and amended. It was decided to make the necessary additions to the document and arrange a new meeting.

The document provides as follows:

- Commencement of intensive dialogue to discuss the problems of the garbage collection crews.
- Discussion on the creation of organic positions in all services of the Municipality for the workers, to be varied only upon consultation.
- Positive response of the trade unions on the partial purchase of services to satisfy needs in addition to the functions covered with the organic positions.
- At the same time, the Municipality would include in the contracts with the private agency the obligation to apply to all their workers the basic terms of employment of the Municipality's Collective Agreement.
- On conclusion of the agreement, the measures taken by the employees would be lifted.
- The Municipality would not proceed with the intended purchase of services before the conclusion of the dialogue.
- The agreement would become an appendix to the Collective Agreement, only for the specific Municipality.

A second meeting was arranged, during which differences arose in relation to the document. More specifically: i) whether the organic positions would be agreed based on 2012, before the onset of the crisis, or based on 2018, during the crisis, ii) which basic terms of the Collective Agreement did the trade unionists require the private agency to adopt? Whether it is possible to include such terms in the specifications of the tender, as this may amount to an intervention in the employer-employee relations, “which is not foreseen in public procurement contracts.” The Mayor also insisted that the Municipality should maintain the right to announce the call for tenders, as he “predicted” that the dialogue would take very long.

The following meeting was attended by the Secretaries of the sectoral organisations of the municipal employees from each association. The discussion was somewhat brief and focused on more or less the same points. Objectively a deadlock arose during the discussion, which was not declared officially, as the meeting was held on Friday, 30/06/2018. Trade unionists maintain an open line of communication with the employees in order to jointly decide on the next steps.

Case 2: Organization of employees at the ICTS company, Airport Security

ICTS is a company providing security services at the Airports of Larnaca and Pafos. It is responsible for checking passengers and luggage upon their entrance at the Airports. When it launched its operations in the beginning of 2017 it employed 400-450 persons. Its current workforce is 350. It also provides services in the airports of other countries such as Greece and Skopje. It has a contract with Hermes Airports for the next years (5+3) and is compensated for the services it provides per passenger (traveler). The company's seat is in the Netherlands.

The problem

The problem consists in the absence of a Collective Agreement. The employees work for the minimum salary without basic rights such as bank holidays, overtime, sick leave, medical care. Moreover, we had complaints about the behaviour of senior officers towards employees.

The service they provide is extremely important as the safety of our country depends on it. By checking the luggage with x-ray machines, they prevent terrorist attacks or sabotage in the territory of the Republic of Cyprus. This used to be the work of the Police.

Following consultations amongst the three trade unions, we arranged an appointment with the employer and demanded to be informed of their intentions on the conclusion of a Collective Agreement. We had a few meetings and also attempted to speak with the employees before the beginning or after the end of their shift to register them in any one of the three associations they would choose, so that the company could not argue that the employees do not wish to be organised.

The company did not appear willing to grant certain rights, possibly because it did not know how Collective Agreements are concluded in Cyprus, since in the other countries where it is present it concludes personal contracts and respects the laws. On 21/11/19, we declared a labour dispute with the Ministry which invited the two parties to a negotiation. The company was accompanied by a representative of the Federation of Industrialists and Employers who had a consulting role.

The company did not refuse to brief us. Had this been the case, we would have tried through Hermes Airports, who is their employer, or through government officials as this task was previously undertaken by the Police and concerns the safety of our country.

The decisions were taken by the three trade unions following consultations between us. We have the experience of working with other companies and organisations with which we discuss, consult and sign collective agreements. Our common positions are as follows:

- 13th salary
- Bank holidays
- Overtime
- Sick leave
- Insurance coverage
- Salary scales
- Pay increase

We have a certain difficulty contacting the employees as we cannot disturb them when they are working. We have asked both ICTS and Hermes to provide us with a room which employees can use during their break so that we can meet with them. This has not been done yet. We contact them over the phone or outside the Airport before the beginning or after the end of their shift. Had they raised an issue of confidentiality we would have accepted it.

We used Hermes Airports as external assistance and, in some cases where it was deemed necessary, we approached members of the House of Representatives – the Government.

We thought it proper to be in contact with Hermes Airports, which is responsible for everything that goes on at the Airports. Hermes Airports was also informed by the Ministry on the progress of the negotiations. Its role was critical as it can also intervene in relation to the staffing of ICTS. We managed to launch the negotiation and gain certain demands. Thanks to the assistance of the Ministry and Hermes, we did not consider it necessary to involve other government agencies.

The replies to our positions were justified, but not satisfactory for the employees. We insisted and as consultations progressed at the Ministry we managed to win certain things which the company was not even willing to discuss at the beginning of the process.

The consultation was effective. The initial agreement is good but we still have a lot to gain. We are working on the agreement and we will enhance the rights of the employees. Our positions remain the same when it comes to better pay for employees, career progression, the recognition and appreciation of their work by the company.

A work stoppage of a few hours would help the specific company understand the need to provide employees with better rewards and show them respect, as it would come to realize the power of organised employees.

Case 3: Violation of collective agreement at the Vasiliko cement plant factory

Vassiliko Cement Works is a cement producing factory (monopoly) and comes under the Construction Sector. For the size of Cyprus it is considered a large business as it employs 240 individuals. It is structured as follows: a) Board of Directors, b) General Management, c) Management Team, d) Heads of Departments, e) Scientific Personnel, f) Technical personnel and g) Workers.

We know that the company's financial situation is very good. Until March 2017, information on its production, domestic sales and cement exports (mainly to Israel) was available through the Statistical Service. Since then, the company no longer shares data on its production, sales and cement exports with the Statistical Service and we therefore cannot draw safe conclusions. Cement production is, however, on the rise.

When problems relating to employees arise, the three trade unions of Builders act jointly in their best interests. In the above business, 62% of employees are members of trade unions while the remaining 38% are not (13% management and 25% scientific personnel).

Following extensive negotiations, the trade unions signed the most recent collective agreement with the company on 18/11/2016. It could be said that relations between the trade unions and the company are good. The head of personnel holds monthly meetings with local employees and professional trade unionists to address day-to-day problems. Higher level meetings are also held between the General Management of the company and the heads of the trade unions in case of issues relating to policy and the interpretation of the collective agreement. Moreover, meetings at the highest level are held every two to three months. The three General Secretaries of the trade unions of the Builders hold meetings with the chairman of the Board of Directors of Vassiliko Cement Works Public Company Ltd to resolve issues and problems that cannot be resolved in the other meetings.

As regards our past action, we could say that there is a rich record of work stoppages, 24-hour, 48-hour and indefinite strikes, culminating in the indefinite strike which began on 1/3/2012 and lasted

20 days. At the time, we as trade unions paid employees on strike unemployment benefit. The strike resulted in a shortage of cement on the market and ready-mix concrete companies were forced to interrupt their operations. Several companies and building sites also suspended their operations due to cement shortage.

The problem

The problem consisted in the violation by the company of certain articles of the collective agreement and the law on equal treatment at work. Despite the lengthy consultations between the two sides there was no positive outcome. As a result, in accordance with the Industrial Relations Code, the trade unions of the Builders applied to the Mediation Department of the Ministry of Labour and requested its intervention.

The Mediation Department invited the two sides to a consultation, presided by the director of the Department. Several meetings were held but to no avail. During the consultations, the company transferred two employees from the sales department to the mechanical maintenance department without consultation and without informing the trade unions and the affected employees. The local members briefed the leadership of the trade unions during a meeting for this matter held on the same day and, as they said, the employees considered the company's decision to be vindictive.

We requested a meeting with the company's head of human resources and the General Manager to obtain more information. At the meeting we raised the following questions:

- Why did you make these transfers?
- Were the transfers of the two colleagues vindictive?
- Why didn't you inform the trade unions and the two colleagues concerned?
- Why did you proceed with this move bearing in mind that we have been holding consultations for such a long time?
- Was this done in an attempt to exercise pressure?
- And many more questions.

Had the Management refused to inform us, we would have requested a meeting with the Chairman of the Board of Directors, shareholders of the company, send letters in all directions with copy to the Department of Industrial Relations, make announcements in the media and also consider other ways to exercise pressure.

We invited the local employee committees to a meeting. Following a thorough discussion and a lot of reflection we convened a General Assembly of all employees to take decisions. At the Assembly, employees were informed by the leaders of their trade unions about the questions we raised and the answers we received. This was followed by a discussion, after which the leaders of the trade unions of the Builders proposed an indefinite strike starting on 27/10/2017. The General Assembly unanimously approved the proposal by secret ballot and the indefinite strike began on 27/10/2017.

Employees were briefed through personal contacts, in particular with members of the local committee, telephone calls, visits at the workplace or meetings at the offices of the trade union. In this case there is no issue of confidentiality as the company did not share any confidential information with us. But had the company raised an issue of confidentiality, this would not have been accepted by our side as it did not concern a trade secret or other legal interests of the company.

Our sectoral trade union of Builders requested assistance from DEOK's leadership to increase pressure in all directions as they would think proper (ministers, members of the House of Representatives, other stakeholders, State services, Industrial Relations and Mediation Departments, the Management and Board of Directors of the company).

The general council of the trade union of Builders, DEOK's leadership as well as civil society were briefed and we asked them to understand us and put pressure on the company.

We did obtain replies to our positions but obviously they were not all positive and satisfactory. Our efforts to ensure the rights and equal treatment, and safeguard and protect employees, are ongoing.

Faced with the negative positions of the Management, we continued our consultations, increased pressure and, on some occasions, mobilization – work stoppage and other measures were adopted.

The consultation held on 30/10/2017 at the Mediation Department of the Ministry of Labour, headed by the Director of the Department, on the issue of the transfer of the two colleagues had a positive outcome. The company revoked its decision to move the two colleagues for a period of three months to allow them to meet the enhanced duties required of them, as the Management claimed.

The strike ended following another General Assembly of the employees during which they were thoroughly briefed on the results of the consultation. Again, the decision to end the strike, taken by secret ballot, was unanimous.